

106TH CONGRESS  
1ST SESSION

# H. R. 395

To provide for the reclamation of abandoned hardrock mines, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 1999

Mr. GEORGE MILLER of California (for himself, Mr. RAHALL, Mr. GUTIERREZ, Mr. LAFALCE, and Mr. DEFAZIO) introduced the following bill; which was referred to the Committee on Resources

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## A BILL

To provide for the reclamation of abandoned hardrock mines, 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. SHORT TITLE.**

4       This Act may be cited as the “Abandoned Hardrock  
5       Mines Reclamation Act of 1999”.

6       **SEC. 2. RECLAMATION FEE.**

7       (a) RESERVATION OF RECLAMATION FEE.—Any per-  
8       son producing hardrock minerals from a mine that was  
9       within a mining claim that has subsequently been patented  
10      under the general mining laws shall pay a reclamation fee

1 to the Secretary under this section. The amount of such  
 2 fee shall be equal to a percentage of the net proceeds from  
 3 such mine. The percentage shall be based upon the ratio  
 4 of the net proceeds to the gross proceeds related to such  
 5 production in accordance with the following table:

<b>Net proceeds as percentage of gross proceeds</b>	<b>Rate of fee as percentage of net proceeds</b>
Less than 10 .....	2.00
10 or more but less than 18 .....	2.50
18 or more but less than 26 .....	3.00
26 or more but less than 34 .....	3.50
34 or more but less than 42 .....	4.00
42 or more but less than 50 .....	4.50
50 or more .....	5.00

6 (b) EXEMPTION.—Gross proceeds of less than  
 7 \$500,000 from minerals produced in any calendar year  
 8 shall be exempt from the reclamation fee under this sec-  
 9 tion for that year if such proceeds are from one or more  
 10 mines located on a single patented claim or on two or more  
 11 contiguous patented claims.

12 (c) PAYMENT.—The amount of all fees payable under  
 13 this section for any calendar year shall be paid to the Sec-  
 14 retary within 60 days after the end of such year.

15 (d) DISBURSEMENT OF REVENUES.—The receipts  
 16 from the fee collected under this section shall be paid into  
 17 the Abandoned Minerals Mine Reclamation Fund estab-  
 18 lished under this Act.

19 (e) EFFECTIVE DATE.—This section shall take effect  
 20 with respect to hardrock minerals produced in calendar  
 21 years after December 31, 1996.

1 **SEC. 3. ABANDONED MINERALS MINE RECLAMATION FUND.**

2 (a) ESTABLISHMENT.—(1) There is established on  
3 the books of the Treasury of the United States an interest-  
4 bearing fund to be known as the Abandoned Minerals  
5 Mine Reclamation Fund (hereinafter referred to in this  
6 section as the Fund). The Fund shall be administered by  
7 the Secretary.

8 (2) The Secretary shall notify the Secretary of the  
9 Treasury as to what portion of the Fund is not, in his  
10 judgment, required to meet current withdrawals. The Sec-  
11 retary of the Treasury shall invest such portion of the  
12 Fund in public debt securities with maturities suitable for  
13 the needs of such Fund and bearing interest at rates de-  
14 termined by the Secretary of the Treasury, taking into  
15 consideration current market yields on outstanding mar-  
16 ketplace obligations of the United States of comparable  
17 maturities. The income on such investments shall be cred-  
18 ited to, and from a part of, the Fund.

19 (b) USE AND OBJECTIVES OF THE FUND.—The Sec-  
20 retary is, subject to appropriations, authorized to use  
21 moneys in the Fund for the reclamation and restoration  
22 of land and water resources adversely affected by past  
23 mineral (other than coal and fluid minerals) and mineral  
24 material mining, including but not limited to, any of the  
25 following:

1           (1) Reclamation and restoration of abandoned  
2 surface mined areas.

3           (2) Reclamation and restoration of abandoned  
4 milling and processing areas.

5           (3) Sealing, filling, and grading abandoned deep  
6 mine entries.

7           (4) Planting of land adversely affected by past  
8 mining to prevent erosion and sedimentation.

9           (5) Prevention, abatement, treatment and con-  
10 trol of water pollution created by abandoned mine  
11 drainage.

12           (6) Control of surface subsidence due to aban-  
13 doned deep mines.

14           (7) Such expenses as may be necessary to ac-  
15 complish the purposes of this section.

16       (c) ELIGIBLE AREAS.—(1) Land and waters eligible  
17 for reclamation expenditures under this section shall be  
18 those within the boundaries of States that have lands sub-  
19 ject to the general mining laws—

20           (A) which were mined or processed for minerals  
21 and mineral materials or which were affected by  
22 such mining or processing, and abandoned or left in  
23 an inadequate reclamation status prior to the date  
24 of enactment of this title;

1 (B) for which the Secretary makes a determina-  
2 tion that there is no continuing reclamation respon-  
3 sibility under State or Federal laws; and

4 (C) for which it can be established that such  
5 lands do not contain minerals which could economi-  
6 cally be extracted through the reprocessing or remin-  
7 ing of such lands.

8 (2) Sites and areas designated for remedial action  
9 pursuant to the Uranium Mill Tailings Radiation Control  
10 Act of 1978 (42 U.S.C. 7901 and following) or which have  
11 been listed for remedial action pursuant to the Com-  
12 prehensive Environmental Response Compensation and  
13 Liability Act of 1980 (42 U.S.C. 9601 and following) shall  
14 not be eligible for expenditures from the Fund under this  
15 section.

16 **SEC. 4. DEFINITIONS.**

17 As used in this Act:

18 (1) The term “gross proceeds” means the value  
19 of any extracted hardrock mineral which was—

20 (A) sold;

21 (B) exchanged for any thing or service;

22 (C) removed from the country in a form  
23 ready for use or sale; or

24 (D) initially used in a manufacturing proc-  
25 ess or in providing a service.

1           (2) The term “net proceeds” means gross pro-  
2       ceeds less the sum of the following deductions:

3           (A) The actual cost of extracting the min-  
4       eral.

5           (B) The actual cost of transporting the  
6       mineral to the place or places of reduction, re-  
7       fining and sale.

8           (C) The actual cost of reduction, refining  
9       and sale.

10          (D) The actual cost of marketing and de-  
11       livering the mineral and the conversion of the  
12       mineral into money.

13          (E) The actual cost of maintenance and re-  
14       pairs of the following:

15           (i) All machinery, equipment, appara-  
16       tus and facilities used in the mine.

17           (ii) All milling, refining, smelting and  
18       reduction works, plants and facilities.

19           (iii) All facilities and equipment for  
20       transportation.

21          (F) The actual cost of fire insurance on  
22       the machinery, equipment, apparatus, works,  
23       plants and facilities mentioned in subparagraph  
24       (E).

1 (G) Depreciation of the original capitalized  
2 cost of the machinery, equipment, apparatus,  
3 works, plants and facilities mentioned in sub-  
4 paragraph (E).

5 (H) All money expended for premiums for  
6 industrial insurance, and the actual cost of hos-  
7 pital and medical attention and accident bene-  
8 fits and group insurance for all employees.

9 (I) The actual cost of developmental work  
10 in or about the mine or upon a group of mines  
11 when operated as a unit.

12 (J) All royalties and severance taxes paid  
13 to the Federal Government or State govern-  
14 ments.

15 (3) The term “hardrock mineral” means any  
16 mineral other than a mineral that would be subject  
17 to disposition under any of the following if located  
18 on land subject to the general mining laws:

19 (A) The Mineral Leasing Act (30 U.S.C.  
20 181 and following).

21 (B) The Geothermal Steam Act of 1970  
22 (30 U.S.C. 100 and following).

23 (C) The Act of July 31, 1947, commonly  
24 known as the Materials Act of 1947 (30 U.S.C.  
25 601 and following).

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

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

5                   (5) The term “patented mining claim” means  
6                   an interest in land which has been obtained pursu-  
7                   ant to sections 2325 and 2326 of the Revised Stat-  
8                   utes (30 U.S.C. 29 and 30) for vein or lode claims  
9                   and sections 2329, 2330, 2331, and 2333 of the Re-  
10                  vised Statutes (30 U.S.C. 35, 36 and 37) for placer  
11                  claims, or section 2337 of the Revised Statutes (30  
12                  U.S.C. 42) for mill site claims.

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

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