

# No hardrock reform this year -- Reid

Patrick Reis, Environment & Energy News, 3-15-10

There will be no reform this year of the 1872 law governing hardrock mining, Senate Majority Leader Harry Reid said last week.

The Nevada Democrat told the Elko, Nev., *Daily Free Press* that he sees a need for reform, but the congressional calendar won't permit it.

"We're just overloaded. We won't have time to get to this," he said. "The mining companies want it, and I want it, but based on the schedule of the Senate, it won't make it this year."

Reid's pronouncement is likely a fatal setback for several mining reform bills. One of those measures, S. 796, from Senate Energy and Natural Resources Chairman Jeff Bingaman (D-N.M.), would authorize the Interior Department to establish a royalty of between 2 and 5 percent on new mining operations and charge a new abandoned-mine fee for hardrock operations.

In the House, Natural Resources Chairman Nick Rahall (D-W.Va.) is sponsoring a bill, H.R. 699, which calls for a 4 percent gross royalty on minerals taken from existing mining operations and an 8 percent gross royalty on new ones.

Mining for minerals such as copper, uranium and gold remains largely regulated by the 1872 law, which doesn't charge a royalty on extracted minerals or include a mechanism for funding the cleanup of hundreds of abandoned hardrock sites.

"Everyone seems to agree that the Mining Law Act of 1872 is an antique in need of an update," said Bill Wicker, a spokesman for Bingaman. "I think most folks also share Senator Reid's outlook that these changes are not going to happen this year. [He] has acknowledged the reality of a crowded election-year calendar."

With this session ruled out, reform advocates are looking ahead to the 112th Congress.

Lauren Pagel, policy director for the mining watchdog group Earthworks, said reform has bipartisan support and legislation should have the votes it needs regardless of the results of the November elections.

"I think the stars are in alignment at this point, if we can just find time," she said. "It's clear to me that Senator Reid is open to something happening."

But several other sources privately speculated that Reid's decision to delay reform is connected to his tough fight for re-election in 2010.

Several polls have shown Reid running behind Republican primary challengers such as state GOP chairwoman Sue Lowden and area businessman Danny Tarkanian, and federal reform could prove controversial in Nevada, where the industry holds considerable sway in the state's economy and politics.