

ADOPTED REGULATION OF
THE COMMISSION ON MINERAL RESOURCES
LCB File No. R051-25

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: § 1, NRS 513.063 and 519A.290.

A REGULATION relating to mining reclamation; revising requirements of an application to participate in a program for the pooling of reclamation performance bonds; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the Division of Minerals of the Commission on Mineral Resources to adopt regulations governing the development and administration of a program providing for the pooling of reclamation performance bonds. (NRS 519A.290) Existing regulations require that a person who submits an application to participate in the bond pool include a statement and documentation showing the structure of the business organization and the financial status of the applicant at the time of the application, including certain information relating to the organizational structure, assets, liabilities and net worth of the business organization and evidence that the financial statements of the applicant have been reviewed by a certified public accountant and are a fair representation of the financial status of the applicant. Existing regulations authorize the Administrator of the Division to waive the requirement to provide such evidence under certain circumstances. (NAC 519A.570) This regulation: (1) requires the applicant to provide evidence that the financial statements of the applicant have been compiled by a certified public accountant, rather than reviewed by a certified public accountant; and (2) removes the authority of the Administrator to waive the requirement to provide such evidence. This regulation also requires that the documentation submitted by the applicant include a signed and notarized affidavit stating that the information submitted by the applicant relating to such assets, liabilities and net worth of the business organization is true.

Section 1. NAC 519A.570 is hereby amended to read as follows:

519A.570 1. The Division will administer the bond pool.

2. A person who wishes to participate in the bond pool must complete an application on a form provided by the Division and submit any relevant information or supporting documents requested by the Division.

3. Except as otherwise provided in subsection ~~5.1~~ 4, an application to participate in the bond pool must include a statement by the applicant and documentation that:

(a) Indicates whether the applicant has ever forfeited a bond or surety held for the reclamation of mined land and, if so, the location of the operation for which the bond or surety was forfeited and the circumstances of the forfeiture.

(b) Lists the location, scale and any other pertinent details of the previous mining or exploration activities of the applicant that required reclamation performance bonding during the preceding 10 years.

(c) Shows the structure of the business organization and the financial status of the applicant at the time of application. ~~Except as otherwise provided in subsection 4, the~~ The documentation must include:

(1) An organizational chart naming any parent company;

(2) Current and long-term assets;

(3) Current and long-term liabilities;

(4) The net worth of the business organization; ~~and~~

(5) Evidence that the financial statements have been ~~reviewed~~ compiled by a certified public accountant and are a fair representation of the financial status of the applicant ~~+~~

~~—4.—The Administrator may waive the requirements of subparagraph (5) of paragraph (c) of subsection 3 for an applicant who:~~

~~—(a) Applies for bond coverage of \$10,000 or less; and~~

~~—(b) Submits to the Administrator a~~ ; *and*

(6) *A* signed and notarized affidavit stating under penalty of perjury that the information provided by the applicant pursuant to subparagraphs (2), (3) and (4) of paragraph (c) ~~of subsection 3~~ is true.

~~{5.}~~ 4. An applicant is not required to comply with the provisions of subsection 3 when applying for a bond for a notice-level project.