U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE REPUBLICANS

CONGRESSMAN DOC HASTINGS, RANKING MEMBER

FOR IMMEDIATE RELEASE Tuesday, July 14, 2009

CONTACT: <u>Emily Lawrimore</u> or <u>Jill Strait</u> 202-226-2311

Lamborn Introduces Mining Reform Legislation to Improve the Environment, Spur Economic Development and Create American Jobs

WASHINGTON, D.C. – Today, House Energy and Minerals Subcommittee Ranking Member Doug Lamborn (CO-5) introduced a pair of mining bills to promote the responsible development of U.S. hardrock minerals, protect and create American jobs and improve our environment.

The *Locatable Mineral Royalty and Reclamation Act* will update the 1872 Mining Law by establishing a fair and reasonable royalty rate, establish a fund for the cleanup of America's abandoned mines, and advance American mining for the next century. The *Good Samaritan Bill* will provide liability protection to companies that voluntarily clean up abandoned mines.

"A quarter-of-a-million people work directly in America's mining industry, earning the highest wages of any industrial workers in the country," said Congressman Lamborn. "The minerals recovered in America's mines are critical for infrastructure development, military equipment, and consumer products. However, I am concerned we are becoming increasingly dependent on foreign countries for these vital minerals.

"This legislation will restore much needed balance to our federal mining regulations, protecting our environment, while allowing for increased exploration and development of our domestic energy resources. These updated regulations will help put more Americans to work and ensure we have the minerals needed for our fighter jet engines and other critical weapons systems."

The Mineral Royalty and Reclamation Act of 2009:

- Establishes a new 2 percent net proceeds royalty on new mine claims.
- Sets the annual claim maintenance fee at \$125 and adds an additional \$25 per claim per abandoned locatable mine land annual fee.
- Directs revenue from the royalty, abandoned locatable mine fee and a portion of the claim maintenance fee towards a new 'Abandoned Locatable Mine Reclamation Trust Fund' to assist States, federal agencies and Indian Tribes clean-up abandoned mines that pose serious health and safety and environmental risks.

The Good Samaritan Bill:

• Ensure that non-profits, municipalities or corporations that voluntarily work to clean up abandoned mine sites will not be held liable for the environmental impacts of the mine based on previous operations. These "Good Samaritans" will only be liable for the work they do on the mine, not the work that was done 100 years ago.

Background:

U.S. mining provides minerals necessary for infrastructure, electronics, telecommunication and national security. According to the 2009 USGS Minerals Commodity Summary, the estimated value of mineral raw materials produced at mines in the United States in 2008 was \$71 billion. The American economy needs minerals to be successful, however we are growing more dependent on foreign minerals every year. In 2008, the USGS reported that the United States was 100% dependent on foreign countries for 18 of the 61 nonfuel mineral commodities that they track and more than 50% dependent on 44 of the 61 minerals.

In addition, the green economy proposed by the President is very dependent on minerals for the development of renewable energy resources. For example:

- Silicon (56%) and titanium (77%) are used to produce solar panels.
- Zinc (73%) is used to produce wind turbines.
- Copper (32%) is used for produce hybrid vehicles.
- Lithium (50%) is used to produce lithium batteries.
- Uranium (70%) is used to produce nuclear energy.

(Numbers represent American dependence on foreign resources)

#