



Republican “Response” to Gold King Mine Spill: Take 564 Years to Clean Abandoned Mines

Making Polluters pay under the Hardrock Reform and Reclamation Act of 2015 (H.R. 963) would save 500 years.

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On the morning of August 5, 2015, EPA contractors trying to clear a collapsed entrance to an abandoned mine in the mountains north of Silverton, Colorado, inadvertently released approximately 3 million gallons of metal-laden acidic wastewater into Cement Creek, a tributary of the Animas River. Republicans on the House Committee on Natural Resources are devoting considerable time and effort to criticizing the EPA and Department of the Interior for their handling of the spill that resulted from EPA contractors trying to clean up an abandoned mine land (AML).

Committee Republicans have come under significant criticism for their lack of attention to the underlying cause of the problem of abandoned mine lands: the lack of funding to clean them up. In an attempt to deflect this criticism, they have introduced a trio of bills they have called the “Republican Mining Reform Package.” This analysis estimates the impact of the package on AMLs, and contrasts that with the solution proposed by Democratic Ranking Member Raúl Grijalva and 30 Democratic cosponsors, H.R. 963, the Hardrock Reform and Reclamation Act. The Democratic proposal would place the first-ever royalty on valuable hardrock minerals extracted from public land, such as gold, silver, and copper, and require the hardrock mining industry to pay into a fund designed to remediate abandoned hardrock mines, just as the coal industry does for abandoned coal mines.

Number of Abandoned Hardrock Mines

The exact number of abandoned hardrock mines is not known. Various federal and state agencies maintain incomplete inventories on their own lands, but the problem is so vast that those inventories are almost always woefully incomplete. The nonprofit organization Earthworks has estimated that there are 500,000 abandoned hardrock mine sites throughout the country,¹ and the Government Accountability Office (GAO) has reported that there are an **estimated 99,737 abandoned hardrock mines** just on Bureau of Land Management (BLM) and U.S. Forest

¹ https://www.earthworksaction.org/issues/detail/abandoned_mines

Service (USFS) lands alone.² However, even BLM admits its inventory is incomplete: in a recent report it estimated that there are 93,000 sites still remaining to be inventoried just in California, Nevada, and Utah.³ This analysis, however, will use the number reported by the GAO.

Cost to Clean-up Abandoned Hardrock Mines

Knowledge of the cost of cleaning up all abandoned hardrock mines is similarly imprecise. The EPA estimated in 2004 that the total cost for cleaning up all hardrock mines would be between \$20 billion and \$54 billion.⁴ The GAO recently reported that Superfund cleanup costs were by far the largest for mining sites, with the average mining site costing about \$750,000 to clean up, compared to about \$104,000 for the next highest category.⁵

The Center for Western Priorities has used updated cost estimates and the GAO's inventory of AML sites to calculate that, on BLM and USFS lands alone, it would cost **between \$9.6 billion and \$21 billion to clean up all the abandoned mines**. This analysis will use the low-end value for purposes of comparison between Republican proposals and H.R. 963.

The Republican "Response"

Committee Republicans have introduced three bills in response to the criticism that they are not addressing the actual problem of abandoned hardrock mine lands.

H.R. 3734, the Mining Schools Enhancement Act, redirects Office of Surface Mining Reclamation and Enforcement technical grant money to only 14 universities with mining engineering programs, but does not directly address the issue of abandoned mine lands.

H.R. 3843 **would freeze the authorization** of the Department of the Interior's Abandoned Mine Lands program at \$17 million per year, and establish a Good Samaritan program to encourage third-party volunteers to cleanup AMLs.

H.R. 3844 would establish a nonprofit foundation to solicit donations for the reclamation of abandoned hard rock and coal mines and orphaned oil and gas wells. The legislation authorizes \$3 million annually in one-for-one matching funds for 5 years. The bill could therefore be reasonably expected to provide **a grand total of \$30 million**, although only \$15 million is federal money. This analysis will generously assume all of this goes to hardrock mine cleanup and remediation, with none going to coal mines or oil and gas wells.

² U.S. Government Accountability Office, *HARDROCK MINING: Information on Abandoned Mines and Value and Coverage of Financial Assurances on BLM Land*, GAO-08-574T, March 12, 2008.

³ U.S. Bureau of Land Management, *Abandoned Mine Land Inventory Study for BLM-Managed Lands in California, Nevada, and Utah: Site and Feature Analysis*, November 2014.

⁴ U.S. Environmental Protection Agency, *Cleaning Up the Nation's Waste Sites: Markets and Technology Trends, 2004 Edition*, September 2004.

⁵ U.S. Government Accountability Office, *SUPERFUND: Trends in Federal Funding and Cleanup of EPA's Nonfederal National Priorities List Sites*, GAO-15-812, September 2015.

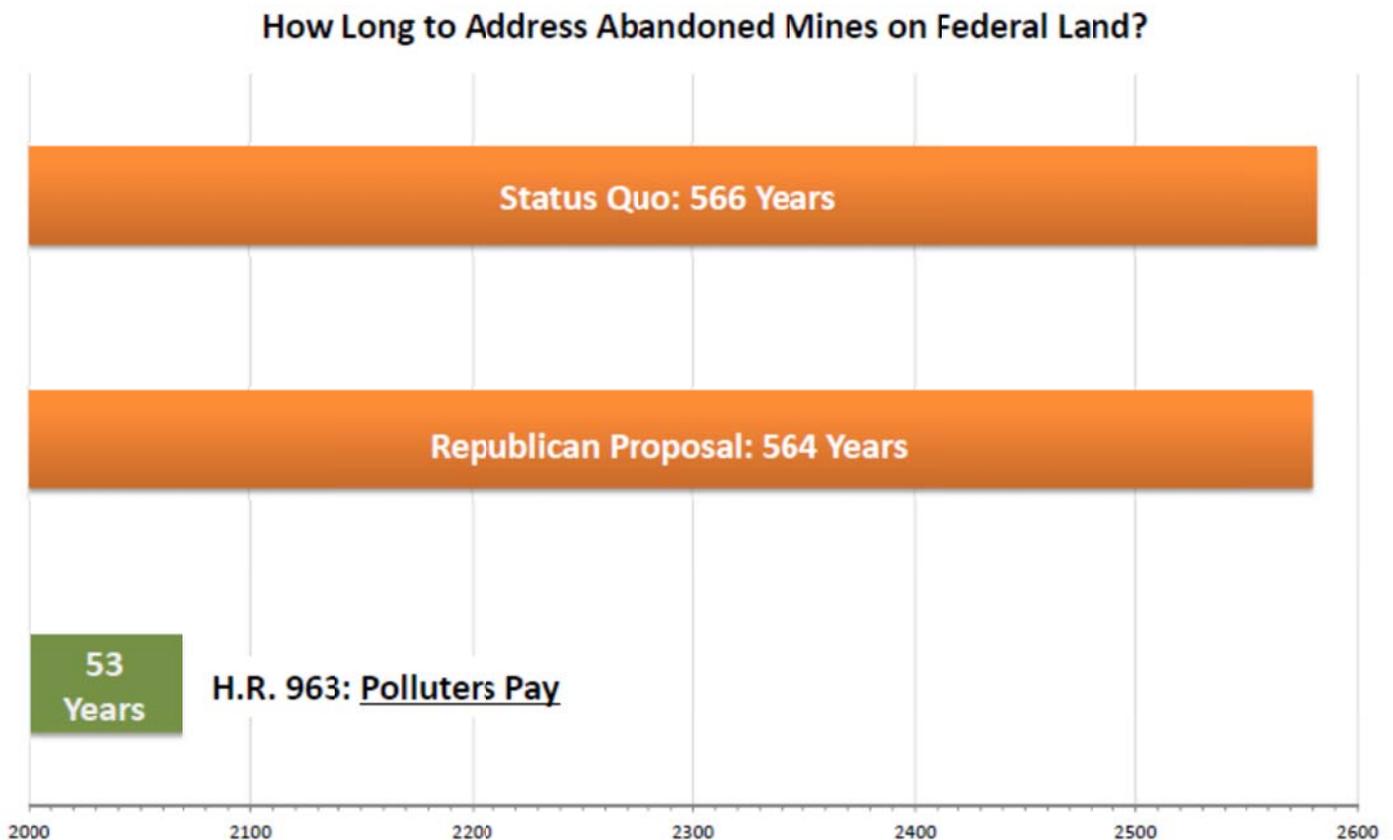
H.R. 963 – The Hardrock Mining Reform and Reclamation Act of 2015

Ranking Member Grijalva’s legislation would require the industry to pay for the cleanup of abandoned hardrock mines, not rest everything on the backs of third-party donors or volunteers. H.R. 963 has two main sources of funding:

- Royalties and other sources of funding, such as raising claim maintenance fees, which were scored by CBO at approximately \$692 million over 10 years when similar legislation passed the House in 2007.⁶ **Estimated yearly revenue: \$69 million.**
- A fee of 7 cents per ton of material displaced by hardrock miners, which was included in the President’s FY 2016 budget and estimated to raise **\$200 million per year.**

Combined, H.R. 963 would raise approximately \$269 million in new revenue, and two-thirds of that, **\$180 million a year, would be spent on abandoned hardrock mine reclamation.**

The following chart shows what this would mean for cleaning up hardrock mines on public lands, assuming the existing appropriation for BLM hardrock mines increases with inflation at the same rate as the cleanup costs for abandoned mines:



Notes: Status Quo timing takes the low-end cleanup estimate of \$9.6 billion and divides by the \$17 million BLM AML appropriation. H.R. 963 also includes Good Samaritan protections, so the analysis assumes any additional third-party money spent on cleanup under H.R. 3843 would also be spent under H.R. 963.

⁶ H.R. 2262 in the 110th Congress.