



# Nevada Mineral Exploration Coalition

## *The “Voice” of Nevada Exploration*

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### **The Nevada Mineral Exploration Coalition (NMEC) Opposes AB 240**

Assembly Bill (AB) 240 proposes to merge the Nevada Division of Minerals (NDOM) with the Nevada Division of Environmental Protection (NDEP) and eliminate the Nevada Commission on Mineral Resources (NCOMR) as well as the Mining Oversight and Accountability Commission (MOAC). Our opposition is based on the following:

Each of these commissions are critical to the economy and well-being of Nevada and its citizens for the following reasons:

- The natural resource industries are extremely important components of Nevada’s economy and the State should continue to have an entity supporting these industries as it does with the Governor’s Office of Economic Development (GOED) and other State agencies.
- Both NDOM and NCOMR provide essential, science-based, advisory, educational and oversight services to Nevada’s executive and legislative leaders, the public and the State’s natural resource industries.
- Much of NDOM’s budget and activities are related to public safety and education. NDOM has financially supported the importance of mining and natural resources education activities in the State through teacher workshops in conjunction with the Nevada Mining Association and in supporting activities of the Mackay School of Earth Sciences and Engineering at the University of Nevada, Reno.
- NCOMR and NDOM consist of experts in various geoscience fields related to the natural resource industries. They provide expert advice to the executive and legislative branches of the State government.
- NDOM has and should continue to contribute to the safety, efficiency and environmentally-sound functioning of Nevada’s oil and gas and geothermal industries.
- NDOM has been a strong asset in the development of renewable energy (geothermal) and critical mineral (lithium) resources in Nevada.
- NDOM’s Abandoned Mine Land (AML) abatement program significantly reduces public safety hazards and is funded by user fees and federal grants. There is no impact on the General Fund.
- NDOM has been instrumental in providing free public data through the Open Database for any interested person to identify ownership of mining claims and companies with permitted mining operations.
- NDOM funds the collection and publication of production and exploration data that attract investment in Nevada, providing diversity to our economy.

If the MOAC, NCOMR and NDOM are working well, why the proposed change? There are no budgetary or management justifications for this change and putting the functions of the NDOM under NDEP would be a conflict of interest and potentially not fit the mandate of either agency. The following potential conflicts would be inherent in this merger:

- NDOM is wholly funded by mining claim and other fees paid by the resource industries of Nevada. There is no state fiscal impact in retaining NDOM where it currently resides. There would be no cost savings transferring NDOM to NDEP.
- NDOM manages several funds including the State bond pool (ensuring the reclamation of exploration and mining disturbances) and federal grants for the reclamation of abandoned mine Lands (the AML program). As a side note, none of these funds would be available to the General Fund even if it were part of NDEP.
- The two divisions are distinctly different in terms of mission and personnel. There would be no realized efficiencies in the proposed merger because, except for the Administrator, there could be no merged positions. If the missions remain the same, staffing would necessarily remain the same.
- It is highly likely that an attempt to merge two agencies with significantly different missions and operating philosophies would result in a reduction of effectiveness and disruption of services without producing noticeable improvements in cost or functions.
- Forcing the duties of a small fee-funded agency, such as NDOM, into the much larger bureaucratic NDEP, within the even larger Department of Conservation and Natural Resources, would likely negatively impact the effectiveness of NDOM's critically important programs.

The Nevada Mineral Exploration Coalition (NMEC) is a nonpartisan, grass roots coalition of individuals and small companies engaged in, or servicing, mineral exploration in Nevada. Mineral exploration is the research and development segment of the overall mining industry and is the only source of new deposits necessary to maintain the economic and societal wellbeing of the nation including those minerals the United States Department of the Interior deems critical to national security and the economy: **We find, others mine.**

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