

103^D CONGRESS
1ST SESSION

H. R. 322

AMENDMENT

In the Senate of the United States,

November 22, 1993.

Resolved, That the bill from the House of Representatives (H.R. 322) entitled “An Act to modify the requirements applicable to locatable minerals on public domain lands, consistent with the principles of self-initiation of mining claims, and for other purposes”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLES.***

2 (a) *IN GENERAL.*—*This Act may be cited as the*
3 *“Hardrock Mining Reform Act of 1993”.*

4 (b) *SURFACE RESOURCES ACT OF 1955.*—*The Act of*
5 *July 23, 1955 (69 Stat. 367, chapter 375; 30 U.S.C. 611*
6 *et seq.) is amended by adding at the end the following new*
7 *section:*

8 ***“SEC. 8. SHORT TITLE.***

9 *“This Act may be cited as the ‘Surface Resources Act*
10 *of 1955’.”.*

11 (c) *MATERIALS ACT OF 1947.*—*The Act of July 31,*
12 *1947 (61 Stat. 681, chapter 406; 30 U.S.C. 601 et seq.) is*
13 *amended by adding at the end the following new section:*

1 **“SEC. 5. SHORT TITLE.**

2 *“This Act may be cited as the ‘Materials Act of*
3 *1947.’”.*

4 **SEC. 2. FINDINGS AND PURPOSE.**

5 (a) *FINDINGS.*—Congress finds and declares that—

6 (1) *a secure and reliable supply of nonfuel min-*
7 *erals is essential to the industrial base of the United*
8 *States, national security, and balance of trade;*

9 (2) *many of the deposits of nonfuel hard min-*
10 *erals that may be commercially developed are on Fed-*
11 *eral public lands, and are difficult and expensive to*
12 *discover and process;*

13 (3) *the national need for nonfuel hard minerals*
14 *will continue to expand and the demand for the min-*
15 *erals will exceed domestic sources of supply without a*
16 *strong mining industry;*

17 (4) *mining of nonfuel hard minerals is an ex-*
18 *tremely high-risk, capital-intensive endeavor, which,*
19 *to attract necessary investment, requires certainty*
20 *and predictability in access to public lands, establish-*
21 *ment of mining titles, and the rights of claimants to*
22 *develop minerals;*

23 (5) *it is in the national interest to foster and en-*
24 *courage private enterprise in the development of a do-*
25 *mestic minerals industry to maintain and create high*
26 *paying jobs in the United States;*

1 (6) *mining activities on public lands should be*
2 *consistent with applicable Federal land use plans and*
3 *should be conducted in compliance with all applicable*
4 *Federal and State environmental regulations and*
5 *standards, including standards governing mined land*
6 *reclamation;*

7 (7) *the diversity in terrain, climate, biological,*
8 *chemical, and other physical conditions, and vari-*
9 *ation among the minerals mined and the methods of*
10 *mining and processing, require that reclamation*
11 *standards should be tailored to local and regional*
12 *conditions; and*

13 (8) *changes in the general mining laws of the*
14 *United States to provide more direct economic return*
15 *to the United States and greater protection for public*
16 *resources are desirable, so long as the changes do not*
17 *adversely affect employment in the mining industry*
18 *or in industries that provide goods and services re-*
19 *quired for mining activities, interfere with a secure*
20 *and reliable supply of minerals, or adversely affect*
21 *the balance of trade of the United States.*

22 (b) *PURPOSE.—It is the purpose of this Act to—*

23 (1) *provide for increased Federal revenue from*
24 *the location and production of ores and nonfuel hard*
25 *minerals through increased fees and royalties;*

1 (2) *provide for the payment of fair market value*
2 *for the surface of any land patented under the general*
3 *mining laws of the United States;*

4 (3) *ensure that all public lands affected by*
5 *nonfuel minerals mining activities under the general*
6 *mining laws are reclaimed, in concert with State and*
7 *local reclamation authorities; and*

8 (4) *establish a program to help reclaim nonfuel,*
9 *hardrock mineral abandoned mines.*

10 **SEC. 3. DEFINITIONS.**

11 (1) *LOCATABLE MINERAL.*—*The term “locatable min-*
12 *eral” means any mineral not subject to disposition under—*

13 (A) *the Mineral Leasing Act (30 U.S.C. 181 et*
14 *seq.);*

15 (B) *the Geothermal Steam Act of 1970 (30*
16 *U.S.C. 1001 et seq.);*

17 (C) *the Materials Act of 1947 (30 U.S.C. 601 et*
18 *seq.); or*

19 (D) *the Mineral Leasing Act for Acquired Lands*
20 *(30 U.S.C. 351 et seq.).*

21 (2) *MOUTH OF THE MINE.*—*The term “mouth of the*
22 *mine” means the portal of an underground mine, the point*
23 *of exit of ore from an open pit mine, or the wellhead of*
24 *a solution mine.*

25 (3) *VALUE.*—

1 (A) *IN GENERAL.*—The term “value” means the
2 fair market value of the ore or solutions as they
3 emerge from the mine or well, less the direct and indi-
4 rect costs of mining, including related mine explo-
5 ration and development expenses, determined in ac-
6 cordance with generally accepted accounting prin-
7 ciples.

8 (B) *NO MARKET AT MOUTH OF MINE.*—

9 (i) If there is no market for ore in its raw
10 or crude state, the term “value” means the gross
11 income (computed in accordance with subpara-
12 graph (C)) from the mining of the ore or the pro-
13 duction of the solutions, less the direct and indi-
14 rect costs associated with the mining or produc-
15 tion, determined in accordance with generally
16 accepted accounting principles.

17 (C) *GROSS INCOME FROM THE MINING OF THE*
18 *ORE OR THE PRODUCTION OF THE SOLUTIONS.*—
19 Gross income from the mining of the ore or the pro-
20 duction of the solutions shall be computed by mul-
21 tiplied—

22 (i) gross sales (actual or, where there are no
23 sales, constructive) of the minerals or metals con-
24 tained in the ore or solutions by a fraction whose
25 numerator is the sum of all direct and indirect

1 *mining costs incurred to bring the ore or solu-*
2 *tions to the mouth of the mine (excluding in-pit*
3 *crushing), and whose denominator is the total of*
4 *all mining and nonmining costs incurred to*
5 *produce, sell, and transport the product.*

6 (4) *SECRETARY.*—*Unless the context otherwise re-*
7 *quires, the term “Secretary” means the Secretary of the In-*
8 *terior.*

9 **SEC. 4. LOCATION AND MAINTENANCE REQUIREMENTS.**

10 (a) *LOCATION FEE.*—*For each claim located after date*
11 *of enactment of this Act, a claimant shall pay the Secretary*
12 *a location fee of \$25.00 not later than 90 days after the*
13 *date of location.*

14 (b) *ANNUAL MAINTENANCE FEE.*—*Commencing the*
15 *first calendar year after the date of enactment of this Act,*
16 *a claimant shall pay the Secretary on or before December*
17 *31 of each year, a maintenance fee of \$100 per claim to*
18 *maintain the claim for the following calendar year.*

19 (c) *INDEXING.*—

20 (1) *IN GENERAL.*—*The Secretary shall adjust the*
21 *fees required by this section to reflect changes in the*
22 *Consumer Price Index published by the Bureau of*
23 *Labor Statistics of the Department of Labor every 5*
24 *years after the date of enactment of this Act, or more*

1 frequently if the Secretary determines an adjustment
2 to be reasonable.

3 (2) NOTICE.—The Secretary shall provide claim-
4 ants notice of any adjustment made under this sub-
5 section not later than July 1 of any year in which
6 the adjustment is made.

7 (3) EFFECTIVE DATE OF ADJUSTMENT.—A fee
8 adjustment under this subsection shall begin to apply
9 the calendar year following the calendar year in
10 which it is made.

11 (d) FAILURE TO PAY FEE.—Failure to timely pay the
12 location fee or maintenance fee required by this section for
13 a claim shall be deemed an abandonment of the claim. The
14 claim shall be deemed null and void by operation of law
15 effective at noon on the date that is 30 days after the date
16 upon which the payment was due.

17 (e) EXCEPTION FOR HOLDERS OF FEWER THAN 50
18 CLAIMS.—

19 (1) ELIGIBILITY.—The claim maintenance fees
20 required under this section shall be waived or reduced
21 in accordance with paragraph (3) for a claimant who
22 certifies in writing to the Secretary that on the date
23 the payment was due the claimant—

1 (A) was the holder (as defined in paragraph
2 (2)) of not more than 50 mining claims on pub-
3 lic lands; and

4 (B) has performed assessment work suffi-
5 cient to maintain the mining claims held by the
6 claimant for the assessment year ending on noon
7 of September 1 of the calendar year in which the
8 maintenance fee payment was due.

9 (2) *HOLDER*.—As used in paragraph (1), the
10 term “holder” includes—

11 (A) the claimant;

12 (B) the spouse and dependent children (as
13 defined in section 152 of the Internal Revenue
14 Code of 1986), of the claimant; and

15 (C) a person affiliated with the claimant,
16 including—

17 (i) a person controlled by, controlling,
18 or under common control with the claimant;

19 and

20 (ii) a subsidiary or parent company or
21 corporation of the claimant.

22 (3) *WAIVED OR REDUCED MAINTENANCE FEES*.—

23 (A) *10 OR FEWER CLAIMS*.—The mainte-
24 nance fee shall be waived in its entirety for 10

1 *or fewer claims held by a claimant eligible under*
2 *paragraph (1).*

3 *(B) 11 OR MORE CLAIMS.—*

4 *(i) IN GENERAL.—Subject to clause*
5 *(ii), the maintenance fee shall be reduced to*
6 *\$25 per claim for each claim in excess of*
7 *10.*

8 *(ii) LIMITATION.—The reduction in*
9 *this subparagraph shall be available for no*
10 *more than 50 claims held by a claimant*
11 *who is eligible under paragraph (1).*

12 *(g) EXISTING REQUIREMENTS.—*

13 *(1) PAYMENT IN LIEU OF ANNUAL LABOR RE-*
14 *QUIREMENTS.—The third sentence of 2324 of the Re-*
15 *vised Statutes (30 U.S.C. 28) is amended by inserting*
16 *after “On each claim located after the 10th day of*
17 *May, 1872,” the following: “that is eligible for a*
18 *waiver or reduced fee under section 4(e) of the*
19 *Hardrock Mining Reform Act of 1993,”.*

20 *(2) FEDERAL FILING REQUIREMENTS.—Section*
21 *314 of the Federal Land Policy and Management Act*
22 *of 1976 (43 U.S.C. 1744) is amended—*

23 *(A) by striking subsection (a);*

1 (B) by redesignating subsections (b), (c),
2 and (d) as subsections (a), (b), and (c), respec-
3 tively; and

4 (C) in subsection (b) (as so redesignated) by
5 striking “subsections (a) and (b)” and inserting
6 “subsection (a)”.

7 (3) *CONFORMING AMENDMENT.*—Section 2511(e)
8 of the Energy Policy Act of 1992 (30 U.S.C. 242(e))
9 is amended by striking the second sentence.

10 **SEC. 5. ROYALTY.**

11 (a) *IN GENERAL.*—The production and sale of
12 locatable minerals (including associated minerals) from
13 any mining claim located after the date of enactment of
14 this Act shall be subject to a royalty of 2 percent of the
15 value of the minerals measured at the mouth of the mine.

16 (b) *PAYMENT OF ROYALTY.*—Royalty payments shall
17 be made not later than 45 days after the end of each cal-
18 endar quarter during which the minerals are sold. The pay-
19 ments shall be subject to adjustment, if required, at the end
20 of each calendar year.

21 (c) *AUDIT.*—The Secretary may audit the payments
22 under this section at any time upon notice to the claimant.

23 (d) *ROYALTY DEDUCTION.*—The Secretary may reduce
24 the royalties under this section whenever the Secretary de-
25 termines it is necessary to promote development or whenever

1 *the claims cannot be successfully operated under the terms*
2 *of this section.*

3 (e) *HARDROCK MINING ROYALTY REVIEW COMMISS-*
4 *SION.—*

5 (1) *ESTABLISHMENT.—There is established the*
6 *Hardrock Mining Royalty Review Commission (re-*
7 *ferred to in this section as the “Commission”).*

8 (2) *MEMBERSHIP.—The Commission shall be*
9 *comprised of 9 members appointed by the Secretary*
10 *who have experience in the economics of the hardrock*
11 *mining industry.*

12 (3) *CHAIRPERSON.—The Secretary shall des-*
13 *ignate 1 member to serve as a Chairperson of the*
14 *Commission.*

15 (4) *COMPENSATION.—Members of the Commis-*
16 *sion shall serve without compensation but shall be re-*
17 *imbursed for travel expenses, including per diem in*
18 *lieu of subsistence, at rates authorized for employees*
19 *of agencies under subchapter I of chapter 57 of title*
20 *5, United States Code, while away from their homes*
21 *or regular places of business in the performance of*
22 *services for the Commission.*

23 (5) *DUTIES OF COMMISSION.—Not later than 18*
24 *months after the date of enactment of this section, the*
25 *Commission shall review the effect of the royalty pro-*

1 *visions under this section on the domestic hardrock*
2 *mining industry and present its findings and rec-*
3 *ommendations to the Secretary and to the Committee*
4 *on Energy and Natural Resources of the Senate and*
5 *the Committee on Natural Resources of the House of*
6 *Representatives. In conducting its review, the Com-*
7 *mission shall—*

8 *(A) consider the economic effect of different*
9 *royalty rates on the domestic hardrock mining*
10 *industry, employment, local and regional eco-*
11 *nomics, the balance of trade, national security,*
12 *and strategic supplies;*

13 *(B) determine whether there are sufficient*
14 *differences between various minerals or means of*
15 *production to support different royalty rates for*
16 *specific minerals or means of production;*

17 *(C) estimate the long-term effect of different*
18 *royalty rates on competition within the industry*
19 *and between domestic and foreign production;*
20 *and*

21 *(D) consider the multiplier effect of different*
22 *royalty rates.*

23 *(6) POWERS OF THE COMMISSION.—The Com-*
24 *mission may—*

1 (A) hold such hearings, sit and act at such
2 times and places, take such testimony, and re-
3 ceive such evidence as the Commission considers
4 advisable;

5 (B) use the United States mails in the same
6 manner and under the same conditions as other
7 departments and agencies of the Federal Govern-
8 ment;

9 (C) enter into contracts or agreements for
10 studies and surveys with public and private or-
11 ganizations and transfer funds to Federal agen-
12 cies to carry out such functions of the Commis-
13 sion as the Commission determines to be nec-
14 essary; and

15 (D) incur such necessary expenses and exer-
16 cise such other powers as are consistent with,
17 and reasonably required to perform, the func-
18 tions of the Commission under this section.

19 (7) *SUPPORT.*—The Secretary shall provide such
20 office space, furnishings, and equipment as may be
21 required to enable the Commission to carry out this
22 section. The Secretary shall also furnish the Commis-
23 sion with such staff, including clerical support, as the
24 Commission may require.

25 (8) *OTHER FEDERAL AGENCIES.*—

1 (A) *IN GENERAL.*—Upon request of the
2 Commission, the Secretary may request the head
3 of any Federal department or agency—

4 (i) to assist the Commission in carry-
5 ing out this section; and

6 (ii) to provide such information as the
7 Commission requires.

8 (B) *DETAIL OF GOVERNMENT EMPLOY-*
9 *EES.*—Any Federal Government employee may
10 be detailed to the Commission. The detail shall
11 be without interruption or loss of privilege, se-
12 niority, pay, or other employee status. The Com-
13 mission shall reimburse the cooperating Federal
14 agency for the detail of an employee.

15 (9) *FINANCIAL AND ADMINISTRATIVE SERV-*
16 *ICES.*—The Secretary of the Interior shall provide fi-
17 nancial and administrative services (including those
18 related to budgeting, accounting, financial reporting,
19 personnel, and procurement) to the Commission.

20 (10) *APPROPRIATIONS.*—There are authorized to
21 be appropriated such sums as are necessary to carry
22 out this section.

23 **SEC. 6. LIMITATIONS ON PATENTS.**

24 (a) *IN GENERAL.*—After the date of enactment of this
25 Act, a patent issued by the United States for any claim

1 *shall be subject to the requirements of subsection (b) unless*
2 *the Secretary determines that—*

3 *(1) a mineral survey application has been filed*
4 *with the Secretary or patent application was filed*
5 *with the Secretary within six months of date of enact-*
6 *ment of this Act; and*

7 *(2) the claimant has made a discovery of valu-*
8 *able minerals and has met or can meet all require-*
9 *ments applicable to vein, lode, or placer claims and*
10 *all requirements applicable to mill site claims, as ap-*
11 *propriate.*

12 *(b) LIMITATIONS ON PATENTED ESTATE.—A patent*
13 *issued by the United States after the date of enactment of*
14 *this Act shall be issued only—*

15 *(1) upon payment by the claimant of the fair*
16 *market value for the interest in the land owned by the*
17 *United States exclusive of and without regard to the*
18 *mineral deposits in the land; and*

19 *(2) upon reservation by the United States of a*
20 *royalty as provided in section 5.*

21 **SEC. 7. PLANS OF OPERATION AND RECLAMATION RE-**
22 **QUIREMENTS.**

23 *(a) IN GENERAL.—Except as otherwise provided in*
24 *this subsection, no person may engage in mineral activities*
25 *on Federal land that cause more than a minimal disturb-*

1 *ance of surface resources (as defined in subsection (b)) un-*
2 *less the person has filed a plan of operations with, and re-*
3 *ceived approval of the plan from, the Secretary.*

4 (b) *MINIMAL DISTURBANCE OF SURFACE RE-*
5 *SOURCES.—As used in this section, “minimal disturbance*
6 *of surface resources” means minor, short-term alteration of*
7 *surface resources. The Secretary may establish categories of*
8 *activities that do not constitute minimal disturbance of sur-*
9 *face resources.*

10 (c) *ENVIRONMENTAL, LAND USE, AND RECLAMATION*
11 *REQUIREMENTS.—All operations conducted under a plan*
12 *of operations referred to in subsection (a) shall be conducted*
13 *in accordance with all applicable Federal and State envi-*
14 *ronmental laws, including—*

15 (1) *the Atomic Energy Act of 1954 (42 U.S.C.*
16 *2011 et seq.);*

17 (2) *the Clean Air Act (42 U.S.C. 7401 et seq.);*

18 (3) *the Comprehensive Environmental Response,*
19 *Compensation, and Liability Act of 1980 (42 U.S.C.*
20 *9601 et seq.);*

21 (4) *the Endangered Species Act of 1973 (16*
22 *U.S.C. 1531 et seq.);*

23 (5) *the Federal Land Policy and Management*
24 *Act of 1976 (43 U.S.C. 1701 et seq.);*

1 (6) *the Federal Mine Safety and Health Act of*
2 *1977 (30 U.S.C. 801 et seq.);*

3 (7) *the Federal Water Pollution Control Act*
4 *(commonly referred to as the “Clean Water Act”) (33*
5 *U.S.C. 1251 et seq.);*

6 (8) *the Forest and Rangeland Renewable Re-*
7 *sources Planning Act of 1974 (16 U.S.C. 1600 et*
8 *seq.);*

9 (9) *the Migratory Bird Treaty Act (16 U.S.C.*
10 *703 et seq.);*

11 (10) *the National Environmental Policy Act of*
12 *1969 (42 U.S.C. 4321 et seq.);*

13 (11) *the National Historic Preservation Act (16*
14 *U.S.C. 470 et seq.);*

15 (12) *title XIV of the Public Health Service Act*
16 *(commonly referred to as the “Safe Drinking Water*
17 *Act”) (42 U.S.C. 300f et seq.);*

18 (13) *the Solid Waste Disposal Act (42 U.S.C.*
19 *6901 et seq.);*

20 (14) *the Toxic Substances Control Act (15 U.S.C.*
21 *2601 et seq.); and*

22 (15) *the Uranium Mill Tailings Radiation Con-*
23 *trol Act of 1978 (42 U.S.C. 7901 et seq.).*

24 (c) *INSPECTION AND ENFORCEMENT.—*

1 (1) *INSPECTIONS.*—*The Secretary shall inspect*
2 *an operation conducted under a plan of operations*
3 *once each calendar quarter to ensure compliance with*
4 *the terms of an approved plan of operations. The Sec-*
5 *retary may, at the discretion of the Secretary, con-*
6 *duct inspections more frequently than once each cal-*
7 *endar quarter.*

8 (2) *ENFORCEMENT.*—

9 (A) *IN GENERAL.*—*Subject to subpara-*
10 *graphs (B) and (C), a claimant who fails to ob-*
11 *tain a plan of operations required by this sec-*
12 *tion, engages in unauthorized occupancy under*
13 *section 9, or who fails to comply with the terms*
14 *of an approved plan of operations, shall be sub-*
15 *ject to a fine of not more than \$2,000 per day*
16 *per violation.*

17 (B) *CORRECTIVE ACTION.*—*A claimant shall*
18 *not be assessed a fine under subparagraph (A) if*
19 *the violation is corrected, or a means to correct*
20 *the violation is in place, within 30 days after the*
21 *date on which the claimant is notified in writing*
22 *of a violation.*

23 (C) *HEARING.*—*No fine shall be assessed*
24 *under this paragraph unless the claimant has*

1 *been given an opportunity for a hearing on the*
2 *record before the Secretary.*

3 *(d) RECLAMATION OF LAND PATENTED AFTER ENACT-*
4 *MENT.—*

5 *(1) APPLICABLE LAW.—Land patented after the*
6 *date of enactment of this Act shall be subject to the*
7 *mining reclamation laws of the State in which the*
8 *land is located.*

9 *(2) ABSENCE OF APPLICABLE STATE LAW.—In*
10 *the absence of applicable State mining reclamation*
11 *laws, land patented after the date of enactment of this*
12 *Act shall be subject to the Federal mining reclamation*
13 *laws that would have applied had the land remained*
14 *in Federal ownership.*

15 *(3) RECITATION.—Each patent issued after the*
16 *date of enactment of this Act shall recite that as a*
17 *condition of the patent, the land patented shall be*
18 *subject to the requirements of this subsection.*

19 *(4) RECLAMATION.—Public lands disturbed by*
20 *operations approved by the Secretary shall be re-*
21 *claimed as required by applicable Federal and State*
22 *laws concerning mined land reclamation.*

1 **SEC. 8. FINANCIAL ASSURANCES.**

2 (a) *FINANCIAL ASSURANCES REQUIRED.*—Prior to the
3 commencement of any operations on a claim that requires
4 a plan of operation, a claimant shall—

5 (1) furnish evidence of a bond, surety, or other
6 financial guarantee in an amount determined by the
7 Secretary that is not less than the estimated cost to
8 complete reclamation of the land disturbed by oper-
9 ations as required by this Act and other applicable
10 mining laws; or

11 (2) provide evidence satisfactory to the Secretary
12 that the area to be affected is covered by a bonding
13 pool that will provide for reclamation of the land dis-
14 turbed by operations as required by this Act and
15 other applicable mining laws.

16 (b) *REVIEW.*—Not later than 5 years after an assur-
17 ance is provided under subsection (a), and at least each
18 5 years thereafter, the Secretary shall, after consultation
19 with representatives of the affected States, review the finan-
20 cial assurances.

21 (c) *PHASED GUARANTEES.*—The Secretary may adjust
22 the amount of the financial guarantee provided under sub-
23 section (a) upon a determination by the Secretary that a
24 portion of reclamation is completed as required by this Act
25 and other applicable mining laws.

1 (d) *RELEASE.*—Prior to any reduction in, or final re-
2 lease of, a bond or other financial guarantee, the Secretary
3 shall provide for public notice and comment.

4 **SEC. 9. OCCUPANCY AND RESIDENCY OF CLAIMS.**

5 (a) *PROHIBITION.*—Subject to the other provisions of
6 this section and valid existing rights, full- or part-time resi-
7 dential occupancy of a mining claim, including the con-
8 struction, presence, or maintenance of a temporary or per-
9 manent structure that may be used for residential occu-
10 pancy purposes, shall be prohibited.

11 (b) *TRANSITORY OCCUPANCY.*—Residential occupancy
12 of a claim for purposes reasonably incident to prospecting,
13 mining, or processing that does not involve surface disturb-
14 ance extending beyond the period of occupancy shall be per-
15 mitted for a duration of no more than 14 days upon notice
16 to the Secretary.

17 (c) *TEMPORARY OCCUPANCY.*—The Secretary may ap-
18 prove residential occupancy of a claim for a period in excess
19 of 14 days as part of a plan of operations required under
20 applicable law, if the Secretary determines that the occu-
21 pancy is reasonably required to accomplish such plan. Oc-
22 cupancy under this subsection shall of no greater duration
23 or extent than is necessary to accomplish the prospecting,
24 mining, or processing incident to the plan.

1 **SEC. 10. MINERAL MATERIALS.**

2 (a) *DETERMINATIONS.*—Section 3 of the Surface Re-
3 sources Act of 1955 (30 U.S.C. 611) is amended—

4 (1) by striking “SEC. 3. No deposit” and insert-
5 ing the following:

6 **“SEC. 3 MINERAL MATERIALS.**

7 “(a) *VARIETIES OF MINERALS NOT DEEMED VALU-*
8 *ABLE MINERAL DEPOSITS.*—No deposit”;

9 (2) in the first sentence, by striking “or cinders”
10 and inserting “cinders, or clay”; and

11 (3) by adding at the end the following new sub-
12 section:

13 “(b) *DISPOSAL.*—

14 “(1) *IN GENERAL.*—Subject to valid existing
15 rights (as defined in paragraph (2)), after the date of
16 enactment of this section, deposits of minerals referred
17 to in subsection (a) (except deposits of bentonite and
18 gypsum) shall be subject to disposal under the terms
19 and conditions of the Materials Act of 1947 (30
20 U.S.C. 601 et seq.).

21 “(2) *VALID EXISTING RIGHTS DEFINED.*—As
22 used in paragraph (1), the term ‘valid existing rights’
23 means a mining claim located for a mineral material
24 that—

25 “(A) has some property that gives the claim
26 distinct and special value as described in sub-

1 *section (a), including so-called 'block pumice' as*
2 *described in subsection (a);*

3 *“(B) was properly located and maintained*
4 *under the general mining laws on the date of en-*
5 *actment of this subsection;*

6 *“(C) was supported by a discovery of a val-*
7 *uable mineral deposit within the meaning of the*
8 *general mining law on the date of enactment of*
9 *this subsection; and*

10 *“(D) continues to be valid.”*

11 *(b) MINERAL MATERIALS SUBJECT TO RIGHT OF THE*
12 *UNITED STATES FOR DISPOSAL AND SEVERANCE.—Sub-*
13 *sections (b) and (c) of section 4 of the Surface Resources*
14 *Act of 1955 (30 U.S.C. 612) is amended by inserting “and*
15 *mineral material” after “vegetative” both places it appears*
16 *.*

17 *(c) CONFORMING AMENDMENT.—The first sentence of*
18 *section 1 of the Materials Act of 1947 (30 U.S.C. 601) is*
19 *amended by striking “common varieties of”.*

20 **SEC. 11. RECEIPTS.**

21 *Two-thirds of the receipts from location and mainte-*
22 *nance fees required by section 4, royalties required by sec-*
23 *tion 5, and payments required by section 6 shall be paid*
24 *into the Treasury of the United States and deposited as*
25 *miscellaneous receipts. One-third of the receipts from any*

1 *claim, patent, or millsite shall be paid by the Secretary of*
2 *the Treasury to the treasury of the State in which such*
3 *claim, patent, or millsite is located.*

4 **SEC. 12. ABANDONED HARDROCK MINE RECLAMATION PRO-**
5 **GRAM.**

6 (a) *ESTABLISHMENT.*—*There is established a program*
7 *to be known as the Abandoned Hardrock Mine Reclamation*
8 *Program (referred to in this section as the “Program”). The*
9 *Program shall be administered by the Secretary of the Inte-*
10 *rior acting through the Director of the Bureau of Land*
11 *Management.*

12 (b) *DESCRIPTION OF PROGRAM.*—

13 (1) *IN GENERAL.*—*The Secretary is authorized to*
14 *make grants to eligible States (as defined in sub-*
15 *section (e)) for the reclamation and restoration of*
16 *land and water resources adversely affected by past*
17 *hardrock mining (other than coal and fluid known*
18 *minerals). The grants may be used for—*

19 (A) *the reclamation and restoration of*
20 *abandoned surface mined areas;*

21 (B) *the reclamation and restoration of*
22 *abandoned milling and processing areas;*

23 (C) *the sealing, filling, and grading of*
24 *abandoned deep mine entries;*

1 (D) the planting of land adversely affected
2 by past mining to prevent erosion and sedi-
3 mentation;

4 (E) the prevention, abatement, treatment,
5 and control of water pollution created by aban-
6 doned mine drainage;

7 (F) the control of surface subsidence due to
8 abandoned deep mines; and

9 (G) such other projects as may be necessary
10 to accomplish this Act.

11 (2) *PRIORITIES.*—Expenditure of grant funds by
12 the Secretary shall reflect the following priorities in
13 the order stated:

14 (A) The protection of public health, safety,
15 and general welfare from the adverse effects of
16 past hardrock mining practices.

17 (B) The restoration of land and water re-
18 sources previously degraded by the adverse effects
19 of past minerals and mineral materials mining
20 practices.

21 (c) *ELIGIBLE AREAS.*—

22 (1) *ELIGIBILITY IN GENERAL.*—Subject to para-
23 graph (2), land and water eligible for reclamation ex-
24 penditures under this section shall be those—

1 (A) that were mined or processed for min-
2 erals and mineral materials or abandoned or left
3 in an inadequate reclamation status prior to the
4 date of enactment of this section;

5 (B) for which the Secretary (or State)
6 makes a determination that there is no continu-
7 ing reclamation responsibility under Federal or
8 State laws; and

9 (C) for which it can be established that the
10 land does not contain minerals that could eco-
11 nomically be extracted through the reprocessing
12 or reining, unless the consideration is in con-
13 flict with the priorities set forth under subpara-
14 graphs (A) and (B) of subsection (b)(2).

15 (2) *SPECIFIC SITES AND AREAS NOT ELIGIBLE.*—
16 Areas designated for remedial action pursuant to the
17 Uranium Mill Tailing Radiation Control Act of 1978
18 (42 U.S.C. 7901 et seq.) or that have been listed for
19 remedial action pursuant to the Comprehensive Envi-
20 ronmental Response, Compensation, and Liability
21 Act of 1980 (42 U.S.C. 9601 et seq.) shall not be eligi-
22 ble for expenditure under this section.

23 (d) *ALLOCATION AND EXPENDITURES.*—

24 (1) *ALLOCATIONS.*—

1 (A) *IN GENERAL.*—Funds available for ex-
2 penditure by the Secretary shall be allocated on
3 an annual basis in the form of grants to eligible
4 States, or in the form of expenditures under sub-
5 section (d)(2), to carry out this Act.

6 (B) *DISTRIBUTION.*—The Secretary shall
7 distribute the funds equitably to eligible States,
8 giving due consideration to the priorities stated
9 in subsection (b)(2).

10 (2) *DIRECT FEDERAL EXPENDITURES.*—The Sec-
11 retary makes grants to States not eligible under sub-
12 section (e) based on the greatest need for the funds
13 pursuant to the priorities stated in subsection (b)(2).

14 (e) *STATE RECLAMATION PROGRAMS.*—

15 (1) *ELIGIBLE STATES.*—For the purpose of sub-
16 section (d), the term “eligible States” are States that
17 the Secretary determines meets each of the following
18 requirements:

19 (A) *Within the State there are mined lands,*
20 *waters, and facilities eligible for reclamation*
21 *under subsection (c).*

22 (B) *The State has developed an inventory of*
23 *affected areas following the priorities established*
24 *under subsection (b)(2).*

1 (C) *The State has established, and the Sec-*
2 *retary has approved, a State abandoned min-*
3 *erals and mineral materials mine reclamation*
4 *program for the purpose of receiving and*
5 *administering grants under this section.*

6 (2) *MONITORING.—The Secretary shall monitor*
7 *the expenditure of State grants to ensure that the*
8 *grants are being utilized to carry out this Act.*

9 (3) *STATE PROGRAMS.—The Secretary shall ap-*
10 *prove any State abandoned minerals mine reclama-*
11 *tion program submitted to the Secretary by a State*
12 *under this section if the Secretary finds that the State*
13 *has the means and necessary State legislation to im-*
14 *plement the program and that the program complies*
15 *with this section.*

16 (f) *AUTHORIZATION OF APPROPRIATIONS.—*

17 (1) *IN GENERAL.—Subject to paragraph (2),*
18 *there are authorized to be appropriated such sums as*
19 *are necessary to carry out this section.*

20 (2) *LIMITATION.—The amount annually author-*
21 *ized to be appropriated under this subsection shall not*
22 *exceed the sums paid into the Treasury of the United*
23 *States, and deposited as miscellaneous receipts, pur-*

1 *suant to section 11 for the fiscal year preceding the*
2 *authorization.*

Attest:

Secretary.

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