



Testimony in Opposition to AB 240

Presented to:

The Nevada State Legislature
Assembly Committee on Natural Resources
March 22, 2021

Dear Members of the Assembly Natural Resources Committee:

The Women's Mining Coalition (WMC) is a grassroots organization with members nationwide who work in all aspects of the hardrock and coal mining industries. Our mission is to advocate for today's modern domestic mining industry which is essential to our Nation.

Our many Nevada members are concerned about the proposals in AB 240 to eliminate the Nevada Commission on Mineral Resources (NCMR) and to fold the Nevada Division of Minerals (NDOM) into the Nevada Division of Environmental Protection (NDEP). Based on these concerns, WMC respectfully submits this testimony to oppose AB 240 for the following reasons:

- AB 240 is a solution in search of a problem. There are no identified problems that need to be solved or gaps that need to be filled. Additionally, there are no inefficiencies or duplication of functions that would be eliminated.
- There are no cost-savings that would be achieved if AB 240 were enacted. Therefore, there are no fiscal reasons to eliminate the NCMR or shift responsibility for NDOM's important and highly specialized functions to NDEP.
- Dissolving NCMR would eliminate a public body of subject-matter experts that develop NDOM's policies and regulations and provide valuable recommendations to the Governor and Legislature pertaining to the State's mineral, oil and gas, and geothermal resources. These important and necessary functions are best performed by a commission and associated agency with specific expertise with the location of, exploration for and responsible development of these natural resources. Both NCMR and NDOM do an excellent job of fulfilling this niche mission and should therefore be retained.
- Transferring the duties of the NCMR to the State Environmental Commission (SEC) would require the SEC to review topics and make decisions about activities and technical issues that are outside the SEC's sphere of expertise. Under the current system, these topics and decisions are reviewed and made by the NCMR members who are mineral exploration and mining industry, oil and gas, and geothermal technical experts. There is no justification for the changes proposed in AB 240.

- NDOM's mandate to encourage mineral exploration and production and assist companies involved with these efforts does not fit well with NDEP's primary mission as the State's mining regulatory agency. It would be unwise to charge one agency with these competing mandates. Under the scenario proposed in AB 240, NDEP personnel from one end of the corridor would work to encourage mineral exploration and development while their colleagues at the other end of the corridor would be charged with regulating mineral exploration and development.
- NDOM functions as a fee-based agency that derives its operating budget from permitting and mining claim fees. Shuffling the duties of this small user fee-funded agency into the much larger and more complex bureaucracy of NDEP would significantly diminish NDOM's utility and effectiveness.
- Getting rid of NDOM would eliminate a frequently used and trusted source of information about mineral, oil and gas, and geothermal production; mining laws; mineral estates; mining claim filing requirements; mineral exploration and development permitting requirements; and abandoned mine safety. This information is currently available to the public and widely used by other Nevada State agencies, Nevada county governments, and Federal regulatory and land management agencies.
- NDOM's Abandoned Mine Land (AML) identification and safety abatement program provides essential services to the State that significantly reduces public safety hazards associated with AMLs. This user fee-funded program has successfully secured over 80 percent of the 130,000 AML sites identified to date and works with numerous partners including the U.S. Bureau of Land Management, the U.S. Forest Service, Clark County, the NV Division of State Parks, the NV Department of Wildlife, NDEP, and the NV State Historic Preservation Office. Legislators should not take any action to diminish or disturb this award-winning program, which received the 2019 national AML hardrock reclamation award from the U.S. Bureau of Land Management.
- It is not in the State's best interests to eliminate the NCMR, which is comprised of a group of seven citizens who are appointed by the Governor based on their expertise and qualifications. These experts serve on a voluntary basis with no compensation other than \$80 per day when they are attending a public NCMR meeting. The State's portfolio of mining expertise will be greatly diminished by eliminating this highly cost-effective pool of citizen experts. The State benefits greatly from the combined decades of expertise of NCMR members. There is no sound public policy purpose in jettisoning this expertise. To the contrary, Nevadans would be harmed if this proposal is enacted and this expertise is no longer available to the Governor's Office, other Nevada state agencies, federal agencies and the general public.
- An example of the important role the NCMR and NDOM staff fulfilled is NDOM's 2014 rulemaking to develop regulations governing hydrofracturing. Thanks to NCMR's and NDOM's collective expertise, Nevada promulgated some of the most stringent, comprehensive, and technically sound fracking regulations in the U.S. The NCMR's professional knowledge and experience with oil and gas exploration, hydrology, geology, and drilling procedures made indispensable contributions during development of these regulations and the rulemaking process.

- Another compelling example of the valuable and specialized expertise NDOM provides to the Governor's Office is the pivotal role NDOM fulfilled during Governor Sandoval's involvement with the U.S. Bureau of Land Management's and U.S. Forest Service's development of the agencies' Greater Sage-Grouse Land Use and Resource Management Plans in the 2013–2017 timeframe. Governor Sandoval specifically cited the work NDOM performed with the Nevada Department of Wildlife in his January 15, 2016 letter opposing the federal agencies' proposal to withdraw the 2.8-million acres of land in Washoe, Humboldt, and Elko Counties from mineral exploration and development.
- More recently, NDOM served as a Cooperating Agency on the U.S. Department of Defense/U.S. Navy's proposal to significantly expand the Fallon Range Training Complex (FRTC). The Navy's FRTC expansion proposal did not initially recognize how the expansion proposal would adversely affect the significant mineral resources within the expansion footprint where known mineral deposits would be placed off limits to development. NDOM worked closely with Governor Sisolak's office to successfully persuade the Navy to modify its proposal to minimize adverse impacts to these mineral resources.
- NDOM provides an open data site that is a GIS-based compilation of information on mineral resources, mining claims, geothermal resources, the location of AMLs and other important information. NDOM's user statistics show this site receives an average of over 1,700 views per month, attesting to the public's use and reliance on this important database. NDOM is singularly well qualified to maintain this database. Maintaining this database would not fit well into NDEP's current activities or skill set.
- NDOM's Bond Pool provides an important and efficient way for small mineral exploration companies to obtain financial assurance (reclamation bonds) for their exploration activities. These small businesses will be harmed if NDEP does not maintain this function and continue to be a source of bond monies for these small mineral firms. NDEP does not currently offer this type of program, which does not fit well with NDEP's primary mission.

WMC appreciates this opportunity to provide testimony in opposition to AB 240. We believe the points described above document the many compelling reasons why the proposal to eliminate the NCMR and to integrate and consign the functions of NDOM to NDEP is not in the State's best interest.

Thank you for your consideration. Please do not hesitate to contact us at the email address shown below if you have any questions or would like additional information.

Respectfully,

Women's Mining Coalition Board of Directors

cc: Speaker Jason Frierson