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Seventy-fifth General Assembly
STATE OF COLORADO

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BILL 4

LLS NO. 25-0157.01 Richard Sweetman x4333

INTERIM COMMITTEE BILL

Water Resources and Agriculture Review Committee

BILL TOPIC: Mining Reclamation & Interstate Compact

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/>.)

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

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 2 acres, which operations will result in the removal of less than 70,000 tons of refuse or materials; 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
8 twenty-three thousand abandoned mines across the state;

9 (b) It is estimated that one thousand eight hundred miles of
10 Colorado streams are impaired due to acid-mine-drainage-related
11 pollutants, and that approximately five thousand legacy sites could be
12 reclaimed to reduce the impacts to surface waters and watersheds through
13 clean-up operations;

14 (c) Many legacy mine features contribute heavy metals and acid
15 mine drainage to Colorado watersheds, contaminating drinking water
16 supplies, negatively impacting the health of aquatic ecosystems, and

1 corroding essential infrastructure;

2 (d) Certain legacy mine features, such as mine tunnels and adits,
3 may represent point source discharges of pollution, requiring robust
4 permitting that limits the concentration of pollutants such as copper and
5 lead. Many other mine features, including waste rock piles, represent
6 nonpoint sources of pollution.

7 (e) Nonpoint sources of pollution come from many diffuse sources
8 and are not subject to the same permitting requirements as point sources.
9 Waste rock piles are generally considered nonpoint sources of pollution,
10 with heavy metals and acid mine drainage mobilized by rainfall and
11 snowmelt as they move over and through the ground.

12 (f) The new permit type contemplated by this act is not intended
13 to facilitate reclamation at any site identified as being a point source of
14 discharge, nor does it eliminate a permittee's duty to comply with any
15 applicable surface or groundwater water quality requirements. Rather, the
16 new permit type is intended to facilitate reclamation activities that
17 improve water quality by removing many diffuse nonpoint sources of
18 pollution from Colorado's watersheds.

19 (g) Current law makes cleanup of these sites difficult due to
20 stringent regulations that are geared to address mining operations, not
21 reclamation only;

22 (h) In addition to improvements in watershed health and water
23 quality, removing barriers to reclaiming these legacy mine features offers
24 an opportunity to facilitate recovery of valuable minerals; establish
25 ecosystem-appropriate vegetation, including pollinator-friendly and
26 drought-tolerant plants, where no vegetation exists today; and return land
27 to a beneficial use for local communities;

1 (i) Financial warranties are required for all mining operations to
2 ensure the completion of reclamation;

3 (j) Each financial warranty must be set and maintained at a level
4 that reflects the actual current cost of fulfilling the requirements of the
5 reclamation plan; and

6 (k) One hundred percent of the proceeds of all forfeited financial
7 warranties must be deposited in a special account established by the
8 mined land reclamation board for the purpose of reclaiming lands that
9 were obligated to be reclaimed under the permits upon which such
10 financial warranties have been forfeited.

11 (2) Therefore, the general assembly declares that a new permit
12 type should be created to remove undue regulatory burdens and facilitate
13 the removal of waste piles while providing regulatory oversight and
14 ensuring lands are returned to a beneficial use.

15 **SECTION 3.** In Colorado Revised Statutes, 34-32-103, **amend**
16 the introductory portion and (8) as follows:

17 **34-32-103. Definitions.** As used in this ~~article~~ ARTICLE 32, unless
18 the context otherwise requires:

19 (8) "Mining operation" means the development or extraction of a
20 mineral from its natural occurrences OR WITHIN REFUSE on affected land.
21 ~~The term~~ "Mining operation" includes, but is not limited to, open mining,
22 in situ mining, in situ leach mining, surface operations, and the disposal
23 of refuse from underground mining, in situ mining, and in situ leach
24 mining. ~~The term~~ "Mining operation" also includes the following
25 operations on affected lands: Transportation, concentrating, milling,
26 evaporation, REMOVAL OF WASTE PILES AND REFUSE, and other
27 processing. ~~The term~~ "Mining operation" does not include: The

1 exploration and extraction of natural petroleum in a liquid or gaseous
2 state by means of wells or pipe; the development or extraction of coal; the
3 extraction of geothermal resources; smelting, refining, cleaning,
4 preparation, transportation, and other off-site operations not conducted on
5 affected land; or the extraction of construction material where there is no
6 development or extraction of any mineral.

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

9 **34-32-110. Limited impact operations - expedited process -**
10 **reclamation-only permits.** (9) (a) A PERSON DESIRING TO CONDUCT
11 RECLAMATION-ONLY OPERATIONS PURSUANT TO AN APPLICATION
12 SUBMITTED AFTER JULY 1, 2025, ON LESS THAN TWO ACRES THAT WILL
13 RESULT IN THE REMOVAL OF LESS THAN SEVENTY THOUSAND TONS OF
14 REFUSE OR MATERIALS MAY APPLY FOR THE EXPEDITED PROCESSING OF
15 THE PERSON'S PERMIT. IN ORDER TO OBTAIN A RECLAMATION-ONLY PERMIT
16 PURSUANT TO THIS SUBSECTION (9), A PERSON SHALL FILE WITH THE
17 OFFICE:

18 (I) EVIDENCE OF THE SOURCE OF THE PERSON'S LEGAL RIGHT TO
19 ENTER AND INITIATE A RECLAMATION OPERATION ON THE AFFECTED LAND;

20 (II) A FINANCIAL WARRANTY AND FEE THAT COMPLIES WITH
21 SUBSECTION (3) OF THIS SECTION;

22 (III) THE ADDRESS AND TELEPHONE NUMBER OF THE OPERATOR'S
23 GENERAL OFFICE AND THE OPERATOR'S LOCAL ADDRESS OR ADDRESSES
24 AND TELEPHONE NUMBER;

25 (IV) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE
26 OWNER OF THE SURFACE OF THE AFFECTED LAND AND THE SOURCE OF THE
27 APPLICANT'S LEGAL RIGHT TO ENTER AND INITIATE A RECLAMATION

1 OPERATION ON THE AFFECTED LAND;

2 (V) A STATEMENT THAT THE PERSON WILL CONDUCT THE
3 OPERATIONS PURSUANT TO THE TERMS AND CONDITIONS LISTED ON THE
4 APPLICATION AND IN ACCORDANCE WITH THIS ARTICLE 32 AND THE RULES
5 PROMULGATED PURSUANT TO THIS ARTICLE 32 AND IN EFFECT AT THE TIME
6 THE PERMIT WAS APPROVED OR AMENDED;

7 (VI) A MAP SHOWING INFORMATION SUFFICIENT TO DETERMINE
8 THE LOCATION OF THE AFFECTED LAND AND EXISTING AND PROPOSED
9 ROADS OR ACCESS ROUTES TO BE USED IN CONNECTION WITH THE
10 RECLAMATION OPERATION;

11 (VII) THE APPROXIMATE SIZE OF THE AFFECTED LAND;

12 (VIII) INFORMATION SUFFICIENT TO DESCRIBE OR IDENTIFY THE
13 TYPE OF RECLAMATION OPERATION PROPOSED, HOW THE OPERATOR
14 INTENDS TO CONDUCT THE RECLAMATION OPERATION, AND THE NAME AND
15 LOCATION OF THE MILL OR FACILITY ACCEPTING THE MATERIALS BEING
16 EXCAVATED;

17 (IX) A STATEMENT THAT THE OPERATOR HAS APPLIED FOR
18 NECESSARY LOCAL GOVERNMENT APPROVALS; AND

19 (X) A DESCRIPTION OF MEASURES TO BE TAKEN TO RECLAIM ANY
20 AFFECTED LAND CONSISTENT WITH THE REQUIREMENTS OF SECTION
21 34-32-116.

22 (b) THE OFFICE SHALL NOT ISSUE A RECLAMATION-ONLY PERMIT
23 TO A DESIGNATED MINING OPERATION.

24 (c) THE OFFICE SHALL NOT ISSUE A RECLAMATION-ONLY PERMIT
25 FOR A PERIOD THAT EXCEEDS THREE YEARS FROM THE INITIATION OF
26 EXCAVATION TO COMPLETION OF ALL RECLAMATION WORK.

27 (d) A RECLAMATION-ONLY PERMIT SHALL NOT BE CONVERTED INTO

1 ANY OTHER TYPE OF PERMIT.

2 (e) NOTHING IN THIS SUBSECTION (9) RELIEVES A PERMITTEE OF
3 THE DUTY TO COMPLY WITH APPLICABLE SURFACE WATER OR
4 GROUNDWATER QUALITY REQUIREMENTS.

5 **SECTION 5.** In Colorado Revised Statutes, 34-32-112, **amend**
6 (1) introductory portion; and **repeal** (1)(a) as follows:

7 **34-32-112. Application for reclamation permit - changes in**
8 **permits - fees - notice.** (1) ~~Any~~ AN operator desiring to obtain a
9 reclamation permit shall make written application to the board or to the
10 office for a permit on forms provided by the board. The reclamation
11 permit or the renewal of an existing permit, if approved, ~~shall~~ MUST
12 authorize the operator to engage in such mining operation upon the
13 affected land described in ~~such~~ THE application for the life of the mine.
14 ~~Such~~ THE application shall ~~consist~~ BE FILED THROUGH BOARD-APPROVED
15 METHODS AND CONSISTS of the following:

16 (a) ~~Five copies of the application;~~

17 **SECTION 6.** In Colorado Revised Statutes, 34-32-115, **amend**
18 (2) as follows:

19 **34-32-115. Action by board - appeals.** (2) ~~Prior to the~~ BEFORE
20 holding of ~~any such~~ A hearing AS DESCRIBED IN SUBSECTION (1) OF THIS
21 SECTION, the board or the office shall provide notice to ~~any~~ A person WHO
22 previously ~~filing~~ FILED a protest or petition for a hearing or statement in
23 support of an application pursuant to section 34-32-114 and shall publish
24 notice of the time, date, and location of the hearing ON THE DIVISION
25 WEBSITE AND in a newspaper of general circulation in the locality of the
26 proposed mining operation once a week for two consecutive weeks
27 immediately prior to the hearing. The hearing shall be conducted ~~as a~~

1 ~~proceeding~~ pursuant to article 4 of title 24. ~~C.R.S.~~ A final decision on the
2 application shall be made within one hundred twenty days after the
3 receipt of the application. In the event of complex applications, serious
4 unforeseen circumstances, or significant snow cover on the affected land
5 that prevents a necessary on-site inspection, the board or the office may
6 reasonably extend the maximum time FOR A FINAL DECISION BY sixty
7 days. In the event of in situ leach mining operations, a final decision on
8 the application ~~will~~ SHALL be made within two hundred forty days.

9 **SECTION 7.** In Colorado Revised Statutes, 34-32-116, **amend**
10 (7)(e) as follows:

11 **34-32-116. Duties of operators - reclamation plans.**

12 (7) Reclamation plans and the implementation of reclamation plans must
13 conform to the following general requirements:

14 (e) In those areas where revegetation is part of the reclamation
15 plan, land shall be revegetated in such a way as to establish a diverse,
16 effective, and long-lasting vegetative cover that is capable of
17 self-regeneration and at least equal in extent of cover to the natural
18 vegetation of the surrounding area. Native AND POLLINATOR species
19 should receive first consideration, but introduced species may be used in
20 the revegetation process when found desirable by the board.

21 **SECTION 8.** In Colorado Revised Statutes, 34-32-117, **amend**
22 (3)(b), (3)(d)(II), (3)(f)(IV), (3)(f)(V)(A), (4)(c)(II), (6)(a), (6)(b)(I),
23 (6)(c), (6)(e), (6)(f), and (6)(g); and **repeal** (3)(f)(V)(C), (3)(f)(V)(D),
24 (3)(f)(V)(E), and (8) as follows:

25 **34-32-117. Warranties of performance - warranties of**
26 **financial responsibility - release of warranties - applicability.**

27 (3) (b) The board may accept interests in real and personal property as

1 financial warranties ~~to~~ WHERE THE AMOUNT OF THE RECLAMATION
2 LIABILITY EXCEEDS FIFTY MILLION DOLLARS. THE BOARD MAY DETERMINE
3 the extent of a specified percentage of the estimated value of ~~any such~~
4 THE property, ~~Any~~ NOT TO EXCEED SEVENTY-FIVE PERCENT OF THE
5 APPRAISED VALUE. A person offering such financial warranty shall submit
6 THE information necessary to show clear title to and the value of ~~such~~ THE
7 property.

8 (d) For nondesignated mining operations:

9 (II) This subsection (3) ~~shall be~~ IS applicable on January 1, 1996,
10 to:

11 (A) Deeds of trust existing as of July 1, 1993, and subsequent
12 updates of ~~these same~~ THE deeds of trust used as collateral for financial
13 warranties. ~~and~~

14 (B) ~~Any financial warranty completed before July 1, 1993, if the~~
15 ~~value of any such financial warranty includes any mineral value or if~~
16 ~~mineral value is used to update any such financial warranty. The value of~~
17 ~~any financial warranty described in this sub-subparagraph (B) shall~~
18 ~~include mineral value for the life of the warranty.~~

19 (f) Proof of financial responsibility may consist of any one or
20 more of the following, subject to approval by the board:

21 (IV) A deed of trust or security agreement encumbering real or
22 personal property and creating a first lien in favor of the state FOR
23 LIABILITIES EXCEEDING FIFTY MILLION DOLLARS;

24 (V) Assurance, in such form as the board may require, that:

25 (A) Upon commencement of production OR WHEN SITE
26 CONDITIONS AND LIABILITIES CHANGE, the operator will establish an
27 individual reclamation fund, to be held by an independent trustee for the

1 board, upon such terms and conditions as the board may prescribe, which
2 trust fund shall be funded by periodic cash payments representing such
3 fraction of receipts as will, in the opinion of the board, provide assurance
4 that ~~funds~~ MONEY will be available for reclamation; AND

5 (C) ~~Project-related fixtures and equipment (excluding rolling~~
6 ~~stock) owned or to be owned by the financial warrantor within the permit~~
7 ~~area will have a salvage value at least equal to the amount of the financial~~
8 ~~warranty, or the appropriate portion thereof;~~

9 (D) ~~Existing liens and encumbrances applicable to said fixtures~~
10 ~~and equipment, other than liens in favor of the United States or this state,~~
11 ~~any other state, and any political subdivisions, will be subordinated to the~~
12 ~~lien described in section 34-32-118 (4)(b); and~~

13 (E) ~~Said fixtures and equipment will be maintained in good~~
14 ~~operating condition and will not be removed from the permit area without~~
15 ~~the prior consent of the board;~~

16 (4) (c) (II) ~~A~~ AN OPERATOR OR A financial warrantor shall have
17 HAS sixty days after the date of notice of ~~any such~~ AN adjustment to fulfill
18 ~~all~~ THE new requirements.

19 (6) (a) Financial warranties shall be maintained in good standing
20 for the entire life of any permit issued under this ~~article~~. ~~Financial~~
21 ~~warrantors~~ ARTICLE 32. AN OPERATOR OR A FINANCIAL WARRANTOR shall
22 immediately notify the board of ~~any~~ AN event ~~which~~ THAT may impair
23 ~~their~~ THE OPERATOR'S OR THE FINANCIAL WARRANTOR'S warranties.

24 (b) (I) Each OPERATOR AND financial warrantor providing proof
25 of financial responsibility in a form described in subsection ~~(3)(f)(IV);~~
26 ~~(3)(f)(V), or (8) (3)(f)(IV) OR (3)(f)(V)~~ of this section shall annually
27 cause to be filed with the board a certification by an independent auditor

1 that, as of the close of the ~~financial warrantor's~~ OPERATOR'S most recent
2 fiscal year, the OPERATOR AND THE financial warrantor continued to meet
3 all applicable requirements of the applicable subsection. ~~Financial~~
4 ~~warrantors~~ AN OPERATOR OR FINANCIAL WARRANTOR that no longer ~~meet~~
5 MEETS the requirements shall instead cause to be filed an alternate form
6 of financial warranty.

7 (c) Each OPERATOR AND financial warrantor providing proof of
8 financial responsibility in a form described in subsection ~~(3)(f)(IV),~~
9 ~~(3)(f)(V), or (8)~~ (3)(f)(IV) OR (3)(f)(V) of this section shall notify the
10 board within sixty days of ~~any~~ A net loss incurred in ~~any~~ A quarterly
11 period.

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

21 (f) At ~~any~~ A hearing held pursuant to this subsection (6), if the
22 board finds that a financial warranty has been materially impaired, ~~it~~ THE
23 BOARD may order the OPERATOR OR financial warrantor to provide an
24 alternate form of financial warranty.

25 (g) ~~A~~ AN OPERATOR OR A financial warrantor ~~shall have~~ HAS
26 ninety days to provide ~~any~~ AN alternate warranty required under this
27 subsection (6).

1 ~~(8) (a) The board or office may, in its discretion, accept a first~~
2 ~~priority lien in the amount of the financial warranty prescribed pursuant~~
3 ~~to subsection (4) of this section on any project-related fixtures and~~
4 ~~equipment that must remain on-site in order for the reclamation plan to~~
5 ~~be performed in lieu of including the cost of acquiring and installing such~~
6 ~~fixtures and equipment.~~

7 ~~(b) The board or office may accept a first priority lien on any~~
8 ~~project-related fixtures and equipment that must be demolished or~~
9 ~~removed from the site under the reclamation plan. The board or office~~
10 ~~may, in its discretion, accept such a lien as a portion of the proof of~~
11 ~~financial responsibility if the amount credited for such lien does not~~
12 ~~exceed the cost of demolishing and removing the subject fixtures and~~
13 ~~equipment or the market value of such fixtures and equipment, whichever~~
14 ~~is less.~~

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

25 **SECTION 9.** In Colorado Revised Statutes, 34-32-118, **amend**
26 **(5); and repeal (4)(b) as follows:**

27 **34-32-118. Forfeiture of financial warranties.** (4) (b) The

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

4 (5) Funds MONEY recovered by the attorney general in
5 proceedings brought pursuant to subsection (4) of this section shall be
6 held in the account described in section 34-32-122 and shall be used to
7 reclaim lands covered by the forfeited warranties. ~~except that five percent~~
8 ~~of the amount of the financial warranty shall be deposited in the mined~~
9 ~~land reclamation fund, created in section 34-32-127, to cover the~~
10 ~~administrative costs incurred by the office in performing reclamation.~~ The
11 board ~~shall have~~ HAS a right of entry to reclaim ~~said~~ THE lands. Upon
12 completion of ~~such~~ THE reclamation, the board shall present to the
13 financial warrantor a full accounting and ~~shall~~ refund all unspent ~~moneys~~
14 MONEY.

15 **SECTION 10.** In Colorado Revised Statutes, 34-32-122, **amend**
16 (1)(a) and (2) as follows:

17 **34-32-122. Fees, civil penalties, and forfeitures - deposit -**
18 **emergency response cash fund - created - definition.** (1) (a) All fees
19 and assessments collected pursuant to this article ~~and five percent of the~~
20 ~~proceeds of any financial warranty forfeited pursuant to section~~
21 ~~34-32-118~~ ARTICLE 32 shall be deposited in the mined land reclamation
22 fund ~~for administrative costs associated with reclaiming sites for which~~
23 ~~the financial warranty has been revoked~~ CREATED IN SECTION 34-32-127.
24 All civil penalties collected under ~~the provisions of this article~~ THIS
25 ARTICLE 32 shall be deposited in the general fund. ~~Ninety-five~~ ONE
26 HUNDRED percent of the proceeds of all financial warranties forfeited
27 under ~~the provisions of~~ section 34-32-118 shall be deposited in a special

1 account in the general fund established by the board for the purposes of
2 reclaiming lands ~~which~~ THAT were obligated to be reclaimed under the
3 permits upon which ~~such~~ THE financial warranties have been forfeited.

4 (2) ~~Any~~ AN applicant that desires to utilize the self-insurance
5 provisions listed in section 34-32-117 ~~(3)(f)(IV), (3)(f)(V), or (8)~~
6 (3)(f)(IV) OR (3)(f)(V) shall pay an annual fee to the office sufficient to
7 defray the actual cost to the office of establishing and reviewing the
8 financial warranty of the applicant. ~~These funds are hereby~~ MONEY
9 COLLECTED AS SUCH FEES IS annually made available to the office, which
10 shall utilize outside financial and legal services for this purpose.

11 **SECTION 11.** In Colorado Revised Statutes, 34-32-127, **amend**
12 (2)(a)(I)(A) as follows:

13 **34-32-127. Mined land reclamation fund - created - fees - fee**
14 **adjustments - rules.** (2) (a) The office shall collect fees for fiscal year
15 2014-15 and for each subsequent year of operation for operations
16 according to the following schedule:

17 (I) Applications pursuant to:

18 (A) Section 34-32-110 ~~(1)~~ (1) AND (9) \$288

19 **SECTION 12.** In Colorado Revised Statutes, 34-32.5-112,
20 **amend** (1)(b) introductory portion; and **repeal** (1)(b)(I) as follows:

21 **34-32.5-112. Application for reclamation permit - changes in**
22 **permits - fees - notice.** (1) (b) ~~Each~~ AN application ~~shall consist~~ SHALL
23 BE FILED THROUGH BOARD-APPROVED METHODS AND CONSISTS of:

24 (I) ~~Five copies of the application;~~

25 **SECTION 13.** In Colorado Revised Statutes, 34-32.5-115,
26 **amend** (2) as follows:

27 **34-32.5-115. Action by board - appeals.** (2) ~~Prior to~~ BEFORE

1 holding a hearing AS DESCRIBED IN SUBSECTION (1) OF THIS SECTION, the
2 board or the office shall provide notice to ~~any~~ A person who filed a
3 protest or petition for a hearing or statement in support of an application
4 pursuant to section 34-32.5-114. Notice of the time, date, and location of
5 the hearing shall be published ON THE DIVISION WEBSITE AND in a
6 newspaper of general circulation in the locality of the proposed mining
7 operation once a week for the two consecutive weeks immediately
8 preceding the hearing. The hearing shall be conducted pursuant to article
9 4 of title 24. ~~C.R.S.~~ A final decision on the application shall be made
10 within one hundred twenty days after the receipt of the application. In the
11 event of complex applications, serious unforeseen circumstances, or
12 significant snow cover on the affected land that prevents a necessary
13 on-site inspection, the board may reasonably extend the time in which a
14 final decision must be made by sixty days.

15 **SECTION 14.** In Colorado Revised Statutes, 34-32.5-116,
16 **amend** (4) introductory portion and (4)(f) as follows:

17 **34-32.5-116. Duties of operators - reclamation plans.**

18 (4) Reclamation plans and their implementation are required on all
19 affected lands and ~~shall~~ MUST conform to the following requirements:

20 (f) In those areas where revegetation is part of the reclamation
21 plan, land shall be revegetated so that a diverse, effective, and
22 long-lasting vegetative cover is established that is capable of
23 self-regeneration and is at least equal, with respect to the extent of cover,
24 to the natural vegetation of the surrounding area. ~~Species chosen for~~
25 NATIVE AND POLLINATOR SPECIES SHOULD RECEIVE FIRST
26 CONSIDERATION, BUT INTRODUCED SPECIES MAY BE USED IN THE
27 REVEGETATION PROCESS WHEN FOUND DESIRABLE BY THE BOARD.

1 Revegetation ~~shall~~ MUST be compatible for the proposed post-extraction
2 land use and ~~shall~~ be of adequate diversity to establish successful
3 reclamation.

4 **SECTION 15.** In Colorado Revised Statutes, 34-32.5-117,
5 **amend** (3)(b), (3)(d)(II), (3)(f)(V)(A), (4)(c)(II), (6)(a), (6)(b), (6)(c),
6 (6)(e), (6)(f), and (6)(g); and **repeal** (3)(f)(V)(C), (3)(f)(V)(D),
7 (3)(f)(V)(E), (3)(f)(VI), (3)(f)(VII), and (8) as follows:

8 **34-32.5-117. Warranties of performance - warranties of**
9 **financial responsibility - release of warranties.** (3) (b) The board may
10 accept interests in real and personal property as financial warranties ~~to~~
11 WHERE THE AMOUNT OF THE RECLAMATION LIABILITY EXCEEDS FIFTY
12 MILLION DOLLARS. THE BOARD MAY DETERMINE the extent of a specified
13 percentage of the estimated value of ~~such~~ THE property, NOT TO EXCEED
14 SEVENTY-FIVE PERCENT. A person offering such a financial warranty shall
15 submit information to show clear title to and the value of ~~such~~ THE
16 property.

17 (d) For construction materials operations:

18 (II) This subsection (3) ~~shall be~~ IS effective ~~on~~ January 1, 1996,
19 with respect to a:

20 (A) Financial warranty that is collateral for a deed of trust used as
21 collateral for a financial warranty in existence on July 1, 1993, and
22 subsequent amendments of ~~such~~ THE deed of trust. ~~and~~

23 (B) ~~Financial warranty completed before July 1, 1993, if the value~~
24 ~~of such financial warranty includes a construction material value or if~~
25 ~~construction material value is used to update such warranty. The value of~~
26 ~~a financial warranty described in this sub-subparagraph (B) shall include~~
27 ~~the construction material value for the life of the warranty.~~

1 (f) Proof of financial responsibility may consist of one or more of
2 the following, subject to approval by the board:

3 (V) Assurance, in such form as the board may require, that:

4 (A) Upon commencement of production, the operator will
5 establish an individual reclamation fund to be held by an independent
6 trustee for the board, upon such terms and conditions as the board may
7 prescribe, and funded by periodic cash payments representing such
8 fraction of receipts as will, in the opinion of the board, provide assurance
9 that ~~funds~~ MONEY will be available for reclamation; AND

10 ~~(C) Project-related fixtures and equipment, excluding rolling~~
11 ~~stock, owned or to be owned by the financial warrantor within the permit~~
12 ~~area will have a salvage value at least equal to the amount of the financial~~
13 ~~warranty or the appropriate portion of such warranty;~~

14 ~~(D) Existing liens and encumbrances applicable to project-related~~
15 ~~fixtures and equipment shall be subordinated to the lien described in~~
16 ~~section 34-32.5-118; except that liens in favor of the United States, a~~
17 ~~state, or a political subdivision shall not be so subordinated;~~

18 ~~(E) Project-related fixtures and equipment shall be maintained in~~
19 ~~good operating condition and will not be removed from the permit area~~
20 ~~without the prior consent of the board;~~

21 ~~(VI) A certified financial statement for the financial warrantor's~~
22 ~~most recent fiscal year and a certification by an independent auditor that:~~

23 ~~(A) The financial warrantor is the issuer of one or more currently~~
24 ~~outstanding senior credit obligations that have been rated by a nationally~~
25 ~~recognized rating organization;~~

26 ~~(B) The obligations enjoy a rating by such rating organization of~~
27 ~~'A' or better;~~

1 ~~(C) The financial warrantor's net worth was at least twice the~~
2 ~~amount of all financial warranties made by such warrantor as of the close~~
3 ~~of the most recent fiscal year;~~

4 ~~(VII) A certified financial statement for the financial warrantor's~~
5 ~~most recent fiscal year and a certification by an independent auditor that~~
6 ~~as of the close of such year the financial warrantor's:~~

7 ~~(A) Net worth was at least ten million dollars and was equal to or~~
8 ~~greater than twice the amount of all financial warranties;~~

9 ~~(B) Tangible fixed assets in the United States were worth at least~~
10 ~~twenty million dollars;~~

11 ~~(C) Total liabilities-to-net-worth ratio was not more than two to~~
12 ~~one;~~

13 ~~(D) Net income, excluding nonrecurring items, was positive.~~
14 ~~Nonrecurring items that affect net income shall be stated in order to~~
15 ~~determine if they materially affect self-bonding capacity.~~

16 ~~(4) (c) (II) A AN OPERATOR OR A financial warrantor shall have~~
17 ~~HAS sixty days after the date of notice of an adjustment to fulfill the new~~
18 ~~requirements.~~

19 ~~(6) (a) A financial warranty shall be maintained in good standing~~
20 ~~for the entire life of a permit issued under this article. A ARTICLE 32.5. AN~~
21 ~~OPERATOR OR A financial warrantor shall immediately notify the board of~~
22 ~~an event that may impair its THE OPERATOR'S OR THE FINANCIAL~~
23 ~~WARRANTOR'S warranty.~~

24 ~~(b) Each OPERATOR AND financial warrantor who THAT provides~~
25 ~~proof of financial responsibility in a form described in subsection~~
26 ~~(3)(f)(IV) to (3)(f)(VII) or subsection (8) (3)(f)(IV) OR (3)(f)(V) of this~~
27 ~~section shall cause to be filed with the board a certification by an~~

1 independent auditor. ~~Such~~ THE certification shall be filed annually and
2 ~~shall~~ MUST provide that, as of the close of the ~~financial warrantor's~~
3 OPERATOR'S most recent fiscal year, ~~such~~ THE OPERATOR AND THE
4 financial warrantor continued to meet all applicable requirements of ~~such~~
5 ~~subparagraphs (IV) to (VII). A~~ SUBSECTIONS (3)(f)(IV) AND (3)(f)(V) OF
6 THIS SECTION. AN OPERATOR OR financial warrantor ~~who~~ THAT no longer
7 meets ~~such~~ THE requirements shall cause to be filed an alternate form of
8 financial warranty.

9 (c) ~~A~~ AN OPERATOR OR financial warrantor ~~who~~ THAT provides
10 proof of financial responsibility in a form described in ~~paragraph (b) of~~
11 ~~this subsection (6)~~ SUBSECTION (6)(b) OF THIS SECTION shall notify the
12 board within sixty days after a net loss is incurred in a quarterly period.

13 (e) Whenever the board convenes a hearing pursuant to this
14 subsection (6), it may hire an independent consultant to provide expert
15 advice at the hearing. The fees of ~~any such~~ THE consultant shall be paid
16 by the ~~financial warrantor~~ OPERATOR, and ~~no~~ A consultant shall NOT be
17 hired until the ~~financial warrantor~~ OPERATOR signs a written fee
18 agreement in such form as the board may prescribe. If ~~a financial~~
19 ~~warrantor~~ AN OPERATOR refuses to sign such an agreement, the board
20 may, without hearing, order ~~such financial warrantor~~ THE OPERATOR to
21 provide an alternate form of financial warranty.

22 (f) If the board finds, at ~~any~~ A hearing held pursuant to this
23 subsection (6), that a financial warranty has been materially impaired, it
24 may order the OPERATOR OR THE financial warrantor to provide an
25 alternate form of financial warranty.

26 (g) ~~A~~ AN OPERATOR OR A financial warrantor ~~shall have~~ HAS
27 ninety days to provide ~~any~~ AN alternate warranty required under this

1 subsection (6).

2 ~~(8) (a) The board or office may accept a first-priority lien on~~
3 ~~project-related fixtures and equipment that must remain on site for the~~
4 ~~reclamation plan to be performed in lieu of including the cost of acquiring~~
5 ~~and installing such fixtures and equipment in the amount of the financial~~
6 ~~warranty prescribed pursuant to subsection (4) of this section.~~

7 ~~(b) The board or office may accept a first-priority lien on~~
8 ~~project-related fixtures and equipment that must be demolished or~~
9 ~~removed from the site under a reclamation plan and may, in its discretion,~~
10 ~~accept such a lien as a portion of the proof of financial responsibility if~~
11 ~~the amount credited does not exceed the cost of demolishing and~~
12 ~~removing such fixtures and equipment or the market value of such~~
13 ~~fixtures and equipment, whichever is less.~~

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

24 **SECTION 16.** In Colorado Revised Statutes, 34-32.5-118,
25 **amend** (4)(b) and (5) as follows:

26 **34-32.5-118. Forfeiture of financial warranties.** (4) (b) The
27 amount of a forfeited financial warranty ~~shall constitute~~ CONSTITUTES a

1 ~~lien upon project-related fixtures or equipment offered as proof of~~
2 ~~financial responsibility pursuant to section 34-32.5-117. Such lien shall~~
3 ~~be~~ in favor of ~~this~~ THE state.

4 (5) ~~Funds~~ MONEY recovered by the attorney general in
5 proceedings brought pursuant to subsection (4) of this section shall be
6 held in the special account described in section 34-32.5-122 and shall be
7 used to reclaim lands covered by forfeited warranties. ~~except that five~~
8 ~~percent of the amount of such forfeited warranties shall be deposited in~~
9 ~~the mined land reclamation fund, created in section 34-32-127, to cover~~
10 ~~administrative costs incurred by the office in performing reclamation. The~~
11 board ~~shall have~~ HAS a right of entry to reclaim ~~such~~ THE lands, and, upon
12 completion of ~~such~~ THE reclamation, the board shall present a full
13 accounting to the financial warrantor and ~~shall~~ refund all unspent ~~moneys~~
14 MONEY.

15 **SECTION 17.** In Colorado Revised Statutes, **amend** 34-32.5-122
16 as follows:

17 **34-32.5-122. Fees, civil penalties, and forfeitures - deposit.**

18 ~~(†)~~ All fees and assessments collected pursuant to this ~~article and five~~
19 ~~percent of the proceeds of any financial warranty forfeited pursuant to~~
20 ~~section 34-32.5-123 for administrative costs associated with reclaiming~~
21 ~~sites for which the financial warranty has been revoked~~ ARTICLE 32.5
22 shall be deposited in the mined land reclamation fund created in section
23 34-32-127. All civil penalties collected pursuant to this ~~article~~ ARTICLE
24 32.5 shall be deposited in the general fund. ~~Ninety-five~~ ONE HUNDRED
25 percent of the proceeds of all financial warranties forfeited under section
26 34-32.5-118 shall be deposited in a special account in the general fund
27 established by the board for the purpose of reclaiming lands that were

1 required to be reclaimed under permits upon which ~~such~~ THE financial
2 warranties had been forfeited.

3 ~~(2) An applicant that desires to use the self-insurance provisions~~
4 ~~in section 34-32.5-117 (3)(f)(IV) to (3)(f)(VII) or (8) shall pay an annual~~
5 ~~fee to the office sufficient to defray the actual cost to the office of~~
6 ~~establishing and reviewing the financial warranty of such applicant. Such~~
7 ~~funds are hereby annually made available to the office, which shall utilize~~
8 ~~outside financial and legal services for this purpose.~~

9 **SECTION 18.** In Colorado Revised Statutes, **add** part 50 to
10 article 60 of title 24 as follows:

11 **PART 50**

12 **INTERSTATE MINING COMPACT**

13 **24-60-5001. Short title.** THE SHORT TITLE OF THIS PART 50 IS THE
14 "INTERSTATE MINING COMPACT".

15 **24-60-5002. Ratification of interstate mining compact.** THE
16 GENERAL ASSEMBLY RATIFIES AND ENTERS INTO THE INTERSTATE MINING
17 COMPACT WITH ALL STATES THAT ENACT THE COMPACT IN THE FORM
18 SUBSTANTIALLY CONTAINED IN SECTION 24-60-5003.

19 **24-60-5003. Text of interstate mining compact - legislative**
20 **declaration - definitions. (1) Legislative declaration.** THE GENERAL
21 ASSEMBLY FINDS THAT:

22 (a) MINING AND THE CONTRIBUTIONS OF MINING TO THE ECONOMY
23 AND WELL-BEING OF EVERY STATE ARE OF BASIC SIGNIFICANCE;

24 (b) THE EFFECTS OF MINING ON THE AVAILABILITY OF LAND,
25 WATER, AND OTHER RESOURCES FOR OTHER USES PRESENT SPECIAL
26 PROBLEMS THAT PROPERLY CAN BE APPROACHED ONLY WITH DUE
27 CONSIDERATION FOR THE RIGHTS AND INTERESTS OF THOSE ENGAGED IN

1 MINING, THOSE USING OR PROPOSING TO USE THESE RESOURCES FOR OTHER
2 PURPOSES, AND THE PUBLIC;

3 (c) MEASURES FOR THE REDUCTION OF THE ADVERSE EFFECTS OF
4 MINING ON LAND, WATER, AND OTHER RESOURCES MAY BE COSTLY, AND
5 THE DEVISING OF MEANS TO DEAL WITH THEM ARE OF BOTH PUBLIC AND
6 PRIVATE CONCERN;

7 (d) VARIABLES INCLUDING SOIL STRUCTURE AND COMPOSITION,
8 PHYSIOGRAPHY, CLIMATIC CONDITIONS, AND THE NEEDS OF THE PUBLIC
9 MAKE IMPRACTICABLE THE APPLICATION TO ALL MINING AREAS OF A
10 SINGLE STANDARD FOR THE CONSERVATION, ADAPTATION, OR
11 RESTORATION OF MINED LAND OR THE DEVELOPMENT OF MINERAL AND
12 OTHER NATURAL RESOURCES, BUT JUSTIFIABLE REQUIREMENTS OF LAW
13 AND PRACTICE RELATING TO THE EFFECTS OF MINING ON LANDS, WATER,
14 AND OTHER RESOURCES MAY BE REDUCED IN EQUITY OR EFFECTIVENESS
15 UNLESS THEY PERTAIN SIMILARLY FROM STATE TO STATE FOR ALL MINING
16 OPERATIONS SIMILARLY SITUATED; AND

17 (e) THE STATES ARE IN A POSITION AND HAVE THE RESPONSIBILITY
18 TO ASSURE THAT MINING IS CONDUCTED IN ACCORDANCE WITH SOUND
19 CONSERVATION PRINCIPLES AND WITH DUE REGARD FOR LOCAL
20 CONDITIONS.

21 (2) **Purposes.** THE PURPOSES OF THIS COMPACT ARE TO:

22 (a) ADVANCE THE PROTECTION AND RESTORATION OF LAND,
23 WATER, AND OTHER RESOURCES AFFECTED BY MINING;

24 (b) ASSIST IN THE REDUCTION OR ELIMINATION OR
25 COUNTERACTING OF POLLUTION OR DETERIORATION OF LAND, WATER, AND
26 AIR ATTRIBUTABLE TO MINING;

27 (c) ENCOURAGE, WITH DUE RECOGNITION OF RELEVANT REGIONAL,

1 PHYSICAL, AND OTHER DIFFERENCES, PROGRAMS IN EACH OF THE PARTY
2 STATES THAT WILL ACHIEVE COMPARABLE RESULTS IN PROTECTING,
3 CONSERVING, AND IMPROVING THE USEFULNESS OF NATURAL RESOURCES,
4 TO THE END THAT THE MOST DESIRABLE CONDUCT OF MINING AND
5 RELATED OPERATIONS MAY BE UNIVERSALLY FACILITATED;

6 (d) ASSIST THE PARTY STATES IN THEIR EFFORTS TO FACILITATE
7 THE USE OF LAND AND OTHER RESOURCES AFFECTED BY MINING, SO THAT
8 THE USE MAY BE CONSISTENT WITH SOUND LAND USE, PUBLIC HEALTH,
9 AND PUBLIC SAFETY, AND TO THIS END TO STUDY AND RECOMMEND,
10 WHEREVER DESIRABLE, TECHNIQUES FOR THE IMPROVEMENT,
11 RESTORATION, OR PROTECTION OF THE LAND AND OTHER RESOURCES; AND

12 (e) ASSIST IN ACHIEVING AND MAINTAINING AN EFFICIENT AND
13 PRODUCTIVE MINING INDUSTRY AND IN INCREASING ECONOMIC AND OTHER
14 BENEFITS ATTRIBUTABLE TO MINING.

15 (3) **Definitions.** AS USED IN THIS PART 50, UNLESS THE CONTEXT
16 OTHERWISE REQUIRES:

17 (a) "COMMISSION" MEANS THE INTERSTATE MINING COMMISSION
18 ESTABLISHED IN SUBSECTION (6) OF THIS SECTION.

19 (b) "MINING" MEANS THE BREAKING OF THE SURFACE SOIL IN
20 ORDER TO FACILITATE OR ACCOMPLISH THE EXTRACTION OR REMOVAL OF
21 MINERALS, ORES, OR OTHER SOLID MATTER; ANY ACTIVITY OR PROCESS
22 CONSTITUTING ALL OR PART OF A PROCESS FOR THE EXTRACTION OR
23 REMOVAL OF MINERALS, ORES, OR OTHER SOLID MATTER FROM ITS
24 ORIGINAL LOCATION; AND THE PREPARATION, WASHING, CLEANING, OR
25 OTHER TREATMENT OF MINERALS, ORES, OR OTHER SOLID MATTER SO AS
26 TO MAKE THEM SUITABLE FOR COMMERCIAL, INDUSTRIAL, OR
27 CONSTRUCTION USE. "MINING" DOES NOT INCLUDE:

1 (I) ASPECTS OF DEEP MINING THAT DO NOT HAVE SIGNIFICANT
2 EFFECT ON THE SURFACE; OR

3 (II) EXCAVATION OF GRADING WHEN CONDUCTED SOLELY IN AID
4 OF ON-SITE FARMING OR CONSTRUCTION.

5 (c) "STATE" MEANS A STATE OF THE UNITED STATES, THE DISTRICT
6 OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO, OR A TERRITORY
7 OR POSSESSION OF THE UNITED STATES.

8 (4) **State programs.** EACH PARTY STATE AGREES THAT WITHIN A
9 REASONABLE TIME IT WILL FORMULATE AND ESTABLISH AN EFFECTIVE
10 PROGRAM FOR THE CONSERVATION AND USE OF MINED LAND BY THE
11 ESTABLISHMENT OF STANDARDS, THE ENACTMENT OF LAWS, OR THE
12 CONTINUING OF THE SAME IN FORCE, TO ACCOMPLISH:

13 (a) THE PROTECTION OF THE PUBLIC AND THE PROTECTION OF
14 ADJOINING AND OTHER LANDOWNERS FROM DAMAGE TO THEIR LANDS AND
15 THE STRUCTURES AND OTHER PROPERTY ON THAT LAND RESULTING FROM
16 THE CONDUCT OF MINING OPERATIONS OR THE ABANDONMENT OR
17 NEGLECT OF LAND AND PROPERTY FORMERLY USED IN THE CONDUCT OF
18 THOSE OPERATIONS;

19 (b) THE CONDUCT OF MINING AND THE HANDLING OF REFUSE AND
20 OTHER MINING WASTES IN WAYS THAT WILL REDUCE ADVERSE EFFECTS ON
21 THE ECONOMIC, RESIDENTIAL, RECREATIONAL, OR AESTHETIC VALUE AND
22 UTILITY OF LAND AND WATER;

23 (c) THE INSTITUTION AND MAINTENANCE OF SUITABLE PROGRAMS
24 OF ADAPTATION, RESTORATION, AND REHABILITATION OF MINED LANDS;
25 AND

26 (d) THE PREVENTION, ABATEMENT, AND CONTROL OF WATER, AIR,
27 AND SOIL POLLUTION RESULTING FROM MINING IN THE PAST, PRESENT, AND

1 FUTURE.

2 (5) **Powers.** IN ADDITION TO ANY OTHER POWERS CONFERRED
3 UPON THE INTERSTATE MINING COMMISSION ESTABLISHED BY SUBSECTION
4 (6) OF THIS SECTION, THE COMMISSION SHALL HAVE POWER TO:

5 (a) STUDY MINING OPERATIONS, PROCESSES, AND TECHNIQUES FOR
6 THE PURPOSE OF GAINING KNOWLEDGE CONCERNING THE EFFECTS OF THE
7 OPERATIONS, PROCESSES, AND TECHNIQUES ON LAND, SOIL, WATER, AIR,
8 PLANT AND ANIMAL LIFE, RECREATION, AND PATTERNS OF COMMUNITY OR
9 REGIONAL DEVELOPMENT OR CHANGE;

10 (b) STUDY THE CONSERVATION, ADAPTATION, IMPROVEMENT, AND
11 RESTORATION OF LAND AND RELATED RESOURCES AFFECTED BY MINING;

12 (c) MAKE RECOMMENDATIONS CONCERNING ANY ASPECT OR
13 ASPECTS OF LAW OR PRACTICE AND GOVERNMENTAL ADMINISTRATION
14 DEALING WITH MATTERS WITHIN THE PURVIEW OF THIS COMPACT;

15 (d) GATHER AND DISSEMINATE INFORMATION RELATING TO ANY OF
16 THE MATTERS WITHIN THE PURVIEW OF THIS COMPACT;

17 (e) COOPERATE WITH THE FEDERAL GOVERNMENT AND ANY PUBLIC
18 OR PRIVATE ENTITIES HAVING INTERESTS IN ANY SUBJECT COMING WITHIN
19 THE PURVIEW OF THIS COMPACT;

20 (f) CONSULT, UPON THE REQUEST OF A PARTY STATE AND WITHIN
21 AVAILABLE RESOURCES, WITH THE OFFICIALS OF THE STATE IN RESPECT TO
22 ANY PROBLEM WITHIN THE PURVIEW OF THIS COMPACT;

23 (g) STUDY AND MAKE RECOMMENDATIONS WITH RESPECT TO ANY
24 PRACTICE, PROCESS, TECHNIQUE, OR COURSE OF ACTION THAT MAY
25 IMPROVE THE EFFICIENCY OF MINING OR THE ECONOMIC YIELD FROM
26 MINING OPERATIONS; AND

27 (h) STUDY AND MAKE RECOMMENDATIONS RELATING TO THE

1 SAFEGUARDING OF ACCESS TO RESOURCES THAT ARE OR MAY BECOME THE
2 SUBJECT OF MINING OPERATIONS TO THE END THAT THE NEEDS OF THE
3 ECONOMY FOR THE PRODUCTS OF MINING MAY NOT BE ADVERSELY
4 AFFECTED BY UNPLANNED OR INAPPROPRIATE USE OF LAND AND OTHER
5 RESOURCES CONTAINING MINERALS OR OTHERWISE CONNECTED WITH
6 ACTUAL OR POTENTIAL MINING SITES.

7 (6) **The commission.** (a) THE INTERSTATE MINING COMMISSION
8 IS COMPOSED OF ONE COMMISSIONER FROM EACH PARTY STATE WHO IS THE
9 GOVERNOR OF THAT STATE. PURSUANT TO THE LAWS OF EACH PARTY
10 STATE, EACH GOVERNOR SHALL HAVE THE ASSISTANCE OF AN ADVISORY
11 BODY, WHICH INCLUDES MEMBERSHIP FROM MINING INDUSTRIES,
12 CONSERVATION INTERESTS, AND OTHER PUBLIC AND PRIVATE INTERESTS
13 AS MAY BE APPROPRIATE, IN CONSIDERING PROBLEMS RELATING TO MINING
14 AND IN DISCHARGING THE RESPONSIBILITIES AS A COMMISSIONER ON THE
15 COMMISSION. IN ANY INSTANCE WHERE A GOVERNOR IS UNABLE TO
16 ATTEND A MEETING OF THE COMMISSION OR PERFORM ANY OTHER
17 FUNCTION IN CONNECTION WITH THE BUSINESS OF THE COMMISSION, THE
18 GOVERNOR SHALL DESIGNATE AN ALTERNATE FROM AMONG THE MEMBERS
19 OF THE ADVISORY BODY REQUIRED BY THIS SUBSECTION (6), WHO SHALL
20 REPRESENT THE GOVERNOR AND ACT IN THE GOVERNOR'S PLACE AND
21 STEAD. THE DESIGNATION OF AN ALTERNATE SHALL BE COMMUNICATED
22 BY THE GOVERNOR TO THE COMMISSION AS PROVIDED IN ITS BYLAWS.

23 (b) EACH COMMISSIONER IS ENTITLED TO ONE VOTE. AN ACTION OF
24 THE COMMISSION MAKING A RECOMMENDATION PURSUANT TO SUBSECTION
25 (5)(c), (5)(g), OR (5)(h) OF THIS SECTION OR REQUESTING, ACCEPTING, OR
26 DISPOSING OF FUNDS, SERVICES, OR OTHER PROPERTY PURSUANT TO THIS
27 SUBSECTION (6)(b) OR SUBSECTION (6)(g), (6)(h), OR (8) OF THIS SECTION

1 SHALL NOT BE VALID UNLESS IT IS TAKEN AT A MEETING AT WHICH A
2 MAJORITY OF THE TOTAL NUMBER OF VOTES ON THE COMMISSION IS CAST
3 IN FAVOR OF THE ACTION. ALL OTHER ACTIONS SHALL BE BY A MAJORITY
4 OF THOSE PRESENT AND VOTING, PROVIDED THAT ANY ACTION OF THE
5 COMMISSION MAY OCCUR ONLY AT A MEETING AT WHICH A MAJORITY OF
6 THE COMMISSIONERS, OR THEIR ALTERNATES, IS PRESENT. THE
7 COMMISSION MAY ESTABLISH AND MAINTAIN FACILITIES AS MAY BE
8 NECESSARY FOR THE TRANSACTION OF ITS BUSINESS. THE COMMISSION
9 MAY ACQUIRE, HOLD, AND CONVEY REAL AND PERSONAL PROPERTY AND
10 ANY INTEREST IN THAT PROPERTY.

11 (c) THE COMMISSION SHALL HAVE A SEAL.

12 (d) THE COMMISSION SHALL ELECT ANNUALLY, FROM AMONG ITS
13 MEMBERS, A PRESIDING OFFICER, A VICE-PRESIDING OFFICER, AND A
14 TREASURER. THE COMMISSION SHALL APPOINT AN EXECUTIVE DIRECTOR
15 AND FIX THE EXECUTIVE DIRECTOR'S DUTIES AND COMPENSATION. THE
16 EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE
17 COMMISSION. THE EXECUTIVE DIRECTOR, THE TREASURER, AND OTHER
18 PERSONNEL AS THE COMMISSION DESIGNATES SHALL BE BONDED. THE
19 AMOUNTS OF THE BONDS ARE DETERMINED BY THE COMMISSION.

20 (e) NOTWITHSTANDING THE CIVIL SERVICE, PERSONNEL, OR OTHER
21 MERIT SYSTEM LAWS OF ANY OF THE PARTY STATES, THE EXECUTIVE
22 DIRECTOR, WITH THE APPROVAL OF THE COMMISSION, SHALL APPOINT,
23 REMOVE, OR DISCHARGE PERSONNEL AS MAY BE NECESSARY FOR THE
24 PERFORMANCE OF THE COMMISSION'S FUNCTIONS AND SHALL FIX THE
25 DUTIES AND COMPENSATION OF PERSONNEL.

26 (f) THE COMMISSION MAY ESTABLISH AND MAINTAIN,
27 INDEPENDENTLY OR IN CONJUNCTION WITH A PARTY STATE, A SUITABLE

1 RETIREMENT SYSTEM FOR ITS EMPLOYEES. EMPLOYEES OF THE
2 COMMISSION ARE ELIGIBLE FOR SOCIAL SECURITY COVERAGE IN RESPECT
3 OF OLD AGE AND SURVIVOR'S INSURANCE PROVIDED THAT THE
4 COMMISSION TAKES STEPS NECESSARY PURSUANT TO THE LAWS OF THE
5 UNITED STATES TO PARTICIPATE IN A PROGRAM OF INSURANCE AS A
6 GOVERNMENTAL AGENCY OR UNIT. THE COMMISSION MAY ESTABLISH AND
7 MAINTAIN OR PARTICIPATE IN ADDITIONAL PROGRAMS OF EMPLOYEE
8 BENEFITS AS IT DEEMS APPROPRIATE.

9 (g) THE COMMISSION MAY BORROW, ACCEPT, OR CONTRACT FOR
10 THE SERVICES OF PERSONNEL FROM ANY STATE, THE UNITED STATES, OR
11 ANY OTHER GOVERNMENTAL AGENCY OR FROM ANY PERSON, FIRM,
12 ASSOCIATION, OR CORPORATION.

13 (h) THE COMMISSION MAY ACCEPT FOR ANY OF ITS PURPOSES AND
14 FUNCTIONS UNDER THIS COMPACT ANY AND ALL DONATIONS, AND GRANTS
15 OF MONEY, EQUIPMENT, SUPPLIES, MATERIALS, AND SERVICES,
16 CONDITIONAL OR OTHERWISE, FROM ANY STATE, THE UNITED STATES, OR
17 ANY OTHER GOVERNMENTAL AGENCY, OR FROM ANY PERSON, FIRM,
18 ASSOCIATION, OR CORPORATION, AND MAY RECEIVE, UTILIZE, AND DISPOSE
19 OF THE SAME. ANY DONATION OR GRANT ACCEPTED BY THE COMMISSION
20 PURSUANT TO THIS SUBSECTION (6)(h) OR SERVICES BORROWED PURSUANT
21 TO SUBSECTION (6)(g) OF THIS SECTION SHALL BE REPORTED IN THE
22 ANNUAL REPORT OF THE COMMISSION. THE REPORT SHALL INCLUDE THE
23 NATURE, AMOUNT, AND CONDITIONS, IF ANY, OF THE DONATION, GRANT,
24 OR SERVICES BORROWED AND THE IDENTITY OF THE DONOR OR LENDER.

25 (i) THE COMMISSION SHALL ADOPT BYLAWS FOR THE CONDUCT OF
26 ITS BUSINESS AND HAS THE POWER TO AMEND AND RESCIND THESE
27 BYLAWS. THE COMMISSION SHALL PUBLISH ITS BYLAWS IN CONVENIENT

1 FORM AND FILE A COPY OF ITS BYLAWS AND A COPY OF ANY AMENDMENT
2 TO THE BYLAWS WITH THE APPROPRIATE AGENCY OR OFFICER IN EACH OF
3 THE PARTY STATES.

4 (j) THE COMMISSION ANNUALLY SHALL MAKE TO EACH PARTY
5 STATE'S GOVERNOR, LEGISLATURE, AND ADVISORY BODY REQUIRED BY
6 SUBSECTION (6)(a) OF THIS SECTION A REPORT COVERING THE ACTIVITIES
7 OF THE COMMISSION FOR THE PRECEDING YEAR AND EMBODYING THE
8 RECOMMENDATIONS MADE BY THE COMMISSION. THE COMMISSION MAY
9 MAKE ADDITIONAL REPORTS AS IT DEEMS DESIRABLE.

10 (7) **Advisory, technical, and regional committees.** THE
11 COMMISSION SHALL ESTABLISH ADVISORY, TECHNICAL, AND REGIONAL
12 COMMITTEES AS IT DEEMS NECESSARY, MEMBERSHIP ON WHICH INCLUDES
13 PRIVATE PERSONS AND PUBLIC OFFICIALS, AND SHALL COOPERATE WITH
14 THE USE AND SERVICES OF ANY COMMITTEES AND THE ORGANIZATIONS
15 THAT THE MEMBERS REPRESENT IN FURTHERING ANY OF ITS ACTIVITIES.
16 THE COMMITTEES MAY BE FORMED TO CONSIDER PROBLEMS OF SPECIAL
17 INTEREST TO ANY PARTY STATES, PROBLEMS DEALING WITH PARTICULAR
18 COMMODITIES OR TYPES OF MINING OPERATIONS, PROBLEMS RELATED TO
19 RECLAMATION, DEVELOPMENT, OR USE OF MINED LAND, OR ANY OTHER
20 MATTERS OF CONCERN TO THE COMMISSION.

21 (8) **Finance.** (a) THE COMMISSION SHALL SUBMIT TO THE
22 GOVERNOR OR DESIGNATED OFFICER OR OFFICERS OF EACH PARTY STATE
23 A BUDGET OF ITS ESTIMATED EXPENDITURES FOR SUCH PERIOD AS MAY BE
24 REQUIRED BY THE LAWS OF THAT PARTY STATE FOR PRESENTATION TO THE
25 LEGISLATURE.

26 (b) EACH OF THE COMMISSION'S BUDGETS OF ESTIMATED
27 EXPENDITURES SHALL CONTAIN SPECIFIC RECOMMENDATIONS OF THE

1 AMOUNT OR AMOUNTS TO BE APPROPRIATED BY EACH OF THE PARTY
2 STATES. THE TOTAL AMOUNT OF APPROPRIATIONS REQUESTED UNDER ANY
3 BUDGET SHALL BE APPORTIONED AMONG THE PARTY STATES AS FOLLOWS:
4 ONE-HALF IN EQUAL SHARES AND THE REMAINDER IN PROPORTION TO THE
5 VALUE OF MINERALS, ORES, AND OTHER SOLID MATTER MINED. IN
6 DETERMINING THE VALUES, THE COMMISSION SHALL EMPLOY AVAILABLE
7 PUBLIC SOURCES OF INFORMATION AS, IN ITS JUDGMENT, PRESENT THE
8 MOST EQUITABLE AND ACCURATE COMPARISONS AMONG THE PARTY
9 STATES. EACH OF THE COMMISSION'S BUDGETS OF ESTIMATED
10 EXPENDITURES AND REQUESTS FOR APPROPRIATIONS SHALL INDICATE THE
11 SOURCE OR SOURCES USED IN OBTAINING INFORMATION CONCERNING THE
12 VALUE OF MINERALS, ORES, AND OTHER SOLID MATTER MINED.

13 (c) THE COMMISSION SHALL NOT PLEDGE THE CREDIT OF ANY
14 PARTY STATE. THE COMMISSION MAY MEET ANY OF ITS OBLIGATIONS IN
15 WHOLE OR IN PART WITH FUNDS AVAILABLE TO IT UNDER SUBSECTION
16 (6)(h) OF THIS SECTION; PROVIDED THAT THE COMMISSION TAKES SPECIFIC
17 ACTION SETTING ASIDE THE FUNDS PRIOR TO INCURRING ANY OBLIGATION
18 TO BE MET IN WHOLE OR IN PART IN SUCH MANNER. EXCEPT WHERE THE
19 COMMISSION MAKES USE OF FUNDS AVAILABLE TO IT UNDER SUBSECTION
20 (6)(h) OF THIS SECTION, THE COMMISSION SHALL NOT INCUR ANY
21 OBLIGATION PRIOR TO THE ALLOTMENT OF FUNDS BY THE PARTY STATES
22 ADEQUATE TO MEET THE SAME.

23 (d) THE COMMISSION SHALL KEEP ACCURATE ACCOUNTS OF ALL
24 RECEIPTS AND DISBURSEMENTS. THE RECEIPTS AND DISBURSEMENTS OF
25 THE COMMISSION ARE SUBJECT TO THE AUDIT AND ACCOUNTING
26 PROCEDURES ESTABLISHED UNDER ITS BYLAWS. ALL RECEIPTS AND
27 DISBURSEMENTS OF FUNDS HANDLED BY THE COMMISSION SHALL BE

1 AUDITED YEARLY BY A QUALIFIED PUBLIC ACCOUNTANT, AND THE REPORT
2 OF THE AUDIT SHALL BE INCLUDED IN AND BECOME PART OF THE ANNUAL
3 REPORT OF THE COMMISSION.

4 (e) THE ACCOUNTS OF THE COMMISSION SHALL BE OPEN AT ANY
5 REASONABLE TIME FOR INSPECTION BY DULY CONSTITUTED OFFICERS OF
6 THE PARTY STATES AND BY ANY PERSONS AUTHORIZED BY THE
7 COMMISSION.

8 (f) THIS COMPACT SHALL NOT BE CONSTRUED TO PREVENT
9 COMMISSION COMPLIANCE WITH LAWS RELATING TO THE AUDIT OR
10 INSPECTION OF ACCOUNTS BY OR ON BEHALF OF ANY GOVERNMENT
11 CONTRIBUTING TO THE SUPPORT OF THE COMMISSION.

12 (9) **Entry into force and withdrawal.** (a) THIS COMPACT SHALL
13 ENTER INTO FORCE WHEN ENACTED INTO LAW BY ANY FOUR OR MORE
14 STATES. AFTER THAT ENACTMENT, THIS COMPACT BECOMES EFFECTIVE AS
15 TO ANY OTHER STATE UPON ITS ENACTMENT OF THE COMPACT.

16 (b) ANY PARTY STATE MAY WITHDRAW FROM THIS COMPACT BY
17 ENACTING A STATUTE REPEALING THE COMPACT, BUT WITHDRAWAL DOES
18 NOT TAKE EFFECT UNTIL ONE YEAR AFTER THE GOVERNOR OF THE
19 WITHDRAWING STATE HAS GIVEN NOTICE IN WRITING OF THE WITHDRAWAL
20 TO THE GOVERNORS OF ALL OTHER PARTY STATES. A WITHDRAWAL DOES
21 NOT AFFECT ANY LIABILITY ALREADY INCURRED BY OR CHARGEABLE TO
22 A PARTY STATE PRIOR TO THE TIME OF WITHDRAWAL.

23 (10) **Effect on other laws.** THIS COMPACT DOES NOT LIMIT,
24 REPEAL, OR SUPERSEDE ANY OTHER LAW OF ANY PARTY STATE.

25 (11) **Construction and severability.** THIS COMPACT SHALL BE
26 LIBERALLY CONSTRUED SO AS TO EFFECTUATE THE PURPOSES OF THE
27 COMPACT. THE PROVISIONS OF THIS COMPACT ARE SEVERABLE AND IF ANY

1 PHRASE, CLAUSE, SENTENCE, OR PROVISION OF THIS COMPACT IS DECLARED
2 TO BE CONTRARY TO THE CONSTITUTION OF ANY STATE OR OF THE UNITED
3 STATES, OR THE APPLICABILITY OF THE COMPACT TO ANY GOVERNMENT,
4 AGENCY, PERSON, OR CIRCUMSTANCE IS HELD INVALID, THE VALIDITY OF
5 THE REMAINDER OF THIS COMPACT AND THE APPLICABILITY OF THE
6 COMPACT TO ANY GOVERNMENT, AGENCY, PERSON, OR CIRCUMSTANCE IS
7 NOT AFFECTED. IF THIS COMPACT IS HELD CONTRARY TO THE
8 CONSTITUTION OF ANY STATE PARTICIPATING IN THE COMPACT, THE
9 COMPACT REMAINS IN FULL FORCE AND EFFECT AS TO THE REMAINING
10 PARTY STATES AND IN FULL FORCE AND EFFECT AS TO THE STATE
11 AFFECTED AS TO ALL SEVERABLE MATTERS.

12 **24-60-5004. Membership and applicability.** (1) THE GOVERNOR
13 MAY APPOINT A DESIGNEE TO SERVE AS THE GOVERNOR'S OFFICIAL
14 REPRESENTATIVE TO THE COMPACT AND TO PERFORM ALL FUNCTIONS IN
15 CONNECTION WITH THE BUSINESS OF THE COMPACT.

16 (2) PROVISIONS AND POLICIES OF THE INTERSTATE MINING
17 COMPACT MAY NOT BE CONSTRUED TO LIMIT, REPEAL, OR SUPERSEDE ANY
18 LAW OF THE STATE OF COLORADO.

19 (3) (a) THE GOVERNOR AND THE LEGISLATURE, OR AGENTS OF
20 EITHER, MAY INSPECT THE BOOKS AND ACCOUNTS OF THE COMMISSION AT
21 ANY REASONABLE TIME WHILE THE STATE IS A MEMBER.

22 (b) A COPY OF THE BYLAWS OF THE COMMISSION MUST BE PLACED
23 ON FILE WITH THE DEPARTMENT OF NATURAL RESOURCES AND BE
24 AVAILABLE FOR INSPECTION AT ANY REASONABLE TIME BY THE
25 LEGISLATURE OR ANY INTERESTED CITIZEN.

26 (4) THE STATE OF COLORADO IS NOT LIABLE FOR THE OBLIGATIONS
27 OR SOLVENCY OF:

1 (a) THE RETIREMENT SYSTEM DESCRIBED IN SECTION 24-60-5003
2 (6)(f); OR

3 (b) A PROGRAM OF EMPLOYEE BENEFITS DESCRIBED IN SECTION
4 24-60-5003 (6)(f).

5 **24-60-5005. Expenses.** THE DEPARTMENT OF NATURAL
6 RESOURCES MAY PAY ANNUALLY THE ANNUAL MEMBERSHIP DUES
7 PAYABLE TO THE COMMISSION FOR THE MEMBERSHIP OF THE STATE OF
8 COLORADO IN THAT ORGANIZATION. THE MEMBERSHIP DUES SHALL BE
9 PAID FROM MONEY COLLECTED FROM MINING FEES, ABANDONED MINE
10 LAND FEES AND FUNDS, OR NATURAL RESOURCE OPERATIONS OR FROM
11 MONEY GRANTED TO THE STATE BY THE FEDERAL OFFICE OF SURFACE
12 MINING RECLAMATION AND ENFORCEMENT.

13 **SECTION 19. Act subject to petition - effective date.** This act
14 takes effect at 12:01 a.m. on the day following the expiration of the
15 ninety-day period after final adjournment of the general assembly; except
16 that, if a referendum petition is filed pursuant to section 1 (3) of article V
17 of the state constitution against this act or an item, section, or part of this
18 act within such period, then the act, item, section, or part will not take
19 effect unless approved by the people at the general election to be held in
20 November 2026 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.