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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1961

02/20/2023 Authored by Hanson, J.; Freiberg; Reyer; Agbaje; Pursell and others
The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy

1.1 A bill for an act
1.2 relating to natural resources; modifying financial assurance requirements for
1.3 nonferrous permit to mine; amending Minnesota Statutes 2022, sections 93.481,
1.4 subdivision 1; 93.49.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 93.481, subdivision 1, is amended to read:

1.7 Subdivision 1. Prohibition against mining without permit; application for
1.8 permit. Except as provided in this subdivision, after June 30, 1975, no person shall engage
1.9 in or carry out a mining operation for metallic minerals within the state unless the person
1.10 has first obtained a permit to mine from the commissioner. Any person engaging in or
1.11 carrying out a mining operation as of the effective date of the rules adopted under section
1.12 93.47 shall apply for a permit to mine within 180 days after the effective date of such rules.
1.13 Any such existing mining operation may continue during the pendency of the application
1.14 for the permit to mine. The person applying for a permit shall apply on forms prescribed
1.15 by the commissioner and shall submit such information as the commissioner may require,
1.16 including but not limited to the following:

1.17 (1) a proposed plan for the reclamation or restoration, or both, of any mining area affected
1.18 by mining operations to be conducted on and after the date on which permits are required
1.19 for mining under this section;

1.20 (2) a certificate issued by an insurance company authorized to do business in the United
1.21 States that the applicant has a public liability insurance policy in force for the mining
1.22 operation for which the permit is sought, or evidence that the applicant has satisfied other
1.23 state or federal self-insurance requirements, to provide personal injury and property damage

2.1 protection in an amount adequate to compensate any persons who might be damaged as a
 2.2 result of the mining operation or any reclamation or restoration operations connected with
 2.3 the mining operation;

2.4 (3) for a permit to mine nonferrous metallic minerals, a certificate issued by an insurance
 2.5 company authorized to do business in the United States that the applicant has an
 2.6 environmental impairment liability policy in force for the mining operation for which the
 2.7 permit is sought that provides coverage for all loss, liability, and cleanup costs resulting
 2.8 from the release of pollutants during the course of mining operations or any reclamation or
 2.9 restoration operations connected with the mining operation, in an amount to be determined
 2.10 by the commissioner;

2.11 ~~(3)~~ (4) an application fee of:

2.12 (i) \$25,000 for a permit to mine for a taconite mining operation;

2.13 (ii) \$50,000 for a permit to mine for a nonferrous metallic minerals operation;

2.14 (iii) \$10,000 for a permit to mine for a scam mining operation; or

2.15 (iv) \$5,000 for a permit to mine for a peat operation;

2.16 ~~(4)-a~~ (5) the deposit or bond which may be required pursuant to under section 93.49;

2.17 and

2.18 ~~(5)~~ (6) a copy of the applicant's advertisement of the ownership, location, and boundaries
 2.19 of the proposed mining area and reclamation or restoration operations, which advertisement
 2.20 shall be published in a legal newspaper in the locality of the proposed site at least once a
 2.21 week for four successive weeks before the application is filed, except that if the application
 2.22 is for a permit to conduct lean ore stockpile removal the advertisement need be published
 2.23 only once.

2.24 Sec. 2. Minnesota Statutes 2022, section 93.49, is amended to read:

2.25 **93.49 FINANCIAL ASSURANCE OF OPERATOR.**

2.26 (a) The commissioner shall require a bond or other security or other financial assurance
 2.27 satisfactory to the commissioner from an operator. The commissioner shall review annually
 2.28 the extent of each operator's financial assurance under this section.

2.29 (b) Before issuing a permit to mine or amending a permit to mine, the commissioner
 2.30 must require an operator of a nonferrous mining operation to submit financial assurance,
 2.31 in the form of a cash bond or cash deposit, sufficient to cover the costs of:

- 3.1 (1) reclamation activities, including closure and postclosure maintenance; and
- 3.2 (2) corrective actions if noncompliance with design and operating criteria in the permit
- 3.3 to mine occurs.
- 3.4 (c) The commissioner must annually review the amount of financial assurance for an
- 3.5 operator of a nonferrous mining operation to ensure that the amount is sufficient to cover
- 3.6 the costs under paragraph (b).