First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 25-0157.01 Richard Sweetman x4333

SENATE BILL 25-054

SENATE SPONSORSHIP

Simpson and Bridges, Pelton B.

HOUSE SPONSORSHIP

Martinez and McCormick, Winter T.

Senate Committees

House Committees

Agriculture & Natural Resources Appropriations

	A BILL FOR AN ACT
101	CONCERNING THE REGULATION OF MINING ACTIVITIES, AND, IN
102	CONNECTION THEREWITH, CREATING A NEW PERMIT TYPE TO
103	FACILITATE THE CLEANUP OF ABANDONED MINE WASTE PILES,
104	UPDATING FORFEITURE AND WARRANTY PROCEDURES, AND
105	RATIFYING COLORADO'S MEMBERSHIP IN THE "INTERSTATE
106	MINING COMPACT" AND THE INTERSTATE MINING
107	COMMISSION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov/.)

Water Resources and Agriculture Review Committee. The bill amends the "Colorado Mined Land Reclamation Act" and the "Colorado Land Reclamation Act for the Extraction of Construction Materials" to:

- Contemplate the expedited issuance of reclamation-only permits to persons desiring to conduct reclamation-only operations after July 1, 2025, on less than 5 acres; and
- Update restrictions and requirements concerning the posting and forfeiture of financial warranties relating to mine reclamation projects.

The office of mined land reclamation may not issue a reclamation-only permit to a designated mining operation.

The bill also enacts the "Interstate Mining Compact" and ratifies Colorado's membership in the associated Interstate Mining Commission.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1. Short title.** This short title of this act is the "Legacy 3 Mining and Modernization Act". 4 **SECTION 2.** Legislative declaration. (1) The general assembly 5 finds and declares that: 6 (a) The division of reclamation, mining, and safety within the 7 department of natural resources estimates there are more than 23,000 8 abandoned mines across the state: 9 10 (b) Many legacy mine features contribute heavy metals and acid 11 mine drainage to Colorado watersheds, contaminating drinking water 12 supplies, negatively impacting the health of aquatic ecosystems, and 13 corroding essential infrastructure; 14 15 (c) In addition to improvements in watershed health and water 16 quality, a reclamation-only permitting system offers an opportunity to 17 facilitate recovery of valuable metals, rare earths, and strategic minerals

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1	without impacts associated with new mining activity; establish
2	ecosystem-appropriate vegetation, including pollinator-friendly and
3	drought-tolerant plants, where no vegetation exists today; and return land
4	to a beneficial use for local communities;
5	(d) Financial warranties are required for all mining operations to
6	ensure the completion of reclamation;
7	(e) Each financial warranty must be set and maintained at a level
8	that reflects the actual current cost of fulfilling the requirements of the
9	reclamation plan; and
10	(f) One hundred percent of the proceeds of all forfeited financial
11	warranties must be deposited in a special account established by the
12	mined land reclamation board for the purpose of reclaiming lands that
13	were obligated to be reclaimed under the permits upon which such
14	financial warranties have been forfeited.
15	(2) Therefore, the general assembly declares that a new permit
16	type should be created to facilitate the removal of waste piles while
17	providing regulatory oversight and ensuring lands are returned to a
18	beneficial use.
19	SECTION 3. In Colorado Revised Statutes, 34-32-103, amend
20	the introductory portion and (8); and add (2.5) and (5.9) as follows:
21	34-32-103. Definitions. As used in this article ARTICLE 32, unless
22	the context otherwise requires:
23	(2.5) "CERCLA" MEANS THE FEDERAL "COMPREHENSIVE
24	ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF
25	1980", 42 U.S.C. SEC. 9601 ET SEQ.
26	(5.9) "LEGACY MINE" MEANS A MINE WHERE PRE-LAW MINING
27	OPERATIONS HAVE OCCURRED OR THE MINING OPERATIONS HAVE BEEN

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ABANDONED, AND NO BOND OR OTHER FINANCIAL ASSURANCE OR RECLAMATION RESPONSIBILITY COVERING THE RECLAMATION OF THE LAND AFFECTED BY THE MINING OPERATIONS EXISTS.

(8) "Mining operation" means the development or extraction of a mineral from its natural occurrences OR WITHIN REFUSE on affected land. The term "Mining operation" includes, but is not limited to, open mining, in situ mining, in situ leach mining, surface operations, and the disposal of refuse from underground mining, in situ mining, and in situ leach mining. The term "Mining operation" also includes the following operations on affected lands: Transportation, concentrating, milling, evaporation, REMOVAL OF WASTE PILES AND REFUSE, and other processing. The term "Mining operation" does not include: The exploration and extraction of natural petroleum in a liquid or gaseous state by means of wells or pipe; the development or extraction of coal; the extraction of geothermal resources; smelting, refining, cleaning, preparation, transportation, and other off-site operations not conducted on affected land; or the extraction of construction material where there is no development or extraction of any mineral.

SECTION 4. In Colorado Revised Statutes, 34-32-110, **add** (9) as follows:

34-32-110. Limited impact operations - expedited process - reclamation-only permits - rules. (9) (a) An operator desiring to conduct reclamation-only operations <u>at a legacy mine pursuant</u> to an application submitted after <u>September 1, 2025</u>, on less than five acres may apply for the expedited processing of the operator's permit. In order to obtain a reclamation-only permit pursuant to this subsection (9), an operator shall file with the

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1	OFFICE:
2	(I) EVIDENCE OF THE SOURCE OF THE OPERATOR'S LEGAL RIGHT TO
3	ENTER AND INITIATE A RECLAMATION OPERATION ON THE AFFECTED LAND;
4	(II) A FINANCIAL WARRANTY AND FEE THAT COMPLIES WITH
5	SUBSECTION (3) OF THIS SECTION;
6	(III) THE ADDRESS AND TELEPHONE NUMBER OF THE OPERATOR'S
7	GENERAL OFFICE AND THE OPERATOR'S LOCAL ADDRESS OR ADDRESSES
8	AND TELEPHONE NUMBER;
9	(IV) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE
10	OWNER OF THE SURFACE OF THE AFFECTED LAND AND THE SOURCE OF THE
11	OPERATOR'S LEGAL RIGHT TO ENTER AND INITIATE A RECLAMATION
12	OPERATION ON THE AFFECTED LAND;
13	(V) A STATEMENT THAT THE OPERATOR WILL CONDUCT THE
14	OPERATIONS PURSUANT TO THE TERMS AND CONDITIONS LISTED ON THE
15	APPLICATION AND IN ACCORDANCE WITH THIS ARTICLE 32 AND THE RULES
16	ADOPTED PURSUANT TO THIS ARTICLE 32 AND IN EFFECT AT THE TIME THE
17	PERMIT WAS APPROVED OR AMENDED;
18	(VI) A MAP SHOWING INFORMATION SUFFICIENT TO DETERMINE
19	THE LOCATION OF THE AFFECTED LAND AND EXISTING AND PROPOSED
20	ROADS OR ACCESS ROUTES TO BE USED IN CONNECTION WITH THE
21	RECLAMATION OPERATION;
22	(VII) THE APPROXIMATE SIZE OF THE AFFECTED LAND;
23	(VIII) INFORMATION SUFFICIENT TO DESCRIBE OR IDENTIFY THE
24	TYPE OF RECLAMATION OPERATION PROPOSED, HOW THE OPERATOR
25	INTENDS TO CONDUCT THE RECLAMATION OPERATION, AND THE NAME AND
26	LOCATION OF THE MILL OR FACILITY ACCEPTING THE MATERIALS BEING
27	EXCAVATED;

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2	NECESSARY LOCAL GOVERNMENT APPROVALS; AND
3	(X) A DESCRIPTION OF MEASURES TO BE TAKEN TO RECLAIM ANY
4	AFFECTED LAND CONSISTENT WITH THE REQUIREMENTS OF SECTION
5	34-32-116.
6	(b) THE OFFICE SHALL NOT ISSUE A RECLAMATION-ONLY PERMIT
7	TO A DESIGNATED MINING OPERATION.
8	(c) THE OFFICE SHALL NOT ISSUE A RECLAMATION-ONLY PERMIT
9	FOR A PERIOD THAT EXCEEDS THREE YEARS FROM THE INITIATION OF
10	EXCAVATION TO COMPLETION OF ALL RECLAMATION WORK.
11	(d) A RECLAMATION-ONLY PERMIT SHALL NOT BE CONVERTED INTO
12	ANY OTHER TYPE OF PERMIT.
13	(e) Nothing in this subsection (9) relieves a permittee of
14	THE DUTY TO COMPLY WITH APPLICABLE SURFACE WATER OR
15	GROUNDWATER QUALITY OR RADIATION CONTROL REQUIREMENTS.
16	(f) Nothing in this subsection (9) applies to response
17	ACTIONS SUBJECT TO OR REQUIRED BY CERCLA.
18	(g) THE BOARD MAY ADOPT RULES THAT DEFINE WHAT TYPES OF
19	RECLAMATION ACTIVITIES ARE PERMISSIBLE AND PROHIBITED UNDER THIS
20	SECTION.
21	SECTION 5. In Colorado Revised Statutes, 34-32-112, amend
22	(1) introductory portion; and repeal (1)(a) as follows:
23	34-32-112. Application for reclamation permit - changes in
24	permits - fees - notice. (1) Any AN operator desiring to obtain a
25	reclamation permit shall make written application to the board or to the
26	office for a permit on forms provided by the board. The reclamation
27	permit or the renewal of an existing permit, if approved, shall MUST

1 (IX) A STATEMENT THAT THE OPERATOR HAS APPLIED FOR

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1	authorize the operator to engage in such mining operation upon the
2	affected land described in such THE application for the life of the mine.
3	Such THE application shall consist BE FILED THROUGH BOARD-APPROVED
4	METHODS AND CONSISTS of the following:
5	(a) Five copies of the application;
6	SECTION 6. In Colorado Revised Statutes, 34-32-115, amend
7	(2) as follows:
8	34-32-115. Action by board - appeals. (2) Prior to the BEFORE
9	holding of any such A hearing AS DESCRIBED IN SUBSECTION (1) OF THIS
10	SECTION, the board or the office shall provide notice to any A person WHO
11	previously filing FILED a protest or petition for a hearing or statement in
12	support of an application pursuant to section 34-32-114 and shall publish
13	notice of the time, date, and location of the hearing ON THE DIVISION
14	WEBSITE AND in a newspaper of general circulation in the locality of the
15	proposed mining operation once a week for two consecutive weeks
16	immediately prior to the hearing. The hearing shall be conducted as a
17	proceeding pursuant to article 4 of title 24. C.R.S. A final decision on the
18	application shall be made within one hundred twenty days after the
19	receipt of the application. In the event of complex applications, serious
20	unforeseen circumstances, or significant snow cover on the affected land
21	that prevents a necessary on-site inspection, the board or the office may
22	reasonably extend the maximum time FOR A FINAL DECISION BY sixty
23	days. In the event of in situ leach mining operations, a final decision on
24	the application will SHALL be made within two hundred forty days.
25	SECTION 7. In Colorado Revised Statutes, 34-32-116, amend
26	(7)(e) as follows:
27	34-32-116. Duties of operators - reclamation plans.

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(7) Reclamation plans and the implementation of reclamation plans must 2 conform to the following general requirements: 3 (e) In those areas where revegetation is part of the reclamation 4 plan, land shall be revegetated in such a way as to establish a diverse, 5 effective, and long-lasting vegetative cover that is capable of 6 self-regeneration and at least equal in extent of cover to the natural 7 vegetation of the surrounding area. Native PLANT species THAT 8 ENCOURAGE POLLINATORS should receive first consideration, but 9 introduced species may be used in the revegetation process when found 10 desirable by the board. 11 **SECTION 8.** In Colorado Revised Statutes, 34-32-117, amend 12 (3)(b), (3)(d)(II), (3)(f)(IV), (3)(f)(V)(A), (4)(c)(II), (6)(a), (6)(b)(I),13 (6)(c), (6)(e), (6)(f), and (6)(g); and repeal (3)(f)(V)(C), (3)(f)(V)(D), 14 (3)(f)(V)(E), and (8) as follows: 15 34-32-117. Warranties of performance - warranties of 16 financial responsibility - release of warranties - applicability. 17 (3) (b) The board may accept interests in real and personal property as 18 financial warranties to WHERE THE AMOUNT OF THE RECLAMATION 19 LIABILITY EXCEEDS THIRTY MILLION DOLLARS. THE BOARD MAY 20 DETERMINE the extent of a specified percentage of the estimated 21 APPRAISED value of any such THE property, Any NOT TO EXCEED 22 SEVENTY-FIVE PERCENT OF THE APPRAISED VALUE. A person offering such 23 financial warranty shall submit THE information necessary to show clear 24 title to and the value of such THE property. 25 (d) For nondesignated mining operations: 26 (II) This subsection (3) shall be IS applicable on January 1, 1996,

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to:

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1	(A) Deeds of trust existing as of July 1, 1993, and subsequent
2	updates of these same THE deeds of trust used as collateral for financial
3	warranties. and
4	(B) Any financial warranty completed before July 1, 1993, if the
5	value of any such financial warranty includes any mineral value or if
6	mineral value is used to update any such financial warranty. The value of
7	any financial warranty described in this sub-subparagraph (B) shall
8	include mineral value for the life of the warranty.
9	(f) Proof of financial responsibility may consist of any one or
10	more of the following, subject to approval by the board:
11	(IV) A deed of trust or security agreement encumbering real or
12	personal property and creating a first lien in favor of the state FOR
13	LIABILITIES EXCEEDING <u>THIRTY</u> MILLION DOLLARS;
14	(V) Assurance, in such form as the board may require, that:
15	(A) Upon commencement of production OR WHEN SITE
16	CONDITIONS AND LIABILITIES CHANGE, the operator will establish an
17	individual reclamation fund, to be held by an independent trustee for the
18	board, upon such terms and conditions as the board may prescribe, which
19	trust fund shall be funded by periodic cash payments representing such
20	fraction of receipts as will, in the opinion of the board, provide assurance
21	that funds MONEY will be available for reclamation; AND
22	(C) Project-related fixtures and equipment (excluding rolling
23	stock) owned or to be owned by the financial warrantor within the permit
24	area will have a salvage value at least equal to the amount of the financial
25	warranty, or the appropriate portion thereof;
26	(D) Existing liens and encumbrances applicable to said fixtures

and equipment, other than liens in favor of the United States or this state,

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any other state, and any political subdivisions, will be subordinated to the lien described in section 34-32-118 (4)(b); and

- (E) Said fixtures and equipment will be maintained in good operating condition and will not be removed from the permit area without the prior consent of the board;
- (4) (c) (II) A AN OPERATOR OR A financial warrantor shall have HAS sixty days after the date of notice of any such AN adjustment to fulfill all THE new requirements.
- (6) (a) Financial warranties shall be maintained in good standing for the entire life of any permit issued under this article. Financial warrantors ARTICLE 32. AN OPERATOR OR A FINANCIAL WARRANTOR shall immediately notify the board of any AN event which THAT may impair their THE OPERATOR'S OR THE FINANCIAL WARRANTOR'S warranties.
- (b) (I) Each OPERATOR AND financial warrantor providing proof of financial responsibility in a form described in subsection (3)(f)(IV), (3)(f)(V) or (8) of this section shall annually cause to be filed with the board a certification by an independent auditor that, as of the close of the financial warrantor's OPERATOR'S most recent fiscal year, the OPERATOR AND THE financial warrantor continued to meet all applicable requirements of the applicable subsection. Financial warrantors AN OPERATOR OR A FINANCIAL WARRANTOR that no longer meet MEETS the requirements shall instead cause to be filed an alternate form of financial warranty.
- (c) Each OPERATOR AND financial warrantor providing proof of financial responsibility in a form described in subsection (3)(f)(IV), (3)(f)(V) or (8) of this section shall notify the board within sixty days of $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in $\frac{\partial f}{\partial f}(V)$ and $\frac{\partial f}{\partial f}(V)$ are loss incurred in

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(e) Whenever the board elects to convene a hearing pursuant to this subsection (6), it may hire an independent consultant to provide expert advice at the hearing. The fees of any such THE consultant shall be paid by the financial warrantor OPERATOR, and no A consultant shall NOT be hired until the financial warrantor OPERATOR signs a written fee agreement in such form as the board may prescribe. In the event that a financial warrantor AN OPERATOR refuses to sign such an agreement, the board may, without hearing, order the financial warrantor OPERATOR to provide an alternate form of financial warranty.

- (f) At any A hearing held pursuant to this subsection (6), if the board finds that a financial warranty has been materially impaired, it THE BOARD may order the OPERATOR OR THE financial warrantor to provide an alternate form of financial warranty.
- (g) A AN OPERATOR OR A financial warrantor shall have HAS ninety days to provide any AN alternate warranty required under this subsection (6).
- (8) (a) The board or office may, in its discretion, accept a first priority lien in the amount of the financial warranty prescribed pursuant to subsection (4) of this section on any project-related fixtures and equipment that must remain on-site in order for the reclamation plan to be performed in lieu of including the cost of acquiring and installing such fixtures and equipment.
- (b) The board or office may accept a first priority lien on any project-related fixtures and equipment that must be demolished or removed from the site under the reclamation plan. The board or office may, in its discretion, accept such a lien as a portion of the proof of financial responsibility if the amount credited for such lien does not

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exceed the cost of demolishing and removing the subject fixtures and equipment or the market value of such fixtures and equipment, whichever is less.

(c) Any fixtures and equipment accepted pursuant to this subsection (8) shall be insured and maintained in good operating condition and shall not be removed from the permit area without the prior consent of the board. Each financial warrantor providing a lien on such equipment and fixtures shall file an annual report with the office in sufficient detail to fully describe the condition, value, and location of all pledged fixtures and equipment. Such financial warrantor shall not pledge such equipment and fixtures to secure any other obligation and shall immediately notify the office of any other interest that arises in the pledged property.

SECTION 9. In Colorado Revised Statutes, 34-32-118, **amend** (5); and **repeal** (4)(b) <u>and (4)(c)</u> as follows:

34-32-118. Forfeiture of financial warranties. (4) (b) The amount of any forfeited financial warranty shall be a lien in favor of this state upon any project-related fixtures or equipment offered as proof of financial responsibility pursuant to section 34-32-117 (3)(f)(V).

- (c) Said lien shall have priority over all other liens and encumbrances irrespective of the date of recordation, except liens of record on June 19, 1981, and liens of the United States, the state, and political subdivisions thereof for unpaid taxes, and shall attach and be deemed perfected as of the date the board approves issuance of the operator's permit.
- (5) Funds MONEY recovered by the attorney general in proceedings brought pursuant to subsection (4) of this section shall be

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1 held in the account described in section 34-32-122 and shall be used to 2 reclaim lands covered by the forfeited warranties. except that five percent 3 of the amount of the financial warranty shall be deposited in the mined 4 land reclamation fund, created in section 34-32-127, to cover the 5 administrative costs incurred by the office in performing reclamation. The 6 board shall have HAS a right of entry to reclaim said THE lands. Upon 7 completion of such THE reclamation, the board shall present to the 8 financial warrantor a full accounting and shall refund all unspent moneys 9 MONEY. 10 **SECTION 10.** In Colorado Revised Statutes, 34-32-122, amend 11 (1)(a) and (2) as follows: 12 34-32-122. Fees, civil penalties, and forfeitures - deposit -13 emergency response cash fund - created - definition. (1) (a) All fees 14 and assessments collected pursuant to this article and five percent of the 15 proceeds of any financial warranty forfeited pursuant to section 16 34-32-118 ARTICLE 32 shall be deposited in the mined land reclamation 17 fund for administrative costs associated with reclaiming sites for which 18 the financial warranty has been revoked CREATED IN SECTION 34-32-127. 19 All civil penalties collected under the provisions of this article THIS 20 ARTICLE 32 shall be deposited in the general fund. Ninety-five ONE 21 HUNDRED percent of the proceeds of all financial warranties forfeited 22 under the provisions of section 34-32-118 shall be deposited in a special 23 account in the general fund established by the board for the purposes of 24 reclaiming lands which THAT were obligated to be reclaimed under the 25 permits upon which such THE financial warranties have been forfeited. 26 (2) Any AN applicant that desires to utilize the self-insurance

provisions listed in section 34-32-117 $\frac{(3)(f)(IV)}{(3)(f)(V)}$, or $\frac{(8)}{(8)}$

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1	(3)(f)(IV) OR (3)(f)(V) shall pay an annual fee to the office sufficient to
2	defray the actual cost to the office of establishing and reviewing the
3	financial warranty of the applicant. These funds are hereby MONEY
4	COLLECTED AS SUCH FEES IS annually made available to the office, which
5	shall utilize outside financial and legal services for this purpose.
6	SECTION 11. In Colorado Revised Statutes, 34-32-124.5,
7	amend (1)(b) as follows:
8	34-32-124.5. Emergencies endangering public health or
9	welfare or environment. (1) Following an investigation, an emergency
10	response is justified pursuant to section 34-32-122 (3) if the board or
11	office determines that:
12	(b) Circumstances exist, regardless of whether caused by a person,
13	at a legacy mine site that create a danger to public health or welfare or the
14	environment. For purposes of this paragraph (b), "legacy mine site"
15	means a site where hard rock mining operations have been abandoned as
16	those terms are defined in section 34-34-101 (1)(b) and (4).
17	SECTION 12. In Colorado Revised Statutes, 34-32-127, amend
18	(2)(a)(I)(A) as follows:
19	34-32-127. Mined land reclamation fund - created - fees - fee
20	adjustments - rules. (2) (a) The office shall collect fees for fiscal year
21	2014-15 and for each subsequent year of operation for operations
22	according to the following schedule:
23	(I) Applications pursuant to:
24	(A) Section 34-32-110 (1) (1) AND (9) \$288
25	SECTION 13. In Colorado Revised Statutes, 34-32.5-112,
26	amend (1)(b) introductory portion; and repeal (1)(b)(I) as follows:
2.7	34-32.5-112. Application for reclamation permit - changes in

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1	permits - fees - notice. (1) (b) Each AN application shall consist SHALL
2	BE FILED THROUGH BOARD-APPROVED METHODS AND CONSISTS of:
3	(I) Five copies of the application;
4	SECTION 14. In Colorado Revised Statutes, 34-32.5-115,
5	amend (2) as follows:
6	34-32.5-115. Action by board - appeals. (2) Prior to Before
7	holding a hearing AS DESCRIBED IN SUBSECTION (1) OF THIS SECTION, the
8	board or the office shall provide notice to any A person who filed a
9	protest or petition for a hearing or statement in support of an application
10	pursuant to section 34-32.5-114. Notice of the time, date, and location of
11	the hearing shall be published ON THE DIVISION WEBSITE AND in a
12	newspaper of general circulation in the locality of the proposed mining
13	operation once a week for the two consecutive weeks immediately
14	preceding the hearing. The hearing shall be conducted pursuant to article
15	4 of title 24. C.R.S. A final decision on the application shall be made
16	within one hundred twenty days after the receipt of the application. In the
17	event of complex applications, serious unforeseen circumstances, or
18	significant snow cover on the affected land that prevents a necessary
19	on-site inspection, the board may reasonably extend the time in which a
20	final decision must be made by sixty days.
21	SECTION 15. In Colorado Revised Statutes, 34-32.5-116,
22	amend (4) introductory portion and (4)(f) as follows:
23	34-32.5-116. Duties of operators - reclamation plans.
24	(4) Reclamation plans and their implementation are required on all
25	affected lands and shall MUST conform to the following requirements:
26	(f) In those areas where revegetation is part of the reclamation
27	plan, land shall be revegetated so that a diverse, effective, and

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1	long-lasting vegetative cover is established that is capable of
2	self-regeneration and is at least equal, with respect to the extent of cover,
3	to the natural vegetation of the surrounding area. Species chosen for
4	NATIVE PLANT SPECIES THAT ENCOURAGE POLLINATORS SHOULD RECEIVE
5	FIRST CONSIDERATION, BUT INTRODUCED SPECIES MAY BE USED IN THE
6	REVEGETATION PROCESS WHEN FOUND DESIRABLE BY THE BOARD.
7	Revegetation shall MUST be compatible for the proposed post-extraction
8	land use and shall be of adequate diversity to establish successful
9	reclamation.
10	SECTION 16. In Colorado Revised Statutes, 34-32.5-117,
11	amend (3)(b), (3)(d)(II), (3)(f)(IV), (3)(f)(V)(A), (4)(c)(II), (6)(a), (6)(b),
12	(6)(c), (6)(e), (6)(f), and (6)(g); and repeal (3)(f)(V)(C), (3)(f)(V)(D),
13	(3)(f)(V)(E), (3)(f)(VI), (3)(f)(VII), and (8) as follows:
14	34-32.5-117. Warranties of performance - warranties of
14 15	34-32.5-117. Warranties of performance - warranties of financial responsibility - release of warranties - definitions.
15	financial responsibility - release of warranties - definitions.
15 16	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as
15 16 17	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as financial warranties to WHERE THE AMOUNT OF THE RECLAMATION
15 16 17 18	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as financial warranties to WHERE THE AMOUNT OF THE RECLAMATION LIABILITY EXCEEDS FIFTY MILLION DOLLARS. THE BOARD MAY DETERMINE
15 16 17 18 19	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as financial warranties to WHERE THE AMOUNT OF THE RECLAMATION LIABILITY EXCEEDS FIFTY MILLION DOLLARS. THE BOARD MAY DETERMINE the extent of a specified percentage of the estimated APPRAISED value of
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15 16 17 18 19 20 21	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as financial warranties to WHERE THE AMOUNT OF THE RECLAMATION LIABILITY EXCEEDS FIFTY MILLION DOLLARS. THE BOARD MAY DETERMINE the extent of a specified percentage of the estimated APPRAISED value of such THE property, NOT TO EXCEED SEVENTY-FIVE PERCENT OF THE APPRAISED VALUE. A person offering such a financial warranty shall
15 16 17 18 19 20 21 22	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as financial warranties to WHERE THE AMOUNT OF THE RECLAMATION LIABILITY EXCEEDS FIFTY MILLION DOLLARS. THE BOARD MAY DETERMINE the extent of a specified percentage of the estimated APPRAISED value of such THE property, NOT TO EXCEED SEVENTY-FIVE PERCENT OF THE APPRAISED VALUE. A person offering such a financial warranty shall submit information to show clear title to and the value of such THE
15 16 17 18 19 20 21 22 23	financial responsibility - release of warranties - definitions. (3) (b) The board may accept interests in real and personal property as financial warranties to WHERE THE AMOUNT OF THE RECLAMATION LIABILITY EXCEEDS FIFTY MILLION DOLLARS. THE BOARD MAY DETERMINE the extent of a specified percentage of the estimated APPRAISED value of such THE property, NOT TO EXCEED SEVENTY-FIVE PERCENT OF THE APPRAISED VALUE. A person offering such a financial warranty shall submit information to show clear title to and the value of such THE property.

(A) Financial warranty that is collateral for a deed of trust used as

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collateral for a financial warranty in existence on July 1, 1993, and subsequent amendments of such THE deed of trust. and

- (B) Financial warranty completed before July 1, 1993, if the value of such financial warranty includes a construction material value or if construction material value is used to update such warranty. The value of a financial warranty described in this sub-subparagraph (B) shall include the construction material value for the life of the warranty.
- (f) Proof of financial responsibility may consist of one or more of the following, subject to approval by the board:
- (IV) A deed of trust or security agreement encumbering real or personal property and creating a first lien in favor of this state FOR LIABILITIES EXCEEDING FIFTY MILLION DOLLARS;
 - (V) Assurance, in such form as the board may require, that:
- (A) Upon commencement of production, OR WHEN SITE CONDITIONS AND LIABILITIES CHANGE, the operator will establish an individual reclamation fund to be held by an independent trustee for the board, upon such terms and conditions as the board may prescribe, and funded by periodic cash payments representing such fraction of receipts as will, in the opinion of the board, provide assurance that funds MONEY will be available for reclamation; AND
- (C) Project-related fixtures and equipment, excluding rolling stock, owned or to be owned by the financial warrantor within the permit area will have a salvage value at least equal to the amount of the financial warranty or the appropriate portion of such warranty;
- (D) Existing liens and encumbrances applicable to project-related fixtures and equipment shall be subordinated to the lien described in section 34-32.5-118; except that liens in favor of the United States, a

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1	state, of a political subdivision shall not be so subordinated,
2	(E) Project-related fixtures and equipment shall be maintained in
3	good operating condition and will not be removed from the permit area
4	without the prior consent of the board;
5	(VI) A certified financial statement for the financial warrantor's
6	most recent fiscal year and a certification by an independent auditor that:
7	(A) The financial warrantor is the issuer of one or more currently
8	outstanding senior credit obligations that have been rated by a nationally
9	recognized rating organization;
10	(B) The obligations enjoy a rating by such rating organization of
11	'A' or better;
12	(C) The financial warrantor's net worth was at least twice the
13	amount of all financial warranties made by such warrantor as of the close
14	of the most recent fiscal year;
15	(VII) A certified financial statement for the financial warrantor's
16	most recent fiscal year and a certification by an independent auditor that
17	as of the close of such year the financial warrantor's:
18	(A) Net worth was at least ten million dollars and was equal to or
19	greater than twice the amount of all financial warranties;
20	(B) Tangible fixed assets in the United States were worth at least
21	twenty million dollars;
22	(C) Total liabilities-to-net-worth ratio was not more than two to
23	one;
24	(D) Net income, excluding nonrecurring items, was positive.
25	Nonrecurring items that affect net income shall be stated in order to
26	determine if they materially affect self-bonding capacity.
27	(4) (c) (II) A AN OPERATOR OR A financial warrantor shall have

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HAS sixty days after the date of notice of an adjustment to fulfill the new requirements.

- (6) (a) A financial warranty shall be maintained in good standing for the entire life of a permit issued under this article. A ARTICLE 32.5. AN OPERATOR OR A financial warrantor shall immediately notify the board of an event that may impair its THE OPERATOR'S OR THE FINANCIAL WARRANTOR'S warranty.
- (b) Each OPERATOR AND financial warrantor who THAT provides proof of financial responsibility in a form described in subsection (3)(f)(IV) to (3)(f)(VII) or subsection (8) (3)(f)(IV) OR (3)(f)(V) of this section shall cause to be filed with the board a certification by an independent auditor. Such THE certification shall be filed annually and shall MUST provide that, as of the close of the financial warrantor's OPERATOR'S most recent fiscal year, such THE OPERATOR AND THE financial warrantor continued to meet all applicable requirements of such subparagraphs (IV) to (VII). A SUBSECTIONS (3)(f)(IV) AND (3)(f)(V) OF THIS SECTION. AN OPERATOR OR A financial warrantor who THAT no longer meets such THE requirements shall cause to be filed an alternate form of financial warranty.
- (c) A AN OPERATOR OR A financial warrantor who THAT provides proof of financial responsibility in a form described in paragraph (b) of this subsection (6) SUBSECTION (6)(b) OF THIS SECTION shall notify the board within sixty days after a net loss is incurred in a quarterly period.
- (e) Whenever the board convenes a hearing pursuant to this subsection (6), it may hire an independent consultant to provide expert advice at the hearing. The fees of any such THE consultant shall be paid by the financial warrantor OPERATOR, and no A consultant shall NOT be

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hired until the financial warrantor OPERATOR signs a written fee agreement in such form as the board may prescribe. If a financial warrantor AN OPERATOR refuses to sign such an agreement, the board may, without hearing, order such financial warrantor THE OPERATOR to provide an alternate form of financial warranty.

- (f) If the board finds, at any A hearing held pursuant to this subsection (6), that a financial warranty has been materially impaired, it may order the OPERATOR OR THE financial warrantor to provide an alternate form of financial warranty.
- (g) A AN OPERATOR OR A financial warrantor shall have HAS ninety days to provide any AN alternate warranty required under this subsection (6).
- (8) (a) The board or office may accept a first-priority lien on project-related fixtures and equipment that must remain on site for the reclamation plan to be performed in lieu of including the cost of acquiring and installing such fixtures and equipment in the amount of the financial warranty prescribed pursuant to subsection (4) of this section.
- (b) The board or office may accept a first-priority lien on project-related fixtures and equipment that must be demolished or removed from the site under a reclamation plan and may, in its discretion, accept such a lien as a portion of the proof of financial responsibility if the amount credited does not exceed the cost of demolishing and removing such fixtures and equipment or the market value of such fixtures and equipment, whichever is less.
- (c) Any fixtures and equipment accepted pursuant to this subsection (8) shall be insured and maintained in good operating condition and shall not be removed from the permit area without the prior

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consent of the board. A financial warrantor that provides a lien on such equipment and fixtures shall file an annual report with the office in sufficient detail to fully describe the condition, value, and location of all pledged fixtures and equipment. Such financial warrantor shall not pledge such equipment and fixtures to secure any other obligation and shall immediately notify the office of any other interest that arises in the pledged property. **SECTION 17.** In Colorado Revised Statutes, 34-32.5-118,

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amend (5); and **repeal** (4)(b) and (4)(c) as follows:

34-32.5-118. Forfeiture of financial warranties. (4) (b) The amount of a forfeited financial warranty shall constitute a lien upon project-related fixtures or equipment offered as proof of financial responsibility pursuant to section 34-32.5-117. Such lien shall be in favor of this state.

- (c) The lien described in paragraph (b) of this subsection (4) shall have priority over all other liens and encumbrances, irrespective of the date of recordation, except liens of record on June 19, 1981, and liens of the United States, this state, and political subdivisions of this state for unpaid taxes and shall attach and be deemed perfected as of the date the board approves issuance of the operator's permit.
- (5) Funds MONEY recovered by the attorney general in proceedings brought pursuant to subsection (4) of this section shall be held in the special account described in section 34-32.5-122 and shall be used to reclaim lands covered by forfeited warranties. except that five percent of the amount of such forfeited warranties shall be deposited in the mined land reclamation fund, created in section 34-32-127, to cover administrative costs incurred by the office in performing reclamation. The

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1	board shall have HAS a right of entry to reclaim such THE lands, and, upon
2	completion of such THE reclamation, the board shall present a full
3	accounting to the financial warrantor and shall refund all unspent moneys
4	MONEY.
5	SECTION 18. In Colorado Revised Statutes, amend 34-32.5-122
6	as follows:
7	34-32.5-122. Fees, civil penalties, and forfeitures - deposit.
8	(1) All fees and assessments collected pursuant to this article and five
9	percent of the proceeds of any financial warranty forfeited pursuant to
10	section 34-32.5-123 for administrative costs associated with reclaiming
11	sites for which the financial warranty has been revoked ARTICLE 32.5
12	shall be deposited in the mined land reclamation fund created in section
13	34-32-127. All civil penalties collected pursuant to this article ARTICLE
14	32.5 shall be deposited in the general fund. Ninety-five ONE HUNDRED
15	percent of the proceeds of all financial warranties forfeited under section
16	34-32.5-118 shall be deposited in a special account in the general fund
17	established by the board for the purpose of reclaiming lands that were
18	required to be reclaimed under permits upon which such THE financial
19	warranties had been forfeited.
20	(2) An applicant that desires to use the self-insurance provisions
21	in section 34-32.5-117 (3)(f)(IV) to (3)(f)(VII) or (8) shall pay an annual
22	fee to the office sufficient to defray the actual cost to the office of
23	establishing and reviewing the financial warranty of such applicant. Such
24	funds are hereby annually made available to the office, which shall utilize
25	outside financial and legal services for this purpose.
26	SECTION 19. In Colorado Revised Statutes, add part 50 to
2.7	article 60 of title 24 as follows:

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1	PART 50
2	INTERSTATE MINING COMPACT
3	24-60-5001. Short title. The short title of this part 50 is the
4	"INTERSTATE MINING COMPACT".
5	24-60-5002. Ratification of interstate mining compact. THE
6	GENERAL ASSEMBLY RATIFIES AND ENTERS INTO THE INTERSTATE MINING
7	COMPACT WITH ALL STATES THAT ENACT THE COMPACT IN THE FORM
8	SUBSTANTIALLY CONTAINED IN SECTION 24-60-5003.
9	24-60-5003. Text of interstate mining compact - legislative
10	declaration - definitions. (1) Legislative declaration. The General
11	ASSEMBLY FINDS THAT:
12	(a) MINING AND THE CONTRIBUTIONS OF MINING TO THE ECONOMY
13	AND WELL-BEING OF EVERY STATE ARE OF BASIC SIGNIFICANCE;
14	(b) The effects of mining on the availability of land,
15	WATER, AND OTHER RESOURCES FOR OTHER USES PRESENT SPECIAL
16	PROBLEMS THAT PROPERLY CAN BE APPROACHED ONLY WITH DUE
17	CONSIDERATION FOR THE RIGHTS AND INTERESTS OF THOSE ENGAGED IN
18	MINING, THOSE USING OR PROPOSING TO USE THESE RESOURCES FOR OTHER
19	PURPOSES, AND THE PUBLIC;
20	(c) MEASURES FOR THE REDUCTION OF THE ADVERSE EFFECTS OF
21	MINING ON LAND, WATER, AND OTHER RESOURCES MAY BE COSTLY, AND
22	THE DEVISING OF MEANS TO DEAL WITH THEM ARE OF BOTH PUBLIC AND
23	PRIVATE CONCERN;
24	(d) VARIABLES INCLUDING SOIL STRUCTURE AND COMPOSITION,
25	PHYSIOGRAPHY, CLIMATIC CONDITIONS, AND THE NEEDS OF THE PUBLIC
26	MAKE IMPRACTICABLE THE APPLICATION TO ALL MINING AREAS OF A
27	SINGLE STANDARD FOR THE CONSERVATION, ADAPTATION, OR

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1	RESTORATION OF MINED LAND OR THE DEVELOPMENT OF MINERAL AND
2	OTHER NATURAL RESOURCES, BUT JUSTIFIABLE REQUIREMENTS OF LAW
3	AND PRACTICE RELATING TO THE EFFECTS OF MINING ON LANDS, WATER,
4	AND OTHER RESOURCES MAY BE REDUCED IN EQUITY OR EFFECTIVENESS
5	UNLESS THEY PERTAIN SIMILARLY FROM STATE TO STATE FOR ALL MINING
6	OPERATIONS SIMILARLY SITUATED; AND
7	(e) THE STATES ARE IN A POSITION AND HAVE THE RESPONSIBILITY
8	TO ASSURE THAT MINING IS CONDUCTED IN ACCORDANCE WITH SOUND
9	CONSERVATION PRINCIPLES AND WITH DUE REGARD FOR LOCAL
10	CONDITIONS.
11	(2) Purposes. The purposes of this compact are to:
12	(a) ADVANCE THE PROTECTION AND RESTORATION OF LAND,
13	WATER, AND OTHER RESOURCES AFFECTED BY MINING;
14	(b) Assist in the reduction or elimination or
15	COUNTERACTING OF POLLUTION OR DETERIORATION OF LAND, WATER, AND
16	AIR ATTRIBUTABLE TO MINING;
17	(c) Encourage, with due recognition of relevant regional,
18	PHYSICAL, AND OTHER DIFFERENCES, PROGRAMS IN EACH OF THE PARTY
19	STATES THAT WILL ACHIEVE COMPARABLE RESULTS IN PROTECTING,
20	CONSERVING, AND IMPROVING THE USEFULNESS OF NATURAL RESOURCES,
21	TO THE END THAT THE MOST DESIRABLE CONDUCT OF MINING AND
22	RELATED OPERATIONS MAY BE UNIVERSALLY FACILITATED;
23	(d) Assist the party states in their efforts to facilitate
24	THE USE OF LAND AND OTHER RESOURCES AFFECTED BY MINING, SO THAT
25	THE USE MAY BE CONSISTENT WITH SOUND LAND USE, PUBLIC HEALTH,
26	AND PUBLIC SAFETY, AND TO THIS END TO STUDY AND RECOMMEND,
27	WHEREVER DESIRABLE, TECHNIQUES FOR THE IMPROVEMENT,

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1	RESTORATION, OR PROTECTION OF THE LAND AND OTHER RESOURCES; AND
2	(e) Assist in achieving and maintaining an efficient and
3	PRODUCTIVE MINING INDUSTRY AND IN INCREASING ECONOMIC AND OTHER
4	BENEFITS ATTRIBUTABLE TO MINING.
5	(3) Definitions. As used in this part 50, unless the context
6	OTHERWISE REQUIRES:
7	(a) "COMMISSION" MEANS THE INTERSTATE MINING COMMISSION
8	ESTABLISHED IN SUBSECTION (6) OF THIS SECTION.
9	(b) "MINING" MEANS THE BREAKING OF THE SURFACE SOIL IN
10	ORDER TO FACILITATE OR ACCOMPLISH THE EXTRACTION OR REMOVAL OF
11	MINERALS, ORES, OR OTHER SOLID MATTER; ANY ACTIVITY OR PROCESS
12	CONSTITUTING ALL OR PART OF A PROCESS FOR THE EXTRACTION OR
13	REMOVAL OF MINERALS, ORES, OR OTHER SOLID MATTER FROM ITS
14	ORIGINAL LOCATION; AND THE PREPARATION, WASHING, CLEANING, OR
15	OTHER TREATMENT OF MINERALS, ORES, OR OTHER SOLID MATTER SO AS
16	TO MAKE THEM SUITABLE FOR COMMERCIAL, INDUSTRIAL, OR
17	CONSTRUCTION USE. "MINING" DOES NOT INCLUDE:
18	(I) ASPECTS OF DEEP MINING THAT DO NOT HAVE SIGNIFICANT
19	EFFECT ON THE SURFACE; OR
20	(II) EXCAVATION OF GRADING WHEN CONDUCTED SOLELY IN AID
21	OF ON-SITE FARMING OR CONSTRUCTION.
22	(c) "STATE" MEANS A STATE OF THE UNITED STATES, THE DISTRICT
23	OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO, OR A TERRITORY
24	OR POSSESSION OF THE UNITED STATES.
25	(4) State programs. Each party state agrees that within a
26	REASONABLE TIME IT WILL FORMULATE AND ESTABLISH AN EFFECTIVE
27	PROGRAM FOR THE CONSERVATION AND USE OF MINED LAND BY THE

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1	ESTABLISHMENT OF STANDARDS, THE ENACTMENT OF LAWS, OR THE
2	CONTINUING OF THE SAME IN FORCE, TO ACCOMPLISH:
3	(a) THE PROTECTION OF THE PUBLIC AND THE PROTECTION OF
4	ADJOINING AND OTHER LANDOWNERS FROM DAMAGE TO THEIR LANDS AND
5	THE STRUCTURES AND OTHER PROPERTY ON THAT LAND RESULTING FROM
6	THE CONDUCT OF MINING OPERATIONS OR THE ABANDONMENT OR
7	NEGLECT OF LAND AND PROPERTY FORMERLY USED IN THE CONDUCT OF
8	THOSE OPERATIONS;
9	(b) THE CONDUCT OF MINING AND THE HANDLING OF REFUSE AND
10	OTHER MINING WASTES IN WAYS THAT WILL REDUCE ADVERSE EFFECTS ON
11	THE ECONOMIC, RESIDENTIAL, RECREATIONAL, OR AESTHETIC VALUE AND
12	UTILITY OF LAND AND WATER;
13	(c) THE INSTITUTION AND MAINTENANCE OF SUITABLE PROGRAMS
14	OF ADAPTATION, RESTORATION, AND REHABILITATION OF MINED LANDS;
15	AND
16	(d) THE PREVENTION, ABATEMENT, AND CONTROL OF WATER, AIR,
17	AND SOIL POLLUTION RESULTING FROM MINING IN THE PAST, PRESENT, AND
18	FUTURE.
19	(5) Powers. In addition to any other powers conferred
20	UPON THE INTERSTATE MINING COMMISSION ESTABLISHED BY SUBSECTION
21	(6) OF THIS SECTION, THE COMMISSION SHALL HAVE POWER TO:
22	(a) STUDY MINING OPERATIONS, PROCESSES, AND TECHNIQUES FOR
23	THE PURPOSE OF GAINING KNOWLEDGE CONCERNING THE EFFECTS OF THE
24	OPERATIONS, PROCESSES, AND TECHNIQUES ON LAND, SOIL, WATER, AIR,
25	PLANT AND ANIMAL LIFE, RECREATION, AND PATTERNS OF COMMUNITY OR
26	REGIONAL DEVELOPMENT OR CHANGE;
27	(b) STUDY THE CONSERVATION, ADAPTATION, IMPROVEMENT, AND

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1	RESTORATION OF LAND AND RELATED RESOURCES AFFECTED BY MINING;
2	(c) Make recommendations concerning any aspect or
3	ASPECTS OF LAW OR PRACTICE AND GOVERNMENTAL ADMINISTRATION
4	DEALING WITH MATTERS WITHIN THE PURVIEW OF THIS COMPACT;
5	(d) GATHER AND DISSEMINATE INFORMATION RELATING TO ANY OF
6	THE MATTERS WITHIN THE PURVIEW OF THIS COMPACT;
7	(e) COOPERATE WITH THE FEDERAL GOVERNMENT AND ANY PUBLIC
8	OR PRIVATE ENTITIES HAVING INTERESTS IN ANY SUBJECT COMING WITHIN
9	THE PURVIEW OF THIS COMPACT;
10	(f) CONSULT, UPON THE REQUEST OF A PARTY STATE AND WITHIN
11	AVAILABLE RESOURCES, WITH THE OFFICIALS OF THE STATE IN RESPECT TO
12	ANY PROBLEM WITHIN THE PURVIEW OF THIS COMPACT;
13	(g) STUDY AND MAKE RECOMMENDATIONS WITH RESPECT TO ANY
14	PRACTICE, PROCESS, TECHNIQUE, OR COURSE OF ACTION THAT MAY
15	IMPROVE THE EFFICIENCY OF MINING OR THE ECONOMIC YIELD FROM
16	MINING OPERATIONS; AND
17	(h) STUDY AND MAKE RECOMMENDATIONS RELATING TO THE
18	SAFEGUARDING OF ACCESS TO RESOURCES THAT ARE OR MAY BECOME THE
19	SUBJECT OF MINING OPERATIONS TO THE END THAT THE NEEDS OF THE
20	ECONOMY FOR THE PRODUCTS OF MINING MAY NOT BE ADVERSELY
21	AFFECTED BY UNPLANNED OR INAPPROPRIATE USE OF LAND AND OTHER
22	RESOURCES CONTAINING MINERALS OR OTHERWISE CONNECTED WITH
23	ACTUAL OR POTENTIAL MINING SITES.
24	(6) The commission. (a) The interstate mining commission
25	IS COMPOSED OF ONE COMMISSIONER FROM EACH PARTY STATE WHO IS THE
26	GOVERNOR OF THAT STATE. PURSUANT TO THE LAWS OF EACH PARTY
27	STATE, EACH GOVERNOR SHALL HAVE THE ASSISTANCE OF AN ADVISORY

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BODY, WHICH INCLUDES MEMBERSHIP FROM MINING INDUSTRIES, CONSERVATION INTERESTS, AND OTHER PUBLIC AND PRIVATE INTERESTS AS MAY BE APPROPRIATE, IN CONSIDERING PROBLEMS RELATING TO MINING AND IN DISCHARGING THE RESPONSIBILITIES AS A COMMISSIONER ON THE COMMISSION. IN ANY INSTANCE WHERE A GOVERNOR IS UNABLE TO ATTEND A MEETING OF THE COMMISSION OR PERFORM ANY OTHER FUNCTION IN CONNECTION WITH THE BUSINESS OF THE COMMISSION, THE GOVERNOR SHALL DESIGNATE AN ALTERNATE FROM AMONG THE MEMBERS OF THE ADVISORY BODY REQUIRED BY THIS SUBSECTION (6), WHO SHALL REPRESENT THE GOVERNOR AND ACT IN THE GOVERNOR'S PLACE AND STEAD. THE DESIGNATION OF AN ALTERNATE SHALL BE COMMUNICATED BY THE GOVERNOR TO THE COMMISSION AS PROVIDED IN ITS BYLAWS. (b) EACH COMMISSIONER IS ENTITLED TO ONE VOTE. AN ACTION OF THE COMMISSION MAKING A RECOMMENDATION PURSUANT TO SUBSECTION (5)(c), (5)(g), or (5)(h) of this section or requesting, accepting, or DISPOSING OF FUNDS, SERVICES, OR OTHER PROPERTY PURSUANT TO THIS SUBSECTION (6)(b) OR SUBSECTION (6)(g), (6)(h), OR (8) OF THIS SECTION SHALL NOT BE VALID UNLESS IT IS TAKEN AT A MEETING AT WHICH A MAJORITY OF THE TOTAL NUMBER OF VOTES ON THE COMMISSION IS CAST IN FAVOR OF THE ACTION. ALL OTHER ACTIONS SHALL BE BY A MAJORITY OF THOSE PRESENT AND VOTING, PROVIDED THAT ANY ACTION OF THE COMMISSION MAY OCCUR ONLY AT A MEETING AT WHICH A MAJORITY OF THE COMMISSIONERS, OR THEIR ALTERNATES, IS PRESENT. THE COMMISSION MAY ESTABLISH AND MAINTAIN FACILITIES AS MAY BE NECESSARY FOR THE TRANSACTION OF ITS BUSINESS. THE COMMISSION

MAY ACQUIRE, HOLD, AND CONVEY REAL AND PERSONAL PROPERTY AND

ANY INTEREST IN THAT PROPERTY.

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1 (c)	THE	COMMISSION	SHALL	HAVE A	SEAL.
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- (d) THE COMMISSION SHALL ELECT ANNUALLY, FROM AMONG ITS MEMBERS, A PRESIDING OFFICER, A VICE-PRESIDING OFFICER, AND A TREASURER. THE COMMISSION SHALL APPOINT AN EXECUTIVE DIRECTOR AND FIX THE EXECUTIVE DIRECTOR'S DUTIES AND COMPENSATION. THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE COMMISSION. THE EXECUTIVE DIRECTOR, THE TREASURER, AND OTHER PERSONNEL AS THE COMMISSION DESIGNATES SHALL BE BONDED, THE AMOUNTS OF THE BONDS ARE DETERMINED BY THE COMMISSION.
 - (e) NOTWITHSTANDING THE CIVIL SERVICE, PERSONNEL, OR OTHER MERIT SYSTEM LAWS OF ANY OF THE PARTY STATES, THE EXECUTIVE DIRECTOR, WITH THE APPROVAL OF THE COMMISSION, SHALL APPOINT, REMOVE, OR DISCHARGE PERSONNEL AS MAY BE NECESSARY FOR THE PERFORMANCE OF THE COMMISSION'S FUNCTIONS AND SHALL FIX THE DUTIES AND COMPENSATION OF PERSONNEL.
 - (f) The commission may establish and maintain, independently or in conjunction with a party state, a suitable retirement system for its employees. Employees of the commission are eligible for social security coverage in respect of old age and survivor's insurance provided that the commission takes steps necessary pursuant to the laws of the United States to participate in a program of insurance as a governmental agency or unit. The commission may establish and maintain or participate in additional programs of employee benefits as it deems appropriate.
 - (g) THE COMMISSION MAY BORROW, ACCEPT, OR CONTRACT FOR THE SERVICES OF PERSONNEL FROM ANY STATE, THE UNITED STATES, OR

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1	ANY OTHER GOVERNMENTAL AGENCY OR FROM ANY PERSON, FIRM
2	ASSOCIATION, OR CORPORATION.

- (h) THE COMMISSION MAY ACCEPT FOR ANY OF ITS PURPOSES AND FUNCTIONS UNDER THIS COMPACT ANY AND ALL DONATIONS, AND GRANTS OF MONEY, EQUIPMENT, SUPPLIES, MATERIALS, AND SERVICES, CONDITIONAL OR OTHERWISE, FROM ANY STATE, THE UNITED STATES, OR ANY OTHER GOVERNMENTAL AGENCY, OR FROM ANY PERSON, FIRM, ASSOCIATION, OR CORPORATION, AND MAY RECEIVE, UTILIZE, AND DISPOSE OF THE SAME. ANY DONATION OR GRANT ACCEPTED BY THE COMMISSION PURSUANT TO THIS SUBSECTION (6)(h) OR SERVICES BORROWED PURSUANT TO SUBSECTION (6)(g) OF THIS SECTION SHALL BE REPORTED IN THE ANNUAL REPORT OF THE COMMISSION. THE REPORT SHALL INCLUDE THE NATURE, AMOUNT, AND CONDITIONS, IF ANY, OF THE DONATION, GRANT, OR SERVICES BORROWED AND THE IDENTITY OF THE DONOR OR LENDER.
 - (i) THE COMMISSION SHALL ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS AND HAS THE POWER TO AMEND AND RESCIND THESE BYLAWS. THE COMMISSION SHALL PUBLISH ITS BYLAWS IN CONVENIENT FORM AND FILE A COPY OF ITS BYLAWS AND A COPY OF ANY AMENDMENT TO THE BYLAWS WITH THE APPROPRIATE AGENCY OR OFFICER IN EACH OF THE PARTY STATES.

- (j) The commission annually shall make to each party state's governor, legislature, and advisory body required by subsection (6)(a) of this section a report covering the activities of the commission for the preceding year and embodying the recommendations made by the commission. The commission may make additional reports as it deems desirable.
- (7) Advisory, technical, and regional committees. THE

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1	COMMISSION SHALL ESTABLISH ADVISORY, TECHNICAL, AND REGIONAL
2	COMMITTEES AS IT DEEMS NECESSARY, MEMBERSHIP ON WHICH INCLUDES
3	PRIVATE PERSONS AND PUBLIC OFFICIALS, AND SHALL COOPERATE WITH
4	THE USE AND SERVICES OF ANY COMMITTEES AND THE ORGANIZATIONS
5	THAT THE MEMBERS REPRESENT IN FURTHERING ANY OF ITS ACTIVITIES.
6	THE COMMITTEES MAY BE FORMED TO CONSIDER PROBLEMS OF SPECIAL
7	INTEREST TO ANY PARTY STATES, PROBLEMS DEALING WITH PARTICULAR
8	COMMODITIES OR TYPES OF MINING OPERATIONS, PROBLEMS RELATED TO

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LEGISLATURE.

Finance. (a) THE COMMISSION SHALL SUBMIT TO THE 12 GOVERNOR OR DESIGNATED OFFICER OR OFFICERS OF EACH PARTY STATE 13 A BUDGET OF ITS ESTIMATED EXPENDITURES FOR SUCH PERIOD AS MAY BE 14 REQUIRED BY THE LAWS OF THAT PARTY STATE FOR PRESENTATION TO THE 15

MATTERS OF CONCERN TO THE COMMISSION.

RECLAMATION, DEVELOPMENT, OR USE OF MINED LAND, OR ANY OTHER

(b) EACH OF THE COMMISSION'S BUDGETS OF ESTIMATED EXPENDITURES SHALL CONTAIN SPECIFIC RECOMMENDATIONS OF THE AMOUNT OR AMOUNTS TO BE APPROPRIATED BY EACH OF THE PARTY STATES. THE TOTAL AMOUNT OF APPROPRIATIONS REQUESTED UNDER ANY BUDGET SHALL BE APPORTIONED AMONG THE PARTY STATES AS FOLLOWS: ONE-HALF IN EOUAL SHARES AND THE REMAINDER IN PROPORTION TO THE VALUE OF MINERALS, ORES, AND OTHER SOLID MATTER MINED. IN DETERMINING THE VALUES, THE COMMISSION SHALL EMPLOY AVAILABLE PUBLIC SOURCES OF INFORMATION AS, IN ITS JUDGMENT, PRESENT THE MOST EQUITABLE AND ACCURATE COMPARISONS AMONG THE PARTY STATES. EACH OF THE COMMISSION'S BUDGETS OF ESTIMATED EXPENDITURES AND REQUESTS FOR APPROPRIATIONS SHALL INDICATE THE

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1	SOURCE OR SOURCES USED IN OBTAINING INFORMATION CONCERNING THE
2	VALUE OF MINERALS, ORES, AND OTHER SOLID MATTER MINED.

- PARTY STATE. THE COMMISSION MAY MEET ANY OF ITS OBLIGATIONS IN WHOLE OR IN PART WITH FUNDS AVAILABLE TO IT UNDER SUBSECTION (6)(h) OF THIS SECTION; PROVIDED THAT THE COMMISSION TAKES SPECIFIC ACTION SETTING ASIDE THE FUNDS PRIOR TO INCURRING ANY OBLIGATION TO BE MET IN WHOLE OR IN PART IN SUCH MANNER. EXCEPT WHERE THE COMMISSION MAKES USE OF FUNDS AVAILABLE TO IT UNDER SUBSECTION (6)(h) OF THIS SECTION, THE COMMISSION SHALL NOT INCUR ANY OBLIGATION PRIOR TO THE ALLOTMENT OF FUNDS BY THE PARTY STATES ADEQUATE TO MEET THE SAME.
 - (d) THE COMMISSION SHALL KEEP ACCURATE ACCOUNTS OF ALL RECEIPTS AND DISBURSEMENTS. THE RECEIPTS AND DISBURSEMENTS OF THE COMMISSION ARE SUBJECT TO THE AUDIT AND ACCOUNTING PROCEDURES ESTABLISHED UNDER ITS BYLAWS. ALL RECEIPTS AND DISBURSEMENTS OF FUNDS HANDLED BY THE COMMISSION SHALL BE AUDITED YEARLY BY A QUALIFIED PUBLIC ACCOUNTANT, AND THE REPORT OF THE AUDIT SHALL BE INCLUDED IN AND BECOME PART OF THE ANNUAL REPORT OF THE COMMISSION.
 - (e) THE ACCOUNTS OF THE COMMISSION SHALL BE OPEN AT ANY REASONABLE TIME FOR INSPECTION BY DULY CONSTITUTED OFFICERS OF THE PARTY STATES AND BY ANY PERSONS AUTHORIZED BY THE COMMISSION.
 - (f) This compact shall not be construed to prevent commission compliance with laws relating to the audit or inspection of accounts by or on behalf of any government

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1	CONTRIBUTING TO	THE SUPPORT	OF THE	COMMISSION
1	CONTRIBUTING TO	THE SULLOKE	OI IIIL	COMMUNICATION.

- 2 (9) Entry into force and withdrawal. (a) This compact shall enter into force when enacted into law by any four or more states. After that enactment, this compact becomes effective as to any other state upon its enactment of the compact.
- 6 (b) ANY PARTY STATE MAY WITHDRAW FROM THIS COMPACT BY
 7 ENACTING A STATUTE REPEALING THE COMPACT, BUT WITHDRAWAL DOES
 8 NOT TAKE EFFECT UNTIL ONE YEAR AFTER THE GOVERNOR OF THE
 9 WITHDRAWING STATE HAS GIVEN NOTICE IN WRITING OF THE WITHDRAWAL
 10 TO THE GOVERNORS OF ALL OTHER PARTY STATES. A WITHDRAWAL DOES
 11 NOT AFFECT ANY LIABILITY ALREADY INCURRED BY OR CHARGEABLE TO
 12 A PARTY STATE PRIOR TO THE TIME OF WITHDRAWAL.
 - (10) **Effect on other laws.** This compact does not limit, repeal, or supersede any other law of any party state.
 - LIBERALLY CONSTRUED SO AS TO EFFECTUATE THE PURPOSES OF THE COMPACT. THE PROVISIONS OF THIS COMPACT ARE SEVERABLE AND IF ANY PHRASE, CLAUSE, SENTENCE, OR PROVISION OF THIS COMPACT IS DECLARED TO BE CONTRARY TO THE CONSTITUTION OF ANY STATE OR OF THE UNITED STATES, OR THE APPLICABILITY OF THE COMPACT TO ANY GOVERNMENT, AGENCY, PERSON, OR CIRCUMSTANCE IS HELD INVALID, THE VALIDITY OF THE COMPACT TO ANY GOVERNMENT, AGENCY, PERSON, OR CIRCUMSTANCE IS NOT AFFECTED. IF THIS COMPACT IS HELD CONTRARY TO THE CONSTITUTION OF ANY STATE PARTICIPATING IN THE COMPACT, THE COMPACT REMAINS IN FULL FORCE AND EFFECT AS TO THE REMAINING PARTY STATES AND IN FULL FORCE AND EFFECT AS TO THE STATE

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2	24-60-5004. Membership and applicability. (1) THE GOVERNOR
3	MAY APPOINT A DESIGNEE TO SERVE AS THE GOVERNOR'S OFFICIAL
4	REPRESENTATIVE TO THE COMPACT AND TO PERFORM ALL FUNCTIONS IN
5	CONNECTION WITH THE BUSINESS OF THE COMPACT.
6	(2) Provisions and policies of the interstate mining
7	COMPACT MAY NOT BE CONSTRUED TO LIMIT, REPEAL, OR SUPERSEDE ANY
8	LAW OF THE STATE OF COLORADO.
9	(3) (a) The governor and the legislature, or agents of
10	EITHER, MAY INSPECT THE BOOKS AND ACCOUNTS OF THE COMMISSION AT
11	ANY REASONABLE TIME WHILE THE STATE IS A MEMBER.
12	(b) A COPY OF THE BYLAWS OF THE COMMISSION MUST BE PLACED
13	ON FILE WITH THE DEPARTMENT OF NATURAL RESOURCES AND BE
14	AVAILABLE FOR INSPECTION AT ANY REASONABLE TIME BY THE
15	LEGISLATURE OR ANY INTERESTED CITIZEN.
16	(4) THE STATE OF COLORADO IS NOT LIABLE FOR THE OBLIGATIONS
17	OR SOLVENCY OF:
18	(a) The retirement system described in section 24-60-5003
19	(6)(f); OR
20	(b) A PROGRAM OF EMPLOYEE BENEFITS DESCRIBED IN SECTION
21	24-60-5003 (6)(f).
22	24-60-5005. Expenses. The department of natural
23	RESOURCES MAY PAY ANNUALLY THE ANNUAL MEMBERSHIP DUES
24	PAYABLE TO THE COMMISSION FOR THE MEMBERSHIP OF THE STATE OF
25	COLORADO IN THAT ORGANIZATION. THE MEMBERSHIP DUES SHALL BE
26	PAID FROM MONEY COLLECTED FROM MINING FEES, ABANDONED MINE
27	LAND FEES AND FUNDS, OR NATURAL RESOURCE OPERATIONS OR FROM

AFFECTED AS TO ALL SEVERABLE MATTERS.

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I	MONEY GRANTED TO THE STATE BY THE FEDERAL OFFICE OF SURFACE
2	MINING RECLAMATION AND ENFORCEMENT.
3	SECTION 20. Act subject to petition - effective date. This act
4	takes effect at 12:01 a.m. on the day following the expiration of the
5	ninety-day period after final adjournment of the general assembly; except
6	that, if a referendum petition is filed pursuant to section 1 (3) of article V
7	of the state constitution against this act or an item, section, or part of this
8	act within such period, then the act, item, section, or part will not take
9	effect unless approved by the people at the general election to be held in
10	November 2026 and, in such case, will take effect on the date of the
11	official declaration of the vote thereon by the governor.

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