

# HOUSE BILL REPORT

## HB 1574

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### As Reported By House Committee On:

Natural Resources

**Title:** An act relating to clarifying the existing authority of the department of ecology and the department of natural resources to require performance security for metals mining and milling operations.

**Brief Description:** Clarifying the existing authority of the department of ecology and the department of natural resources to require performance security for metals mining and milling operations.

**Sponsors:** Representatives Elliot, Sheldon, Fuhrman, Valle, McMorris, Schoesler and Radcliff.

### Brief History:

#### Committee Activity:

Natural Resources: 2/15/95, 2/17/95 [DPS].

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## HOUSE COMMITTEE ON NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Fuhrman, Chairman; Buck, Vice Chairman; Pennington, Vice Chairman; Basich, Ranking Minority Member; Regala, Assistant Ranking Minority Member; Beeksma; Cairnes; Elliot; G. Fisher; Jacobsen; Romero; Sheldon; Stevens; B. Thomas and Thompson.

**Staff:** Linda Byers (786-7129).

**Background:** In 1994, the Legislature enacted legislation regulating metals mining and milling operations. As part of this legislation, the Legislature created the Metals Mining Advisory Group and assigned to this group a number of tasks. The Metals Mining Advisory Group is comprised of members representing the metals mining industry, county commissioners of affected counties, the environmental community, and the departments of Ecology, Fish and Wildlife, and Natural Resources.

The advisory group has worked through its assigned tasks, including the task of identifying fee-eligible costs and costs which are required but not funded. The major unfunded cost identified by the advisory group is the performance security rule-making requirement imposed on the Department of Ecology. To address this unfunded

cost, the advisory group recommends separating the performance security provisions of the Department of Ecology and the Department of Natural Resources and making Ecology's performance security rule-making discretionary instead of mandatory.

**Summary of Substitute Bill:** The joint performance security provisions of the current metals mining law are divided into separate performance security provisions for the Department of Ecology and the Department of Natural Resources. The Department of Ecology may, but is no longer required to, adopt rules regarding that department's performance security requirements. A single performance security may still be used by both the Department of Ecology and the Department of Natural Resources when the performance security is acceptable to both agencies.

**Substitute Bill Compared to Original Bill:** The substitute bill makes a number of minor language changes to achieve the same general policy expressed in the original bill.

**Appropriation:** None.

**Fiscal Note:** Requested on February 9, 1995.

**Effective Date of Substitute Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The bill is a technical fix offered by the Metals Mining Advisory Group. The group is an example of a way to find cooperative solutions to difficult problems. The members of the group support the striking amendment language. The bill will save money. It's impressive to see people from such diverse interests work together. This is an excellent way to do business. It is a pleasure to bring a fiscal note with a savings on it.

**Testimony Against:** The aggregates and concrete industry prefer the bonding mechanisms existing before last year's legislation.

**Testified:** Brant Hinze, Battle Mountain Gold Company; Judy Turpin, Washington Environmental Council; Mick Munson, Okanogan County Commissioners; Jim Krull, Department of Ecology; Art Stearns, Department of Natural Resources (all in favor); and Mark Triplett, Washington Aggregates and Concrete Association.