

103D CONGRESS
1ST SESSION

S. 775

To modify the requirements applicable to locatable minerals on public lands, consistent with the principles of self-initiation of mining claims, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 5 (legislative day, MARCH 3), 1993

Mr. CRAIG (for himself, Mr. WALLOP, Mr. MURKOWSKI, Mr. BENNETT, Mr. BURNS, Mr. HATCH, and Mr. STEVENS) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To modify the requirements applicable to locatable minerals on public lands, consistent with the principles of self-initiation of mining claims, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLES.**

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

6 (b) SURFACE RESOURCES ACT OF 1955.—The Act
7 of July 23, 1955 (69 Stat. 367, chapter 375; 30 U.S.C.

1 611 et seq.) is amended by adding at the end the following
2 new section:

3 **“SEC. 8. SHORT TITLE.**

4 “This Act may be cited as the ‘Surface Resources Act
5 of 1955’.”.

6 (c) MATERIALS ACT OF 1947.—The Act of July 31,
7 1947 (61 Stat. 681, chapter 406; 30 U.S.C. 601 et seq.)
8 is amended by adding at the end the following new section:

9 **“SEC. 5. SHORT TITLE.**

10 “This Act may be cited as the ‘Materials Act of
11 1947’.”.

12 **SEC. 2. FINDINGS AND PURPOSE.**

13 (a) FINDINGS.—Congress finds and declares that—

14 (1) a secure and reliable supply of nonfuel min-
15 erals is essential to the industrial base of the United
16 States, national security, and balance of trade;

17 (2) many of the deposits of nonfuel hard min-
18 erals that may be commercially developed are on
19 Federal public lands, and are difficult and expensive
20 to discover and process;

21 (3) the national need for nonfuel hard minerals
22 will continue to expand and the demand for the min-
23 erals will exceed domestic sources of supply without
24 a strong mining industry;

1 (4) mining of nonfuel hard minerals is an ex-
2 tremely high-risk, capital-intensive endeavor, which,
3 to attract necessary investment, requires certainty
4 and predictability in access to public lands, estab-
5 lishment of mining titles, and the rights of claimants
6 to develop minerals;

7 (5) it is in the national interest to foster and
8 encourage private enterprise in the development of a
9 domestic minerals industry to maintain and create
10 high paying jobs in the United States;

11 (6) mining activities on public lands should be
12 consistent with applicable Federal land use plans
13 and should be conducted in compliance with all ap-
14 plicable Federal and State environmental regulations
15 and standards, including standards governing mined
16 land reclamation;

17 (7) the diversity in terrain, climate, biological,
18 chemical, and other physical conditions, and vari-
19 ation among the minerals mined and the methods of
20 mining and processing, require that reclamation
21 standards should be tailored to local and regional
22 conditions; and

23 (8) changes in the general mining laws of the
24 United States to provide more direct economic re-
25 turn to the United States and greater protection for

1 public resources are desirable, so long as the
2 changes do not adversely affect employment in the
3 mining industry or in industries that provide goods
4 and services required for mining activities, interfere
5 with a secure and reliable supply of minerals, or ad-
6 versely affect the balance of trade of the United
7 States.

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

9 (1) provide for increased Federal revenue from
10 the location and production of ores and nonfuel hard
11 minerals through increased fees and royalties;

12 (2) provide for the payment of fair market
13 value for the surface of any land patented under the
14 general mining laws of the United States;

15 (3) ensure that all public lands affected by
16 nonfuel minerals mining activities under the general
17 mining laws are reclaimed, in concert with State and
18 local reclamation authorities; and

19 (4) establish a program to help reclaim nonfuel,
20 hardrock mineral abandoned mines.

21 **SEC. 3. DEFINITIONS.**

22 (1) LOCATABLE MINERAL.—The term “locatable
23 mineral” means any mineral not subject to disposition
24 under—

1 (A) the Mineral Leasing Act (30 U.S.C. 181 et
2 seq.);

3 (B) the Geothermal Steam Act of 1970 (30
4 U.S.C. 1001 et seq.);

5 (C) the Materials Act of 1947 (30 U.S.C. 601
6 et seq.); or

7 (D) the Mineral Leasing Act for Acquired
8 Lands (30 U.S.C. 351 et seq.).

9 (2) MOUTH OF THE MINE.—The term “mouth of the
10 mine” means the portal of an underground mine, the point
11 of exit of ore from an open pit mine, or the wellhead of
12 a solution mine.

13 (3) VALUE.—

14 (A) IN GENERAL.—The term “value” means
15 the fair market value of the ore or solutions as they
16 emerge from the mine or well, less the direct and in-
17 direct costs of mining, including related mine explo-
18 ration and development expenses, determined in ac-
19 cordance with generally accepted accounting prin-
20 ciples.

21 (B) NO MARKET AT MOUTH OF MINE.—

22 (i) If there is no market for ore in its raw
23 or crude state, the term “value” means the
24 gross income (computed in accordance with
25 subparagraph (C)) from the mining of the ore

1 or the production of the solutions, less the di-
2 rect and indirect costs associated with the min-
3 ing or production, determined in accordance
4 with generally accepted accounting principles.

5 (C) GROSS INCOME FROM THE MINING OF THE
6 ORE OR THE PRODUCTION OF THE SOLUTIONS.—
7 Gross income from the mining of the ore or the pro-
8 duction of the solutions shall be computed by mul-
9 tiplying—

10 (i) gross sales (actual or, where there are
11 no sales, constructive) of the minerals or metals
12 contained in the ore or solutions by a fraction
13 whose numerator is the sum of all direct and
14 indirect mining costs incurred to bring the ore
15 or solutions to the mouth of the mine (exclud-
16 ing in-pit crushing), and whose denominator is
17 the total of all mining and nonmining costs in-
18 curred to produce, sell, and transport the prod-
19 uct.

20 (4) SECRETARY.—Unless the context otherwise re-
21 quires, the term “Secretary” means the Secretary of the
22 Interior.

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

24 (a) LOCATION FEE.—For each claim located after
25 date of enactment of this Act, a claimant shall pay the

1 Secretary a location fee of \$25.00 not later than 90 days
2 after the date of location.

3 (b) ANNUAL MAINTENANCE FEE.—Commencing the
4 first calendar year after the date of enactment of this Act,
5 a claimant shall pay the Secretary on or before December
6 31 of each year, a maintenance fee of \$100 per claim to
7 maintain the claim for the following calendar year.

8 (c) INDEXING.—

9 (1) IN GENERAL.—The Secretary shall adjust
10 the fees required by this section to reflect changes
11 in the Consumer Price Index published by the Bu-
12 reau of Labor Statistics of the Department of Labor
13 every 5 years after the date of enactment of this
14 Act, or more frequently if the Secretary determines
15 an adjustment to be reasonable.

16 (2) NOTICE.—The Secretary shall provide
17 claimants notice of any adjustment made under this
18 subsection not later than July 1 of any year in
19 which the adjustment is made.

20 (3) EFFECTIVE DATE OF ADJUSTMENT.—A fee
21 adjustment under this subsection shall begin to
22 apply the calendar year following the calendar year
23 in which it is made.

24 (d) FAILURE TO PAY FEE.—Failure to timely pay
25 the location fee or maintenance fee required by this section

1 for a claim shall be deemed an abandonment of the claim.
2 The claim shall be deemed null and void by operation of
3 law effective at noon on the date that is 30 days after
4 the date upon which the payment was due.

5 (e) EXCEPTION FOR HOLDERS OF FEWER THAN 50
6 CLAIMS.—

7 (1) ELIGIBILITY.—The claim maintenance fees
8 required under this section shall be waived or re-
9 duced in accordance with paragraph (3) for a claim-
10 ant who certifies in writing to the Secretary that on
11 the date the payment was due the claimant—

12 (A) was the holder (as defined in para-
13 graph (2)) of not more than 50 mining claims
14 on public lands; and

15 (B) has performed assessment work suffi-
16 cient to maintain the mining claims held by the
17 claimant for the assessment year ending on
18 noon of September 1 of the calendar year in
19 which the maintenance fee payment was due.

20 (2) HOLDER.—As used in paragraph (1), the
21 term “holder” includes—

22 (A) the claimant;

23 (B) the spouse and dependent children (as
24 defined in section 152 of the Internal Revenue
25 Code of 1986), of the claimant; and

1 (C) a person affiliated with the claimant,
2 including—

3 (i) a person controlled by, controlling,
4 or under common control with the claim-
5 ant; and

6 (ii) a subsidiary or parent company or
7 corporation of the claimant.

8 (3) WAIVED OR REDUCED MAINTENANCE
9 FEES.—

10 (A) 10 OR FEWER CLAIMS.—The mainte-
11 nance fee shall be waived in its entirety for 10
12 or fewer claims held by a claimant eligible
13 under paragraph (1).

14 (B) 11 OR MORE CLAIMS.—

15 (i) IN GENERAL.—Subject to clause
16 (ii), the maintenance fee shall be reduced
17 to \$25 per claim for each claim in excess
18 of 10.

19 (ii) LIMITATION.—The reduction in
20 this subparagraph shall be available for no
21 more than 50 claims held by a claimant
22 who is eligible under paragraph (1).

23 (g) EXISTING REQUIREMENTS.—

24 (1) PAYMENT IN LIEU OF ANNUAL LABOR RE-
25 QUIREMENTS.—The third sentence of 2324 of the

1 Revised Statutes (30 U.S.C. 28) is amended by in-
2 sserting after “On each claim located after the 10th
3 day of May, 1872,” the following: “that is eligible
4 for a waiver or reduced fee under section 4(e) of the
5 Hardrock Mining Reform Act of 1993,”.

6 (2) FEDERAL FILING REQUIREMENTS.—Section
7 314 of the Federal Land Policy and Management
8 Act of 1976 (43 U.S.C. 1744) is amended—

9 (A) by striking subsection (a);

10 (B) by redesignating subsections (b), (c),
11 and (d) as subsections (a), (b), and (c), respec-
12 tively; and

13 (C) in subsection (b) (as so redesignated)
14 by striking “subsections (a) and (b)” and in-
15 sserting “subsection (a)”.

16 (3) CONFORMING AMENDMENT.—Section
17 2511(e) of the Energy Policy Act of 1992 (30
18 U.S.C. 242(e)) is amended by striking the second
19 sentence.

20 **SEC. 5. ROYALTY.**

21 (a) IN GENERAL.—The production and sale of
22 locatable minerals (including associated minerals) from
23 any mining claim located after the date of enactment of
24 this Act shall be subject to a royalty of 2 percent of the
25 value of the minerals measured at the mouth of the mine.

1 (b) PAYMENT OF ROYALTY.—Royalty payments shall
2 be made not later than 45 days after the end of each cal-
3 endar quarter during which the minerals are sold. The
4 payments shall be subject to adjustment, if required, at
5 the end of each calendar year.

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

8 (d) ROYALTY DEDUCTION.—The Secretary may re-
9 duce the royalties under this section whenever the Sec-
10 retary determines it is necessary to promote development
11 or whenever the claims cannot be successfully operated
12 under the terms of this section.

13 (e) HARDROCK MINING ROYALTY REVIEW COMMIS-
14 SION.—

15 (1) ESTABLISHMENT.—There is established the
16 Hardrock Mining Royalty Review Commission (re-
17 ferred to in this section as the “Commission”).

18 (2) MEMBERSHIP.—The Commission shall be
19 comprised of 9 members appointed by the Secretary
20 who have experience in the economics of the
21 hardrock mining industry.

22 (3) CHAIRPERSON.—The Secretary shall des-
23 ignate 1 member to serve as a Chairperson of the
24 Commission.

1 (4) COMPENSATION.—Members of the Commis-
2 sion shall serve without compensation but shall be
3 reimbursed for travel expenses, including per diem in
4 lieu of subsistence, at rates authorized for employees
5 of agencies under subchapter I of chapter 57 of title
6 5, United States Code, while away from their homes
7 or regular places of business in the performance of
8 services for the Commission.

9 (5) DUTIES OF COMMISSION.—Not later than
10 18 months after the date of enactment of this sec-
11 tion, the Commission shall review the effect of the
12 royalty provisions under this section on the domestic
13 hardrock mining industry and present its findings
14 and recommendations to the Secretary and to the
15 Committee on Energy and Natural Resources of the
16 Senate and the Committee on Natural Resources of
17 the House of Representatives. In conducting its re-
18 view, the Commission shall—

19 (A) consider the economic effect of dif-
20 ferent royalty rates on the domestic hardrock
21 mining industry, employment, local and regional
22 economics, the balance of trade, national secu-
23 rity, and strategic supplies;

24 (B) determine whether there are sufficient
25 differences between various minerals or means

1 of production to support different royalty rates
2 for specific minerals or means of production;

3 (C) estimate the long-term effect of dif-
4 ferent royalty rates on competition within the
5 industry and between domestic and foreign pro-
6 duction; and

7 (D) consider the multiplier effect of dif-
8 ferent royalty rates.

9 (6) POWERS OF THE COMMISSION.—The Com-
10 mission may—

11 (A) hold such hearings, sit and act at such
12 times and places, take such testimony, and re-
13 ceive such evidence as the Commission consid-
14 ers advisable;

15 (B) use the United States mails in the
16 same manner and under the same conditions as
17 other departments and agencies of the Federal
18 Government;

19 (C) enter into contracts or agreements for
20 studies and surveys with public and private or-
21 ganizations and transfer funds to Federal agen-
22 cies to carry out such functions of the Commis-
23 sion as the Commission determines to be nec-
24 essary; and

1 (D) incur such necessary expenses and ex-
2 ercise such other powers as are consistent with,
3 and reasonably required to perform, the func-
4 tions of the Commission under this section.

5 (7) SUPPORT.—The Secretary shall provide
6 such office space, furnishings, and equipment as
7 may be required to enable the Commission to carry
8 out this section. The Secretary shall also furnish the
9 Commission with such staff, including clerical sup-
10 port, as the Commission may require.

11 (8) OTHER FEDERAL AGENCIES.—

12 (A) IN GENERAL.—Upon request of the
13 Commission, the Secretary may request the
14 head of any Federal department or agency—

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

17 (ii) to provide such information as the
18 Commission requires.

19 (B) DETAIL OF GOVERNMENT EMPLOY-
20 EES.—Any Federal Government employee may
21 be detailed to the Commission. The detail shall
22 be without interruption or loss of privilege, se-
23 niority, pay, or other employee status. The
24 Commission shall reimburse the cooperating
25 Federal agency for the detail of an employee.

1 (9) FINANCIAL AND ADMINISTRATIVE SERV-
2 ICES.—The Secretary of the Interior shall provide fi-
3 nancial and administrative services (including those
4 related to budgeting, accounting, financial reporting,
5 personnel, and procurement) to the Commission.

6 (10) APPROPRIATIONS.—There are authorized
7 to be appropriated such sums as are necessary to
8 carry out this section.

9 **SEC. 6. LIMITATIONS ON PATENTS.**

10 (a) IN GENERAL.—After the date of enactment of
11 this Act, a patent issued by the United States for any
12 claim shall be subject to the requirements of subsection

13 (b) unless the Secretary determines that—

14 (1) a mineral survey application has been filed
15 with the Secretary or patent application was filed
16 with the Secretary within six months of date of en-
17 actment of this Act; and

18 (2) the claimant has made a discovery of valu-
19 able minerals and has met or can meet all require-
20 ments applicable to vein, lode, or placer claims and
21 all requirements applicable to mill site claims, as ap-
22 propriate.

23 (b) LIMITATIONS ON PATENTED ESTATE.—A patent
24 issued by the United States after the date of enactment
25 of this Act shall be issued only—

1 (1) upon payment by the claimant of the fair
2 market value for the interest in the land owned by
3 the United States exclusive of and without regard to
4 the mineral deposits in the land; and

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

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

9 (a) **IN GENERAL.**—Except as otherwise provided in
10 this subsection, no person may engage in mineral activities
11 on Federal land that cause more than a minimal disturb-
12 ance of surface resources (as defined in subsection (b))
13 unless the person has filed a plan of operations with, and
14 received approval of the plan from, the Secretary.

15 (b) **MINIMAL DISTURBANCE OF SURFACE RE-**
16 **SOURCES.**—As used in this section, “minimal disturbance
17 of surface resources” means minor, short-term alteration
18 of surface resources. The Secretary may establish cat-
19 egories of activities that do not constitute minimal disturb-
20 ance of surface resources.

21 (c) **ENVIRONMENTAL, LAND USE, AND RECLAMA-**
22 **TION REQUIREMENTS.**—All operations conducted under a
23 plan of operations referred to in subsection (a) shall be
24 conducted in accordance with all applicable Federal and
25 State environmental laws, including—

1 (1) the Atomic Energy Act of 1954 (42 U.S.C.
2 2011 et seq.);

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

4 (3) the Comprehensive Environmental Re-
5 sponse, Compensation, and Liability Act of 1980 (42
6 U.S.C. 9601 et seq.);

7 (4) the Endangered Species Act of 1973 (16
8 U.S.C. 1531 et seq.);

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

11 (6) the Federal Mine Safety and Health Act of
12 1977 (30 U.S.C. 801 et seq.);

13 (7) the Federal Water Pollution Control Act
14 (commonly referred to as the “Clean Water Act”)
15 (33 U.S.C. 1251 et seq.);

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

19 (9) the Migratory Bird Treaty Act (16 U.S.C.
20 703 et seq.);

21 (10) the National Environmental Policy Act of
22 1969 (42 U.S.C. 4321 et seq.);

23 (11) the National Historic Preservation Act (16
24 U.S.C. 470 et seq.);

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

4 (13) the Solid Waste Disposal Act (42 U.S.C.
5 6901 et seq.);

6 (14) the Toxic Substances Control Act (15
7 U.S.C. 2601 et seq.); and

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

10 (c) INSPECTION AND ENFORCEMENT.—

11 (1) INSPECTIONS.—The Secretary shall inspect
12 an operation conducted under a plan of operations
13 once each calendar quarter to ensure compliance
14 with the terms of an approved plan of operations.
15 The Secretary may, at the discretion of the Sec-
16 retary, conduct inspections more frequently than
17 once each calendar quarter.

18 (2) ENFORCEMENT.—

19 (A) IN GENERAL.—Subject to subpara-
20 graphs (B) and (C), a claimant who fails to ob-
21 tain a plan of operations required by this sec-
22 tion, engages in unauthorized occupancy under
23 section 9, or who fails to comply with the terms
24 of an approved plan of operations, shall be sub-

1 ject to a fine of not more than \$2,000 per day
2 per violation.

3 (B) CORRECTIVE ACTION.—A claimant
4 shall not be assessed a fine under subparagraph
5 (A) if the violation is corrected, or a means to
6 correct the violation is in place, within 30 days
7 after the date on which the claimant is notified
8 in writing of a violation.

9 (C) HEARING.—No fine shall be assessed
10 under this paragraph unless the claimant has
11 been given an opportunity for a hearing on the
12 record before the Secretary.

13 (d) RECLAMATION OF LAND PATENTED AFTER EN-
14 ACTMENT.—

15 (1) APPLICABLE LAW.—Land patented after
16 the date of enactment of this Act shall be subject to
17 the mining reclamation laws of the State in which
18 the land is located.

19 (2) ABSENCE OF APPLICABLE STATE LAW.—In
20 the absence of applicable State mining reclamation
21 laws, land patented after the date of enactment of
22 this Act shall be subject to the Federal mining rec-
23 lamation laws that would have applied had the land
24 remained in Federal ownership.

1 (3) RECITATION.—Each patent issued after the
2 date of enactment of this Act shall recite that as a
3 condition of the patent, the land patented shall be
4 subject to the requirements of this subsection.

5 (4) RECLAMATION.—Public lands disturbed by
6 operations approved by the Secretary shall be re-
7 claimed as required by applicable Federal and State
8 laws concerning mined land reclamation.

9 **SEC. 8. FINANCIAL ASSURANCES.**

10 (a) FINANCIAL ASSURANCES REQUIRED.—Prior to
11 the commencement of any operations on a claim that re-
12 quires a plan of operation, a claimant shall—

13 (1) furnish evidence of a bond, surety, or other
14 financial guarantee in an amount determined by the
15 Secretary that is not less than the estimated cost to
16 complete reclamation of the land disturbed by oper-
17 ations as required by this Act and other applicable
18 mining laws; or

19 (2) provide evidence satisfactory to the Sec-
20 retary that the area to be affected is covered by a
21 bonding pool that will provide for reclamation of the
22 land disturbed by operations as required by this Act
23 and other applicable mining laws.

24 (b) REVIEW.—Not later than 5 years after an assur-
25 ance is provided under subsection (a), and at least each

1 5 years thereafter, the Secretary shall, after consultation
2 with representatives of the affected States, review the fi-
3 nancial assurances.

4 (c) PHASED GUARANTEES.—The Secretary may ad-
5 just the amount of the financial guarantee provided under
6 subsection (a) upon a determination by the Secretary that
7 a portion of reclamation is completed as required by this
8 Act and other applicable mining laws.

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

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

13 (a) PROHIBITION.—Subject to the other provisions of
14 this section and valid existing rights, full- or part-time res-
15 idential occupancy of a mining claim, including the con-
16 struction, presence, or maintenance of a temporary or per-
17 manent structure that may be used for residential occu-
18 pancy purposes, shall be prohibited.

19 (b) TRANSITORY OCCUPANCY.—Residential occu-
20 pancy of a claim for purposes reasonably incident to
21 prospecting, mining, or processing that does not involve
22 surface disturbance extending beyond the period of occu-
23 pancy shall be permitted for a duration of no more than
24 14 days upon notice to the Secretary.

1 (c) TEMPORARY OCCUPANCY.—The Secretary may
2 approve residential occupancy of a claim for a period in
3 excess of 14 days as part of a plan of operations required
4 under applicable law, if the Secretary determines that the
5 occupancy is reasonably required to accomplish such plan.
6 Occupancy under this subsection shall of no greater dura-
7 tion or extent than is necessary to accomplish the
8 prospecting, mining, or processing incident to the plan.

9 **SEC. 10. MINERAL MATERIALS.**

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

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

14 **“SEC. 3 MINERAL MATERIALS.**

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

17 (2) in the first sentence, by striking “or cin-
18 ders” and inserting “cinders, or clay”; and

19 (3) by adding at the end the following new sub-
20 section:

21 **“(b) DISPOSAL.—**

22 **“(1) IN GENERAL.—Subject to valid existing**
23 **rights (as defined in paragraph (2)), after the date**
24 **of enactment of this section, deposits of minerals re-**
25 **ferred to in subsection (a) (except deposits of ben-**

1 tonite and gypsum) shall be subject to disposal
2 under the terms and conditions of the Materials Act
3 of 1947 (30 U.S.C. 601 et seq.).

4 “(2) VALID EXISTING RIGHTS DEFINED.—As
5 used in paragraph (1), the term ‘valid existing
6 rights’ means a mining claim located for a mineral
7 material that—

8 “(A) has some property that gives the
9 claim distinct and special value as described in
10 subsection (a), including so-called ‘block pum-
11 ice’ as described in subsection (a);

12 “(B) was properly located and maintained
13 under the general mining laws on the date of
14 enactment of this subsection;

15 “(C) was supported by a discovery of a val-
16 uable mineral deposit within the meaning of the
17 general mining law on the date of enactment of
18 this subsection; and

19 “(D) continues to be valid.”.

20 (b) MINERAL MATERIALS SUBJECT TO RIGHT OF
21 THE UNITED STATES FOR DISPOSAL AND SEVERANCE.—
22 Subsections (b) and (c) of section 4 of the Surface Re-
23 sources Act of 1955 (30 U.S.C. 612) is amended by insert-
24 ing “and mineral material” after “vegetative” both places
25 it appears .

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

4 **SEC. 11. RECEIPTS.**

5 Two-thirds of the receipts from location and mainte-
6 nance fees required by section 4, royalties required by sec-
7 tion 5, and payments required by section 6 shall be paid
8 into the Treasury of the United States and deposited as
9 miscellaneous receipts. One-third of the receipts from any
10 claim, patent, or millsite shall be paid by the Secretary
11 of the Treasury to the treasury of the State in which such
12 claim, patent, or millsite is located.

13 **SEC. 12. ABANDONED HARDROCK MINE RECLAMATION**
14 **PROGRAM.**

15 (a) ESTABLISHMENT.—There is established a pro-
16 gram to be known as the Abandoned Hardrock Mine Rec-
17 lamation Program (referred to in this section as the “Pro-
18 gram”). The Program shall be administered by the Sec-
19 retary of the Interior acting through the Director of the
20 Bureau of Land Management.

21 (b) DESCRIPTION OF PROGRAM.—

22 (1) IN GENERAL.—The Secretary is authorized
23 to make grants to eligible States (as defined in sub-
24 section (e)) for the reclamation and restoration of
25 land and water resources adversely affected by past

1 hardrock mining (other than coal and fluid known
2 minerals). The grants may be used for—

3 (A) the reclamation and restoration of
4 abandoned surface mined areas;

5 (B) the reclamation and restoration of
6 abandoned milling and processing areas;

7 (C) the sealing, filling, and grading of
8 abandoned deep mine entries;

9 (D) the planting of land adversely affected
10 by past mining to prevent erosion and sedi-
11 mentation;

12 (E) the prevention, abatement, treatment,
13 and control of water pollution created by aban-
14 doned mine drainage;

15 (F) the control of surface subsidence due
16 to abandoned deep mines; and

17 (G) such other projects as may be nec-
18 essary to accomplish this Act.

19 (2) PRIORITIES.—Expenditure of grant funds
20 by the Secretary shall reflect the following priorities
21 in the order stated:

22 (A) The protection of public health, safety,
23 and general welfare from the adverse effects of
24 past hardrock mining practices.

1 (B) The restoration of land and water re-
2 sources previously degraded by the adverse ef-
3 fects of past minerals and mineral materials
4 mining practices.

5 (c) ELIGIBLE AREAS.—

6 (1) ELIGIBILITY IN GENERAL.—Subject to
7 paragraph (2), land and water eligible for reclama-
8 tion expenditures under this section shall be those—

9 (A) that were mined or processed for min-
10 erals and mineral materials or abandoned or
11 left in an inadequate reclamation status prior to
12 the date of enactment of this section;

13 (B) for which the Secretary (or State)
14 makes a determination that there is no continu-
15 ing reclamation responsibility under Federal or
16 State laws; and

17 (C) for which it can be established that the
18 land does not contain minerals that could eco-
19 nomically be extracted through the reprocessing
20 or reining, unless the consideration is in con-
21 flict with the priorities set forth under subpara-
22 graphs (A) and (B) of subsection (b)(2).

23 (2) SPECIFIC SITES AND AREAS NOT ELIGI-
24 BLE.—Areas designated for remedial action pursu-
25 ant to the Uranium Mill Tailing Radiation Control

1 Act of 1978 (42 U.S.C. 7901 et seq.) or that have
2 been listed for remedial action pursuant to the Com-
3 prehensive Environmental Response, Compensation,
4 and Liability Act of 1980 (42 U.S.C. 9601 et seq.)
5 shall not be eligible for expenditure under this sec-
6 tion.

7 (d) ALLOCATION AND EXPENDITURES.—

8 (1) ALLOCATIONS.—

9 (A) IN GENERAL.—Funds available for ex-
10 penditure by the Secretary shall be allocated on
11 an annual basis in the form of grants to eligible
12 States, or in the form of expenditures under
13 subsection (d)(2), to carry out this Act.

14 (B) DISTRIBUTION.—The Secretary shall
15 distribute the funds equitably to eligible States,
16 giving due consideration to the priorities stated
17 in subsection (b)(2).

18 (2) DIRECT FEDERAL EXPENDITURES.—The
19 Secretary makes grants to States not eligible under
20 subsection (e) based on the greatest need for the
21 funds pursuant to the priorities stated in subsection
22 (b)(2).

23 (e) STATE RECLAMATION PROGRAMS.—

24 (1) ELIGIBLE STATES.—For the purpose of
25 subsection (d), the term “eligible States” are States

1 that the Secretary determines meets each of the fol-
2 lowing requirements:

3 (A) Within the State there are mined
4 lands, waters, and facilities eligible for reclama-
5 tion under subsection (c).

6 (B) The State has developed an inventory
7 of affected areas following the priorities estab-
8 lished under subsection (b)(2).

9 (C) The State has established, and the
10 Secretary has approved, a State abandoned
11 minerals and mineral materials mine reclama-
12 tion program for the purpose of receiving and
13 administering grants under this section.

14 (2) MONITORING.—The Secretary shall monitor
15 the expenditure of State grants to ensure that the
16 grants are being utilized to carry out this Act.

17 (3) STATE PROGRAMS.—The Secretary shall ap-
18 prove any State abandoned minerals mine reclama-
19 tion program submitted to the Secretary by a State
20 under this section if the Secretary finds that the
21 State has the means and necessary State legislation
22 to implement the program and that the program
23 complies with this section.

24 (f) AUTHORIZATION OF APPROPRIATIONS.—

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

4 (2) LIMITATION.—The amount annually au-
5 thorized to be appropriated under this subsection
6 shall not exceed the sums paid into the Treasury of
7 the United States, and deposited as miscellaneous
8 receipts, pursuant to section 11 for the fiscal year
9 preceding the authorization.

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