



**Waldo Mining District
P.O. Box 1574
Cave Junction, OR 97523**

April 16, 2015

**Testimony To The
Oregon State Senate Environment and Natural Resources Committee
Regarding SB 830**

**Submitted by Tom Kitchar,
President - Waldo Mining District**

My name is Tom Kitchar, and since 2001, I have been president of Oregon's first mining district, the Waldo Mining District, which was established in 1852, in SW Oregon Territory. I have been both an underground lode and in-stream placer gold miner since 1979. I own placer mining claims in SW Oregon. Since moving to Oregon in 1985, my primary mining operations have been with a suction dredge of various sizes (2" up to 8").

From 2001 through 2012 I sat on the Siskiyou National Forest Resource Advisory Committee representing mineral and energy interests. In 2004-05, I led a group of mining representatives who worked extensively with DEQ permit writers while drafting the Suction Dredge Mining Permit (700PM); more recently, I was appointed to the Josephine County Board of Commissioners Mineral Advisory Committee; and most recently I was a member of the Governor's Study Group as called for pursuant to SB 838.

I am here today representing the members of the Waldo Mining District, Oregon citizens, prospectors, and miners in general, and as a concerned private citizen miner in Oregon.

* ** *** ** * ** *** ** * ** *** ** *

CONCERNS WITH SB 830

SB 830 follows in the wake of SB 838, which was passed by this committee in the 2013 legislative session. SB 838 calls for a five-year moratorium on all motorized placer mining beginning January 2, 2016. Although SB 830 would repeal the moratorium, at the same time it would place so many unreasonable and unnecessary restrictions, and prohibitions, on placer miners that the outcome of SB 830 would be, in the miners' point of view, nearly the same as the planned moratorium.

- The direct effects of either SB 838 or SB 830 will be the same, i.e.; the near total destruction of what was once the primary founding industry in much of rural Oregon – the mining of placer gold. This once thriving industry was initially crippled in 1942 by War Order L208 from which it never recovered (due mostly to the government-set low price of gold) until the late 1970's (due to the rise in the price of gold). The only thing holding Oregon's mineral industry back today (at all levels) is the growing list of laws, rules, and regulations, and now moratoriums and out-right prohibitions.
- The destruction of this industry will destroy 1,000's of jobs, effect 1,000's of lives, rob Oregon's economy of tens (if not 100's) of millions of dollars a year, along with the living cultural heritage of tens of 1,000's of Oregonians whose forefathers originally came to and settled much of rural Oregon in pursuit of gold and other valuable minerals.

Long gone are the days of unregulated mining. With the plethora of regulations already on the books, at both the federal and state level, I ask this committee to reconsider whether the mere *potential* for harm is enough to prohibit any economically viable small-scale placer mining in Oregon.

Because of the seriousness of what is being proposed (or already in law), that is; the near total destruction of all meaningful small-scale placer mining in Oregon, I would ask this committee to take a step back, take a deep breath, and reconsider if this is truly the path that would be best for Oregon and this nation for years to come.

MY RECOMMENDATIONS:

1. Repeal SB 838 and its moratorium. My testimony below will show how SB 838 was passed in great haste under a misconception of what was being regulated, which carried over to the Governor's Study Group.

Currently, state regulations and permit systems already in place since enactment of SB 838 have cut the number of DEQ issued permits to less than 1/3rd of 2013 figures. The moratorium will be the last straw and will destroy the whole supporting infrastructure the industry needs, along with making all the miners' equipment and property nearly valueless.

I could also make the argument that prohibiting these forms of mining would have a *net detrimental effect on the environment*, which is something that has not been even considered.

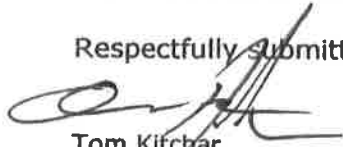
2. Do not pass SB 830. If anything came out of the Governor's Study Group it was proof that many people, including agency personnel, legislators, and the general public (and even some miners) do not understand what mining is, how it is performed, let alone why it is important. With so much misunderstanding, I would ask this committee to vote no on SB 830 and;

3. Instead: Return to the status quo of pre SB 838 for miners operating on lands of the United States under the 1872 Mining Law. If this committee feels it is necessary in order to address the major concerns that prompted SB 838 (i.e.; "recreational mining" on state lands), enact new legislation that addresses those specific problems.

I would also suggest, if deemed prudent, the creation of a Task Force or Technical Advisory Committee, comprised of legislators (or staff), agency personnel, and stakeholders to look at all aspects of this industry (including but not necessarily limited to economics, detrimental and beneficial environmental effects, the history and cultural heritage, past and current regulations, and the future of mining in Oregon; and then report back to the legislature its findings and recommendations.

I thank you for this opportunity to submit these comments and testimony. I strongly feel that both meaningful economically viable placer mining and not only protecting but enhancing the environment can co-exist - if given the time and strong enough desire to make it become reality. It does not have to be one or the other.

Respectfully Submitted by;



Tom Kitchar
President, Waldo Mining District
P.O. Box 1574
Cave Junction, OR 97523

(541) 660-7096
mythicalmining@cavenet.com

ARGUMENTS & PROOFS:

SB 838 was enacted as an "emergency". SB 830 also declares an "emergency". I contend that there was, and is no emergency – especially with the numbers of permitted miners cut to less than 1/3rd normal levels (from near 1,800 in 2013 to under 500 in 2014, according to DEQ).

From the restrictions placed in SB 838, and the discussions during the Governor's Study Group, it becomes fairly obvious that the primary cause of SB 838 was the growing number of "recreational miners" (most suction dredge miners) operating in a stretch of the Rogue River near and above the town of Gold Hill (and possibly problem areas along the Umpqua).

Restrictions on hours of operation, removal of equipment, spacing of equipment, etc. only make sense when applied to this level of mining in these types of areas (i.e.; near other recreational users and land/home owners). Most mining on federally managed lands occurs far from any type of civilization where these types of conflicts are very rare.

Recreational mining is a figment of the State of Oregon, and can only occur on state lands (or federally managed lands otherwise closed to the 1872 Mining Law). Such mining on state owned lands is a *privilege*, something the state has full control over and can regulate in any way deemed necessary (just like hunting, fishing, etc.). Mining under the 1872 Mining Law is a *right* granted by Congress, and can only take place on lands of the United States open to mining. The difference is huge.

The Governor's Study Group started with a major misconception, which I believe was carried over by a misconception by the framers of SB 838 and this committee. This misconception was that "suction dredge mining" is the only form of "placer mining".

Case in point: At the first meeting of the Study Group, a document was handed out:

SB 838 Study Group

Draft Operating Principles

I. PURPOSE

The purpose of the SB 838 Study Group is to help implement Section 8 of SB 838 from the 2013 legislative session. The bill directs the Governor's office, in consultation with state and federal agencies, federally recognized Indian tribes and affected stakeholders, to submit recommendations on a revised regulatory framework for suction dredge mining in Oregon. The Study Group effort will help ensure that the Governor's recommendations are based upon a thorough understanding of the interests, issues and science related to mining of placer deposits to extract precious metals using motorized equipment.

Right from the start, it was misconstrued that SB 838 only applied to suction dredge mining, or that suction dredge mining was the only form of motorized placer mining, or that suction dredge mining is the only form of placer mining. The reality is that suction dredge mining is a form of placer mining, usually (but not always) motorized. Other forms of placer mining include simple gold panning and hand sluicing all the way up to large excavators and wash-plants (usually covered under DOGAMI permitting).

And worse, it appears as though only a minute portion of suction dredge miners were the problem that sparked SB 838... the recreational miners operating on state lands. Why SB 838 and now SB 830 are designed to destroy "all motorized placer mining" statewide (with the exception of large-scale operations) regardless if recreational on state lands or mining on public lands under the Mining Law is unknown, and totally unfair, unreasonable, and absolutely unnecessary.