



The U.S. Mining Law's Role in Strengthening Domestic Mineral Supply Chains

Maintaining this Law is Critical to Reducing our Reliance on China and Other Foreign Minerals

Recent Bills Would Reduce Domestic Mineral Production and Increase China's and Russia's Leverage Over Minerals Essential to our Economy, Defense, and Clean Energy

The 1872 Mining Law governs U.S. citizens' rights to locate mining claims for the purpose of exploring for and developing minerals on certain public lands in the western U.S. Thanks to this law, the Nation has benefitted greatly for the past 149 years from the production of domestic minerals essential for our economy, infrastructure, technology, manufacturing, all forms of energy, and national defense.

As the May 10th enactment date anniversary approaches, mining critics are expected to assert that this law is antiquated and needs a dramatic overhaul – despite the essential role mineral production from public lands plays in the country's well-being. If past is prologue, Congressman Raúl Grijalva, Chairman of the House Natural Resources Committee (D-AZ), will once again introduce radical legislation designed to make mining on public lands much more difficult if not impossible, thwarting development of secure domestic mineral supply chains.

The bill that Chairman Grijalva championed during the 116th Congress, H.R. 2579, and the Udall/Heinrich Senate bill, S. 1386, would have put important U.S. mineral resources completely off-limits to development. Both bills eliminated the security of land tenure needed to attract investment in domestic mineral exploration and development; created numerous obstacles to make mine permitting more costly, time-consuming, and difficult; and imposed unworkable royalty and taxation schemes.

Past campaigns to upend the Mining Law have ignored the many times Congress has amended and updated this law, the modern environmental protection laws that apply to mining, and the financial assurance requirements that ensure modern mining operations are fully reclaimed when mining is completed.

Quick Mining Claim Facts:

- According to the U.S. Bureau of Land Management's most recent statistics¹, there are 386,936 active mining claims. Roughly 51 percent of these claims are located in Nevada.
- Since 1993, when Congress amended the Mining Law to require payment of an annual claim maintenance fee, claim owners have paid nearly \$1.3 billion in fees. In 2019, claim owners paid over \$71 million in claims maintenance fees (\$165 per claim) to secure their rights to explore and develop their claims.
- In 2019, BLM reviewed only 365 mineral Notices and Plans of Operation, 206 of which were located in Nevada. Statistics show that 1,000 prospects have to be evaluated to find a mineral deposit that can become an economically viable mine. Thus, current exploration rates are insufficient to find the new mineral deposits needed to strengthen our domestic mineral supply chains.

Maintaining the Mining Law Will Encourage U.S. Mineral Production and Improve Domestic Mineral Supply Chains

Radical changes to the Mining Law will harm the Nation. The following key elements of the current law should be preserved to encourage responsible development of the mineral resources on our public lands:

- Maintain the existing mining claim system, which has worked well for 149 years to provide the security of land tenure needed to attract the substantial investment required to explore for and develop minerals.
 - *Do not jettison this system and substitute the impractical leasing system in H.R. 2579.*
- Keep public lands open to mineral exploration and development.
 - *Do not put more lands off-limits to mining as proposed in H.R. 2579.*
- Preserve the Plan of Operations permitting system for life-of-mine permits that comply with environmental protection standards and provide reclamation bonds.
 - *Do not adopt the permitting process in H.R. 2579 to give BLM and the Forest Service discretionary authority to categorically reject mining Plans of Operation.*
- Require compliance with the existing framework of federal and state environmental protection regulations that effectively prohibit unnecessary impacts, safeguard all aspects of the environment, and mitigate mining impacts.
 - *Do not create the onerous and unfeasible environmental standards in H.R. 2579 that are designed to make mining difficult if not impossible.*
- Retain the current financial assurance requirements to guarantee reclamation. In Nevada alone, state regulators and federal agencies hold over \$3.2 billion in reclamation bonds.
- Streamline the mine permitting process to minimize delays and uncertainties and to provide timely production of minerals needed for clean energy, infrastructure projects, technology, and national defense.
- Continue to require claim maintenance fees and use a portion of these fees to reclaim and remediate abandoned hardrock mines on public lands.
- If Congress enacts a mineral production royalty or a new mining tax or fees, these financial obligations should not create confiscatory burdens that will stifle mineral production, and should only apply to mining claims located after a bill passes to minimize the potential for takings claims against the federal government.

Preserving Mining Law Fundamentals will Strengthen Domestic Mineral Supply Chains and Reduce Reliance on Foreign Minerals

**Now More than Ever, the Nation Needs the U.S. Mining Law:
Congress Should Reject Radical Changes to This Law**

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ⁱ <https://www.blm.gov/sites/blm.gov/files/PublicLandStatistics2019.pdf>