
MEMORANDUM

Legislative Fiscal Office
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To: Natural Resources Subcommittee

From: Paul Siebert, Legislative Fiscal Office
(503) 986-1843

Date: June 24, 2013

Subject: SB 838-A
Work Session Recommendations

SB 838-A involves mining that uses any form of motorized equipment to extract gold, silver or any other precious mineral from placer deposits of the beds or banks of the waters of the state that results in removal or disturbance of streamside vegetation that may impact water quality. The proposed amendments impose certain restrictions and conditions on placer mining between January 1, 2014 and January 2, 2016. These restrictions are repealed on January 2, 2016 when a moratorium is imposed on placer mining in specified rivers containing essential indigenous anadromous salmonid habitat or naturally reproducing populations of bull trout until January 2, 2021.

The –A10 amendment, the original staff measure summary, revenue impact statement, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS). The measure history is also available on OLIS.

The measure has a \$141,837 Other Funds fiscal impact to the Department of Environmental Quality to collect data on suction dredge mining funded by a surcharge of \$150 from October 1, 2013 to December 31, 2015 on DEQ's current suction dredge mining permit.

Amendment

The –A10 amendment makes a number of policy changes, some of which are detailed above, and adds a \$141,837 Other Funds expenditure limitation and three seasonal positions (0.75 FTE) to the Department of Environmental Quality.

Motion #1: Move the –A10 amendment to SB 838.

Measure to Full

LFO recommends the measure be moved to the full Committee on Joint Ways and

Means, as amended.

Motion #1: Move SB 838 to the full committee with a “do pass” recommendation, as ammended.

Assignment of Carriers

Full: _____

2nd Chamber: _____

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 838**

1 On page 1 of the printed A-engrossed bill, line 2, after “517.123;” insert
2 “appropriating money; limiting expenditures;”.

3 Delete lines 4 through 20.

4 Delete lines 22 through 27 and delete pages 2 and 3 and insert:

5 **“SECTION 1. The Legislative Assembly finds that:**

6 **“(1) Prospecting, small scale mining and recreational mining are**
7 **part of the unique heritage of the State of Oregon.**

8 **“(2) Prospecting, small scale mining and recreational mining pro-**
9 **vide economic benefits to the State of Oregon and local communities**
10 **and support tourism, small businesses and recreational opportunities,**
11 **all of which are economic drivers in Oregon’s rural communities.**

12 **“(3) Exploration of potential mine sites is necessary to discover the**
13 **minerals that underlie the surface and inherently involves natural re-**
14 **source disturbance.**

15 **“(4) Mining that uses motorized equipment in the beds and banks**
16 **of the rivers of Oregon can pose significant risks to Oregon’s natural**
17 **resources, including fish and other wildlife, riparian areas, water**
18 **quality, the investments of this state in habitat enhancement and**
19 **areas of cultural significance to Indian tribes.**

20 **“(5) Between 2007 and 2013, mining that uses motorized equipment**
21 **in the beds and banks of the rivers of Oregon increased significantly,**
22 **raising concerns about the cumulative environmental impacts.**

1 **“(6) The regulatory system related to mining that uses motorized**
2 **equipment in the beds and banks of the rivers of Oregon should be**
3 **efficient and structured to best protect environmental values.**

4 **“SECTION 2. (1) A moratorium is imposed until January 2, 2021, on**
5 **mining that uses any form of motorized equipment for the purpose of**
6 **extracting gold, silver or any other precious metal from placer deposits**
7 **of the beds or banks of the waters of this state, as defined in ORS**
8 **196.800, or from other placer deposits, that results in the removal or**
9 **disturbance of streamside vegetation in a manner that may impact**
10 **water quality. The moratorium applies up to the line of ordinary high**
11 **water, as defined in ORS 274.005, and 100 yards upland perpendicular**
12 **to the line of ordinary high water that is located above the lowest ex-**
13 **tent of the spawning habitat in any river and tributary thereof in this**
14 **state containing essential indigenous anadromous salmonid habitat,**
15 **as defined in ORS 196.810, or naturally reproducing populations of bull**
16 **trout, except in areas that do not support populations of anadromous**
17 **salmonids or natural reproducing populations of bull trout due to a**
18 **naturally occurring or lawfully placed physical barrier to fish passage.**

19 **“(2) The moratorium does not apply to any mining for which the**
20 **State Department of Geology and Mineral Industries issues an oper-**
21 **ating permit under ORS 517.702 to 517.989.**

22 **“(3) In areas where the moratorium does not apply as described in**
23 **subsection (1) of this section, the Department of State Lands shall**
24 **limit the individual permits issued under ORS 196.810 and the general**
25 **authorizations issued under ORS 196.850 to not more than 850 permits**
26 **and authorizations for mining described in this section at any time**
27 **during the moratorium period. The Department of State Lands shall**
28 **give priority, to the greatest extent practicable, to persons who held**
29 **permits or authorizations for the longest period of time before January**
30 **1, 2014.**

1 “(4) Any maps developed by the State Department of Fish and
2 Wildlife, or any other state agency, that delineate the area of the
3 moratorium established by subsection (1) of this section are not sub-
4 ject to the rulemaking requirements of ORS chapter 183.

5 “(5) Violation of the moratorium established by subsection (1) of
6 this section is a Class A misdemeanor.

7 “SECTION 3. Section 2 of this 2013 Act becomes operative on Jan-
8 uary 2, 2016.

9 “SECTION 4. Sections 2 and 3 of this 2013 Act are repealed on Jan-
10 uary 2, 2021.

11 “SECTION 5. (1) On and after January 1, 2014, and before January
12 2, 2016, mining that uses any form of motorized equipment for the
13 purpose of extracting gold, silver or any other precious metal from
14 placer deposits of the beds or banks of the waters of this state, as de-
15 fined in ORS 196.800, or from other placer deposits, that results in the
16 removal or disturbance of streamside vegetation in a manner that may
17 impact water quality, is subject to the following:

18 “(a) The motorized dredge equipment must be operated at least 500
19 feet from other motorized dredge equipment, unless the Department
20 of Environmental Quality determines that another distance is appro-
21 priate to protect water quality.

22 “(b) The motorized equipment may not be left unattended within
23 the wetted perimeter of any waters of this state.

24 “(c) The motorized equipment may be operated only between the
25 hours of 9 a.m. and 5 p.m.

26 “(2) The provisions of subsection (1) of this section apply to mining
27 that occurs up to the line of ordinary high water, as defined in ORS
28 274.005, and 100 yards upland perpendicular to the line of ordinary high
29 water of the full length of any river and tributary thereof in this state,
30 of which any portion contains essential indigenous anadromous

1 salmonid habitat, as defined in ORS 196.810, or naturally reproducing
2 populations of bull trout.

3 “(3) The provisions of subsection (1) of this section do not apply to
4 any mining for which the State Department of Geology and Mineral
5 Industries issues an operating permit under ORS 517.702 to 517.989.

6 “(4) During the period described in this section, the Department of
7 State Lands shall limit the individual permits issued under ORS 196.810
8 and the general authorizations issued under ORS 196.850 to not more
9 than 850 permits and authorizations for mining described in this sec-
10 tion at any time during the period described in this section. The De-
11 partment of State Lands shall give priority, to the greatest extent
12 practicable, to persons who held permits or authorizations for the
13 longest period of time before January 1, 2014.

14 “(5) Violation of any provision of this section is a Class A violation.

15 “SECTION 6. (1) Section 5 of this 2013 Act becomes operative on
16 January 1, 2014.

17 “(2) Section 5 of this 2013 Act applies without regard to whether the
18 permits, licenses, authorizations or other forms of permission required
19 by law for mining were issued before, on or after January 1, 2014.

20 “SECTION 7. (1) Sections 5 and 6 of this 2013 Act are repealed on
21 January 2, 2016.

22 “(2) The repeal of sections 5 and 6 of this 2013 Act by subsection (1)
23 of this section does not affect any fine imposed under section 5 of this
24 2013 Act.

25 “SECTION 8. (1) The Governor’s office, in consultation with the
26 Department of Environmental Quality, the Department of State
27 Lands, the State Parks and Recreation Department, the State De-
28 partment of Fish and Wildlife, the State Department of Geology and
29 Mineral Industries, the Oregon State Police and other relevant state
30 agencies, the federal government, the federally recognized Indian

1 **tribes in Oregon and affected stakeholders shall study matters related**
2 **to mining that uses any form of motorized equipment for the purpose**
3 **of extracting gold, silver or any other precious metal from placer de-**
4 **posits of the beds or banks of the waters of this state, as defined in**
5 **ORS 196.800, or from other placer deposits, and matters related to the**
6 **removal or disturbance of streamside vegetation resulting from the**
7 **mining activities, and shall propose a revised state regulatory frame-**
8 **work that includes, but is not limited to:**

9 **“(a) A consolidated regulatory process for mining described in this**
10 **section, including a system that:**

11 **“(A) Involves permits, licenses, authorizations or other forms of**
12 **permission that must be displayed in plain view and be clearly visible**
13 **on the motorized equipment in order to aid in the identification of**
14 **persons carrying out mining activities; and**

15 **“(B) Considers a single permit or a single point of contact approach**
16 **to authorization.**

17 **“(b) Effective compliance, monitoring and enforcement mechanisms**
18 **related to mining described in this section.**

19 **“(c) Adequate fee structures to cover administration, compliance,**
20 **monitoring, enforcement, outreach and education related to any per-**
21 **mit, license, authorization or other form of permission required by law**
22 **from a state agency for mining described in this section or for dis-**
23 **charges from mining described in this section, including ways to**
24 **maximize the efficiency in the use of existing state resources.**

25 **“(d) Conditions for, and restrictions on, mining described in this**
26 **section, to the extent allowed by law and based on the best available**
27 **science and precautionary principles, designed to:**

28 **“(A) Protect and recover in-stream and riparian habitat that is**
29 **important to achieve water quality standards and the conservation and**
30 **recovery of indigenous anadromous salmonids, as defined in ORS**

1 **196.810, and naturally reproducing populations of bull trout; and**

2 **“(B) Address social considerations, including concerns related to**
3 **safety, noise, navigation, cultural resources and other uses of**
4 **waterways.**

5 **“(e) The establishment of a system of management zones, to the**
6 **extent allowed by law, that:**

7 **“(A) Limits, either by lottery or by other mechanism, the amount**
8 **of mining activity that uses motorized equipment in the management**
9 **zones at specific times and cumulatively over time periods;**

10 **“(B) Requires the payment of a fee, as part of the fee structures**
11 **described in paragraph (c) of this subsection, for mining described in**
12 **this section in the management zones; and**

13 **“(C) Establishes specific conditions and restrictions, as described in**
14 **paragraph (d) of this subsection, for the respective management zones.**

15 **“(f) Prohibitions on mining described in this section in specific**
16 **areas of this state, to the extent allowed by law, including:**

17 **“(A) Bodies of water currently listed as water quality impaired un-**
18 **der the Federal Water Pollution Control Act for sediment, turbidity,**
19 **toxics or heavy metals;**

20 **“(B) Bodies of water within federally designated wilderness areas,**
21 **national monuments and national botanical areas;**

22 **“(C) Scenic waterways in this state designated under ORS 390.826**
23 **and bodies of water flowing through state parks; and**

24 **“(D) Habitat that is essential to the recovery and conservation of**
25 **salmon, steelhead, lamprey, freshwater mollusks or other unique**
26 **habitat values, unless protection for this habitat may be otherwise**
27 **achieved pursuant to paragraphs (d) and (e) of this subsection.**

28 **“(2) The Governor’s office shall submit a report with the results of**
29 **the proposed regulatory framework, and shall include recommen-**
30 **dations for any necessary legislation and funding, to the interim**

1 **committees of the Legislative Assembly related to environment and**
2 **natural resources or other appropriate legislative committee on or**
3 **before November 1, 2014. The Governor’s office may also include any**
4 **recommendations for proposed rules related to the revised regulatory**
5 **framework in the report.**

6 **“SECTION 9. Section 8 of this 2013 Act is repealed on January 2,**
7 **2016.**

8 **“SECTION 10.** ORS 517.123 is amended to read:

9 “517.123. The Legislative Assembly finds that prospecting, small scale
10 mining and recreational mining:

11 “(1) Are important parts of the heritage of the State of Oregon; **and**

12 “(2) Provide economic benefits to the state and local communities.[; *and*]

13 “[3] *Can be conducted in a manner that is not harmful and may be bene-*
14 *ficial to fish habitat and fish propagation.*]

15 **“SECTION 11.** ORS 468B.052 is amended to read:

16 “468B.052. (1) [*Notwithstanding the authority of*] **Unless** the Environ-
17 mental Quality Commission, **as** provided in ORS 468.065 [*to establish a*
18 *schedule of*], **establishes different** fees for permits issued under ORS
19 468B.050 [*and in lieu of any fee established under the schedule of fees*], a
20 person who operates a suction dredge having a suction hose with an inside
21 diameter of eight inches or less shall, upon application for or renewal of a
22 permit issued under 468B.050, pay to the Department of Environmental
23 Quality:

24 “[1] (a) For an individual permit:

25 “[a] (A) A one-time application fee of \$300; and

26 “[b] (B) An annual renewal fee of \$25.

27 “[2] (b) For a general permit, either:

28 “[a] (A) A \$25 annual fee for each year the person registers under the
29 general permit; or

30 “[b] (B) A \$100 fee for a five-year registration under the general permit.

1 “(2)(a) In addition to the fees described in subsection (1) of this
2 section, by rule the commission may establish an additional fee for a
3 permit issued under ORS 468B.050 for a person to operate a suction
4 dredge described in this section. The fee must be adequate to cover the
5 costs of administration, compliance, monitoring and enforcement re-
6 lated to the permit.

7 “(b) After a fee is established by the commission pursuant to this
8 subsection, the fee is subject to the limitations on increases imposed
9 by ORS 468B.051.

10 “SECTION 12. In addition to the fees described in ORS 468B.052,
11 from October 1, 2013, to December 31, 2015, a surcharge of \$150 is im-
12 posed on any permits issued under ORS 468B.050 for a person who op-
13 erates a suction dredge as described in ORS 468B.052. The surcharge
14 must be used to fund data collection and reporting on suction dredge
15 mining in Oregon by the Department of Environmental Quality. The
16 data referred to in this section includes, but is not limited to, data on
17 the locations and number of suction dredge operations, the types and
18 sizes of suction dredges and the physical impacts from suction dredge
19 mining. Amounts collected as surcharges under this section shall be
20 deposited in the Suction Dredge Study Fund established under section
21 13 of this 2013 Act.

22 “SECTION 13. The Suction Dredge Study Fund is established in the
23 State Treasury, separate and distinct from the General Fund. Interest
24 earned by the Suction Dredge Study Fund shall be credited to the
25 fund. Moneys in the fund are continuously appropriated to the De-
26 partment of Environmental Quality to carry out the duties of the de-
27 partment described in section 12 of this 2013 Act.

28 “SECTION 14. Notwithstanding any other law limiting expenditures,
29 the amount of \$141,837 is established for the biennium beginning July
30 1, 2013, as the maximum limit for payment of expenses, from moneys

1 deposited in the Suction Dredge Study Fund, incurred by the Depart-
2 ment of Environmental Quality in carrying out the duties of the de-
3 partment described in section 12 of this 2013 Act.

4 **“SECTION 15. This 2013 Act being necessary for the immediate**
5 **preservation of the public peace, health and safety, an emergency is**
6 **declared to exist, and this 2013 Act takes effect on its passage.”.**

7

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 838 – A10**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Paul Siebert
Reviewed by: Linda Gilbert
Date: June 24, 2013**Measure Description:**

Imposes moratorium on certain mining using any form of motorized equipment.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ), Department of State Lands (DSL), Department of Geology and Mineral Industries (DOGAMI), Department of Fish and Wildlife (ODSFW), Office of the Governor

Summary of Expenditure Impact		
	2013-15 Biennium	2015-17 Biennium
Other Funds	141,837	59,838
Total Funds	\$141,837	\$59,838
Positions	3	3
FTE	0.75	0.33
Summary of Revenue Impact		
	2013-15 Biennium	2015-17 Biennium
Other Funds	217,500	15,000
Total Funds	\$217,500	\$15,000

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The bill involves mining that uses any form of motorized equipment to extract gold, silver or any other precious mineral from placer deposits of the beds or banks of the waters of the state that results in removal or disturbance of streamside vegetation that may impact water quality. The bill imposes certain restrictions and conditions on placer mining between January 1, 2014 and January 2, 2016, violation of which is a Class A violation punishable by a fine of up to a \$2,000. These restrictions are repealed on January 2, 2016 when a moratorium is imposed on placer mining in specified rivers containing essential indigenous anadromous salmonid habitat or naturally reproducing populations of bull trout until January 2, 2021. This moratorium does not apply to mining operations for which the Department of Geology and Mineral Industries has issued an operating permit. During the moratorium the Department of State Lands is limited to issuing no more than 850 permits for mining that uses any form of motorized equipment to extract gold, silver or any other precious mineral from placer deposits of the beds or banks of the waters. Violation of the moratorium is a Class A misdemeanor which is punishable by a fine of up to \$6,250 and up to one year in jail.

The bill also directs the Governor's office to work with state agencies and other interested parties to conduct a study and make recommendations for a revised regulatory framework and for conditions or restrictions on mining that uses any form of motorized equipment to extract gold, silver or any other precious mineral from placer deposits of the beds or banks of the waters of the state that results in removal or disturbance of streamside vegetation to address a number of social/cultural objectives. The Governor's office shall submit a report including the recommendations to the legislature on or before November 1, 2014.

The bill allows the Environmental Quality Commission to adopt fees for suction dredge mining permits. These fees must cover costs incurred by the Department of Environmental Quality (DEQ) in administering, monitoring, and enforcing the new permit. DEQ reports it is unable to estimate the revenue generated from this additional fee at this time as it is unclear what the amount of the new fee would be and when it would be adopted.

The bill also establishes a surcharge of \$150 from October 1, 2013 to December 31, 2015 on DEQ's current suction dredge mining permit to fund data collection on placer mining activity in Oregon. This revenue would be deposited in the Suction Dredge Study Fund, established in the bill. DEQ reports it will use this revenue to fund three seasonal positions (0.75 FTE) for a cost of \$141,837 Other Funds to do the data collection, reporting, and technical oversight. DEQ will develop the data collection methodology in consultation with DSL, OSP and ODFW. The methodology is expected to include visual surveys of mining activity from both land and water, including the effects of mining on beds, banks and vegetation resulting from mining activity. Surcharge revenues will also be used to purchase data collection equipment.

The fiscal impact on relevant state agencies participating in the efforts to propose a revised regulatory framework for these types of mining operations is assumed to be minimal and accomplished with reprioritizing the work of existing staff.

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	3 - 2 - 0
Yeas:	Bates, Hass, Dingfelder
Nays:	Hansell, Olsen
Exc.:	0
Prepared By:	Beth Reiley, Administrator
Meeting Dates:	4/15, 4/17

WHAT THE MEASURE DOES: Imposes moratorium until January 2, 2018 on mining that uses any form of motorized equipment for purposes of extracting gold, silver or any other precious mineral (precious minerals) from placer deposits of beds of waters of state or from other placer deposits that results in removal or disturbance of streamside vegetation that may impact water quality. Applies moratorium up to line of ordinary high water and adjacent 100 yards of stream bank in full length of any river and tributary of which any portion contains essential indigenous anadromous salmonid habitat or naturally reproducing populations of bull trout. Stipulates moratorium does not apply to any mining for which State Department of Geology and Mineral Industries issues operating permit. Establishes violation of moratorium is punishable by maximum of one year's imprisonment, \$6,250 fine, or both. Directs Governor's office in consultation with certain agencies and stakeholders to study certain issues related to mining using motorized equipment for purpose of extracting precious minerals from placer deposits and matters related to removal or disturbance of streamside vegetation and propose revised regulatory framework. Requires framework includes, but is not limited to: consolidated regulatory process including single permit system; effective monitoring, compliance and enforcement; adequate fee structures; operating conditions based on best practices; and prohibitions on mining in certain areas. Requires Governor's office to submit report with results of proposed regulatory framework including recommendations for any necessary legislation to interim committee of Legislature on or before September 1, 2015. Sunsets study requirements January 2, 2016. Authorizes Environmental Quality Commission to establish different fees for water quality permits for person operating suction dredge with hose eight inches or smaller diameter.

ISSUES DISCUSSED:

- Interaction of different recreational activities
- Impact of motorized suction dredge mining on fish and Oregon's river
- California's moratorium on motorized suction dredge mining

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: Both the Department of Environmental Quality (DEQ) and the Department of State Lands (DSL) regulate recreational and small scale placer mining in Oregon. A general authorization from DSL is required for activities involving less than 25 cubic yards of removal and fill annually in essential salmon habitat (ESH); an individual removal fill permit is required for recreational placer mining in state scenic waterways, activities that do not qualify for the general authorization and activities that involve 50 cubic yards or more of removal and fill in non-ESH waterways. Under DEQ, a National Pollutant Discharge Elimination System (NPDES) general water quality discharge permit covers suction dredges and in-water non-motorized mining equipment such as hand sluice boxes and rocker boxes for recovering precious metals or minerals from stream bottom sediments. Operators of in-water mining equipment do not need to register and pay a fee for coverage, but must follow applicable permit conditions. An individual NPDES permit is required from DEQ for metal mining activities with wastewater discharges to Oregon waters that do not qualify for a general NPDES permit. Senate Bill 838 A would impose a moratorium on suction dredge mining until January 2, 2018 and direct the Governor's Office to work with agencies and stakeholders to propose a new regulatory framework for such activities.

4/22/2013 3:49:00 PM

This summary has not been adopted or officially endorsed by action of the committee.

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 838**

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2 “appropriating money;”.

3 Delete lines 4 through 20.

4 Delete lines 22 through 27 and delete pages 2 and 3 and insert:

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7 **part of the unique heritage of the State of Oregon.**

8 **“(2) Prospecting, small scale mining and recreational mining pro-**
9 **vide economic benefits to the State of Oregon and local communities**
10 **and support tourism, small businesses and recreational opportunities,**
11 **all of which are economic drivers in Oregon’s rural communities.**

12 **“(3) Exploration of potential mine sites is necessary to discover the**
13 **minerals that underlie the surface and inherently involves natural re-**
14 **source disturbance.**

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16 **of the rivers of Oregon can pose significant risks to Oregon’s natural**
17 **resources, including fish and other wildlife, riparian areas, water**
18 **quality, the investments of this state in habitat enhancement and**
19 **areas of cultural significance to Indian tribes.**

20 **“(5) Between 2007 and 2013, mining that uses motorized equipment**
21 **in the beds and banks of the rivers of Oregon increased significantly,**
22 **raising concerns about the cumulative environmental impacts.**

1 “(6) The regulatory system related to mining that uses motorized
2 equipment in the beds and banks of the rivers of Oregon should be
3 efficient and structured to best protect environmental values.

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5 mining that uses any form of motorized equipment for the purpose of
6 extracting gold, silver or any other precious metal from placer deposits
7 of the beds or banks of the waters of this state, as defined in ORS
8 196.800, or from other placer deposits, that results in the removal or
9 disturbance of streamside vegetation in a manner that may impact
10 water quality. The moratorium applies up to the line of ordinary high
11 water, as defined in ORS 274.005, and 100 yards upland perpendicular
12 to the line of ordinary high water that is located above the lowest ex-
13 tent of the spawning habitat in any river and tributary thereof in this
14 state containing essential indigenous anadromous salmonid habitat,
15 as defined in ORS 196.810, or naturally reproducing populations of bull
16 trout, except in areas that do not support populations of anadromous
17 salmonids or natural reproducing populations of bull trout due to a
18 naturally occurring or lawfully placed physical barrier to fish passage.

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20 State Department of Geology and Mineral Industries issues an oper-
21 ating permit under ORS 517.702 to 517.989.

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23 subsection (1) of this section, the Department of State Lands shall
24 limit the individual permits issued under ORS 196.810 and the general
25 authorizations issued under ORS 196.850 to not more than 850 permits
26 and authorizations for mining described in this section at any time
27 during the moratorium period. The Department of State Lands shall
28 give priority, to the greatest extent practicable, to persons who held
29 permits or authorizations for the longest period of time before January
30 1, 2014.

1 “(4) Any maps developed by the State Department of Fish and
2 Wildlife, or any other state agency, that delineate the area of the
3 moratorium established by subsection (1) of this section are not sub-
4 ject to the rulemaking requirements of ORS chapter 183.

5 “(5) Violation of the moratorium established by subsection (1) of
6 this section is a Class A misdemeanor.

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8 uary 2, 2016.

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15 fined in ORS 196.800, or from other placer deposits, that results in the
16 removal or disturbance of streamside vegetation in a manner that may
17 impact water quality, is subject to the following:

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19 feet from other motorized dredge equipment, unless the Department
20 of Environmental Quality determines that another distance is appro-
21 priate to protect water quality.

22 “(b) The motorized equipment may not be left unattended within
23 the wetted perimeter of any waters of this state.

24 “(c) The motorized equipment may be operated only between the
25 hours of 9 a.m. and 5 p.m.

26 “(2) The provisions of subsection (1) of this section apply to mining
27 that occurs up to the line of ordinary high water, as defined in ORS
28 274.005, and 100 yards upland perpendicular to the line of ordinary high
29 water of the full length of any river and tributary thereof in this state,
30 of which any portion contains essential indigenous anadromous

1 salmonid habitat, as defined in ORS 196.810, or naturally reproducing
2 populations of bull trout.

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13 longest period of time before January 1, 2014.

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15 “SECTION 6. (1) Section 5 of this 2013 Act becomes operative on
16 January 1, 2014.

17 “(2) Section 5 of this 2013 Act applies without regard to whether the
18 permits, licenses, authorizations or other forms of permission required
19 by law for mining were issued before, on or after January 1, 2014.

20 “SECTION 7. (1) Sections 5 and 6 of this 2013 Act are repealed on
21 January 2, 2016.

22 “(2) The repeal of sections 5 and 6 of this 2013 Act by subsection (1)
23 of this section does not affect any fine imposed under section 5 of this
24 2013 Act.

25 “SECTION 8. (1) The Governor’s office, in consultation with the
26 Department of Environmental Quality, the Department of State
27 Lands, the State Parks and Recreation Department, the State De-
28 partment of Fish and Wildlife, the State Department of Geology and
29 Mineral Industries, the Oregon State Police and other relevant state
30 agencies, the federal government, the federally recognized Indian

1 **tribes in Oregon and affected stakeholders shall study matters related**
2 **to mining that uses any form of motorized equipment for the purpose**
3 **of extracting gold, silver or any other precious metal from placer de-**
4 **posits of the beds or banks of the waters of this state, as defined in**
5 **ORS 196.800, or from other placer deposits, and matters related to the**
6 **removal or disturbance of streamside vegetation resulting from the**
7 **mining activities, and shall propose a revised state regulatory frame-**
8 **work that includes, but is not limited to:**

9 **“(a) A consolidated regulatory process for mining described in this**
10 **section, including a system that:**

11 **“(A) Involves permits, licenses, authorizations or other forms of**
12 **permission that must be displayed in plain view and be clearly visible**
13 **on the motorized equipment in order to aid in the identification of**
14 **persons carrying out mining activities; and**

15 **“(B) Considers a single permit or a single point of contact approach**
16 **to authorization.**

17 **“(b) Effective compliance, monitoring and enforcement mechanisms**
18 **related to mining described in this section.**

19 **“(c) Adequate fee structures to cover administration, compliance,**
20 **monitoring, enforcement, outreach and education related to any per-**
21 **mit, license, authorization or other form of permission required by law**
22 **from a state agency for mining described in this section or for dis-**
23 **charges from mining described in this section, including ways to**
24 **maximize the efficiency in the use of existing state resources.**

25 **“(d) Conditions for, and restrictions on, mining described in this**
26 **section, to the extent allowed by law and based on the best available**
27 **science and precautionary principles, designed to:**

28 **“(A) Protect and recover in-stream and riparian habitat that is**
29 **important to achieve water quality standards and the conservation and**
30 **recovery of indigenous anadromous salmonids, as defined in ORS**

1 **196.810, and naturally reproducing populations of bull trout; and**

2 **“(B) Address social considerations, including concerns related to**
3 **safety, noise, navigation, cultural resources and other uses of**
4 **waterways.**

5 **“(e) The establishment of a system of management zones, to the**
6 **extent allowed by law, that:**

7 **“(A) Limits, either by lottery or by other mechanism, the amount**
8 **of mining activity that uses motorized equipment in the management**
9 **zones at specific times and cumulatively over time periods;**

10 **“(B) Requires the payment of a fee, as part of the fee structures**
11 **described in paragraph (c) of this subsection, for mining described in**
12 **this section in the management zones; and**

13 **“(C) Establishes specific conditions and restrictions, as described in**
14 **paragraph (d) of this subsection, for the respective management zones.**

15 **“(f) Prohibitions on mining described in this section in specific**
16 **areas of this state, to the extent allowed by law, including:**

17 **“(A) Bodies of water currently listed as water quality impaired un-**
18 **der the Federal Water Pollution Control Act for sediment, turbidity,**
19 **toxics or heavy metals;**

20 **“(B) Bodies of water within federally designated wilderness areas,**
21 **national monuments and national botanical areas;**

22 **“(C) Scenic waterways in this state designated under ORS 390.826**
23 **and bodies of water flowing through state parks; and**

24 **“(D) Habitat that is essential to the recovery and conservation of**
25 **salmon, steelhead, lamprey, freshwater mollusks or other unique**
26 **habitat values, unless protection for this habitat may be otherwise**
27 **achieved pursuant to paragraphs (d) and (e) of this subsection.**

28 **“(2) The Governor’s office shall submit a report with the results of**
29 **the proposed regulatory framework, and shall include recommen-**
30 **dations for any necessary legislation and funding, to the interim**

1 **committees of the Legislative Assembly related to environment and**
2 **natural resources or other appropriate legislative committee on or**
3 **before November 1, 2014. The Governor’s office may also include any**
4 **recommendations for proposed rules related to the revised regulatory**
5 **framework in the report.**

6 **“SECTION 9. Section 8 of this 2013 Act is repealed on January 2,**
7 **2016.**

8 **“SECTION 10.** ORS 517.123 is amended to read:

9 “517.123. The Legislative Assembly finds that prospecting, small scale
10 mining and recreational mining:

11 “(1) Are important parts of the heritage of the State of Oregon; **and**

12 “(2) Provide economic benefits to the state and local communities.[: *and*]

13 “[*(3) Can be conducted in a manner that is not harmful and may be bene-*
14 *ficial to fish habitat and fish propagation.*]

15 **“SECTION 11.** ORS 468B.052 is amended to read:

16 “468B.052. (1) [*Notwithstanding the authority of*] **Unless** the Environ-
17 mental Quality Commission, **as** provided in ORS 468.065 [*to establish a*
18 *schedule of*], **establishes different** fees for permits issued under ORS
19 468B.050 [*and in lieu of any fee established under the schedule of fees*], a
20 person who operates a suction dredge having a suction hose with an inside
21 diameter of eight inches or less shall, upon application for or renewal of a
22 permit issued under 468B.050, pay to the Department of Environmental
23 Quality:

24 “[*(1)*] (a) For an individual permit:

25 “[*(a)*] (A) A one-time application fee of \$300; and

26 “[*(b)*] (B) An annual renewal fee of \$25.

27 “[*(2)*] (b) For a general permit, either:

28 “[*(a)*] (A) A \$25 annual fee for each year the person registers under the
29 general permit; or

30 “[*(b)*] (B) A \$100 fee for a five-year registration under the general permit.

1 “(2)(a) In addition to the fees described in subsection (1) of this
2 section, by rule the commission may establish an additional fee for a
3 permit issued under ORS 468B.050 for a person to operate a suction
4 dredge described in this section. The fee must be adequate to cover the
5 costs of administration, compliance, monitoring and enforcement re-
6 lated to the permit.

7 “(b) After a fee is established by the commission pursuant to this
8 subsection, the fee is subject to the limitations on increases imposed
9 by ORS 468B.051.

10 “SECTION 12. In addition to the fees described in ORS 468B.052,
11 from October 1, 2013, to December 31, 2015, a surcharge of \$150 is im-
12 posed on any permits issued under ORS 468B.050 for a person who op-
13 erates a suction dredge as described in ORS 468B.052. The surcharge
14 must be used to fund data collection and reporting on suction dredge
15 mining in Oregon by the Department of Environmental Quality. The
16 data referred to in this section includes, but is not limited to, data on
17 the locations and number of suction dredge operations, the types and
18 sizes of suction dredges and the physical impacts from suction dredge
19 mining. Amounts collected as surcharges under this section shall be
20 deposited in the Suction Dredge Study Fund established under section
21 13 of this 2013 Act.

22 “SECTION 13. The Suction Dredge Study Fund is established in the
23 State Treasury, separate and distinct from the General Fund. Interest
24 earned by the Suction Dredge Study Fund shall be credited to the
25 fund. Moneys in the fund are continuously appropriated to the De-
26 partment of Environmental Quality to carry out the duties of the de-
27 partment described in section 12 of this 2013 Act.

28 “SECTION 14. This 2013 Act being necessary for the immediate
29 preservation of the public peace, health and safety, an emergency is
30 declared to exist, and this 2013 Act takes effect on its passage.”.

