

Hardrock Mining Reform Act of 2019

Mining companies, both foreign and domestic, are governed today by a law that has changed little since the actual California Gold Rush that gave rise to the Act in the first place. To put that in context, the last time Congress acted to regulate the hardrock mining industry (that is, gold, silver, uranium, copper and other precious metals), Ulysses Grant was President, and the United States was looking to promote expansion into the West.

Today, this Civil War-era statute gives individuals and corporations free rein to extract minerals from public lands without owing anything in royalties to the federal government. These companies can buy, sell, transfer, or even hold these claims in perpetuity, sometimes without even mining or making use of the property. If not for an appropriations rider in 1994, claimants could even legally purchase (known as a “patent”) land with mineral interests for less than \$5.00 acre. Over the years, this archaic “patent” system allowed the mining industry to take title to approximately 3.4 million acres of federal land—an area nearly the size of Connecticut. It’s no surprise that the late **Congressman Morris Udall described the law as “a real estate fire sale without the fire.”**

Further compounding matters is the environmental toll. According to the EPA, abandoned mines have polluted 40 percent of the headwaters of Western watersheds. Another report found that mines were responsible for 91% of the releases of arsenic. Estimates also show that it will cost tens of *billions* of dollars to remediate the estimated *500,000* abandoned mining sites throughout the West.

Key Provisions

- **Places hardrock mining on the same footing with other mining industries with a new royalty rate** of 5% to 8% based on the gross income of production on federal land. This rate would not apply to mining operations already in commercial production or those with an approved plan of operations. The Act allows the Secretary of the Interior to grant royalty relief to mining operations based on economic factors.
- **Finally provides for abandoned mine cleanup** through the Hardrock Minerals Reclamation Fund, paid for by royalties and infused by an abandoned mine reclamation fee of 1% to 3%.
- **Ends the public lands giveaway**, by requiring an exploration permit and mining operations permit for non-casual mining operations on federal land, valid for 30 years and to continue as long as commercial production occurs.
- **Encourages local autonomy over mining**, and gives States, political subdivisions, and Indian tribes the authority to petition the Secretary of the Interior to withdraw certain lands from mining.
- **Requires a “look before you leap” approach**, and directs Interior to conduct an expedited review of areas that may be inappropriate for mining and therefore eligible for withdrawal.