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4	House BHIL NO. 487 0 1
1 2	INTRODUCED BY Deaudry - drunt
3 /	Further hunde
4	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROVISIONS OF THE METAL MINE RECLAMATION
5	LAW PERTAINING TO SMALL MINERS AND RECREATIONAL MINERS; REVISING THE SMALL MINER
6	DEFINITION; REQUIRING SOIL MATERIALS SALVAGE BY SMALL MINERS WHO ENGAGE IN PLACER OR
7	DREDGE MINING; INCREASING THE MAXIMUM BOND FOR SMALL MINERS; PROVIDING EXEMPTIONS
8	FOR RECREATIONAL AND HOBBY MINERS; AMENDING SECTIONS 82-4-303, 82-4-305, AND 82-4-310,
9	MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND APPLICABILITY DATES."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	
13	Section 1. Section 82-4-303, MCA, is amended to read:
14	"82-4-303. Definitions. As used in this part, unless the context indicates otherwise, the following
15	definitions apply:
16	(1) "Abandonment of surface or underground mining" may be presumed when it is shown that
17	continued operation will not resume.
18	(2) "Amendment" means a change to an approved operating or reclamation plan. A major
19	amendment is an amendment that may significantly affect the human environment. A minor amendment
20	is an amendment that will not significantly affect the human environment.
21	(3) "Board" means the board of environmental review provided for in 2-15-3502.
22	(4) "Cyanide ore-processing reagent" means cyanide or a cyanide compound used as a reagent in
23	leaching operations.
24	(5) "Department" means the department of environmental quality provided for in 2-15-3501.
25	(6) "Disturbed land" means the area of land or surface water that has been disturbed, beginning
26	at the date of the issuance of the permit. The term includes the area from which the overburden, tailings,
27	waste materials, or minerals have been removed and tailings ponds, waste dumps, roads, conveyor
28	systems, leach dumps, and all similar excavations or coverings that result from the operation and that have
29	not been previously reclaimed under the reclamation plan.
30	(7) "Exploration" means:



(a) all activities that are conducted on or beneath the surface of lands and that result in material 1 2 disturbance of the surface for the purpose of determining the presence, location, extent, depth, grade, and 3 economic viability of mineralization in those lands, if any, other than mining for production and economic 4 exploitation; and

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(b) all roads made for the purpose of facilitating exploration, except as noted in 82-4-310.

6 (8) "Mineral" means any ore, rock, or substance (other than oil, gas, bentonite, clay, coal, sand, 7 gravel, phosphate rock, or uranium) that is taken from below the surface or from the surface of the earth 8 for the purpose of milling, concentration, refinement, smelting, manufacturing, or other subsequent use or 9 processing or for stockpiling for future use, refinement, or smelting.

10 (9) "Mining" commences when the operator first mines ores or minerals in commercial quantities 11 for sale, beneficiation, refining, or other processing or disposition or first takes bulk samples for 12 metallurgical testing in excess of aggregate of 10,000 short tons.

13 (10) "Ore processing" means milling, heap leaching, flotation, vat leaching, or other standard hard-rock mineral concentration processes. 14

15 (11) "Person" means any person, corporation, firm, association, partnership, or other legal entity 16 engaged in exploration for or mining of minerals on or below the surface of the earth, reprocessing of 17 tailings or waste materials, or operation of a hard-rock mill.

18 (12) "Placer deposit" means naturally occurring, scattered or unconsolidated valuable minerals in 19 gravel or alluvium lying above bedrock.

20 (13) "Placer or dredge mining" means the mining of minerals from a placer deposit by a person or 21 persons.

22 (14) "Reclamation plan" means the operator's written proposal, as required and approved by the 23 department, for reclamation of the land that will be disturbed. The proposal must include, to the extent 24 practical at the time of application for an operating permit:

25

(a) a statement of the proposed subsequent use of the land after reclamation;

26 (b) plans for surface gradient restoration to a surface suitable for the proposed subsequent use of 27 the land after reclamation is completed and the proposed method of accomplishment;

28 (c) the manner and type of revegetation or other surface treatment of disturbed areas;

29 (d) procedures proposed to avoid foreseeable situations of public nuisance, endangerment of public 30 safety, damage to human life or property, or unnecessary damage to flora and fauna in or adjacent to the

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1	area;
2	(e) the method of disposal of mining debris;
3	(f) the method of diverting surface waters around the disturbed areas when necessary to prevent
4	pollution of those waters or unnecessary erosion;
5	(g) the method of reclamation of stream channels and stream banks to control erosion, siltation,
6	and pollution;
7	(h) maps and other supporting documents that may be reasonably required by the department; and
8	(i) a time schedule for reclamation that meets the requirements of 82-4-336.
9	(15) (a) "Small miner" means a person, firm, or corporation that engages in the business of mining
10	or reprocessing of tailings or waste materials, that does not remove from the earth during any calendar year
11	material in excess of 36,500 tons in the aggregate, that does not hold an operating permit under 82-4-335
12	except for a permit issued under 82-4-335(2), and that conducts:
13	(i) an operation that results in not more than 5 acres of the earth's surface being disturbed and
14	unreclaimed; or
15	(ii) two operations that disturb and leave unreclaimed less than 5 acres per operation if the
16	respective mining properties are:
17	(A) the only operations engaged in by the person, firm, or corporation; and
18	(B) at least 1 mile apart at their closest point ; and
19	(C) not operated simultaneously except during seasonal transitional periods, not to exceed 30 days.
20	(b) For the purpose of this definition only, the department shall, in computing the area covered by
21	the operation ₇ :
22	(i) exclude access or haulage roads that are required by a local, state, or federal agency having
23	jurisdiction over that road to be constructed to certain specifications if that public agency notifies the
24	department in writing that it desires to have the road remain in use and will maintain it after mining ceases;
25	and
26	(ii) exclude access roads for which the person, firm, or corporation submits a bond to the
27	department in the amount of the estimated total cost of reclamation along with a description of the location
28	of the road and the specifications to which it will be constructed.
29	(16) "Soil materials" means earth material found in the upper soil layers that will support plant
30	growth.



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1 (16)(17) (a). "Surface mining" means all or any part of the process involved in mining of minerals 2 by removing the overburden and mining directly from the mineral deposits exposed, including but not limited 3 to open-pit mining of minerals naturally exposed at the surface of the earth, mining by the auger method, 4 and all similar methods by which earth or minerals exposed at the surface are removed in the course of 5 mining.

(b) Surface mining does not include the extraction of oil, gas, bentonite, clay, coal, sand, grevel,
phosphate rock, or uranium or excavation or grading conducted for onsite farming, onsite road construction,
or other onsite building construction.

9 (17)(18) "Underground mining" means all methods of mining other than surface mining.

10 (18)(19) "Unit of surface-mined area" means that area of land and surface water included within 11 an operating permit actually disturbed by surface mining during each 12-month period of time, beginning 12 at the date of the issuance of the permit. The term includes the area from which overburden or minerals 13 have been removed, the area covered by mining debris, and all additional areas used in surface mining or 14 underground mining operations that by virtue of mining use are susceptible to erosion in excess of the 15 surrounding undisturbed portions of land.

16 (19)(20) "Vegetative cover" means the type of vegetation, grass, shrubs, trees, or any other form
 17 of natural cover considered suitable at time of reclamation."

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Section 2. Section 82-4-305, MCA, is amended to read:

"82-4-305. Exemption -- small miners -- written agreement. (1) Except as provided in subsections
(3) through (9), the provisions of this part do not apply to a small miner if the small miner annually agrees
in writing:

23 (a) that the small miner will not pollute or contaminate any stream;

(b) that the small miner will provide protection for human and animal life through the installation
 of bulkheads installed over safety collars and the installation of doors on tunnel portals;

(c) that the small miner will provide a map locating the miner's mining operations. The map must
be of a size and scale determined by the department.

(d) if the small miner's operations are placer or dredge mining, that the small miner <u>shall salvage</u>
 and protect all <u>soil materials for use in reclamation of that site and</u> shall reclaim all land disturbed by the
 operations to comparable utility and stability as that of adjacent areas.



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1	(2) For small-miner exemptions obtained after September 30, 1985, a small miner may not obtain
2	or continue an exemption under subsection (1) unless the small miner annually certifies in writing:
3	(a) if the small miner is an individual, that:
4	(i) no business association or partnership of which the small miner is a member or partner has a
5	small-miner exemption; and
6	(ii) no corporation of which the small miner is an officer, director, or owner of record of 25% or
7	more of any class of voting stock has a small-miner exemption; or
8	(b) if the small miner is a partnership or business association, that:
9	(i) none of the associates or partners holds a small-miner exemption; and
10	(ii) none of the associates or partners is an officer, director, or owner of 25% or more of any class
11	of voting stock of a corporation that has a small-miner exemption; or
12	(c) if the small miner is a corporation, that no officer, director, or owner of record of 25% or more
13	of any class of voting stock of the corporation:
14	(i) holds a small-miner exemption;
15	(ii) is a member or partner in a business association or partnership that holds a small-miner
16	exemption;
17	(iii) is an officer, director, or owner of record of 25% or more of any class of voting stock of
18	another corporation that holds a small-miner exemption.
19	(3) A small miner whose operations are placer or dredge mining shall post a performance bond
20	equal to the state's actual <u>documented</u> cost <u>estimate</u> of reclaiming the disturbed land, although the bond
21	may not exceed \$5,000 <u>\$10,000</u> per operation. However,if <u>If</u> the small miner has posted a bond for
22	reclamation with another government agency, the small miner is exempt from the requirement of this
23	subsection.
24	(4) If a small miner who conducts a placer or dredge mining operation fails to reclaim the operation,
25	the small miner is liable to the department for all its reasonable costs of reclamation, including a reasonable
26	charge for services performed by state personnel and for state materials and equipment used. If the small
27	miner posts a surety bond, the surety is liable to the state to the extent of the bond amount and the small
28	miner is liable for the remainder of the reasonable costs to the state of reclaiming the operation.
29	(5) If a small miner who conducts a placer or dredge mining operation fails to commence
30	reclamation of the operation within 6 months after cessation of mining or within an extended period allowed



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1 by the department for good cause shown or if the small miner fails to diligently complete reclamation, the 2 department shall notify the small miner by certified mail that it intends to reclaim the operation unless the 3 small miner commences reclamation within 30 days and diligently completes the reclamation. The notice must be mailed to the address stated on the small miner exclusion statement or, if the small miner has 4 5 notified the department of a different address by letter or in the annual certification form, to the most recent address given to the department. If the small miner fails to commence reclamation within 30 days or to 6 7 diligently complete reclamation, the department may revoke the small miner exclusion statement, forfeit any bond that has been posted with the department, and enter and reclaim the operation. If the small miner 8 9 has not posted a bond with the department or if the reasonable costs of reclamation exceed the amount 10 of the bond, the department may also collect additional reclamation costs, as set forth in subsection (6), 11 before or after it incurs those costs.

12 (6) To collect additional reclamation costs, the department shall notify the small miner by certified 13 mail, at the address determined under subsection (5), of the additional reasonable reclamation costs and 14 request payment within 30 days. If the small miner does not pay the additional reclamation costs within 15 30 days, the department may bring an action in district court for payment of the estimated future costs 16 and, if the department has performed any reclamation, of its reasonable actual costs. The court shall order 17 payment of costs that it determines to be reasonable and shall retain jurisdiction until reclamation of the 18 operation is completed. Upon completion of reclamation, the court shall order payment of any additional 19 costs that it considers reasonable or the refund of any portion of any payment for estimated costs that 20 exceeds the actual reasonable costs incurred by the department.

(7) A small miner who intends to use a cyanide ore-processing reagent shall obtain an operating
 permit for that part of the small miner's operation in which the cyanide ore-processing reagent will be used
 or disposed of. The acreage disturbed by the cyanide ore-processing operation and covered by the operating
 permit is excluded from the 5-acre limit specified in 82-4-303(15)(a)(i) and (ii).

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(8) The exemption provided in this section does not apply to a person:

(a) whose failure to comply with the provisions of this part, the rules adopted under this part, or
a permit or license issued under this part has resulted in the forfeiture of a bond, unless that person meets
the conditions described under 82-4-360;

(b) who has not paid a penalty for which the department has obtained a judgment pursuant to82-4-361;



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1	(c) who has failed to post a reclamation bond required by this section, unless the department has
2	certified that the area for which the bond should have been posted has been reclaimed by that person or
3	reclaimed by the department and the person has reimbursed the department for the cost of the reclamation;
4	OT
5	(d) who has failed to comply with an abatement order issued pursuant to 82-4-362, unless the
6	department has completed the abatement and the person has reimbursed the department for the cost of
7	abatement.
8	(9) The exemption provided in this section does not apply to an area:
9	(a) under permit pursuant to 82-4-335;
10	(b) that has been permitted pursuant to 82-4-335 and reclaimed by the permittee, the department,
11	or any other state or federal agency; or
12	(c) that has been reclaimed by or has been subject to remediation of contamination or pollution by
13	a public agency, under supervision of a public agency, or using public funds."
14	
15	Section 3. Section 82-4-310, MCA, is amended to read:
16	"82-4-310. Exemption sample collectors and recreational miners. This part shall does not be
17	applicable <u>apply</u> to any <u>a</u> person or persons <u>engaged in recreational mining or</u> collecting rock samples as
18	a hobby or when the collection of rocks and minerals is offered for sale in any amount not exceeding \$100
19	per year <u>who does not:</u>
20	(1) use motorized equipment;
21	(2) use blasting agents;
22	(3) disturb more than 100 square feet or 50 cubic yards of material per site; and
23	(4) use a suction dredge with an intake of more than 4 inches in diameter."
24	
25	NEW SECTION. Section 4. Applicability. (1) [Section 1(15)] applies to operations conducted after
26	[the effective date of this act].
27	(2) [Section 2(1)(d)] applies to lands initially disturbed after May 15, 1997.
28	(3) [Section 2(3)] applies to operations for which a bond was not posted prior to May 15, 1997.
29	
30	NEW SECTION. Section 5. Effective date. [This act] is effective on passage and approval.
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APPROVED BY COM ON NATURAL RESOURCES

1	HOUSE BILL NO. 437
2	INTRODUCED BY BEAUDRY, PAVLOVICH, BECK, QUILICI, LYNCH
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROVISIONS OF THE METAL MINE RECLAMATION
5	LAW PERTAINING TO SMALL MINERS AND RECREATIONAL MINERS; REVISING THE SMALL MINER
6	DEFINITION; REQUIRING SOIL MATERIALS SALVAGE BY SMALL MINERS WHO ENGAGE IN PLACER OR
7	DREDGE MINING; INCREASING THE MAXIMUM BOND FOR SMALL MINERS; PROVIDING REVISING
8	EXEMPTIONS FOR RECREATIONAL AND HOBBY MINERS; AMENDING SECTIONS 82-4-303, 82-4-305,
9	AND 82-4-310, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND APPLICABILITY DATES."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	
13	Section 1. Section 82-4-303, MCA, is amended to read:
14	"82-4-303. Definitions. As used in this part, unless the context indicates otherwise, the following
15	definitions apply:
16	(1) "Abandonment of surface or underground mining" may be presumed when it is shown that
17	continued operation will not resume.
18	(2) "Amendment" means a change to an approved operating or reclamation plan. A major
19	amendment is an amendment that may significantly affect the human environment. A minor amendment
20	is an amendment that will not significantly affect the human environment.
21	(3) "Board" means the board of environmental review provided for in 2-15-3502.
22	(4) "Cyanide ore-processing reagent" means cyanide or a cyanide compound used as a reagent in
23	leaching operations.
24	(5) "Department" means the department of environmental quality provided for in 2-15-3501.
25	(6) "Disturbed land" means the area of land or surface water that has been disturbed, beginning
26	at the date of the issuance of the permit. The term includes the area from which the overburden, tailings,
27	waste materials, or minerals have been removed and tailings ponds, waste dumps, roads, conveyor
28	systems, leach dumps, and all similar excavations or coverings that result from the operation and that have
29	not been previously reclaimed under the reclamation plan.
30	(7) "Exploration" means:

(a) all activities that are conducted on or beneath the surface of lands and that result in material
 disturbance of the surface for the purpose of determining the presence, location, extent, depth, grade, and
 economic viability of mineralization in those lands, if any, other than mining for production and economic

4 exploitation; and

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(b) all roads made for the purpose of facilitating exploration, except as noted in 82-4-310.

6 (8) "Mineral" means any ore, rock, or substance (other than oil, gas, bentonite, clay, coal, sand, 7 gravel, phosphate rock, or uranium) that is taken from below the surface or from the surface of the earth 8 for the purpose of milling, concentration, refinement, smelting, manufacturing, or other subsequent use or 9 processing or for stockpiling for future use, refinement, or smelting.

(9) "Mining" commences when the operator first mines ores or minerals in commercial quantities
 for sale, beneficiation, refining, or other processing or disposition or first takes bulk samples for
 metallurgical testing in excess of aggregate of 10,000 short tons.

(10) "Ore processing" means milling, heap leaching, flotation, vat leaching, or other standard
 hard-rock mineral concentration processes.

(11) "Person" means any person, corporation, firm, association, partnership, or other legal entity
 engaged in exploration for or mining of minerals on or below the surface of the earth, reprocessing of
 tailings or waste materials, or operation of a hard-rock mill.

(12) "Placer deposit" means naturally occurring, scattered or unconsolidated valuable minerals in
 gravel or alluvium lying above bedrock.

(13) "Placer or dredge mining" means the mining of minerals from a placer deposit by a person or
persons.

(14) "Reclamation plan" means the operator's written proposal, as required and approved by the
department, for reclamation of the land that will be disturbed. The proposal must include, to the extent
practical at the time of application for an operating permit;

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(a) a statement of the proposed subsequent use of the land after reclamation;

(b) plans for surface gradient restoration to a surface suitable for the proposed subsequent use of
 the land after reclamation is completed and the proposed method of accomplishment;

28 (c) the manner and type of revegetation or other surface treatment of disturbed areas;

29 (d) procedures proposed to avoid foreseeable situations of public nuisance, endangerment of public

30 safety, damage to human life or property, or unnecessary damage to flora and fauna in or adjacent to the



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1	area;
2	(e) the method of disposal of mining debris;
3	(f) the method of diverting surface waters around the disturbed areas when necessary to prevent
4	pollution of those waters or unnecessary erosion;
5	(g) the method of reclamation of stream channels and stream banks to control erosion, siltation,
6	and pollution;
7	(h) maps and other supporting documents that may be reasonably required by the department; and
8	(i) a time schedule for reclamation that meets the requirements of 82-4-336.
9	(15) (a) "Small miner" means a person, firm, or corporation that engages in the business of mining
10	or reprocessing of tailings or waste materials, OR, EXCEPT AS PROVIDED IN 82-4-310, THAT KNOWINGLY
11	ALLOWS OTHER PERSONS TO ENGAGE IN MINING ACTIVITIES ON LAND OWNED OR CONTROLLED BY
12	THE PERSON, FIRM, OR CORPORATION; that does not remove from the earth during any calendar year
13	material in excess of 36,500 tons in the aggregate, that does not hold an operating permit under 82-4-335
14	except for a permit issued under 82-4-335(2), OR A PERMIT THAT MEETS THE CRITERIA OF SUBSECTION
15	(15)(C); and that conducts:
16	(i) an operation that results in not more than 5 acres of the earth's surface being disturbed and
17	unreclaimed; or
18	(ii) two operations that disturb and leave unreclaimed less than 5 acres per operation if the
19	respective mining properties are:
20	(A) the only operations engaged in by the person, firm, or corporation; and
21	(B) at least 1 mile apart at their closest point ; and
22	(C)—not operated simultaneously except during seasonal transitional periods, not to exceed 30 days .
23	(b) For the purpose of this definition only, the department shall, in computing the area covered by
24	the operation ₇ :
25	(i) exclude access or haulage roads that are required by a local, state, or federal agency having
26	jurisdiction over that road to be constructed to certain specifications if that public agency notifies the
27	department in writing that it desires to have the road remain in use and will maintain it after mining ceases;
28	and
29	(ii) exclude access roads for which the person, firm, or corporation submits a bond to the
30	department in the amount of the estimated total cost of reclamation along with a description of the location

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1 of the road and the specifications to which it will be constructed. 2 (C) A SMALL MINER MAY HOLD AN OPERATING PERMIT THAT ALLOWS DISTURBANCE OF 100 3 ACRES OR LESS. THE PERMIT MAY BE AMENDED TO ADD NEW DISTURBANCE AREAS, BUT THE TOTAL 4 AREA PERMITTED FOR DISTURBANCE MAY NOT EXCEED 100 ACRES AT ANY TIME. 5 (16) "Soil materials" means earth material found in the upper soil layers that will support plant 6 growth. 7 (16)(17) (a) "Surface mining" means all or any part of the process involved in mining of minerals by removing the overburden and mining directly from the mineral deposits exposed, including but not limited 8 9 to open-pit mining of minerals naturally exposed at the surface of the earth, mining by the auger method, 10 and all similar methods by which earth or minerals exposed at the surface are removed in the course of 11 mining. 12 (b) Surface mining does not include the extraction of oil, gas, bentonite, clay, coal, sand, gravel, phosphate rock, or uranium or excavation or grading conducted for onsite farming, onsite road construction, 13 14 or other onsite building construction. (17)(18) "Underground mining" means all methods of mining other than surface mining. 15 16 (18)(19) "Unit of surface-mined area" means that area of land and surface water included within 17 an operating permit actually disturbed by surface mining during each 12-month period of time, beginning 18 at the date of the issuance of the permit. The term includes the area from which overburden or minerals 19 have been removed, the area covered by mining debris, and all additional areas used in surface mining or 20 underground mining operations that by virtue of mining use are susceptible to erosion in excess of the 21 surrounding undisturbed portions of land. 22 (19)(20) "Vegetative cover" means the type of vegetation, grass, shrubs, trees, or any other form 23 of natural cover considered suitable at time of reclamation." 24 25 Section 2. Section 82-4-305, MCA, is amended to read: 26 "82-4-305. Exemption -- small miners -- written agreement. (1) Except as provided in subsections 27 (3) through (9), the provisions of this part do not apply to a small miner if the small miner annually agrees 28 in writing: 29 (a) that the small miner will not pollute or contaminate any stream; 30 (b) that the small miner will provide protection for human and animal life through the installation Legislative

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1 of bulkheads installed over safety collars and the installation of doors on tunnel portals; 2 (c) that the small miner will provide a map locating the miner's mining operations. The map must 3 be of a size and scale determined by the department. 4 (d) if the small miner's operations are placer or dredge mining, that the small miner shall salvage 5 and protect all soil materials for use in reclamation of that site and shall reclaim all land disturbed by the 6 operations to comparable utility and stability as that of adjacent areas. 7 (2) For small-miner exemptions obtained after September 30, 1985, a small miner may not obtain 8 or continue an exemption under subsection (1) unless the small miner annually certifies in writing: (a) if the small miner is an individual, that: 9 10 (i) no business association or partnership of which the small miner is a member or partner has a 11 small-miner exemption; and 12 (ii) no corporation of which the small miner is an officer, director, or owner of record of 25% or 13 more of any class of voting stock has a small-miner exemption; or 14 (b) if the small miner is a partnership or business association, that: 15 (i) none of the associates or partners holds a small-miner exemption; and 16 (ii) none of the associates or partners is an officer, director, or owner of 25% or more of any class 17 of voting stock of a corporation that has a small-miner exemption; or (c) if the small miner is a corporation, that no officer, director, or owner of record of 25% or more 18 of any class of voting stock of the corporation: 19 20 (i) holds a small-miner exemption; (ii) is a member or partner in a business association or partnership that holds a small-miner 21 22 exemption; 23 (iii) is an officer, director, or owner of record of 25% or more of any class of voting stock of 24 another corporation that holds a small-miner exemption. 25 (3) A small miner whose operations are placer or dredge mining shall post a performance bond 26 equal to the state's actual documented cost estimate of reclaiming the disturbed land, although the bond 27 may not exceed \$5,000 \$10,000 per operation. However, if If the small miner has posted a bond for 28 reclamation with another government agency, the small miner is exempt from the requirement of this 29 subsection. 30 (4) If a small miner who conducts a placer or dredge mining operation fails to reclaim the operation,



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the small miner is liable to the department for all its reasonable costs of reclamation, including a reasonable charge for services performed by state personnel and for state materials and equipment used. If the small miner posts a surety bond, the surety is liable to the state to the extent of the bond amount and the small miner is liable for the remainder of the reasonable costs to the state of reclaiming the operation.

5 (5) If a small miner who conducts a placer or dredge mining operation fails to commence reclamation of the operation within 6 months after cessation of mining or within an extended period allowed 6 by the department for good cause shown or if the small miner fails to diligently complete reclamation, the 7 department shall notify the small miner by certified mail that it intends to reclaim the operation unless the 8 9 small miner commences reclamation within 30 days and diligently completes the reclamation. The notice must be mailed to the address stated on the small miner exclusion statement or, if the small miner has 10 11 notified the department of a different address by letter or in the annual certification form, to the most recent 12 address given to the department. If the small miner fails to commence reclamation within 30 days or to 13 diligently complete reclamation, the department may revoke the small miner exclusion statement, forfeit any bond that has been posted with the department, and enter and reclaim the operation. If the small miner 14 15 has not posted a bond with the department or if the reasonable costs of reclamation exceed the amount 16 of the bond, the department may also collect additional reclamation costs, as set forth in subsection (6), 17 before or after it incurs those costs.

18 (6) To collect additional reclamation costs, the department shall notify the small miner by certified 19 mail, at the address determined under subsection (5), of the additional reasonable reclamation costs and 20 request payment within 30 days. If the small miner does not pay the additional reclamation costs within 21 30 days, the department may bring an action in district court for payment of the estimated future costs 22 and, if the department has performed any reclamation, of its reasonable actual costs. The court shall order 23 payment of costs that it determines to be reasonable and shall retain jurisdiction until reclamation of the 24 operation is completed. Upon completion of reclamation, the court shall order payment of any additional 25 costs that it considers reasonable or the refund of any portion of any payment for estimated costs that 26 exceeds the actual reasonable costs incurred by the department,

(7) A small miner who intends to use a cyanide ore-processing reagent shall obtain an operating
permit for that part of the small miner's operation in which the cyanide ore-processing reagent will be used
or disposed of. The acreage disturbed by the cyanide ore-processing operation and covered by the operating
permit is excluded from the 5-acre limit specified in 82-4-303(15)(a)(i) and (ii).



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1	(8) The exemption provided in this section does not apply to a person:
2	(a) whose failure to comply with the provisions of this part, the rules adopted under this part, or
3	a permit or license issued under this part has resulted in the forfeiture of a bond, unless that person meets
4	the conditions described under 82-4-360;
5	(b) who has not paid a penalty for which the department has obtained a judgment pursuant to
6	82-4-361;
7	(c) who has failed to post a reclamation bond required by this section, unless the department has
8	certified that the area for which the bond should have been posted has been reclaimed by that person or
9	reclaimed by the department and the person has reimbursed the department for the cost of the reclamation;
10	or
11	(d) who has failed to comply with an abatement order issued pursuant to 82-4-362, unless the
12	department has completed the abatement and the person has reimbursed the department for the cost of
13	abatement.
14	(9) The exemption provided in this section does not apply to an area:
15	(a) under permit pursuant to 82-4-335;
16	(b) that has been permitted pursuant to 82-4-335 and reclaimed by the permittee, the department,
17	or any other state or federal agency; or
18	(c) that has been reclaimed by or has been subject to remediation of contamination or pollution by
19	a public agency, under supervision of a public agency, or using public funds."
20	
21	Section 3. Section 82-4-310, MCA, is amended to read:
22	"82-4-310. Exemption sample collectors and recreational miners SCALE AND TYPE OF
23	ACTIVITY. (1) This part shall does not be applicable apply to any a person or persons engaged in
24	recreational mining or collecting rock samples as a hobby or when the collection of rocks and minerals is
25	offered for sale in any amount not exceeding \$100 per year who MINING ACTIVITIES IF THAT PERSON
26	does not:
27	(1)(A) use motorized EXCAVATING equipment;
28	(2)(B) use blasting agents;
29	(3) (C) disturb more than 100 square feet or 50 cubic yards of material per site; and
30	(D) LEAVE UNRECLAIMED SITES THAT ARE LESS THAN 1 MILE APART;

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1	(4)(E) use a suction dredge with an intake of more than 4 inches in diameter; OR
2	(F) OPERATE A SUCTION DREDGE BEYOND THE AREA OF THE STREAM BED THAT IS
3	NATURALLY UNDER WATER AT THE TIME OF OPERATION.
4	(2) THIS PART DOES NOT APPLY TO A PERSON WHO, ON LAND OWNED OR CONTROLLED BY
5	THAT PERSON, ALLOWS OTHER PERSONS TO ENGAGE IN MINING ACTIVITIES IF THOSE ACTIVITIES
6	CUMULATIVELY MEET THE REQUIREMENTS OF SUBSECTION (1)."
7	
8	NEW SECTION. Section 4. Applicability. (1) [Section 1(15)] applies to operations conducted after
8 9	<u>NEW SECTION.</u> Section 4. Applicability. (1) [Section 1(15)] applies to operations conducted after [the effective date of this act].
9	[the effective date of this act].
9 10	[the effective date of this act]. (2) [Section 2(1)(d)] applies to lands initially disturbed after May 15, 1997.
9 10 11	[the effective date of this act]. (2) [Section 2(1)(d)] applies to lands initially disturbed after May 15, 1997.

1	HOUSE BILL NO. 437
2	INTRODUCED BY BEAUDRY, PAVLOVICH, BECK, QUILICI, LYNCH
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROVISIONS OF THE METAL MINE RECLAMATION
5	LAW PERTAINING TO SMALL MINERS AND RECREATIONAL MINERS; REVISING THE SMALL MINER
6	DEFINITION; REQUIRING SOIL MATERIALS SALVAGE BY SMALL MINERS WHO ENGAGE IN PLACER OR
7	DREDGE MINING; INCREASING THE MAXIMUM BOND FOR SMALL MINERS; PROVIDING REVISING
8	EXEMPTIONS FOR RECREATIONAL AND HOBBY MINERS; AMENDING SECTIONS 82-4-303, 82-4-305,
9	AND 82-4-310, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND APPLICABILITY DATES."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

THERE ARE NO CHANGES IN THIS BILL AND IT WILL NOT BE REPRINTED. PLEASE REFER TO SECOND READING COPY (YELLOW) FOR COMPLETE TEXT.

APPROVED BY COM ON NATURAL RESOURCES

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9	AND 82-4-310, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND APPLICABILITY DATES."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	
13	Section 1. Section 82-4-303, MCA, is amended to read:
14	"82-4-303. Definitions. As used in this part, unless the context indicates otherwise, the following
15	definitions apply:
16	(1) "Abandonment of surface or underground mining" may be presumed when it is shown that
17	continued operation will not resume.
18	(2) "Amendment" means a change to an approved operating or reclamation plan. A major
19	amendment is an amendment that may significantly affect the human environment. A minor amendment
20	is an amendment that will not significantly affect the human environment.
21	(3) "Board" means the board of environmental review provided for in 2-15-3502.
22	(4) "Cyanide ore-processing reagent" means cyanide or a cyanide compound used as a reagent in
23	leaching operations.
24	(5) "Department" means the department of environmental quality provided for in 2-15-3501.
25	(6) "Disturbed land" means the area of land or surface water that has been disturbed, beginning
2 6	at the date of the issuance of the permit. The term includes the area from which the overburden, tailings,
27	waste materials, or minerals have been removed and tailings ponds, waste dumps, roads, conveyor
28	systems, leach dumps, and all similar excavations or coverings that result from the operation and that have
2 9	not been previously reclaimed under the reclamation plan.
30	(7) "Exploration" means:
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(a) all activities that are conducted on or beneath the surface of lands and that result in material 1 2 disturbance of the surface for the purpose of determining the presence, location, extent, depth, grade, and 3 economic viability of mineralization in those lands, if any, other than mining for production and economic 4 exploitation; and

5

(b) all roads made for the purpose of facilitating exploration, except as noted in 82-4-310.

6 (8) "Mineral" means any ore, rock, or substance (other than oil, gas, bentonite, clay, coal, sand, gravel, phosphate rock, or uranium) that is taken from below the surface or from the surface of the earth 7 for the purpose of milling, concentration, refinement, smelting, manufacturing, or other subsequent use or 8 9 processing or for stockpiling for future use, refinement, or smelting.

(9) "Mining" commences when the operator first mines ores or minerals in commercial quantities 10 for sale, beneficiation, refining, or other processing or disposition or first takes bulk samples for 11 12 metallurgical testing in excess of aggregate of 10,000 short tons.

13 (10) "Ore processing" means milling, heap leaching, flotation, vat leaching, or other standard 14 hard-rock mineral concentration processes.

15 (11) "Person" means any person, corporation, firm, association, partnership, or other legal entity 16 engaged in exploration for or mining of minerals on or below the surface of the earth, reprocessing of 17 tailings or waste materials, or operation of a hard-rock mill.

18 (12) "Placer deposit" means naturally occurring, scattered or unconsolidated valuable minerals in 19 gravel or alluvium lying above bedrock.

20 (13) "Placer or dredge mining" means the mining of minerals from a placer deposit by a person or 21 persons.

22 (14) "Reclamation plan" means the operator's written proposal, as required and approved by the department, for reclamation of the land that will be disturbed. The proposal must include, to the extent 23 24 practical at the time of application for an operating permit:

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(a) a statement of the proposed subsequent use of the land after reclamation;

26 (b) plans for surface gradient restoration to a surface suitable for the proposed subsequent use of 27 the land after reclamation is completed and the proposed method of accomplishment:

28

(c) the manner and type of revegetation or other surface treatment of disturbed areas;

29 (d) procedures proposed to avoid foreseeable situations of public nuisance, endangerment of public

30 safety, damage to human life or property, or unnecessary damage to flora and fauna in or adjacent to the



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1	area;
2	(e) the method of disposal of mining debris;
3	(f) the method of diverting surface waters around the disturbed areas when necessary to prevent
4	pollution of those waters or unnecessary erosion;
5	(g) the method of reclamation of stream channels and stream banks to control erosion, siltation,
6	and pollution;
7	(h) maps and other supporting documents that may be reasonably required by the department; and
8	(i) a time schedule for reclamation that meets the requirements of 82-4-336.
9	(15) (a) "Small miner" means a person, firm, or corporation that engages in the business of mining
10	or reprocessing of tailings or waste materials, OR, EXCEPT AS PROVIDED IN 82-4-310, THAT KNOWINGLY
11	ALLOWS OTHER PERSONS TO ENGAGE IN MINING ACTIVITIES ON LAND OWNED OR CONTROLLED BY
12	THE PERSON, FIRM, OR CORPORATION; that does not remove from the earth during any calendar year
13	matorial in excess of 36,500 tons in the aggregate, that does not hold an operating permit under 82-4-335
14	except for a permit issued under 82-4-335(2)7 OR A PERMIT THAT MEETS THE CRITERIA OF SUBSECTION
15	(15)(C); and that conducts:
16	(i) an operation that results in not more than 5 acres of the earth's surface being disturbed and
17	unreclaimed; or
18	(ii) two operations that disturb and leave unreclaimed less than 5 acres per operation if the
19	respective mining properties are:
20	(A) the only operations engaged in by the person, firm, or corporation; and
21	(B) at least 1 mile apart at their closest point ; and
22	(C) not operated simultaneously except during seasonal transitional periods, not to exceed 30 days.
23	(b) For the purpose of this definition only, the department shall, in computing the area covered by
24	the operation ₇ :
25	(i) exclude access or haulage roads that are required by a local, state, or federal agency having
26	jurisdiction over that road to be constructed to certain specifications if that public agency notifies the
27	department in writing that it desires to have the road remain in use and will maintain it after mining ceases;
28	and
29	(ii) exclude access roads for which the person, firm, or corporation submits a bond to the
30	department in the amount of the estimated total cost of reclamation along with a description of the location



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of the road and the specifications to which it will be constructed. (C) A SMALL MINER MAY HOLD AN OPERATING PERMIT THAT ALLOWS DISTURBANCE OF 100 ACRES OR LESS. THE PERMIT MAY BE AMENDED TO ADD NEW DISTURBANCE AREAS, BUT THE TOTAL AREA PERMITTED FOR DISTURBANCE MAY NOT EXCEED 100 ACRES AT ANY TIME. (16) "Soil materials" means earth material found in the upper soil layers that will support plant growth. (16)(17) (a) "Surface mining" means all or any part of the process involved in mining of minerals by removing the overburden and mining directly from the mineral deposits exposed, including but not limited to open-pit mining of minerals naturally exposed at the surface of the earth, mining by the auger method, and all similar methods by which earth or minerals exposed at the surface are removed in the course of mining. (b) Surface mining does not include the extraction of oil, gas, bentonite, clay, coal, sand, gravel, phosphate rock, or uranium or excavation or grading conducted for onsite farming, onsite road construction. or other onsite building construction. (17)(18) "Underground mining" means all methods of mining other than surface mining. (18)(19) "Unit of surface-mined area" means that area of land and surface water included within an operating permit actually disturbed by surface mining during each 12-month period of time, beginning at the date of the issuance of the permit. The term includes the area from which overburden or minerals have been removed, the area covered by mining debris, and all additional areas used in surface mining or underground mining operations that by virtue of mining use are susceptible to erosion in excess of the surrounding undisturbed portions of land. (19)(20) "Vegetative cover" means the type of vegetation, grass, shrubs, trees, or any other form of natural cover considered suitable at time of reclamation." Section 2. Section 82-4-305, MCA, is amended to read: "82-4-305. Exemption -- small miners -- written agreement. (1) Except as provided in subsections (3) through (9), the provisions of this part do not apply to a small miner if the small miner annually agrees in writing: (a) that the small miner will not pollute or contaminate any stream;

30 (b) that the small miner will provide protection for human and animal life through the installation



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1 of bulkheads installed over safety collars and the installation of doors on tunnel portals; 2 (c) that the small miner will provide a map locating the miner's mining operations. The map must 3 be of a size and scale determined by the department. 4 (d) if the small miner's operations are placer or dredge mining, that the small miner shall salvage 5 and protect all soil materials for use in reclamation of that site and shall reclaim all land disturbed by the 6 operations to comparable utility and stability as that of adjacent areas. 7 (2) For small-miner exemptions obtained after September 30, 1985, a small miner may not obtain 8 or continue an exemption under subsection (1) unless the small miner annually certifies in writing: (a) if the small miner is an individual, that: 9 10 (i) no business association or partnership of which the small miner is a member or partner has a small-miner exemption; and 11 (ii) no corporation of which the small miner is an officer, director, or owner of record of 25% or 12 more of any class of voting stock has a small-miner exemption; or 13 14 (b) if the small miner is a partnership or business association, that: (i) none of the associates or partners holds a small-miner exemption; and 15 (ii) none of the associates or partners is an officer, director, or owner of 25% or more of any class 16 17 of voting stock of a corporation that has a small-miner exemption; or (c) if the small miner is a corporation, that no officer, director, or owner of record of 25% or more 18 of any class of voting stock of the corporation: 19 20 (i) holds a small-miner exemption; (ii) is a member or partner in a business association or partnership that holds a small-miner 21 22 exemption; (iii) is an officer, director, or owner of record of 25% or more of any class of voting stock of 23 24 another corporation that holds a small-miner exemption. (3) A small miner whose operations are placer or dredge mining shall post a performance bond 25 26 equal to the state's actual documented cost estimate of reclaiming the disturbed land, although the bond may not exceed \$5,000 \$10,000 per operation. However, if If the small miner has posted a bond for 27 28 reclamation with another government agency, the small miner is exempt from the requirement of this 29 subsection. 30 (4) If a small miner who conducts a placer or dredge mining operation fails to reclaim the operation,



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the small miner is liable to the department for all its reasonable costs of reclamation, including a reasonable charge for services performed by state personnel and for state materials and equipment used. If the small miner posts a surety bond, the surety is liable to the state to the extent of the bond amount and the small miner is liable for the remainder of the reasonable costs to the state of reclaiming the operation.

(5) If a small miner who conducts a placer or dredge mining operation fails to commence 5 reclamation of the operation within 6 months after cessation of mining or within an extended period allowed 6 by the department for good cause shown or if the small miner fails to diligently complete reclamation, the 7 department shall notify the small miner by certified mail that it intends to reclaim the operation unless the 8 small miner commences reclamation within 30 days and diligently completes the reclamation. The notice 9 must be mailed to the address stated on the small miner exclusion statement or, if the small miner has 10 notified the department of a different address by letter or in the annual certification form, to the most recent 11 address given to the department. If the small miner fails to commence reclamation within 30 days or to 12 diligently complete reclamation, the department may revoke the small miner exclusion statement, forfeit 13 any bond that has been posted with the department, and enter and reclaim the operation. If the small miner 14 15 has not posted a bond with the department or if the reasonable costs of reclamation exceed the amount of the bond, the department may also collect additional reclamation costs, as set forth in subsection (6), 16 17 before or after it incurs those costs.

(6) To collect additional reclamation costs, the department shall notify the small miner by certified 18 mail, at the address determined under subsection (5), of the additional reasonable reclamation costs and 19 request payment within 30 days. If the small miner does not pay the additional reclamation costs within 20 21 30 days, the department may bring an action in district court for payment of the estimated future costs 22 and, if the department has performed any reclamation, of its reasonable actual costs. The court shall order 23 payment of costs that it determines to be reasonable and shall retain jurisdiction until reclamation of the 24 operation is completed. Upon completion of reclamation, the court shall order payment of any additional 25 costs that it considers reasonable or the refund of any portion of any payment for estimated costs that exceeds the actual reasonable costs incurred by the department. 26

(7) A small miner who intends to use a cyanide ore-processing reagent shall obtain an operating
permit for that part of the small miner's operation in which the cyanide ore-processing reagent will be used
or disposed of. <u>The acreage disturbed by the cyanide ore-processing operation and covered by the operating</u>
permit is excluded from the 5-acre limit specified in 82-4-303(15)(a)(i) and (ii).



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1	(8) The exemption provided in this section does not apply to a person:
2	. (a) whose failure to comply with the provisions of this part, the rules adopted under this part, or
3	a permit or license issued under this part has resulted in the forfeiture of a bond, unless that person meets
4	the conditions described under 82-4-360;
5	(b) who has not paid a penalty for which the department has obtained a judgment pursuant to
6	82-4-361;
7	(c) who has failed to post a reclamation bond required by this section, unless the department has
8	certified that the area for which the bond should have been posted has been reclaimed by that person or
9	reclaimed by the department and the person has reimbursed the department for the cost of the reclamation;
10	or
11	(d) who has failed to comply with an abatement order issued pursuant to 82-4-362, unless the
12	department has completed the abatement and the person has reimbursed the department for the cost of
13	abatement.
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15	(a) under permit pursuant to 82-4-335;
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4	(2) THIS PART DOES NOT APPLY TO A PERSON WHO, ON LAND OWNED OR CONTROLLED BY
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6	CUMULATIVELY MEET THE REQUIREMENTS OF SUBSECTION (1)."
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8	NEW SECTION. Section 4. Applicability. (1) [Section 1(15)] applies to operations conducted after
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9	[the effective date of this act].
9 10	[the effective date of this act]. (2) [Section 2(1)(d)] applies to lands initially disturbed after May 15, 1997.
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