

109TH CONGRESS
2^D SESSION

H. R. 5471

To provide to the Bureau of Land Management a mechanism to cancel certain mining leases for lands in the leases CA-20139 and CA-22901 and provide new leasing opportunities in the Soledad Canyon adjacent to the City of Santa Clarita, California, that reflect the historical mining levels, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 24, 2006

Mr. McKEON introduced the following bill; which was referred to the
Committee on Resources

A BILL

To provide to the Bureau of Land Management a mechanism to cancel certain mining leases for lands in the leases CA-20139 and CA-22901 and provide new leasing opportunities in the Soledad Canyon adjacent to the City of Santa Clarita, California, that reflect the historical mining levels, 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 TITLE.**

4 This Act may be cited as the “Soledad Canyon Mine
5 Leases Adjustment Act”.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—The Congress finds the following:

3 (1) Transit Mixed Concrete Corporation holds
4 two valid Federal leases for the extraction of sand
5 and gravel from the Federal mineral estate in lands
6 located in Soledad Canyon adjacent to the City of
7 Santa Clarita, California, numbered CA–20139 and
8 CA–22901. Such lands contain approximately 56
9 million tons of sand and gravel.

10 (2) Mining 56 million tons of sand and gravel
11 under the terms of the leases would produce harm
12 to the environment and cause major transportation
13 problems for the City of Santa Clarita, surrounding
14 areas, and other users of the transportation systems
15 in the vicinity.

16 (3) It is in the best interest of the citizens of
17 California and the Federal Government to cancel
18 those leases and make available new leases for those
19 resources that reflect the level of mining that has
20 historically occurred in the Soledad Canyon area of
21 California.

22 (4) TMC should be offered resources extraction
23 opportunities of similar economic value in other
24 areas of California that would not impact the envi-
25 ronment and transportation systems to the degree

1 that they would have been impacted in the Soledad
2 Canyon.

3 (5) TMC should receive credit for reasonable
4 and customary costs associated with their efforts to
5 develop leases CA-20139 and CA-22901.

6 (6) A site-specific solution that is fair to TMC,
7 protects the environment, and has minimal impact
8 on local transportation system is in the best interest
9 of the Nation.

10 (7) Considerable sums of money have been ex-
11 pended by all parties trying to insure their interests
12 are protected with respect to leases CA-20139 and
13 CA-22901, with no conclusion foreseen at this time.

14 (b) PURPOSES.—The purposes of this Act are the fol-
15 lowing:

16 (1) To provide to the Bureau of Land Manage-
17 ment a mechanism that is not available under exist-
18 ing law to cancel leases CA-20139 and CA-22901
19 and provide new leasing opportunities in the Soledad
20 Canyon that reflect the historical production levels.

21 (2) To provide a means for TMC to recover and
22 transfer to other Federal resources the amounts ex-
23 pended trying to develop leases CA-20139 and CA-
24 22901.

1 (3) To provide the Bureau of Land Manage-
2 ment tools to evaluate expenses incurred by TMC
3 and provide relief.

4 **SEC. 3. DEFINITIONS.**

5 In this Act:

6 (1) SECRETARY.—The term “Secretary” means
7 the Secretary of the Interior.

8 (2) TMC.—The term “TMC” means the Tran-
9 sit Mixed Concrete Corporation.

10 (3) The term “historical production levels”
11 means production of 300,000 tons of aggregate pro-
12 duced for sale per calendar year.

13 **SEC. 4. TMC LEASE CANCELLATIONS AND EXCHANGE OF**
14 **VALUES EXPENDED.**

15 (a) LEASES CANCELLATIONS.—The Secretary shall
16 cancel Bureau of Land Management leases CA–20139 and
17 CA–22901 effective on the date of the enactment of this
18 Act.

19 (b) EXCHANGE FOR ECONOMIC VALUES.—

20 (1) IN GENERAL.—In exchange for the eco-
21 nomic value invested in trying to bring leases CA–
22 20139 and CA–22901 into commercial production
23 the Secretary shall provide to TMC other financial
24 and mineral production opportunities in accordance
25 with subsection (d).

1 (2) VALUES ASSIGNED TO LEASES.—For pur-
2 poses of paragraph (1), the economic value invested
3 is an amount equal to the sum of the following:

4 (A) All amounts paid to the United States
5 with respect to the leases as bonus bids or other
6 prepayments.

7 (B) Interest on amounts referred to in
8 subparagraph (A), from the date of payment of
9 such amounts to the United States, at a rate
10 determined by the Secretary.

11 (C) Amounts expended by TMC in secur-
12 ing the leases and trying to bring them into
13 production, including—

14 (i) reasonable costs associated with
15 the engineering and environmental studies
16 associated with the leases; and

17 (ii) reasonable legal costs associated
18 with efforts to exercise the rights granted
19 in the leases.

20 (c) SUBMISSION OF EXPENSES INCURRED.—

21 (1) IN GENERAL.—To assist in the determina-
22 tion of the amounts expended referred to in sub-
23 section (b)(2)(C), TMC shall submit to the Secretary
24 within 90 days after the date of the enactment of
25 this Act an itemized list of such amounts, with

1 enough detail and supporting documentation so the
2 Secretary can determine that the expenses are asso-
3 ciated with the leases and are reasonable.

4 (2) ARBITRATION.—The Secretary’s determina-
5 tion of the amounts expended referred to in sub-
6 section (b)(2)(C) shall be issued within 90 days of
7 receipt of the itemized list required under paragraph
8 (1). If the Secretary disapproves such list, the Sec-
9 retary shall, upon request of TMC, determine the
10 economic value invested for purposes of subsection
11 (b)(2) through arbitration in accordance with sub-
12 chapter IV of chapter 5 of title 5, United States
13 Code.

14 (d) RETURN OF VALUE OPPORTUNITIES FOR
15 TMC.—Financial and mineral production opportunities
16 provided under subsection (b)(1) may be in the form of
17 one or a combination of any of the following that is mutu-
18 ally agreed to by the Secretary and TMC:

19 (1) Interests in the mineral estate in Federal
20 lands in the State of California that are available for
21 leasing under the Mineral Leasing Act (30 U.S.C.
22 181 et seq.).

23 (2) Interests in the surface estate in Federal
24 lands in the State of California that are under the

1 administrative jurisdiction of the Secretary and that
2 are available for disposal.

3 (e) REFERRAL TO COURT OF CLAIMS.—

4 (1) REFERRAL.—If the Secretary and TMC do
5 not reach agreement under subsection (b) regarding
6 the financial and mineral production opportunities to
7 be provided by the Secretary under subsection (b)(1)
8 within 24 months after date of the enactment of this
9 Act, the Secretary shall refer the issue to the United
10 States Court of Federal Claims for resolution.

11 (2) RESOLUTION BY COURT.—In any referral
12 under this subsection, the court shall—

13 (A) determine the economic value invested
14 for purposes of subsection (b)(2); and

15 (B) determine and order the Secretary to
16 provide financial and mineral production oppor-
17 tunities for purposes of subsection (b)(1) and
18 subsection (d).

19 **SEC. 5. LIMITATIONS ON FUTURE LEASING FOR SAND AND**
20 **GRAVEL IN SOLEDAD CANYON AREA OF CALI-**
21 **FORNIA.**

22 (a) LIMITATION ON RATE OF MINING.—The Sec-
23 retary may not issue any lease for mining sand and gravel
24 in the Soledad Canyon area of California as described on
25 the map titled _____ and dated _____ on file with the

1 Secretary of Interior that in aggregate exceeds the histor-
2 ical production level.

3 (b) CONSULTATION AND CONSIDERATIONS.—Before
4 issuing any lease authorizing the mining of sand or gravel
5 in the Soledad Canyon area of California, the Secretary
6 shall—

7 (1) consult with the City of Santa Clarita, Cali-
8 fornia, Los Angeles County, California, and surface
9 owners in that area; and

10 (2) take into consideration the environmental
11 and transportation concerns of such mining in that
12 area.

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