



Western Governors' Association Policy Resolution 13-06

National Minerals Policy

A. BACKGROUND

1. Federal lands account for as much as 86 percent of the land area in certain Western states. These same states account for 75 percent of our nation's metals production. Few countries are as blessed with the abundance of minerals and metals as is the U.S.
2. The Mining and Minerals Policy Act of 1970 formally recognized the importance of mining and domestic minerals production as a policy of the United States, including "the development of economically sound and stable domestic mining, minerals, metal and mineral reclamation industries," "the orderly and economic development of mineral resources ... to help assure satisfaction of industrial, security and environmental needs," "mining, mineral and metallurgical research," "... including the use and recycling of scrap to promote the wise and efficient use of our natural and reclaimable resources; the study and development of methods for the disposal, control and reclamation of mineral waste products, and the reclamation of mined land, so as to lessen adverse impacts of mineral extraction."
3. Metals are critical to U.S. economic and national security—providing vital base materials for electronics, telecommunications, satellites, aircraft, manufacturing and alternative energy technologies (particularly wind and solar).
4. Many alternative energy and other sophisticated high- end technologies rely on critical minerals in their manufacturing. For example, of twenty critical minerals used in alternative energy technologies, the U.S. has to import more than 50% of each and some as much 100%, leaving the U.S. vulnerable to export restrictions and discriminatory pricing practices. A viable alternative energy program and the competitiveness of U.S. manufacturing generally, would be enhanced and ensured by promoting responsible development of domestic mineral resources.
5. A major factor contributing to the U.S.' reliance on foreign sources of minerals is a duplicative and inefficient mine permitting system that discourages development of domestic resources. It takes seven to 10 years in the United States to navigate this duplicative and cumbersome process to bring a mine into production, compared with approximately two years in countries such as Canada and Australia that have comparable environmental standards.

6. The Mining Law has provided the framework for developing hardrock minerals on the public lands. The Mining Law has been updated by a large body of federal, State, tribal and local environmental, ecological and reclamation laws and regulations (including regulations promulgated by the federal land management agencies) to assure protection of the environment, wildlife and cultural resources during mineral exploration and development and to assure reclamation of lands after active mining ceases.

The National Academy of Sciences' National Research Council, after a comprehensive review of these laws and regulations at the direction of the Congress, concluded that existing laws and regulations are "complicated but generally effective". It also identified "specific issues or 'gaps' in existing..." regulations intended to protect the environment."

7. Hardrock mining operations on both public and private lands in the Western States are subject to the permitting and substantive requirements imposed on all industries by the nation's environmental laws administered by the U.S. Environmental Protection Agency (or delegated States). These include the Clean Water Act, the Clean Air Act, the Toxic Substances Control Act, the Resource Conservation and Recovery Act, and the Safe Drinking Water Act. Hardrock mining operations are also subject to regulatory programs for the protection of plants and wildlife, including the Endangered Species Act, the Migratory Bird Treaty Act, and the Bald Eagle Protection Act.
8. Furthermore, the modern hardrock mining industry is extensively regulated by the federal government on BLM- and Forest Service-administered lands, including review of the mining plan of operations, comprehensive permit, design, operations, closure, reclamation requirements, corrective action and financial assurance requirements, to ensure that the mining operations will not result in unnecessary or undue degradation to the public lands.
9. The Western States also extensively regulate hardrock mining operations on both private and public lands, and uniformly impose permit and stringent design and operating standards, as well as financial assurance to ensure that hardrock mining operations are conducted in a manner that is protective of human health and the environment, and that, at closure, the mined lands are returned to a safe, stable condition for productive post-mining use.
10. Under the federal Mining Law, no royalties are owed to the federal or State governments for hardrock minerals extracted from the public lands. However, such mining operations can result in significant high-wage employment, increased state tax revenues and development of communities and the infrastructure necessary to support communities.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors recognize that the minerals mining industry is an important component to both local and national economies. Reliable supplies of minerals play a critical role in meeting our economic and national security needs.
2. WGA commends efforts by the USGS and state geological surveys to identify potential, critical minerals deposits for alternative energy technologies and other consumer products vital to modern society.
3. The Congress, in consultation with the states, should develop a National Minerals Policy that truly enables mineral exploration and development in a manner that balances the nation's industrial and security needs with adequate protection of natural resources and the environment. Without changing environmental or other protections afforded by current laws and regulations, any policy must address the length of the mine permitting process to ensure we can develop and provide the domestic resources that are critical to our national and economic security. Any policy also should take into account the potential long term effects (including potential environmental effects) of mining operations and should maintain policies and procedures in place to mitigate any long term effects. The U.S. Department of the Interior and the U.S. Department of Agriculture should take an active role in determining the cumulative impacts to our public lands at both the local and national levels.
4. Development of a National Minerals Policy should address patenting, maintenance fees, an equitable government revenue mechanism, and the development of a clean-up fund and program for reclaiming abandoned hard rock mines. Relevant stakeholders, including the mining industry, should continue to work with Congress to determine the elements of a royalty system that is workable and fair.
5. New financial assurance requirements imposed upon the hardrock mining industry under CERCLA Section 108(b) would duplicate or supplant existing and proven State financial assurance regulations in this area. This is of particular concern to the Western States, because CERCLA is a non-delegable federal program that provides no opportunity for implementation through state environmental agencies. The Western States have developed deep experience in mine permitting, regulation, and bonding and federal preemption of their bonding programs will threaten these effective state programs.
6. The U.S. Department of the Interior and the U.S. Department of Agriculture should take an active role, working with western states, in the development of a National Minerals Policy.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct the WGA staff, where appropriate, to work with Congressional committees of jurisdiction and the Executive Branch to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to develop, as appropriate and timely, detailed annual work plans to advance the policy positions and goals contained in this resolution. Those work plans shall be presented to, and approved by, Western Governors prior to implementation. WGA staff shall keep the Governors informed, on a regular basis, of their progress in implementing approved annual work plans.

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