

**ADOPTED REGULATION OF THE
COMMISSION ON MINERAL RESOURCES**

LCB File No. R199-08

Effective August 27, 2008

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

AUTHORITY: §1, NRS 513.063 and 513.094; §2, NRS 513.063 and 517.185; §3, NRS 513.063.

A REGULATION relating to mining; increasing the amount of filing fees for certain mining claims; and providing other matters properly relating thereto.

Section 1. NAC 513.315 is hereby amended to read as follows:

513.315 The amount of the additional fee that is imposed on filings pursuant to subsection 1 of NRS 513.094 is ~~[\$1.50]~~ *\$2.50* per claim.

Sec. 2. NAC 517.200 is hereby amended to read as follows:

517.200 The amount of the filing fee that is imposed pursuant to subsection 1 of NRS 517.185 is ~~[\$5]~~ *\$6* per claim.

Sec. 3. This regulation becomes effective on August 27, 2008.

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R199-08

The Commission on Mineral Resources adopted regulations assigned LCB File No. R199-08 which pertain to chapters 513 and 517 of the Nevada Administrative Code.

INFORMATIONAL STATEMENT

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 513.315 and Chapter 517.200. The adopted amendments increase by \$2.00 the mining claim filing fee paid by Nevada mining claimants from \$6.50 per claim to \$8.50 per claim. The claim fee is collected by the county recorder of the county in which the claim is located when a claimant files various documents pertaining to the mining claim. The fee is collected pursuant to state law as provided in Nevada Revised Statutes 513.094 and 517.185. The \$8.50 is within the statutory cap of \$10.00 provided in these two statutes.

1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

Copies of the proposed amendments to the regulations, notices of workshop and notices of intent to act upon the regulation were sent by U.S. mail and email to persons who were known to have an interest in the subject of mining claim fees, and to any persons who had specifically requested such notice. The total list was over 1,500 entities including all major mining companies operating in Nevada, the Nevada Mining Association, claimants provided by the county recorders, the Geological Society of Nevada, the Northwest Mining Association, and the Nevada Miners and Prospectors . These documents were also made available at the website of the Division of Minerals, www.minerals.state.nv.us, and posted at the following locations:

Legislative Building	Nevada Division Minerals	Nevada Division of Minerals
401 South Carson St.	400 W. King St. Ste #106	2030 E. Flamingo Road Ste #220
Carson City, Nevada 89710	Carson City, NV 89703	Las Vegas, NV 89119

The Commission on Mineral Resources (CMR) issued a Notice of Intent to Act Upon a Regulation which incorporated the proposed amendments. The CMR held a noticed public meeting on June 16, 2008 and approved a motion to hold workshops concerning a proposed change to the mining claim filing fee collected by the Division of Minerals.

The CMR held two workshops, as follows:

Monday, July 14, 3 pm to 6 pm	Tuesday, July 15, 3 pm to 6 pm
Great Basin College Berg Conference Room	Nevada Division of Wildlife
1500 College Parkway	1100 Valley Road
Elko, NV 89801	Reno, NV 89512

On July 22, 2008, the CMR held a noticed public meeting and adopted the amendments to the two regulations without any changes to the LCB version in File No. R199-08.

A copy of the summary of the public response to the proposed amendments to the regulations may be obtained from the Nevada Division of Minerals, 400 W. King St. #106, Carson City, Nevada 89703, 775-684-7040, or email to acoynerv@govmail.state.nv.us.

2. The number persons who:

- (a) Attended each hearing:** July 14 – 2; July 15 – 2
- (b) Testified at each hearing:** July 14 – 2; July 15 - 2
- (c) Submitted to the agency written comments:** 26 via email and mail

Attendees at the hearings were given the option on the sign-in sheet of indicating whether they were for, against, or neutral towards the amendments. One was for and three were neutral. Of the 26 written comments, 23 were for and 3 were against. The two largest mining companies in the state, Newmont and Barrick, provided letters in support of the amended regulations.

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses in the same manner as they were solicited from the public. The summary may be obtained as instructed in the response to question #1.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The permanent regulations were adopted on July 22, 2008 without change. The CMR judged none of the comments in opposition to be substantive.

5. The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:

- (a) Both adverse and beneficial effects; and**
- (b) Both immediate and long-term effects.**

(a) Both adverse and beneficial effects

Mining claimants include individuals (the public) and businesses. The adverse effect is that they will pay an increased fee when they make their annual mining claim filings. The beneficial effect is that the revenue collected from the \$2.00 per claim increase is dedicated to the Mackay School of Earth Sciences and Engineering at the University of Nevada, Reno. The revenue from the mining claim fee increase will help the school to continue to provide highly qualified graduates at a time when additional mineral resources and new mining professionals are in high demand. The revenue directed to the Mackay School must be spent for educational purposes in support of exploration and production of mineral resources in Nevada, and the specific use of the funds will be determined in consultation with the Commission.

(b) Both immediate and long-term effects

The Mining Engineering budget of the Mackay School was cut \$400,000 in FY09 by the UNR administration. The immediate effect of the revenue from the mining claim fee increase will be to alleviate this budget cut. The long-term effect will be to continue to provide revenue to the Mackay School in future years.

6. The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional cost to the agency for enforcement of this regulation.

7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, provide the name of the regulating federal agency.

There are no other state or government agency regulations that the proposed amendments duplicate.

8. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

N/A

9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

The amended regulations increase two existing fees. Based on the current number of mining claims the fee increase is expected to generate approximately \$400,000 annually. The revenue collected from the \$2.00 per claim increase is dedicated to the Mackay School of Earth Sciences and Engineering at the University of Nevada, Reno. The revenue from the mining claim fee increase will help the school to continue to provide highly qualified graduates at a time when additional mineral resources and new mining professionals are in high demand. The revenue directed to the Mackay School must be spent for educational purposes in support of exploration and production of mineral resources in Nevada, and the specific use of the funds will be determined in consultation with the Commission.

10. Is the proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business? What methods did the agency use in determining the impact of the regulation on a small business?

The CMR has determined that the proposed regulations do not impose a direct and significant economic burden upon a small business or restrict the formation, operation or expansion of a small business. In making this determination the CMR considered the fact that the amendments to the regulations will raise the total annual claim fees required by federal, state, and county regulations from \$133.50 to \$135.50.