H.R. 4039, Yerington Land Conveyance and Sustainable Development Act Presented to the

House Subcommittee on National Parks, Forests, and Public Lands Chairman Rob Bishop April 17, 2012

Mr. Chairman, Members of the Subcommittee, I appreciate the opportunity to testify in favor of H.R. 4039, the Yerington Land Conveyance and Sustainable Development Act introduced by Congressman Amodei, and supported by Congresswoman Berkley and Congressman Heck.

Mr. Chairman, I am proud to serve as the Mayor of Yerington, Nevada and I appear before you today to express the support of the 3,156 citizens of Yerington and to urge the Committee to support this land sale that represents the economic future of our City. I also can express the support of Nevada Governor Sandoval, the Lyon County Commission, and a multitude of local and regional support. I ask consent to submit for the record several letters expressing our broad support.

The City of Yerington is located in Northern Nevada in the Mason Valley and we have a long proud history of mining and agriculture. However, our current economy is in bad shape. Our unemployment today remains at 17.5% and our Citizens are suffering greatly. Over the past 10 years, we have been fortunate to receive over \$20 million in Federal funding that has been critical to maintaining our public infrastructure; however, this is not how our citizens want to survive as a community. We seek jobs and the ability to work hard to raise our families in a growing and vibrant community. We need long term stable jobs for our citizens and an industry that will provide sustainable economic growth for decades.

H.R. 4039 mandates the fair market sale of approximately 10,200 acres of public lands to the City of Yerington for recreation, economic development, and open space purposes. The purchase of these lands will allow the City of Yerington to annex the Pumpkin Hollow Mine site, sell utility services to the mine operation, benefit from taxes paid by the mine, and allow the City to grow economically and benefit from greatly needed recreation, cultural and economic development lands. And perhaps most important, the development agreement between the City and Nevada Copper will insure that once the mining ends, the Company leaves behind resources and assets that will provide sustainable economic growth for the City. This is a critical partnership that will provide economic enhancement for decades—and at no cost to the American taxpayer.

For over four years, the City of Yerington has been working with Nevada Copper to craft a development plan for the Pumpkin Hollow Mine that will insure the City of Yerington will economically benefit from the development of the mine and a sustainable future for our City. In February of this year, Nevada Copper held a groundbreaking ceremony that represents the beginning of the development of the Pumpkin Hollow Copper mine on approximately 1,557 acres of patented lands which lie directly adjacent to the City of Yerington. The Pumpkin Hollow site will be developed, the question really is whether the City of Yerington will benefit from this new mining project. With or without this legislation, Nevada Copper will be developed and produce millions of pounds of copper and other valuable minerals. If the land sale occurs, the City of Yerington will be able to sell water, sewer, and power services to the mine as well as collect taxes such as road taxes, net proceeds of mines, ad valorem tax, and regional transportation taxes from mine operations. If this legislation is not successful, the mine will proceed but as in the past, Yerington will simply have to deal with the impacts with no real benefits to the City other than some jobs for citizens.

The lands that will be transferred have no current important uses. There is no threatened or endangered species habitat, no water resources, and no significant cultural resources. This is barren land that has few redeeming natural qualities. Yerington will use these lands for important outdoor recreation needs, the expansion of cultural events that occur in Yerington as well as open space areas.

Some of the lands will be utilized for economic development as commercial and light industrial needs increase to support the operations of the mine. Also, the City is proposing a portion of the lands be utilized for renewable energy development such as solar energy. Lastly, some of the lands will be utilized by Nevada Copper to maximize the mining operations on their patented lands.

This land configuration will accelerate mine development and increase the number of jobs and the level of investment by the Company. Without this legislation Nevada Copper proposes to initially invest about \$250 million in only a smaller phase of the project and create approximately 250 jobs. With this legislation and the land sale to the City, Nevada Copper proposes to start full project development - an investment of approximately \$1 billion - starting in 2013.

The full project and the mine operations will create more than 700 direct mine operations jobs and up to 500 construction jobs. Using the current jobs multiplier published by the University of Nevada Reno of 4.25, a total of over 2,900 direct and indirect jobs would be created by the mine itself. With the land and infrastructure enabled by this legislation we think we can create 100's of more jobs. As importantly, with the creation of this land parcel, the City and Nevada Copper can begin to plan infrastructure – that will be designed and constructed for the mine anyway- to seek optimal benefit for additional economic development.

As you can see, the sale of these lands to the City of Yerington will make a dramatic change in the nature of this project by increasing jobs, the investment in Nevada, and increased tax revenues for the City.

Mr. Chairman, we are not here with our hand out asking Congress to give the City some public lands in the hope of attracting economic development. We are asking to pay fair market value for lands of little or no use to the public to enhance and increase development that is already occurring at the Pumpkin Hollow site. I cannot express enough the importance of this project to the future of our City and I urge the Committee to support H.R. 4039. I am happy to answer any questions you might have or provide further information.

Yerington Land Conveyance and Sustainable Development Act

This map prepared at the request of Senator Dean Heller and Representative Mark Amodei. February 15, 2012





