104TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
104–673

MINING AND MINERAL RESOURCES INSTITUTES ACT

JULY 12, 1996.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. YOUNG of Alaska, from the Committee on Resources, submitted the following

R E P O R T

[To accompany H.R. 3249]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 3249) to authorize appropriations for a mining institute to develop domestic technological capabilities for the recovery of minerals from the nation's seabed, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SEABED MINERALS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2(a) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1222(a)) is amended by adding the following at the end thereof:

"There is authorized to be appropriated to the Secretary not more than $1,800,000 for each of the fiscal years after fiscal year 1996 to be made available by the Secretary to an institute or institutes experienced in investigating the continental shelf regions of the United States, the deep seabed and near shore environments of islands, and the Arctic and cold water regions as a source for nonfuel minerals. Such funds are to be used by the institute or institutes to assist in developing domestic technological capabilities required for the location of, and the efficient and environmentally sound recovery of, minerals (other than oil and gas) from the Nation's shallow and deep seabed.".

(b) SHORT TITLE.—Section 11 of such Act (30 U.S.C. 1201 note) is amended to read as follows:

"SEC. 11. SHORT TITLE.

"This Act may be cited as the 'Mining and Mineral Resources Institutes Act'.".

Amend the title so as to read:

29–006

A bill to authorize appropriations for a mining institute or institutes to develop domestic technological capabilities for the recovery of minerals from the Nation's seabed, and for other purposes.

PURPOSE OF THE BILL

The purpose of H.R. 3249 is to authorize appropriations for a mining institute or institutes to develop domestic technological capabilities for the recovery of nonfuel minerals from the Nation's seabed.

BACKGROUND AND NEED FOR LEGISLATION

Title III of the Surface Mining Control and Reclamation Act of 1977 (SMCRA, 30 U.S.C. 1221 et seq.) created a Mining and Mineral Resources Research Institutes program in cooperation with universities and the Department of the Interior. The program was reauthorized in 1984 and again in 1988 with some seven "generic centers" specializing in certain subject matter areas and thirty schools qualifying for allotment grants to promote graduate student education in mineral sciences and allied fields.

The Marine Minerals Generic Technology Centers of the Minerals Institute program were first established in 1984 (Public Law 98–409), located at the University of Hawaii and the University of Mississippi, specialize in deep ocean basins and continental shelf minerals research, respectively. The U.S. Bureau of Mines, before its termination in fiscal year 1996 under the Balanced Budget Downpayment Act (Public Law 104–99), oversaw the cumulative budget of the minerals institute program, amounting to about $4.5 million in allotment grants in the last year of authorization, fiscal year 1994.

Although SMCRA did not originally contemplate establishment of the marine minerals technology centers, they were added on to the institutes program by a Congress interested in funding research efforts to maintain a U.S. lead in deep ocean mining technology after President Reagan established a 200-mile wide exclusive economic zone beyond our seaward territorial boundaries. Furthermore, awareness of the Law of the Sea Treaty, albeit unsigned by the U.S., and its provisions for future deep seabed mining, kept Congressional interest in marine minerals issues alive.

Much of our domestic industry's interest in mining manganese nodules for their base metals content from the abyssal depths of the Pacific Ocean has waned since the 1980s. However, interest in characterizing other metal-bearing oxide and sulfide crusts from the deep ocean floor, identifying unexploded ordnance from military activities and locating mineral materials for beach replenishment projects has grown. The dormancy, or outright disbanding, of industry consortia established to share the risks of the development of deep ocean sea floor mining exploration and production means that corporate sponsorship of marine minerals technology research is less likely than over the last decade. Yet, other nations view marine mining technology as a strategic necessity because they lack onshore sources of these metals.

Increasingly, state and local governments are seeking coastal protection solutions via beach replenishment projects using sand, gravel and shell resources mined from the Outer Continental Shelf.

The Minerals Management Service, tapped by Secretary Babbitt to manage the marine minerals technology center program funding which was obligated prior to the closure of the Bureau of Mines, is heavily involved in identifying this resource in Federal waters.

COMMITTEE ACTION

H.R. 3249 was introduced on April 16, 1996, by Congressmen Neil Abercrombie (D–HI) and Roger Wicker (R–MS). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on Energy and Mineral Resources.

On May 9, 1996, the Subcommittee held a hearing on H.R. 3249. Dr. Tom Kitsos, then Program Director of the Office of International Activities and Marine Minerals of the Minerals Management Service, testified for the Administration in general support of the goals of the legislation. Dr. Michael J. Cruickshank, Director of the Ocean Basins Division (Hawaii), and Dr. J. Robert Woolsey, Director of the Continental Shelf Division (Mississippi), both of the Marine Minerals Technology Center, testified in support of the bill with detailed addenda outlining former research efforts and its benefits.

On June 19, 1996, the Full Resources Committee discharged H.R. 3249 from further consideration by the Subcommittee on Energy and Mineral Resources for consideration by the full Committee on Resources. Congressman Abercrombie offered an amendment in the nature of a substitute. The amendment clarified his original intent to authorize more than one institute to assist in developing domestic technological capabilities required for the location of, and efficient and environmentally sound recovery of, nonfuel minerals from the continental shelf regions of the U.S., the deep seabed and near shore environment of islands, and Arctic and cold water regions. The amendment was adopted and the bill, as amended, ordered reported favorably to the House of Representatives by voice vote.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to the requirements of clause 2(l)(3) of rule XI of the Rules of the House of Representatives, and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment of H.R. 3249 will have no significant inflationary impact on prices and costs in the operation of the national economy.

COST OF THE LEGISLATION

Clause 7(a) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out H.R. 3249. However, clause 7(d) of that Rule provides that this requirement does

not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974.

COMPLIANCE WITH HOUSE RULE XI

1. With respect to the requirement of clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, H.R. 3249 does not contain any new budget authority, credit authority, or an increase or decrease in revenues or tax expenditures. The bill authorizes increased discretionary spending of $7 million over the 1997–2002 time period, assuming appropriation of the amounts authorized.

2. With respect to the requirement of clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform and Oversight on the subject of H.R. 3249.

3. With respect to the requirement of clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 3249 from the Director of the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 28, 1996.

Hon. DON YOUNG,
Chairman, Committee on Resources, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 3249, the Mining and Mineral Resources Institutes Act, as ordered reported by the House Committee on Resources on June 19, 1996.

H.R. 3249 would authorize to be appropriated to the Secretary of the Interior not more than $1.8 million for each of the fiscal years after fiscal year 1996. These funds are to be made available for a mining institute or institutes to develop technologies for the recovery of minerals from the nation's seabed. CBO estimates that enacting this bill would increase discretionary spending by $1.8 million a year beginning in fiscal year 1997 and by about $7 million over the 1997–2000 period, assuming appropriation of the specified amounts. Because H.R. 3249 would not affect direct spending or receipts, pay-as-you-go procedures would not apply to the bill.

H.R. 3249 contains no intergovernmental or private-sector mandates as defined in Public Law 104–4 and would impose no costs on state, local, or tribal governments. CBO expects that the appropriations authorized by this bill would be used to fund institutes located at state universities.

If you wish further details on this estimate, we will be pleased to provide them. The staff contacts are Victoria Heid (for federal

costs), and Marjorie Miller (for the state and local government impact).

Sincerely,

JUNE E. O'NEILL, *Director.*

COMPLIANCE WITH PUBLIC LAW 104–4

H.R. 3249 contains no unfunded mandates.

DEPARTMENTAL REPORTS

The Committee has received no departmental reports on H.R. 3249.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

MINING AND MINERAL RESOURCES RESEARCH INSTITUTE ACT OF 1984

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RESEARCH FUNDS TO INSTITUTES

SEC. 2 (a) There is authorized to be appropriated to the Secretary not more than $15,000,000 for each of the fiscal years ending September 30, 1990, through September 30, 1994, which shall remain available until expended. Such funds when appropriated shall be made available to an institute or to institutes participating in a generic mineral technology center to meet the necessary expenses for purposes of—

(1) * * *

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There is authorized to be appropriated to the Secretary not more than $1,200,000 for each of the fiscal years after fiscal year 1996 to be made available by the Secretary to an institute experienced in investigating the shallow and deep seabed as a source for nonfuel minerals to be used by the institute to assist in developing domestic technological capabilities required for the location of, and the efficient and environmentally sound recovery of, minerals (other than oil and gas) from the nation's shallow and deep seabed.

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[SEC. 11. SHORT TITLE OF ACT.

[This Act may be cited as the Mining and Mineral Resources Research Institute Act of 1984.]

SEC. 11. SHORT TITLE.

This Act may be cited as the "Mining and Mineral Resources Institutes Act".

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