Testimony in support of HB606 in front of Senate Natural Resources Committee
3/16/05

SENATE NATURAL RESOURCES
EXHIBIT NO. 6
DATE 3/16/05
BILL NO. HB 606

Oro y Plata, gold and silver are important minerals still to be found in Montana. Current operations of large, medium and small mines are proof of the value and interest of these mining operations, first of all for their commercial value and secondly for their recreation value. The latter of these is a cause of major concern to the small miner due to the fact that imbedded in the current mining laws of the State is " the small miner exclusion" which ~~exclusion,~~ when authorized allows the miner to operate without any permits, such as air quality, water quality, and bonding for surface restoration. These exclusions the recreational miner deserves. Also deserving these exclusions are the miner explorers.. Time and time again the taxpayer has been obligated to pay for reclamation efforts of default mining operations which have been issued a small miner exclusion and which are engaged in commercial operations. These operations are lacking DEQ oversight because this exclusion does not require any permits. The current definition of a small miner is one who does not disturb more than five surface acres. And therein lies the problem. That definition qualifies corporations. partnerships and assorted and sundry groups and individuals to become "small miners' and operate without permits and much less oversight.

Article IX Section 2 of the Montana Constitution states: All lands disturbed by the taking of natural resources shall be reclaimed. The legislature shall provide effective requirements and standards for the reclamation of lands disturbed.

When requested by the mine owner of the Loadstar mine to Mr. Pete Strazdas the State official for small miner exclusions, if the State would hold a bond for surface reclamation of his mill site, the response by letter dated April 4, 2000 was NO. But subsequently the DEQ forwarded a estimate of the cost for such a bond, $16,440.

The whole attention to this matter evolves around the definition and interpretation of who or what is a small miner, which is not the problem. The real problem is who deserves a small miner exclusion. That exclusion must exist, but ONLY for miners not engaged in commercial, for profit activities! The DEQ must be held responsible for identifying the transition from exploration stage to commercial activity and advising the miner to foresee the necessity of applying for proper permits in a timely manner. And the DEQ must also be the responsible holder of any reclamation bond whether issued for state owned or privately owned properties.

All of the above suggested changes to current mining laws will benefit the public, the miners, the state, and maintain the small miner exclusion properly with concurrent reduction of taxpayer reclamation costs.

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