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04/16/13

Senate Environment and Natural Resources Committee

Sen.JackieDingfelder@state.or.us

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RE: SB 838 AND THE NUMBER OF DEQ PERMITS

Dear Chairwoman Dingfelder and Committee Members;

At yesterday's hearing on SB 838 there was concern expressed regarding the supposed dramatic increase in the numbers of suction dredge mining permits being issued by DEQ. At the hearing, DEQ reported that there was somewhere around 400 suction dredge mining permits issued in 2004... and that the number of permits had risen to something just over 2000 in 2012.

Here's what really happened:

In the 1990's, the 700J permit was issued free of charge for dredges with hose sizes of four inch inside diameter or less, and upwards of nearly 2000 permits were being issued annually.

The last of the 700J series permits expired in 2002-03; and because DEQ did not think a reissue of the 700J was a priority, they grandfathered all existing permits (through a registration process) until such time as a new permit was available; and issued Memorandums of Understanding (MOUs) to any new applicants.

However, in late 2003/early 2004, environmentalist orgs threatened to sue DEQ for not issuing a permit, and threatened to sue individual miners for dredging without a permit (even though they were covered under the MOU).

In 2004, there were approximately 1,800 suction dredge miners that had either the old 700J or a MOU. DEQ reached a settlement with the environmental orgs whereby the orgs would not sue DEQ or the miners providing DEQ worked on and issued a new permit by 2005.

In 2005, DEQ issued the new 700PM permit. However, by then, the mining community realized and believed that the permit was being issued (in part) under the wrong section of the federal Clean Water Act, so many miners refused to purchase what they believed to be an illegal permit.

In 2005, DEQ issued approximately 7-800 700PM permits. (Note: The miners challenged the legality of the 2005 700PM permit which was declared invalid in Dec. of 2009).

2005 – 2010 the number of 700PM permits slowly increased to about 1,800; mostly due to the number of new miners (replacing old miners) that did not know the 2005 permit was being issued under the wrong authority, and the rising price of gold.

In 2010 DEQ issued the new 700PM permit, claiming they had fixed the invalidated 2005 permit (Note: the 2010 permit contains the same wrongful authority as the 2005 permit, and is currently being challenged by the miners).

Since about 2009, and due to the number of new miners replacing old miners, and the continued rise in the price of gold, and the moratorium on suction dredge mining in California, the number of 700PM permits being issued slowly rose to something over 2,000 permits.

It is our understanding that DEQ has issued less than 50 700PM permits to residents of California.

It should also be noted that most suction dredge miners only dredge on weekends or while on vacation. Most do not mine as their primary source of income (partly due to the fact that the regulations only allow in-water work for three months of the year, and dredging in the high-water winter/spring months is nearly impossible due to freezing temps and high water flows). In otherwords, even if DEQ is issuing 2,000 permits to miners, it is very unlikely that even a quarter of them are mining at any given time.

Thank you for considering these comments

Please feel free to call on me anytime for any additional information or clarification regarding suction dredge mining.

Respectfully submitted by;

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