



The Clean Energy Minerals Reform Act of 2023

Background

The mining of hardrock minerals —gold, silver, iron, copper, zinc, nickel, tin, lead, uranium and other metals—on public lands in Western states is governed today by a law that has changed little since it was first signed by President Ulysses S. Grant over 150 years ago. The General Mining Law of 1872 was enacted to promote mineral exploration and development in the western United States. Today, the Civil War-era statute still guarantees broad rights to individuals and corporations to extract minerals from public lands without payment of royalties to the federal government and constrains protections for public health and the environment.

The current law allows individuals and corporations, including foreign companies, to freely prospect on public lands and lay claim and develop mineral resources without having to pay royalties or rent to the federal government. Claims may be bought, sold, or transferred, and may be held in perpetuity without mining or making use of the property.

In 2011, U.S. Senator Tom Udall (D-N.M.) and U.S. Representative Raúl Grijalva (D-Ariz.) requested that the U.S. Government Accountability Office (GAO) identify the amount and estimated dollar values of minerals extracted from federal land. The GAO concluded it could not estimate the available data on the amounts, types or values of locatable minerals – such as gold, silver, copper and uranium mined from federal lands each year because the General Mining Law does not require mining companies to disclose how much they extract, where such minerals are sold or what the overall value of each mining operation is.

Key Points

- The 1872 Mining Law governs hardrock mining on 350 million acres of public lands, mostly in the West and Alaska. This constitutes more than 15% of all the land in the United States, or two thirds of the lands the federal government holds in trust for all Americans.
- There are hundreds of thousands of abandoned hardrock mines scattered across the West, but no full accounting has ever been done.
- According to the U.S. Environmental Protection Agency (EPA), 40% of the watersheds in the western United States are contaminated by pollution from hardrock mines.
- Hardrock mines are perpetually leaking toxic pollution into billions of gallons of water per year and may cost taxpayers anywhere from \$20 billion to over \$50 billion for water treatment and reclamation.



Summary

The Clean Energy Minerals Reform Act of 2023 would amend the 1872 General Mining Law to eliminate patenting of federal lands, impose a federal minerals royalty, establish a Hardrock Minerals Reclamation Fund for the cleanup of abandoned mines, and require a review of certain lands within three years to determine if they should be available for future mining. Specifically, the bill would:

- Require annual rental payments for claimed public land, thereby treating mine operators as other public land users.
- Set a royalty rate of not less than 5% and not greater than 8% based on the gross income of production on federal land but would not apply to mining operations already in commercial production or those with an approved plan of operations.
- Revenues would be deposited into a Hardrock Minerals Reclamation Fund for abandoned mine cleanup. Additionally, the Fund would be infused by an abandoned mine reclamation fee of 1% to 3%.
- Allow the Secretary of the Interior to grant royalty relief to mining operations based on economic factors.
- Require an exploration permit and mining operations permit for non-casual mining operations on federal land, which would be valid for 30 years and continue as long as commercial production occurs.
- Permit states, political subdivisions, and tribes to petition the Secretary of the Interior to have lands withdrawn from mining.
- Require an expedited review of areas that may be inappropriate for mining, and allow specific areas be reviewed for possible withdrawal.