

105TH CONGRESS
1ST SESSION

H. R. 2818

To repeal the pilot recreation fee program, and to establish a royalty on hardrock minerals, the proceeds of which are to be used for public recreational sites managed by the Department of the Interior or the United States Forest Service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 5, 1997

Mr. DEFAZIO (for himself, Ms. FURSE, Mr. MARKEY, Mr. STARK, Mr. FRANK of Massachusetts, Mrs. MALONEY of New York, Ms. HOOLEY of Oregon, and Mr. LUTHER) introduced the following bill; which was referred to the Committee on Resources.

A BILL

To repeal the pilot recreation fee program, and to establish a royalty on hardrock minerals, the proceeds of which are to be used for public recreational sites managed by the Department of the Interior or the United States Forest Service, 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. REPEAL OF DEMONSTRATION FEE PROGRAM.**

4 Section 101(c) of the Act of April 26, 1996, entitled
5 “An Act making appropriations for fiscal year 1996 to
6 make a further downpayment toward a balanced budget,

1 and for other purposes.” (Public Law 104–134) is amend-
2 ed by striking section 315 (16 U.S.C. 460l–6a) (relating
3 to the recreational fee demonstration program) under the
4 heading “Title III—General Provisions”.

5 **SEC. 2. HARDROCK MINERAL ROYALTY.**

6 (a) RESERVATION OF ROYALTY.—Each person pro-
7 ducing locatable minerals (including associated minerals)
8 from any mining claim located under the general mining
9 laws, or mineral concentrates derived from locatable min-
10 erals produced from any mining claim located under the
11 general mining laws, as the case may be, shall pay the
12 United States a royalty of 5 percent of the net smelter
13 return from the production of such locatable minerals or
14 concentrates, as the case may be.

15 (b) ROYALTY PAYMENTS.—Each person responsible
16 for making royalty payments under this section shall make
17 such payments to the Secretary not later than 30 days
18 after the end of the calendar month in which the mineral
19 or mineral concentrates are produced and first placed in
20 marketable condition, consistent with prevailing practices
21 in the industry.

22 (c) REPORTING REQUIREMENTS.—All persons hold-
23 ing mining claims located under the general mining laws
24 shall provide to the Secretary such information as deter-
25 mined necessary by the Secretary to ensure compliance

1 with this section, including, but not limited to, quarterly
2 reports, records, documents, and other data. Such reports
3 may also include, but not be limited to, pertinent technical
4 and financial data relating to the quantity, quality, and
5 amount of all minerals extracted from the mining claim.

6 (d) AUDITS.—The Secretary is authorized to conduct
7 such audits of all persons holding mining claims located
8 under the general mining laws as he deems necessary for
9 the purposes of ensuring compliance with the require-
10 ments of this section.

11 (e) DISPOSITION OF RECEIPTS.—All receipts from
12 royalties collected pursuant to this section shall be avail-
13 able, without further appropriation, to the following agen-
14 cies in the percentages specified:

15 (1) Forest Service (20 percent).

16 (2) National Park Service (70 percent).

17 (3) Fish and Wildlife Service (3 percent).

18 (4) Bureau of Land Management (6 percent).

19 Such receipts shall be used to increase the quality of the
20 visitor experience at public recreational sites, for back-
21 logged repair and maintenance projects (including projects
22 relating to health and safety) at such sites, and for inter-
23 pretation, signage, habitat or facility enhancement, re-
24 source preservation, annual operation and maintenance of
25 public recreation sites, and law enforcement relating to

1 public use of such areas. In addition, 1 percent of the re-
2 ceipts shall be available to the Department of the Interior
3 to offset the costs of administering the royalty imposed
4 under this section.

5 (f) COMPLIANCE.—Any person holding mining claims
6 located under the general mining laws who knowingly or
7 willfully prepares, maintains, or submits false, inaccurate,
8 or misleading information required by this section, or fails
9 or refuses to submit such information, shall be subject to
10 a civil penalty of not more than \$10,000 imposed by the
11 Secretary.

12 (g) EFFECTIVE DATE.—This section shall take effect
13 with respect to minerals produced from a mining claim
14 in calendar months beginning after the enactment of this
15 Act.

16 **SEC. 3. DEFINITIONS.**

17 As used in this Act:

18 (1) The term “locatable minerals” means min-
19 erals not subject to disposition under any of the fol-
20 lowing:

21 (A) The Mineral Leasing Act (30 U.S.C.
22 181 and following).

23 (B) The Geothermal Steam Act of 1970
24 (30 U.S.C. 100 and following).

1 (C) The Act of July 31, 1947, commonly
2 known as the Materials Act of 1947 (30 U.S.C.
3 601 and following).

4 (D) The Mineral Leasing for Acquired
5 Lands Act (30 U.S.C. 351 and following).

6 (2) The term “net smelter return” has the
7 same meaning provided in section 613 of the Inter-
8 nal Revenue Code of 1986 (26 U.S.C. 613) for
9 “gross income from mining”.

10 (3) The term “Secretary” means the Secretary
11 of the Interior.

12 (4) The term “general mining laws” means
13 those Acts which generally comprise chapters 2,
14 12A, and 16, and sections 161 and 162 of title 30,
15 United States Code.

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