

To: House Committee on Natural Resources Republican Members

From: Energy and Mineral Resources Subcommittee Staff, Ashley McManus –

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Date: Wednesday, January 31, 2024

Subject: Legislative Hearing on H.R. 2925 (Rep. Amodei), H.R. 6862 (Rep. Lamborn),

H.R. 7003 (Rep. DelBene), and H.R. 7004 (Rep. Curtis)

The Subcommittee on Energy and Mineral Resources will hold a legislative hearing on H.R. 2925 (Rep. Amodei), "Mining Regulatory Clarity Act of 2023"; H.R. 6862 (Rep. Lamborn), To amend the FAST Act to include certain mineral production activities as a covered project, and for other purposes; H.R. 7003 (Rep. DelBene), "National Landslide Preparedness Act Reauthorization Act of 2024"; and H.R. 7004 (Rep. Curtis), To amend the Mineral Leasing Act to amend references of gilsonite to asphaltite, on Wednesday, January 31, 2024, at 2:00 p.m. in 1324 Longworth House Office Building.

Member offices are requested to notify Lonnie Smith (<u>Lonnie.Smith@mail.house.gov</u>) by 4:30 p.m. on Tuesday, January 30, 2024, if their Member intends to participate in the hearing.

I. KEY MESSAGES

- The U.S. Court of Appeals for the Ninth Circuit affirmed a lower court decision revoking an approved mine plan for the Rosemont Copper Mine Project (known as the "Rosemont decision") in 2022, impacting hardrock mining projects across Western states. H.R. 2925 would restore longstanding interpretation of the law and provide the certainty needed for domestic mining projects to move forward.
- The Biden administration recently proposed a rule that would narrow the scope of mining projects eligible for the permitting streamlining benefits of Title 41 of the Fixing America's Surface Transportation Act (FAST-41) to only those involving critical minerals. H.R. 6862 would ensure that all hardrock mineral projects would be eligible for the streamlining benefits of the FAST-41 process going forward.
- Gilsonite is a unique mineral that is produced on federal lands in Utah. Gilsonite is a trademarked term and refers to a very specific product but is often mistakenly used interchangeably with the generic terms "uintaite" and "asphaltite." The Mineral Leasing Act refers specifically to "gilsonite," causing confusion in the marketplace and resulting in foreign producers of inferior products falsely labeling their products as Gilsonite. H.R. 7004 would amend the Mineral Leasing Act everywhere that "gilsonite" is mentioned, to replace it with the appropriate generic term "asphaltite."

• Landslide hazards are a threat to communities in every state and territory in the United States. H.R. 7003 reauthorizes the National Landslide Preparedness Act (NLPA) for Fiscal Years (FYs) 2024-2028.

II. WITNESSES

Panel I (Members of Congress):

• To Be Announced

Panel II:

- Dr. Steven Feldgus, Principal Deputy Assistant Secretary for Land and Minerals Management, Department of the Interior, Washington, DC [H.R. 2925, H.R. 6862, H.R. 7003, and H.R. 7004]
- Mr. Craig Mueller, President & CEO, American Gilsonite Company, Houston, TX [*H.R.* 7004]
- Mr. Rich Haddock, Senior Advisor, Barrick Gold, Bountiful, UT [H.R. 2925 and H.R. 6862]
- Dr. John Metesh, President, Association of American State Geologists, Butte, MT [*H.R.* 7003]
- Mr. Jeffrey Stiffarm, President, Fort Belknap Indian Community, Harlem, MT [Minority Witness; H.R. 2925 and H.R. 6862]

III. BACKGROUND

H.R. 2925 (Rep. Amodei), "Mining Regulatory Clarity Act of 2023"

H.R. 2925, a bipartisan bill sponsored by Rep. Amodei (R-NV) and Rep. Peltola (D-AK), would codify and clarify longstanding precedent regarding mining permitting on federal lands in response to a recent decision from the United States Court of Appeals for the Ninth Circuit, often referred to as the "Rosemont decision." In May of 2022, the United States Court of Appeals for the Ninth Circuit affirmed a lower court decision revoking an approved mine plan for the Rosemont Copper Mine Project, located partially in the Coronado National Forest in Pima County, Arizona. The Center for Biological Diversity and other environmental groups' challenge to the Rosemont mine plan specifically concerned whether the Forest Service could approve disposal of overburden (waste rock) without first determining the validity of the mining claim that would be used.

The Ninth Circuit's decision in this case limits the ability of the U.S. Forest Service to approve mining support facilities necessary for mining operations. The Rosemont decision requires that U.S. Forest Service approvals of ancillary facilities on mining claims be contingent on such claims being "valid." This new requirement ignores longstanding precedent and specific U.S. Forest Service regulations that allow approvals of operations "on or off a mining claim," so long as these operations meet environmental and regulatory standards. Essentially, this decision

¹ Center for Biological Diversity, 33 F.4th 1202 (9th Cir. 2022)

 $^{^{2}}$ Id.

³ 36 CFR Subpart A - Subpart A—Locatable Minerals. https://www.law.cornell.edu/cfr/text/36/part-228/subpart-A

requires discovery and determination of a valid mineral deposit, meaning operators must prove the existence of a commercially developable deposit on a claim, before a plan of operations that includes usage of the surface of that mining claim (such as for waste rock placements, mills, offices, roads, or transmission lines) can be approved.

The Rosemont decision upended 40 years of mining regulatory precedent and over a century of interpretation of the Mining Law of 1872.⁴ If allowed to stand, the Rosemont decision would impact hardrock mining projects across Western states. The mineral-rich states of Alaska, Arizona, Nevada, Montana, and Idaho are located within the jurisdiction of the Ninth Circuit.⁵

The Department of the Interior (DOI) published a Solicitor's opinion on the issue in May of 2023, which allows some disposal of waste rock in certain circumstances, but enactment of H.R. 2925 is needed to remedy the uncertainty created by the Rosemont decision for all mines on federal lands going forward. H.R. 2925 would restore longstanding interpretation of the Mining Law of 1872 and regulatory requirements for mining approvals on federal lands and provide much needed certainty in response to the Rosemont decision.

Similar language was included in H.R. 1, the Lower Energy Costs Act, which was passed in the House of Representatives on March 30, 2023, by a bipartisan vote of 225–204. Similar language was also included as an underlying provision (Sec. 444) in the FY 2024 Interior, Environment, and Related Agencies Appropriations Act (H.R. 4821), which passed the House of Representatives on November 3, 2023, by a bipartisan vote of 213-203. Senator Cortez Masto has sponsored a companion bill, S. 1281, with Senator Risch as the Republican co-lead.

<u>H.R. 6862</u> (Rep. Lamborn), To amend the FAST Act to include certain mineral production activities as a covered project, and for other purposes.

H.R. 6862 would codify "mineral production" as a covered sector under Title 41 of the Fixing America's Surface Transportation Act (FAST-41) and rescind the proposed rule, "Revising Scope of the Mining Sector of Projects That Are Eligible for Coverage Under Title 41 of the Fixing America's Surface Transportation Act," published by the Biden administration on September 22, 2023.¹⁰

FAST-41 established the Federal Permitting Improvement Steering Council (Permitting Council) to streamline environmental reviews for large-scale infrastructure projects. ¹¹ The Permitting Council membership consists of its Executive Director, the Director of the Office of

⁴ Sess. 2, ch. 152, 17 Stat. 91–96.

⁵ United States Courts for the Ninth Circuit. Circuit Map. https://www.ca9.uscourts.gov/information/circuit-map/

⁶ U.S. Department of the Interior. Office of the Solicitor. Use of Mining Claims for Mining Waste Deposition, and Recission of M-37012 and M-37057. https://www.doi.gov/sites/doi.gov/files/m-37077-use-of-mining-claims-for-mine-waste-deposition-508.pdf

⁷ H.R. 1, the Lower Energy Costs Act. Rep. Steve Scalise. https://www.congress.gov/bill/118th-congress/house-bill/1

⁸ H.R. 4821, the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2024. Rep. Mike Simpson. https://www.congress.gov/bill/118th-congress/house-

bill/4821/actions?s=1&r=1&q=%7B%22search%22%3A%22H.R.4821%22%7D

⁹ S. 1281, the Mining Regulatory Clarity Act of 2023. Sen. Cortez Masto. https://www.congress.gov/bill/118th-congress/senate-bill/1281

^{10 88} FR 65350.

¹¹ 42 U.S.C. § 4370m et seq.

Management and Budget, the Chair of the Council on Environmental Quality, and representatives from 13 federal agencies, including DOI.¹² The Permitting Council is charged with facilitating the multi-agency permitting process for certain projects within "covered" sectors. Covered sectors currently include renewable or conventional energy production, electricity transmission, surface transportation, aviation, ports and waterways, water resource, broadband, pipelines, manufacturing, mining, carbon capture, semiconductors, artificial intelligence and machine learning, high-performance computing and advanced computer hardware and software, quantum information science and technology, data storage and data management, and cybersecurity.¹³

Project sponsors may request to become a FAST-41 covered project and the Permitting Council will determine eligibility. If selected, the Permitting Council will develop a permitting timetable and a list of reviews and authorizations needed for the project and maintain these items on a website known as the "Permitting Dashboard." FAST-41 also requires that agencies consult with the project sponsor on changes to the timetable.

Under the Trump administration, the Permitting Council voted to expand the list of covered projects under FAST-41 to include "mining," ensuring that all hardrock mining projects are eligible for the project streamlining benefits of FAST-41.¹⁵ The Biden administration's recently proposed rule would narrow the scope of eligible mining projects to those involving the mining, beneficiation, processing and recycling of only critical minerals, as defined in section 7002 of the Energy Act of 2020¹⁶ and listed by the U.S. Geological Survey (USGS) on the current Final List of Critical Minerals.¹⁷

The Final List of Critical Minerals has been maintained by the USGS since 2018.¹⁸ On December 20, 2017, President Trump issued Executive Order 13817, calling for a national strategy to support a domestic supply of minerals vital to the economic and national security of the United States.¹⁹ USGS published an initial list of 35 critical minerals in 2018.²⁰ To be categorized as "critical," a mineral commodity must be: (1) a nonfuel mineral or mineral material essential to the economic and national security of the United States, (2) produced from a supply chain that is vulnerable to disruption, and (3) serving an essential function in the manufacturing of a product, the absence of which would have substantial consequences for the U.S. economy or national security.²¹ These criteria were later codified in section 7002 of the Energy Act of 2020,²² which was made law in the Consolidated Appropriations Act of 2021.²³

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<sup>12</sup> Federal Permitting Improvement Steering Council. Fact. Sheet.
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https://www.permits.performance.gov/sites/permits.dot.gov/files/2022-09/FPISC_090922.pdf

¹⁴ Permitting Dashboard. https://www.permits.performance.gov/

^{15 86} FR 1281.

¹⁶ Public Law 116–260, 134 Stat. 1182, 2562 (Dec. 27, 2020), codified at 30 U.S.C. 1606.

¹⁷ 88 FR 65350.

^{18 83} FR 23295.

^{19 82} FR 60835.

²⁰ 83 FR 23295.

²¹ Public Law 116–260, 134 Stat. 1182, 2562 (Dec. 27, 2020), codified at 30 U.S.C. 1606.

²³ P.L. No. 116-260.

Under the Energy Act of 2020, USGS must review and update the list of critical minerals at least every three years.²⁴ The Biden administration published its updated Final List of Critical Minerals in February 2022, which notably removed uranium and helium from the list.²⁵

The Biden administration's proposal to limit FAST-41 projects to only critical mineral projects would create unnecessary delays for important domestic mining projects that could benefit from the permitting streamlining benefits of the FAST-41 process under current regulations. For example, USGS does not list copper as a critical mineral, yet copper is essential for many aspects of modern life, including building construction, electrical and electronic products, as well as transportation and industrial equipment.²⁶ As the Energy Act of 2020 requires USGS to update the critical minerals list every three years and the permitting process for mining in the U.S. currently takes up to ten years, eligibility for certain mineral projects could be constantly changing during the permitting process, creating uncertainty for the sector.²⁷ H.R. 6862 would ensure that all hardrock mineral projects would be eligible for the streamlining benefits of the FAST-41 process going forward.

Similar language to this bill was included in H.R. 1, the Lower Energy Costs Act, which was passed in the House of Representatives on March 30, 2023, by a bipartisan vote of 225–204.²⁸

H.R. 7003 (Rep. DelBene), "National Landslide Preparedness Act Reauthorization Act of 2024"

H.R. 7003 reauthorizes the National Landslide Preparedness Act (NLPA) for Fiscal Years 2024-2028 at the current authorization of appropriations level of \$40 million per year.²⁹ Landslides are a major geologic hazard in every state, causing between \$1-2 billion in damages and more than 25 casualties each year.³⁰ The USGS established the Landslide Hazards Program (LHP) in the 1970s to conduct research on the geologic structure of the earth and draw scientific conclusions about landslides and ground failures.³¹ The states utilize this research to prepare for and properly respond to these disasters.

National Landslides Preparedness Act (NLPA)

The NLPA was originally introduced as H.R. 1675 in the 115th Congress by Representative Suzan DelBene with a companion bill in the Senate, S. 698, introduced by Senator Maria Cantwell. H.R. 1675 passed out of the Committee on Natural Resources by unanimous consent.

²⁶ U.S. Geological Survey. Mineral Commodity Summaries 2023. Copper, page 62. https://pubs.usgs.gov/periodicals/mcs2023/mcs2023.pdf

²⁴ Public Law 116–260, 134 Stat. 1182, 2562 (Dec. 27, 2020), codified at 30 U.S.C. 1606.

²⁵ 87 FR 10381.

²⁷ Minerals Make Life. NEPA Reform: Four Decades in the Making. https://mineralsmakelife.org/blog/nepa-reform-fourdecades-in-the-making/

²⁸ H.R. 1, the Lower Energy Costs Act. Rep. Steve Scalise. https://www.congress.gov/bill/118th-congress/house-bill/1 ²⁹ 43 U.S.C. § 3104 section (e)

³⁰ USGS. What We Do - Landslide Hazards Program, https://www.usgs.gov/programs/landslide-hazards/what-we-do-landslide-

<u>program</u>#:~:text=On%20January%205%2C%202021%20the%20National%20Landslide%20Preparedness%20Act%20(P.L. ³¹ *Id*.

A subsequent version of the bill, H.R. 8810 (DelBene) passed in the House of Representatives in the 116th Congress and was signed into law on January 5, 2021.³²

The NLPA established the National Landslide Hazards Reduction Program (NLHRP) and the 3D Elevation Program (3DEP), authorizing both programs from 2021-2024. The programs seek to gather data which will enable states and communities to reduce loss during the event of a landslide. The Director of the USGS, through the LHP, leads implementation of the NLHRP and coordinates with states, territories, and Indian tribes to coordinate data collection and share information. ³³ Under the NLPA, the program is charged with mapping and researching landslide hazards, responding to landslides, and coordinating with state, local, territorial, and tribal entities to reduce risks from landslides. ³⁴ The goal of NLHRP is to gather as much data as possible regarding landslide hazards and develop a publicly accessible database. ³⁵

Landslides have affected communities across the U.S. In 2018, Alaska had a devastating series of 43 landslides after a 7.1 magnitude earthquake hit just North of Anchorage.³⁶ This disaster caused \$76 million in damages but, fortunately, there were no fatalities.³⁷ Another example is the Oso landslide that hit Northwest Washington in 2014. This disaster led to 43 fatalities while covering 40 houses in debris.³⁸ Abnormally high rainfall contributed to this event, as precipitation in the area was 150-200% higher than the long-term average.³⁹ Landslides can be caused by a myriad of factors including earthquakes, volcanic activity, rainfall, and stream erosion among others.⁴⁰ Heavy rainfall is the most common cause of landslides, particularly rainfall on burned, steeply sloped terrain (e.g., a post-wildfire debris flow).⁴¹

3D Elevation Program:

The NLPA also established the 3D Elevation Program (3DEP). The goal of 3DEP is to establish high-quality topographic elevation data of the entire U.S., which will enable better understanding of landslides and why they occur.⁴²

USGS uses a technology called Light Detection and Ranging (LIDAR) when mapping the earth. ⁴³ By the end of FY 2022, the USGS had elevation data gathered via LIDAR for 90 percent of the U.S. ⁴⁴ While mapping the U.S. and having this topography data on file is an important first step, terrain can change significantly over time. Reauthorizing 3DEP will allow the USGS to

³² CRS. Enactment of the National Landslide Preparedness Act, https://crsreports.congress.gov/product/pdf/IN/IN11008

³³ *Id*.

³⁴ Public Law 116–323

³⁵ CRS. Enactment of the National Landslide Preparedness Act. https://crsreports.congress.gov/product/pdf/IN/IN11008

³⁶ USGS. 2018 Anchorage, Alaska earthquake. https://www.usgs.gov/data/initial-observations-landslides-triggered-2018-anchorage-alaska-earthquake

³⁷ Alaska Earthquake Center, 2018 year in review. https://earthquake.alaska.edu/2018-year-review#:~:text=November%2030%20Anchorage%20M7.1&text=Miraculously%2C%20there%20were%20no%20deaths,earthquake%20in%20Alaska%20since%201964.

³⁸ USGS, Revisiting the Oso landslide. https://www.usgs.gov/news/featured-story/revisiting-oso-landslide. <a href="https://www.usgs.gov/news/featured-story/revisiting-story/rev

⁴⁰ USGS. What is a landslide and what causes one? https://www.usgs.gov/faqs/what-landslide-and-what-causes-one

⁴¹ CRS Reports. Landslides: Federal Role in Research, Assessment, and Response. https://www.crs.gov/Reports/R47588

⁴² USGS. 3D Elevation Program. https://www.usgs.gov/3d-elevation-program

⁴³ USGS. What is Lidar, https://www.usgs.gov/news/science-snippet/earthword-lidar

⁴⁴ USGS. What is 3DEP, https://www.usgs.gov/3d-elevation-program/what-3dep

continue mapping to gather new topography data and study how landslides shift the landscape from one year to the next. This will allow USGS and the states to develop plans and procedures in the event of a landslide to minimize losses. 3DEP data is also used to determine optimal placement of cell stations and new broadband towers.⁴⁵

H.R. 7004 (Rep. Curtis), To amend the Mineral Leasing act to amend references of gilsonite to asphaltite.

H.R. 7004 would amend the Mineral Leasing Act of 1920 everywhere that "gilsonite" is mentioned, to replace it with "asphaltite," a word referring to a group of similar minerals that includes Gilsonite. Gilsonite, generically referred to as uintaite, is the trade name of a mineral that is found on federal lands in Utah in the Uinta Basin. 46 The trade name Gilsonite was first trademarked in the United States in 1895.⁴⁷ While Gilsonite and uintaite are not identical, the terms are sometimes used interchangeably. Both of these minerals are types of asphaltite minerals.

Gilsonite was first discovered in the 1870s by Samuel Gilson, which is where the mineral derives its name. 48 Due to its flammability, transportation of this mineral proved very difficult. In fact, the Uintah Railway was constructed for the sole purpose of transporting Gilsonite between Dragon, Utah and Mack, Colorado. ⁴⁹ Today, the American Gilsonite Company produces Gilsonite, which is their trademarked brand name for uintaite. 50 While Gilsonite is a kind of asphaltite, it is a unique mineral with several useful applications.

Found in Utah, Gilsonite has specific properties which result in exceptional effectiveness when compared to similar minerals mined elsewhere. It was first used to line beer barrels as it has waterproofing properties.⁵¹ As the years progressed and science improved, hundreds of more uses for this mineral were discovered. It is especially useful in the oil and gas industry as Gilsonite is added to well drilling mud to decrease friction and stabilize the bore hole.⁵² Gilsonite is used in newsprint to prevent the ink rubbing off and increases the durability of asphalt roads when added to the paving mixtures.⁵³ It is also used to seal and coat asphalt pavements as an adhesive.54

The use of the term "gilsonite" in the Mineral Leasing Act rather than the umbrella term "asphaltite" creates confusion in the marketplace by implying that Gilsonite, which is trademarked, is a generalized term, interchangeable with "asphaltite." Foreign producers,

⁴⁵ USGS. 3D Elevation Program Supports Broadband Internet Access. https://pubs.usgs.gov/fs/2021/3056/fs20213056.pdf ⁴⁶ Utah Geological Survey, Gilsonite – An unusual resource, https://geology.utah.gov/map-pub/survey-notes/gilsonite-anunusual-utah-resource/

⁴⁷ United States Patent Office, October 29, 1895. Trade-Mark No. 27,162 for the word "Gilsonite", The Gilson Asphaltum Company.

⁴⁸ NPS, Mining and Transportation. 1890-1920. https://www.nps.gov/parkhistory/online_books/blm/cultresser/co/2/chap8.htm

⁵⁰ American Gilsonite Company, NOT EVERYTHING LABELED "GILSONITE" IS GILSONITE® – HERE ARE THE DIFFERENCES. https://www.americangilsonite.com/news/not-everything-labeled-gilsonite-is-gilsonite/

⁵² Utah Geological Survey, Gilsonite – An unusual resource, https://geology.utah.gov/map-pub/survey-notes/gilsonite-an-<u>unusual-utah-resource/</u>
⁵³ *Id*.

⁵⁴ *Id*.

primarily from sanctioned countries, of inferior products that do not have the same properties as American-produced Gilsonite have exploited the confusion around these terms and market their products as Gilsonite.⁵⁵ H.R. 7004 would replace the term "gilsonite" with the term "asphaltite" in the Mineral Leasing Act to clarify that Gilsonite as a distinct trademarked product, unlike other asphaltites.

IV. MAJOR PROVISIONS & ANALYSIS

H.R. 2925 (Rep. Amodei), "Mining Regulatory Clarity Act of 2023"

Amends Section 10101 of the Omnibus Budget Reconciliation Act of 1993 to allow mine
operations to use, occupy, and conduct operations (including construction of roads and
other mining infrastructure activity) on public land regardless of whether a mineral
deposit has been discovered on the land so long as the claimant makes timely payments
of required claims maintenance fees.

<u>H.R. 6862</u> (Rep. Lamborn), To amend the FAST Act to include certain mineral production activities as a covered project, and for other purposes.

- Codifies "mineral production" as a covered sector on the FAST-41 permitting dashboard.
- Rescinds the proposed rule titled, "Revising Scope of the Mining Sector of Projects That Are Eligible for Coverage Under Title 41 of the Fixing America's Surface Transportation Act" (88 FR 65350), which would revise the scope of covered projects under FAST-41 to apply only to critical minerals mining projects rather than all mining projects.

H.R. 7003 (Rep. DelBene), "National Landslide Preparedness Act Reauthorization Act of 2024"

• Reauthorizes of the National Landslide Preparedness Act from FY 2024-2028 with no increase in funding.

<u>H.R. 7004</u> (Rep. Curtis), To amend the Mineral Leasing act to amend references of gilsonite to asphaltite.

• Amends the Mineral Leasing Act by replacing all instances of "gilsonite" with "asphaltite."

V. COST

The Congressional Budget Office has not scored any of these bills.

VI. ADMINISTRATIVE POSITION

Unknown.

VII. EFFECT ON CURRENT LAW (RAMSEYER)

H.R. 2925	H.R. 7003
H.R. 6862	H.R. 7004

⁵⁵ Essential Minerals Association. Briefing to Committee on Natural Resources Majority Staff. December 12, 2023.