

105TH CONGRESS  
1ST SESSION

# S. 326

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

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 13, 1997

Mr. BUMPERS (for himself, Mr. LEAHY, and Mr. KOHL) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural 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 1997”.

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 in 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 an Abandoned Minerals Mine Reclamation Fund.

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

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

2 (a) ESTABLISHMENT.—

3 (1) There is established on the books of the  
4 Treasury of the United States an interest-bearing  
5 fund to be known as the Abandoned Minerals Mine  
6 Reclamation Fund (hereafter referred to in this sec-  
7 tion as the “Fund”). The Fund shall be adminis-  
8 tered by the Secretary.

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

21 (b) USE AND OBJECTIVES OF THE FUND.—The Sec-  
22 retary is, subject to appropriations, authorized to use  
23 moneys in the Fund for the reclamation and restoration  
24 of land and water resources adversely affected by past  
25 mineral (other than coal and fluid minerals) and mineral

1 material mining, including but not limited to, any of the  
2 following:

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

5 (2) Reclamation and restoration of abandoned  
6 milling and processing areas.

7 (3) Sealing, filling, and grading abandoned deep  
8 mine entries.

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

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

14 (6) Control of surface subsidence due to aban-  
15 doned deep mines.

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

18 (c) ELIGIBLE AREAS.—

19 (1) Land and waters eligible for reclamation ex-  
20 penditures under this section shall be those within  
21 the boundaries of States that have lands subject to  
22 the general mining laws—

23 (A) which were mined or processed for  
24 minerals and mineral materials or which were  
25 affected by such mining or processing, and

1 abandoned or left in an inadequate reclamation  
2 status prior to the date of enactment of this  
3 title;

4 (B) for which the Secretary makes a deter-  
5 mination that there is no continuing reclama-  
6 tion responsibility under State or Federal laws;  
7 and

8 (C) for which it can be established that  
9 such lands do not contain minerals which could  
10 economically be extracted through the reproc-  
11 essing or remining of such lands.

12 (2) Sites and areas designated for remedial ac-  
13 tion pursuant to the Uranium Mill Tailings Radi-  
14 ation Control Act of 1978 (42 U.S.C. 7901 and fol-  
15 lowing) or which have been listed for remedial action  
16 pursuant to the Comprehensive Environmental Re-  
17 sponse Compensation and Liability Act of 1980 (42  
18 U.S.C. 9601 and following) shall not be eligible for  
19 expenditures from the Fund under this section.

20 **SEC. 4. DEFINITIONS.**

21 As used in this Act:

22 (1) The term “gross proceeds” means the value  
23 of any extracted hardrock mineral which was:

24 (A) sold;

25 (B) exchanged for any thing or service;

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

3 (D) initially used in a manufacturing proc-  
4 ess or in providing a service.

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

7 (A) The actual cost of extracting the min-  
8 eral.

9 (B) the actual cost of transporting the  
10 mineral to the place or places of reduction, re-  
11 fining and sale.

12 (C) The actual cost of reduction, refining  
13 and sale.

14 (D) The actual cost of marketing and de-  
15 livering the mineral and the conversion of the  
16 mineral into money.

17 (E) The actual cost of maintenance and re-  
18 pairs of:

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

21 (ii) All milling, refining, smelting and  
22 reduction works, plants and facilities.

23 (iii) All facilities and equipment for  
24 transportation.

1           (F) The actual cost of fire insurance on  
2           the machinery, equipment, apparatus, works,  
3           plants and facilities mentioned in subsection  
4           (E).

5           (G) Depreciation of the original capitalized  
6           cost of the machinery, equipment, apparatus,  
7           works, plants and facilities mentioned in sub-  
8           section (E).

9           (H) All money expended for premiums for  
10          industrial insurance, and the actual cost of hos-  
11          pital and medical attention and accident bene-  
12          fits and group insurance for all employees.

13          (I) The actual cost of developmental work  
14          in or about the mine or upon a group of mines  
15          when operated as a unit.

16          (J) All royalties and severance taxes paid  
17          to the Federal Government or State govern-  
18          ments.

19          (3) The term “hardrock minerals” means any  
20          mineral other than a mineral that would be subject  
21          to disposition under any of the following if located  
22          on land subject to the general mining laws:

23                  (A) the Mineral Leasing Act (30 U.S.C.  
24                  181 and following);

1 (B) the Geothermal Steam Act of 1970  
2 (30 U.S.C. 100 and following);

3 (C) the Act of July 31, 1947, commonly  
4 known as the Materials Act of 1947 (30 U.S.C.  
5 601 and following; or

6 (D) the Mineral Leasing for Acquired  
7 Lands Act (30 U.S.C. 351 and following).

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

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

18 (6) The term “general mining laws” means  
19 those Acts which generally comprise Chapters 2,  
20 12A, and 16, and sections 161 and 162 of title 30  
21 of the United States Code.

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