

# The Hardrock Mining and Reclamation Act of 2015

## Background

The General Mining Law of 1872, signed by President Ulysses S. Grant, is still the current statute. It sets the basic rules for mining of hardrock minerals - such as gold, copper and uranium - on public lands. Individuals and corporations may search for minerals in public lands, and make a claim on any discoveries.



The purpose of the law was to encourage Western expansion in a much different era. It provides no return to the modern taxpayer or provide environmental protection for the public.

In 2011, U.S. Senator Tom Udall (D-N.M.) and U.S. Representative Raul Grijalva asked the General Accounting Office to identify the amount and estimated dollar values of minerals extracted from federal land administered by the Department of Interior, which includes 700 million acres of public lands, 57 million acres of Indian lands, and 1.8 billion acres below offshore water. GAO concluded it could not estimate the available data on the amounts, types or values of so-called locatable minerals – such as gold, silver, copper and because the General Mining Law of 1872 provides no royalties for the public and does not require mining companies to disclose how much they extract, where such minerals are sold or what the overall value of each mining operation is.



This outdated law from over 140 years ago gives metal mining special priority over recreation and conservation efforts by leaving miners free of royalties and environmental provisions that would otherwise safeguard critical water supplies and landscapes. It's clear, taxpayers have

lost out on untold royalties, yet thousands of abandoned mines threaten communities and pose a drain on taxpayers.

According to the EPA, abandoned mines have polluted 40 percent of the headwaters of Western watersheds. Estimates show that it will cost tens of billions of dollars to clean the estimated 500,000 abandoned mines throughout the west.

Current funding levels will never lead to cleanup of these contaminated sites leaking toxic chemicals into water bodies nationwide. Now is the time to amend this 19<sup>th</sup> century law,

and give American taxpayers relief. This bill will provide a new revenue source to tackle the problem of abandoned mines and bring fairness to taxpayers.



### **Summary**

The Hardrock Mining and Reclamation Act of 2015 amends the 1872 mining law by eliminating patenting of federal lands. It imposes a federal minerals royalty, establishes a Hardrock Minerals Reclamation Fund for the cleanup of abandoned mines, and requires a review of certain lands within three years to determine if they will be available for future mining. Specifically the bill:

- Requires annual rental payments for claimed public land, thereby characterizing mine operators as other public land users.
- Sets a royalty rate of not less than 2% and not greater than 5% based on the gross income of production on federal land but would not apply to mining operations already in commercial production or those with an approved plan of operations.
- Acquired revenues would be deposited into the newly created Hardrock Minerals Reclamation Fund for abandoned mine cleanup. Additionally, the Fund would be infused by an abandoned mine reclamation fee of 0.6% to 2% on existing mines.
- Grants the Secretary of the Interior the authority to grant royalty relief to mining operations based on economic factors.
- Requires an exploration permit and mining operations permit for non-casual mining operations on federal land, and be valid for 30 years and continue as long as commercial production occurs.
- Permits states, political subdivisions, and Indian Tribes to petition the Secretary of the Interior to have lands withdrawn from mining.
- Requires an expedited review of areas that may be inappropriate for mining, and allow specific areas be reviewed for possible withdrawal.