## MINUTES

## **HOUSE RESOURCES & CONSERVATION COMMITTEE**

**DATE:** Thursday, February 01, 2024

TIME: 1:30 P.M.

PLACE: Room EW40

**MEMBERS:** Chairman Mendive, Vice Chairman Shepherd, Representatives Boyle, Vander

Woude, Blanksma, Manwaring, Yamamoto, Raybould, Durrant, Hill, Mickelsen,

Nelsen, Pickett, Raymond, Tanner, Burns, Necochea, Galaviz

ABSENT/ EXCUSED: Representative(s) Manwaring, Raybould

**GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the

end of session the sign-in sheet will be filed with the minutes in the Legislative

Library.

**Chairman Mendive** called the meeting to order at 1:30 p.m.

**MOTION:** Rep. Galaviz made a motion to approved the January 29, 2024 meeting minutes.

Motion carried by voice vote.

Benjamin Davenport, Executive Director of the Idaho Mining Association (IMA) made some opening remarks explaining the Idaho Mining Association is 120 years old, it is a non-partisan, non-profit trade association that is dedicated to responsible and sustainable mining practices in Idaho. The membership companies of IMA employ collectively 4500 workers in well paying jobs with benefits in some of the most rural parts of the state. Miners and the minerals they supply are the first link in virtually every supply chain and the demand for minerals is skyrocketing. However, the United States has become 100 % dependant on foreign producers, mainly China, for 12 of the 50 mineral deemed critical by the US Geological Survey. Idaho has much to offer in the mining industry, and can contribute to national security. Additionally the United States has good labor-safety standards as well as strong environmental protections. Mr. Davenport answered several committee questions, one involved the time it takes to get a mine from conception to production and he explained that getting a mine up to production involves exploration, permitting, securing funding, and building infrastructure, all taking roughly 20 years before a mine is ready to produce.

**George Salamis**, Executive Chairman of the Integra Resources Board of Directors explained that Integra has felt welcome in Idaho and the DeLamar Project has the potential to create a strong economic resource in the Jordan Valley region. He explained the project time line up to present day. The mine plans to employ 220 people, with average salaries of \$100,000 a year. He assured the committee that the impact of the mine on the environment and the local community are very important to Integra and he answered some committee questions about employee housing and job training.

**Travis Swallow**, Stakeholder Relations & Corporate Development for Idaho Strategic Resources (ISR) explained that ISR is an Idaho based company mining rare earth elements, and is the state's largest gold producer. Idaho is well endowed with Rare Earth Elements (REE) which are primarily used to manufacture rare earth permanent magnetics. He spoke about the REE production from three Northern Idaho mines and where their minerals are shipped. He assured the committee that ISR cares about environmental impact, employee safety, and he answered committee questions.

**Andrew Brodkey**, Idaho Copper Corporation Chief Operating officer, spoke about the Idaho Copper Corporation. The CuMo Project located 35 miles from Boise in the Boise Forest, is a large resource of copper, molybdenum, silver, among other things. This Project has been 67 years in the exploration and development stage, but it has not reached the production stage yet. He spoke about environmental challenges the project has faced, the significant investments made thus far, and answered several committee questions.

Sam Ash, CEO of Bunker Hill Mining gave a Bunker Hill update, which is expected to be Idaho's next operating mine. The Bunker Hill Mine has existed for a long time producing lead, zinc, silver and Mr. Ash reviewed the history of the mine. Bunker Hill has had an iconic history mixed with many environmental violations. Forty years of clean up and working with the EPA to address environmental damages resulted in a consent decree in 2017 settling all environmental liability. This where we begin today, with a responsible Bunker Hill Mine ready to operate again, and expected to be a positive economic impulse to the Kellogg region. He shared the mine's production expectations, and explained the environmental improvements surrounding the site.

McKinsey Lyon, Perpetua Resources Vice President of External Affairs gave a Stibnite Gold Project update. She explained the project site is an abandoned mine in the process of modern redevelopment, and once the mine is up and operating it will be the only domestic source of antimony which is a critical metal in everything from energy technology to national defense. Perpetua is an environmentally conscious company that also desires to do right by the local community. The mine site is located in the historical Stibnite Mining District where there has been a significant mining history going back to World War II, before environmental protections even existed. Due to this history there are existing environmental problems like piles of legacy waste, high levels of arsenic in the drinking water and blocked natural water ways. However, other things were left behind too like gold and antimony and this makes it economically feasible to access and mine the significant supply of valuable resources remaining and clean up and improve the area at the same time, and this is Perpetua's intention. She reviewed Perpetua's financial investment so far and the tons of legacy waste that have been removed from the river. She explained the many uses of antimony, its military importance. and that currently 90% of its production is controlled by China and Russia. She answered committee questions, explaining the total project investment thus far is \$200 million dollars and the earliest Perpetua would be able to deliver on its military national defense contacts is 2028.

Ryan Stebbins, the Environmental Manager at the Thompson Creek Mine, gave a Thompson Creek update. The Thompson Creek mine is a Molybdenum open pit mine located in the Challis area. Molybdenum is used in stainless steel especially energy transition pieces like windmills and in lubricants and greases. The mine was established in 1983 so it has a 40 years history, having passed through phases of care and maintenance, they are currently in a new phase of permitting and expansion. The mine has increased employment opportunities in the rural Challis area and they are expecting to increase employment by 400 over the 15 year phase of the current project. Challis is a small community so workforce will have to be brought in from outside the area, 200 acres have been set aside for a mine worker housing development. He reviewed the price of molybdenum, profit margins, tons of product the mine is expected to produce.

RS 31083:

**Rep. Pickett**, District 27, presented **RS 31083** saying this is a housekeeping issue for the irrigation districts, especially in the case of overuse of water allotments. The current fines are no longer effective, so the proposed legislation increases the fines from \$100 to \$300.

MOTION:	by voice vote.
RS 31039C1:	<b>Rep. Raymond</b> , District 31, presented <b>RS 31039C1</b> dubbed the rangeland improved act, saying it creates a frame work and a partnership between Idaho's livestock industry and the Idaho Dept. of Agriculture, and opportunities for improved wildlife habitat. It does three things, it establishes in code an account for monies intended for rangeland improvement statewide, it utilizes an existing grazing board established by the Grazing Act of 1934 but adds two board members, and it tasks the State Dept. of Agriculture with securing the funds to support this act and the carrying out the reclamations of the board.
MOTION:	<b>Rep. Pickett</b> made a motion to introduce <b>RS 31039C1</b> . There was committee discussion about the financial impact for the State. <b>Rep. Raymond</b> explained that grants are expected to cover expenses and board members would be volunteers, reimbursed for travel expenses only. <b>Motion carried by voice vote</b> .
	Chairman Mendive turned the gavel over to Vice Chairman Shepherd.
RS 31115:	<b>Chairman Mendive</b> , District 5, presented <b>RS 31115</b> pertaining to muzzleloader season saying this legislation is necessary because the rule making process has become more difficult to affect. This proposed legislation prohibits the Idaho Dept. of Fish & Game from making 209 primers, pelletized powder, or sabots unlawful during muzzleloader season.
MOTION:	Rep. Picket made a motion to introduce RS 31115. Motion carried by voice vote.
	Vice Chairman Shepherd turned the gavel over to Chairman Mendive.
ADJOURN:	There being no further business to come before the committee the meeting was adjourned at 3:13 p.m.
Representative Me Chair	Andrea Blades Secretary