

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

HOUSE COMMITTEE ON AGRICULTURE, FORESTRY & NATURAL RESOURCES

March 21, 1991 Hearing Room F 8:15 A.M. State Capitol
Tapes 48 - 49

MEMBERS PRESENT: REP. WALT SCHROEDER, Chair REP. LIZ VANLEEUEWEN,
Vice-Chair REP. SAM DOMINY REP. BILL DWYER REP. TIM JOSI REP. JOHN MEEK
REP. CHUCK NORRIS

STAFF PRESENT: BETH PATRINO, Administrator EDWARD C. KLEIN,
Assistant

MEASURES CONSIDERED: HB 2253 - PUBLIC HEARING HB 2077 - WORK SESSION HB
2330 - WORK SESSION HB 2245 - WORK SESSION

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TAPE 48, SIDE A

003 CHAIR SCHROEDER: Calls the meeting to order at 8:15 A.M.

WORK SESSION ON HOUSE BILL 2330 -- EXHIBIT A

CHAIR SCHROEDER: Opens the Work Session.

013 REP. DWYER: Has been meeting with the Department of Agriculture on the lifetime license fee.

-He describes HB 2330-1, Proposed Amendments to House Bill 2330, dated 3/19/91 (EXHIBIT A).

031 CHAIR SCHROEDER: If the grandfather licensee does not respond to the letter are they taken off of the list?

REP. DWYER: Yes.

CHAIR SCHROEDER: If they want to stay licensed they have to respond?

REP. DWYER: Correct.

036 MOTION: REP. MEEK: Moves to adopt HB 2330-1, Proposed Amendments to House bill 2330, dated 3/19/91.

CHAIR SCHROEDER: Hearing no objection the motion passes.

043 MOTION: REP. DWYER: Moves House Bill 2330 to as amended to the Committee on Ways and Means with a do pass recommendation.

VOTE: The motion carries 6 to 0.

EXCUSED: REP. VANLEEUEWEN.

WORK SESSION ON HOUSE BILL 2077 -- EXHIBITS B & C

Witnesses: Jean Cameron, Oregon Environmental Council Don Hull, State Geologist Ron Geitgey, Department of Geology and Mineral Industries

CHAIR SCHROEDER: Opens the Work Session.

055 BETH PATRINO: Describes HB 2077-1, Proposed Amendments to House Bill 207 7, dated 3/20/91 (EXHIBIT B).

064 JEAN CAMERON: Supports the amendments.

-She is concerned how quickly the plastic pipe could be replaced.

-She presents testimony with a suggestion for additional language (EXHIBIT C).

REP. DWYER: They have to remove the pipe when claims are abandoned. How are they going to be made to remove the markers?

CHAIR SCHROEDER: It indicates that all posts not made of natural materials shall be removed.

REP. DWYER: What's the penalty if abandoned claim stakes are not removed?

CHAIR SCHROEDER: Could the department say that if someone doesn't remove their old claims they won't accept any new claims?

090 DON HULL, State Geologist: Existing law does not require that claim posts to be removed or replaced.

-The mining claim law is self-policing, failure to comply with the federal law and rules can result in an invalid claim.

-Regulation of the removal would be a low priority for DOGAMI.

102 REP. MEEK: We could have a five year period to remove stakes. You don't have to police the claims per se. Claims are on file and you have inspections.

-You could notify them that if their markers aren't removed they will be unable to file new claims.

REP. DWYER: You wouldn't have to remove an untreated wooden stake.

-It sound like a good idea, but the reality is if they don't want to remove them they won't.

-He raised the issue, but doesn't think they can solve the problem.

-The word "shall" won't make any difference.

-We're making progress going to wooden stakes.

146 REP. NORRIS: Are there any federal laws regarding the types of stakes to be used?

HULL: Defers to RON GEITGEY.

152 RON GEITGEY, Department of Geology and Mineral Industries: Federal law is set up how the claim is staked. Federal law also requires a substantial marker be used, but does not specify the type.

REP. NORRIS: There's no specificity to the material used or whether or not they are removed?

GEITGEY: Federal law only requires the boundaries be accurately marked.

REP. NORRIS: Either on Bureau of Land Management land or U.S. Forest Service land? It doesn't mention U.S. Forest Service Land.

GEITGY: The Bureau of Land Management administers all claims on federal land.

REP. NORRIS: Our laws aren't in conflict with any of the federal laws?

GEITGY: No.

REP. NORRIS: Concurs with REP. DWYER that "shall" won't mean much.

167 MOTION: REP. DWYER: Moves to adopt HB 2077-1, Proposed Amendments to House Bill 2077, dated 3/20/91.

CHAIR SCHROEDER: Hearing no objection the motion passes.

176 REP. MEEK: Do we need to discuss a time limit to change the stakes?

-The state wouldn't issue new claims or permits for new claims until removal or change is complied with.

REP. DWYER: Most people are prospectors and move around.

-They'll publish it in their administrative rules.

-In the long run we'll be going to wooden stakes.

REP. NORRIS: Do DOGAMI or the BLM issue permits on their land?

201 GEITGEY: The state has no authority to accept or reject a claim as it's staked, that's federal law.

REP. NORRIS: We can pass a law or make rules what they'll do once they've got the permit?

GEITGEY: We can make the rules how the claim is staked, but can't reject or deny the claim, that's federal law.

CHAIR SCHROEDER: Is there a law that says a citizen can cap pipes?

HULL: No.

CHAIR SCHROEDER: Would it be better if the Oregon Environmental Council worked with the Bureau of Land Management on this?

HULL: The Oregon State office of the Bureau of Land Management has already issued a notice to claimants stating a policy of having the plastic pipe capped.

227 MOTION: REP. DWYER: Moves to send House Bill 2077 as amended to the Floor of the House with a do pass recommendation.

VOTE: The motion carriers 6 to 0.

EXCUSED: REP. VANLEEUEWEN.

CARRIER: REP. DWYER.

PRESENTATION BY THE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

Witnesses: Don Hull, State Geologist Alan Throop, Senior Reclamationist, Department of Geology and Mineral Industries Gary Lynch, Department of Geology and Mineral Industries

270 DON HULL: Introduces ALAN THROOP and the slide presentation.

292 ALAN THROOP, Senior Reclamationist, Department of Geology and Mineral Industries: Presents a slide presentation overview of the mining industry as it is and how it may change in Oregon.

TAPE 49, SIDE A

017 THROOP: Continues with his presentation.

161 REP. NORRIS: This is a land use issue as well; are your activities tied to LCDC?

HULL: State law requires a staged coordination plan.

-LCDC has suspended our most recent submission until we see the progress of our legislative package.

-SB 97 would require closer coordination between the land use process and the state regulatory process.

-SB 97 has passed the Senate and we believe with a little fine tuning we can bring the mining regulatory process and the land use process into coordination and address the land use issues that have arisen.

183 REP. NORRIS: Where does the gold go with the heap leach process?

THROOP: Explains.

204 REP. DWYER: Gold's form can be changed, but it can't be destroyed.

CHAIR SCHROEDER: Some of us saw some heap leach mines in Nevada last week.

-We will be spending more time with HB 2244 later on.

220 REP. MEEK: Reclamation is probably the biggest concern.

-Do our rules and regulations adequately address the filling, countouring and rounding off of hills and pits?

-What is done with the sediment on the liner. What happens to the liner?

253 GARY LYNCH, Department of Geology and Mineral Industries: There are a variety of opinions on the reclamation of pits.

-We have statutes and rules that address that specifically.

-There is no requirement to bring the pit back to its original contour.

-We work closely with the DEQ in reclaiming the heap residue.

-There has to be a neutralization plan before the heap can be abandoned.

-We are aware of the issue and are working to address it.

CHAIR SCHROEDER: We deal with these issues in more depth with HB 2244.

PUBLIC HEARING ON HOUSE BILL 2253 -- EXHIBITS D & E

Witnesses: Don Hull, State Geologist Gary Lynch, Department of Geology and Mineral Industries

309 BETH PATRINO: Describes the bill (EXHIBIT D).

322 DON HULL: Presents testimony in support of HB 2253 (EXHIBIT E).

385 REP. VANLEEUEWEN: What program were you referring to when you talked about three permanent employees?

HULL: The Mine Land Reclamation Program.

-He was referring to the field staff.

REP. VANLEEUEWEN: What's the total number of employees in the department?

HULL: 35 FTE's.

-He continues with the third factor for the increased workload.

448 REP. DWYER: What did you mean when you referred to doubling sites?

HULL: Refers to Graph C, page 6 of his testimony.

TAPE 48, SIDE B

021 REP. DWYER: Explain what this chart means.

HULL: Explains.

032 REP. DWYER: The aggregate people need a reclamation plan before they start.

-They plan, they pay the fees and you want to justify more money?

GARY LYNCH: Reclamation plans are required.

-We're seeing more confrontations between mining and residences. This requires more input on the department to bring the two sides together.

-Things have gotten more complicated and cost more money.

REP. DWYER: We need to develop these resources.

-At what point do the fees discourage mining?

LYNCH: We will get to that point at some time.

-We have over 700 operating permits now.

-It depends on the health of the economy.

REP. DWYER: Equate the workload with renewals. You've already done the work.

-How many visits do you make?

LYNCH: We try to get to each site once.

-We conduct "windshield wiper surveys".

-While the permits are up over time, the staff size has not gone up.

-We prioritize field sites.

-We're trying to coordinate with other agencies to maintain a field presence.

REP. DWYER: Do you utilize modern technology like satellite imagery?

-You talk about "windshield wiper surveys".

098 LYNCH: We do.

-The key is being in the field as much as possible.

-The "windshield wiper survey" is conducted by experienced staff.

-We use aerial photography, not satellite imagery

-Our field staff do an excellent job.

117 CHAIR SCHROEDER: Suspects most of their efforts are on new mines, mines they don't know much about or mines that have had violations.

LYNCH: That's correct.

-We try to work with the people as much as possible.

-We work closely with the Department of Water Resources on a number of sites.

-There is more regulation due to environmental concerns.

131 CHAIR SCHROEDER: Doesn't the Department of State Lands collect the

fees for aggregate mining?

HULL: Believes there is a fee for the fill and removal program. We don't get involved in any of that.

LYNCH: On state land where such a deposite exists they would pay a royalty to the school.

140 REP. VANLEEUEWEN: Can't you utilize the people in your department differently to cover the work and increase your efficiency?

HULL: We're not making work.

-We have a large number of statutory responsibilities besides mine regulation.

-He elaborates.

200 REP. VANLEEUEWEN: Do you keep redoing maps or don't you ever get finished?

HULL: Mineral resources are not renewable.

-Geological maps are predictive tools for resource analysis and hazards such as earthquakes.

REP. NORRIS: Does this bill only deal with the aggregate industry?

LYNCH: The increased fees would mainly effect the aggregate industry, placer mines and industrial mineral mines.

-Precious metal mines are mandated to pay their way.

REP. NORRIS: This bill includes industrial minerals.

-How many of these permits are highway division permits?

LYNCH: We estimate 40 to 50.

REP. NORRIS: These are usually short term.

-Will there be a bill to discuss the one acre, 5,000 yard maximum issue?

LYNCH: There is no bill to change those thresholds.

REP. NORRIS: Is there any bill that discusses small miners? Small miners are concerned, because they can't get it all in one acre.

LYNCH: It's getting more difficult for the small miner.

-We spend time working with small miners.

-There is a lot of pressure to limit the one acre sites.

REP. NORRIS: There's no bill that addresses that?

LYNCH: Does not know of any.

276 REP. MEEK: Did your office have any input in the budget?

HULL: We submitted a budget request.

REP. MEEK: You were aware of the fees at that time?

HULL: Yes.

291 CHAIR SCHROEDER: How many FTE's would you add if you get the full amount you're asking for?

HULL: We'd propose to shift a senior reclamationist into metal mining regulation. We'd hire one more reclamationist to work in the aggregate side.

-This would be phased in over time as the workloads shift.

-The mining/reclamation workload is going up for metal mining and aggregate. We're trying to phase in and train new people at the same time as we shift senior people to the most difficult sites.

LYNCH: This budget is to maintain existing operations.

-Additional FTE's would be a result of additional metal activity or if federal monies became available.

328 CHAIR SCHROEDER: Which budget?

LYNCH: The amended budget.

REP. VANLEEUEWEN: The original bill would maintain the current FTE'S?

-You're proposing to increase the fees to add FTE's?

HULL: The current bill would provide the statutory authority to increase fees in order to cover the inflationary cost of the existing permanent staff.

-The additional increase in proposed amendments are needed to cover the loss of General Funds.

LYNCH: The proposed budget had General Funds and then we lost it.

-We see fee increases as the only way to do it.

367 REP. MEEK: The General Fund recovery could also be done through increased activity?

LYNCH: If we got more permits that would be theoretically possible.

REP. MEEK: Are all the positions filled?

LYNCH: Yes.

REP. MEEK: When were the last ones hired?

LYNCH: We added one in November.

REP. MEEK: There was one in the last biennium?

LYNCH: Two; we added an office specialist.

REP. MEEK: You have to convince me that the workload is such that you can add more employees.

-Things seem to be in balance from what you've told us and what you are asking.

-We need to be tighter and more efficient.

-He does not see evidence that you are so strapped that you have to do something.

-You need to bring back more information to justify the fee increases.

CHAIR SCHROEDER: They are not up to the cap with these increases.

REP. MEEK: They have the statutory authority to increase the fees now.

REP. VANLEEUVEN: Was testifying before another committee this morning.

-This is National Agriculture Day.

TAPE 49, SIDE B

022 CHAIR SCHROEDER: Recesses at 9:44 A.M.

-He adjourns at at 9:59 A.M.

Submitted by:

Edward C. Klein, Committee Assistant

EXHIBIT LOG:

A - Amendments to HB 2330 - Rep. Dwyer/Staff - 3 pages
B - Amendments to HB 2077 - Dave Barrows - 2 pages
C - Testimony on HB 2077 - Jean Cameron - 1 page
D-SMS/Fiscal/Revenue impacts for HB 2253 - Staff - 3 pages E-Testimony
on HB 2253 - Don Hull - 7 pages