

## Calendar No. 142

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SENATE

{ REPORT  
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### METHOW HEADWATERS PROTECTION ACT

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JUNE 13, 2017.—Ordered to be printed

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Ms. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

### R E P O R T

[To accompany S. 566]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 566) to withdraw certain land in Okanogan County, Washington, to protect the land, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

#### PURPOSE

The purpose of S. 566 is to withdraw certain land in Okanogan County, Washington, to protect the land from potential mineral development.

#### BACKGROUND AND NEED

The Methow River watershed in Okanogan County, Washington, supports outdoor recreation, farming, and salmon and other wildlife habitat. Seven federally protected fish and wildlife species are found in the area, including the Northern spotted owl, grizzly bear, Canada lynx, spring Chinook salmon, steelhead, and bull trout. The watershed is also home to bald and golden eagles, martens, mountain goats, mule and white-tailed deer, and wolves. More than \$100 million has been invested in restoration and conservation efforts in the Methow Valley through Federal, state, local, and private investment.

In 2013, Blue River Resources Ltd., a Canadian mining company, filed an application with the U.S. Forest Service to conduct exploration activity on land located within the Okanogan-Wenatchee Na-

tional Forest on Flagg Mountain, above the community of Mazama, Washington. The exploration would allow the company to assess a known ore deposit that the company believes might contain as much as one billion pounds of copper and other minerals. Under the General Mining Law of 1872, the company has a right to explore for and develop mineral rights on federal lands.

Shortly thereafter, many in the local community sought to protect the Methow headwaters from potential threats by withdrawing the area from mineral entry. A withdrawal does not prevent all mining from occurring because it leaves in place valid existing rights but it imposes validity determination requirements that could make future mining far less likely.

#### LEGISLATIVE HISTORY

S. 566 was introduced by Senators Cantwell and Murray on March 8, 2017.

In the 114th Congress, Senators Murray and Cantwell introduced a similar bill, S. 2991, on May 25, 2016. The Committee on Energy and Natural Resources held a hearing on the bill on September 22, 2016.

The Committee on Energy and Natural Resources met in an open business session on March 30, 2017, and ordered S. 566 favorably reported without amendment.

#### COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on March 30, 2017, by a majority voice vote of a quorum present, recommends that the Senate pass S. 566.

#### SECTION-BY-SECTION ANALYSIS

##### *Section 1. Short title*

Section 1 provides a short title for the measure.

##### *Section 2. Methow Valley, Washington, Federal land withdrawal*

Section 2(a) describes the map depicting the lands to be withdrawn.

Subsection (b) withdraws approximately 340,079 acres of Federal land from all entry, appropriation, disposal, location, and patent under public land laws, mining laws, and geothermal leasing laws.

Subsection (c) mandates that any land located within the area of the Map that is acquired by the United States after enactment of this Act shall, on acquisition, be immediately withdrawn in accordance with this section.

Subsection (d) requires the map to be kept on file and made available for inspection by the appropriate offices of the Forest Service and Bureau of Land Management.

#### COST AND BUDGETARY CONSIDERATIONS

The following estimate of the costs of this measure has been provided by the Congressional Budget Office:

S. 566 would withdraw 340,000 acres of federal land in the state of Washington from programs to develop any geothermal and mineral resources on that land. Based on information from the Forest Service, CBO expects that the affected lands will not generate any

income over the next 10 years under current law, and costs to administer the land would not significantly change under the bill. Pay-as-you-go procedures do not apply because enacting the legislation would not affect direct spending or revenues.

CBO estimates that enacting S. 566 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 566 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

#### REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 566. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 566, as ordered reported.

#### CONGRESSIONALLY DIRECTED SPENDING

S. 566, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

#### EXECUTIVE COMMUNICATIONS

Because S. 566 is similar to legislation considered by the Committee in the 114th Congress, the Committee did not request Executive Agency views. The testimony provided by the U.S. Forest Service at the hearing before the Committee on Energy and Natural Resources hearing on September 22, 2016, follows:

#### STATEMENT OF LESLIE WELDON, DEPUTY CHIEF, NATIONAL FOREST SYSTEM, FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Madam Chairman and members of the Committee, thank you for the opportunity to present the views of the U.S. Department of Agriculture (USDA) regarding S. 346, S. 2991, S. 3192, S. 3203, S. 3254, and S. 3273.

#### S. 2991, "THE METHOW HEADWATERS PROTECTION ACT OF 2016"

S. 2991 proposes to withdraw approximately 340,079 acres of Federal land and interests in the land located in the Okanogan-Wenatchee National Forest from all forms of mineral development. The Methow region is one of several areas on National Forest System lands across the country where the USDA Forest Service is analyzing com-

plex and often controversial potential mineral activities. The agency anticipated completing the NEPA environmental assessment and making a decision during the summer of 2016 regarding a proposed permit for mineral exploration. However, through the public engagement process and subsequent analysis, several new considerations have surfaced, including tribal concerns regarding the impacts of mining activity in the area proposed for exploration. The Department of Agriculture supports S. 2291 and believes a mineral withdrawal is the best path toward mitigating any impacts to the ecological, cultural and economic significance of the Methow Valley to the surrounding community.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill as ordered reported.

