



EOMA

Eastern Oregon Mining Association, Inc.
(a nonprofit corporation)

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Re: Opposition to SB1530

Dear Senate Committee On Environment and Natural Resources:

As Minerals Policy Director of Eastern Oregon Mining Association (EOMA), the following comments represent the comments of over 250 small scale businessmen and women who mine responsibly in Oregon. Our operators in Eastern Oregon work primarily in the uplands on Federal lands, under approved Plans of Operation, or bonded BLM Notices. Some of our members work under County and Department of Environmental Quality supervision on private lands. All these mine operators will be adversely affected if SB1530 becomes law.

There are 1,527 small scale mine operators working in the uplands under General 600 WPCF permits in Oregon, and most of them excavate and process fewer than 1500 cubic yards of material annually, according to the Department of Environmental Quality, Water Quality Division. SB1530 sets up a permitting system for these very small scale mine operators through DOGAMI, as if their operations had the same impacts to the surface resources, and will take the same amount of time to process the permit, as large scale operations excavating and processing over 5,000 cubic yards of material and impacting over an acre annually.

Clearly, ORS177.02 through 517.989 are intended to apply only to large scale operations. In the 1990s, DOGAMI increased the yardage limitation for a DOGAMI mining permit from 3,000 cubic yards to 5,000 cubic yards. It makes no sense to now decrease the limitation to excavation and processing of less than 1500 cubic yards annually.

There appears to be a lack of understanding about the need for small scale mine operators, particularly on National Forest System lands, to have approved Plans of Operation and reclamation bonds in place before even very small scale mining operations in the uplands can begin. Mine operators using mechanized equipment for excavating and processing only a few cubic yards of pay gravel, are required to have an approved Plan of Operation on Forest Service system lands. These miners, among whom are retired persons, disabled vets and women, supplementing their incomes, would be required to apply for a very costly DOGAMI permit, (the amount of the permit is unspecified in

SB1530, but the regulations operating permit fee is \$1750). This will put many of them out of business.

There must be a rational for setting fees, based on the amount of work that issuing the permit will require. The fees in SB1530 are not justified for small scale mine operators. Under definitions, Senator Bates wants to remove "*Plans of Operation*" from the definition of small scale mining. Senator Bates evidently does not understand that even very small scale operations, proposing to impact very small areas in the uplands, must be approved under Plans of Operation and operators must post reclamation bonds. This very small scale of mining, which requires full Plans of Operation, certainly falls under "small-scale". The definition must of small scale mining must include Plans of Operation.

These small scale operations, where mechanized equipment is used in the uplands, all mine under approved Plans of Operation and most must post a reclamation bond sufficient to reclaim the site using a third party contractor. Operations are all under heavy scrutiny, and these operations are analyzed in NEPA documents. The Forest Service, BLM, County and DEQ have done the work approving these Plans. The same agencies administer these operations on the ground.

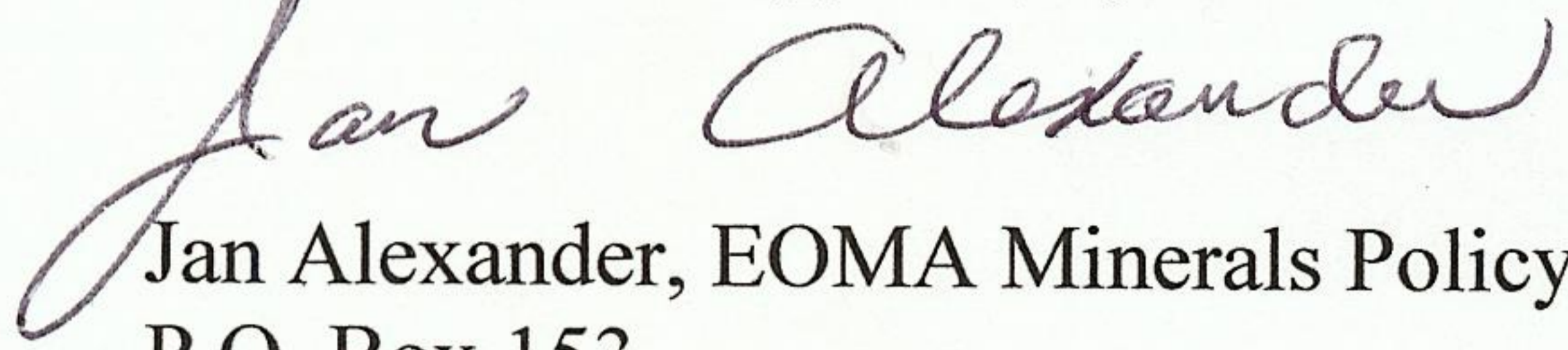
Those small scale operations which take place within 100 yards of waterways would need a DOGAMI permit, but SB1530 does not specify an amount. Thus, the uncertainty of what fee would be required makes comments difficult; however, we do know the fee for a full operating permit is \$1750. Miners working over 100 yards from waterways would need to obtain an Exclusion certificate (EC) that will not exceed \$400 in cost and they will need to pay \$150 annually to keep the permit in place.

But what would these fees be used for? Upland miners on Forest Service and BLM, using mechanized equipment, have had their operations analyzed in NEPA document, they must agree to mitigation measures to protect surface resources and water quality and most must post a reclamation bond. Upland miners on private lands have also had their operations analyzed by the County where the operation takes place, and they too must agree to mitigation measures to protect surface resources and water quality. All mine operators who process using water must use the water legally and must have a WPCF settling pond permit in place from DEQ.

DOGAMI will have little to no work to do on permits for any of these operations, since the Federal agencies, DEQ and the County have already done that work. In addition, DOGAMI will not need to administer these operations on the ground, since the Federal agencies and Counties will be doing that work. SB1530 requires miners to pay fees to DOGAMI for permits that DOGAMI will issue without doing any work. Fees must be based on the amount of work involved in issuing the permit. No fee for no work makes sense.

SB1530 fees for upland placer miners are not justified. In addition, these fees will negatively impact the amount of exploration that can be accomplished for locating new placer deposits. SB1530 sends a clear message to all mining companies looking at possible mine sites in Oregon. Obviously, Oregon does not want you.

I appreciate the opportunity to make these comments.



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