### **FULL COMMITTEE PONY**

# HB 2248 Department of Geology and Mineral Industries

This bill does not address suction dredge mining.

House Bill 2248 brings consistency to permitting procedures for metal mining. The bill applies to metal mines that use processes other than gravity to separate gold or other metals from metal bearing ores. The bill also eliminates some outdated limitations on reclamation authority for other metal mines and coal mines. In some cases dual permitting processes are consolidated.

The bill updates fees paid by operators. Few operators would be affected, but for applicants that want to engage in metal mining in Oregon, the amounts are now in line with actual costs to process permits and for regulation. There are three types of operations affected:

- metal mining using chemical processing (one current operation),
- new lode metal mines using processing other than chemical or gravity separation (no current operations), and
- placer mines, coal mines, and metal mines using gravity separation, where fees are reduced.

Because Oregon has so few applicants for these types of mining operations, there is no current fiscal impact associated with the bill.

The Natural Resources Subcommittee recommends HB 2248 be reported out do pass.

## 77<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2013 Session STAFF MEASURE SUMMARY

Joint Committee on Ways and Means

Carrier – House: Rep. Unger Carrier – Senate: Sen. Edwards

**HB 2248** 

MEASURE:

**Revenue:** No revenue impact **Fiscal:** Minimal fiscal impact

Action:
Vote:
House
Yeas:
Nays:
Exc:
Senate
Yeas:
Nays:
Exc:
Sex:
Nays:
Exc:

**Prepared By:** Linda Gilbert, Legislative Fiscal Office

Meeting Date: May 17, 2013

**WHAT THE MEASURE DOES:** Amends certain statutes related to mineral mining to encompass additional types of mining and makes conforming amendments. Declares emergency, effective upon passage.

#### **ISSUES DISCUSSED:**

• Fees related to metal mining

### **EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Department of Geology and Mineral Industries' (DOGAMI) Mined Land Regulation and Reclamation Program administers the regulatory program for surface and metal mining and oil, gas and geothermal energy extraction in Oregon.

Metal ores are typically processed using one of three processes. The first process uses gravity and water to separate metal from the ore. The second type of process, froth flotation, separates and concentrates ores by altering their surfaces so that they are either repelled or attracted by water. This method may be used as an alternative or in addition to gravity separation. The third type of process leaches metals from the ore using chemicals like acid or cyanide.

In 1991, the Legislative Assembly enacted a new regulatory program for metal mines that use chemicals to leach metals from mined ore. A separate regulatory program currently applies to all other metal mines. House Bill 2248 would apply the chemical mine statutes to all metal mines except those using only gravity separation.