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## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 226

## BY WAYS AND MEANS COMMITTEE

AN ACT RELATING TO MINES AND MINING; AMENDING SECTION 47-1206, IDAHO CODE, TO 2 REVISE PROVISIONS REGARDING THE MINE LICENSE TAX; AMENDING SECTION 3 47-1703, IDAHO CODE, TO PROVIDE FOR VOLUNTARY CONTRIBUTIONS AND THE USE 4 5 OF ABANDONED MINE RECLAMATION FUND MONEYS AND TO MAKE TECHNICAL CORREC-TIONS; AMENDING SECTION 47-1704, IDAHO CODE, TO DEFINE TERMS; AMENDING 6 SECTION 47-1706, IDAHO CODE, TO PROVIDE FOR AN ADVISORY COMMITTEE; 7 AMENDING CHAPTER 17, TITLE 47, IDAHO CODE, BY THE ADDITION OF A NEW SEC-8 TION 47-1707, IDAHO CODE, TO PROVIDE FOR CERTAIN RESPONSIBILITIES OF 9 10 THE IDAHO DEPARTMENT OF LANDS; AMENDING SECTION 47-1707, IDAHO CODE, TO REDESIGNATE THE SECTION AND TO REVISE PROVISIONS REGARDING PRIORITIES; 11 AMENDING SECTION 47-1708, IDAHO CODE, TO REDESIGNATE THE SECTION AND TO 12 MAKE A TECHNICAL CORRECTION; AND DECLARING AN EMERGENCY AND PROVIDING 13 AN EFFECTIVE DATE. 14

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 47-1206, Idaho Code, be, and the same is hereby 16 amended to read as follows:

- 47-1206. PAYMENT OF MINE LICENSE TAX. (1) Except as provided in subsection (2), the license tax imposed by this chapter shall be paid to the state tax commission on or before the due date of the return and the commission shall remit the sums to the state treasurer, who shall place sixtysix percent (66%) fifty percent (50%) to the credit of the general fund of the state and thirty-four percent (34%) fifty percent (50%) to the credit of the abandoned mine reclamation fund created by the provisions of section 47-1703, Idaho Code.
- (2) The license tax imposed by this chapter only on mining operations that include a cyanidation facility, as defined by section 47-1503, Idaho Code, shall be paid to the state tax commission on or before the due date of the return and the commission shall remit the sums to the state treasurer, who shall place thirty-three percent (33%) to the credit of the general fund of the state, thirty-three percent (33%) to the credit of the cyanidation facility closure fund created by the provisions of section 47-1513, Idaho Code, and thirty-four percent (34%) to the credit of the abandoned mine reclamation fund created by the provisions of section 47-1703, Idaho Code.
- SECTION 2. That Section 47-1703, Idaho Code, be, and the same is hereby amended to read as follows:
- FUNDING. (1) This chapter shall govern the use of state and federal moneys specifically appropriated for abandoned mine reclamation. This chapter shall not require the state to expend or appropriate state moneys. The board may receive federal funds, state funds, and any other funds,

<u>including voluntary contributions</u>, and, within the limits imposed by a specific grant, expend them as directed by this chapter. All grants, funds, fees, fines, penalties, and other uncleared money which that has been or will be paid to the state for abandoned mine reclamation shall be placed in the state treasury and credited to the abandoned mine reclamation fund, which is hereby created. This fund shall be available to the board, by legislative appropriation, and shall be expended for the reclamation of lands affected by eligible mining operations.

- (2) At least ninety percent (90%) of all reclamation funds expended annually shall be spent on expenses directly incurred for eligible mine site engineering and on-site restoration plan implementation and on compensation for services paid pursuant to section 47-1709, Idaho Code.
- (3) Voluntary contributions shall be designated for eligible mine restoration and:
  - (a) Shall be considered as mitigation to meet or partially meet environmental mitigation requirements set by state agencies for constructing, expanding, or operating a mine; and
  - (b) May be considered as mitigation to meet or partially meet environmental mitigation requirements set by federal agencies for constructing, expanding, or operating a mine.
- SECTION 3. That Section 47-1704, Idaho Code, be, and the same is hereby amended to read as follows:
- 47-1704. DEFINITIONS. (1) "Abandoned mine" means a mine deserted by the operator, having no regular maintenance, and not covered by a valid mining claim.
- (2) "Affected land" means the land adjacent to an eligible mine that is, or may be, adversely affected by past mining operations.
- (3) "Board" means the state board of land commissioners or such department, commission, or agency as may lawfully succeed to the powers and duties of such board.
  - (4) "Department" means the Idaho department of lands.
- (4) (5) "Director" means the head of the department of lands or such officer as may lawfully succeed to the powers and duties of said director.
- (5) (6) "Eligible mine" means an abandoned mine located on land owned by the state or federal government or an abandoned mine located on private land when the owner of the private land has requested, and the board has granted, designation as an eligible mine.
- (6) (7) "Mine" means an area where valuable minerals were extracted from the earth and includes all associated development areas including, but not limited to, milling and processing areas, overburden disposal areas, stockpiles, roads, tailings ponds, and other areas disturbed at the mining operation site.
- (7) (8) "Operator" means any person or persons, any partnership, limited partnership, or corporation, or any association of persons, either natural or artificial including, but not limited to, every public or governmental agency engaged in mining or mineral exploration operations, whether individually, jointly, or through subsidiaries, agents, employees, or contractors and shall mean every governmental agency owning or controlling the use of any mine when the mineral extracted is to be used by or for the benefit

of such agency. It shall not include any governmental agency with respect to those mining or mineral exploration operations as to which it grants mineral leases or prospecting permits or similar contracts, but nothing herein shall relieve the operator acting pursuant to a mineral lease, prospecting permit or similar contract from the terms of this chapter.

- $\frac{(8)}{(9)}$  "Valuable mineral" shall have the same meaning as "valuable mineral" defined in section 47-1205, Idaho Code.
- (10) "Voluntary contribution" means any moneys contributed by a non-governmental organization or a publicly or privately held company.

SECTION 4. That Section 47-1706, Idaho Code, be, and the same is hereby amended to read as follows:

- 47-1706. DUTIES AND POWERS OF BOARD. In addition to the other duties and powers of the board prescribed by law, the board is granted and shall be entitled to exercise the following authority and powers and perform the following duties:
- (1) To reclaim any eligible mine and affected lands. Reclamation on federal lands shall be completed only upon consent of the federal agency responsible for the administration of those lands. Reclamation activities may include:
  - (a) The reclamation and restoration of abandoned surface mined areas;
  - (b) The reclamation of abandoned milling and processing areas;
  - (c) The sealing, filling, and grading of abandoned deep mine entries;
  - (d) The planting of land adversely affected by past mining to prevent erosion and sedimentation;
  - (e) The prevention, abatement, treatment, and control of water pollution created by abandoned mine drainage;
  - (f) The control of surface subsidence due to abandoned deep mines; and
  - (g) Such other reclamation activities as may be necessary to accomplish the purposes of this act.
- (2) To administer and enforce the provisions of this act and the rules and orders promulgated thereunder as provided in this act.
- (3) To conduct and promote the coordination and acceleration of research, studies, surveys, experiments, demonstrations, and training in carrying out the provisions of this act. In carrying out the activities authorized in this section, the board may enter into contracts with and make grants to institutions, agencies, organizations, and individuals, and shall collect and make available any information obtained therefrom.
- (4) To adopt and promulgate reasonable rules respecting the administration of this act and such rules as may be necessary to carry out the intent and purposes of this act. All such rules shall be adopted in accordance with and subject to the provisions of chapter 52, title 67, Idaho Code.
- (5) To enter upon eligible mines and affected lands at reasonable times, for inspection purposes and to determine whether the provisions of this act are being complied with. Inspections on private lands shall be conducted in the presence of the landowner or his duly authorized employees or representatives, or with written permission of the landowner.
- (6) To establish an advisory committee to assist the department in setting priorities and planning reclamation work. The committee members shall

be nominated by the governor and approved by the board. The committee shall consist of:

- (a) One (1) representative from the Idaho department of environmental quality;
- $\underline{\text{(b)}}$  One (1) representative from the governor's office of energy and mineral resources;
- (c) One (1) representative who is a county commissioner from a county with active mines;
- (d) One (1) representative representing conservation interests; and
- (e) Three (3) representatives from mining organizations or companies who are actively mining within the state of Idaho.
- SECTION 5. That Chapter 17, Title 47, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 47-1707, Idaho Code, and to read as follows:
- 47-1707. RESPONSIBILITIES OF THE DEPARTMENT OF LANDS. In addition to the duties and responsibilities assigned by the board, the department shall:
- (1) Maintain a list of the eligible mines, based on the priority criteria pursuant to section 47-1708, Idaho Code. The list shall be updated annually and made publicly available;
- (2) Annually publish a report that, by mine site, describes how funds from the abandoned mine reclamation fund were used, the specific actions taken, and the progress made to reclaim abandoned mines; and
- (3) Consult with the advisory committee created pursuant to section 47-1706, Idaho Code, in setting priorities and planning reclamation work.
- SECTION 6. That Section 47-1707, Idaho Code, be, and the same is hereby amended to read as follows:
- 47-1707 47-1708. PRIORITIES. Expenditure of funds from the abandoned mine reclamation account <u>fund</u> shall reflect the following priorities in the order stated:
- (1) The protection of public health, safety, and general welfare from the adverse effects of past mining practices.
- (2) The restoration of <del>land and water resources</del> water quality that was previously degraded by the adverse effects of past mining practices, especially in areas where water quality standards are not met.
- (3) The restoration of land resources that were previously degraded by the adverse effects of past mining practices.
- SECTION 7. That Section 47-1708, Idaho Code, be, and the same is hereby amended to read as follows:
- 47-1708 47-1709. INTERAGENCY COORDINATION. The board shall recognize other governmental, educational, and private organizations or agencies which have expertise and information regarding abandoned mines and affected lands. The board shall characterize, prioritize, and complete reclamation of eligible mines and affected lands in coordination with these agencies. In addition, the board may reasonably compensate them from the abandoned mine reclamation account fund for services that the board requests they provide.

SECTION 8. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2025.