



A New Generation of Mining Jobs for Wisconsin: Facts on Having Both a Strong Economy and Environment

Here in Wisconsin, we are ready to move forward with both a strong economy and clean environment, opening our state to a bright future with a new generation of mining jobs and encouraging clean and safe economic development of our state's natural resources. **The Natural Resource Development Association** is committed to this mission of having both a strong economy and a strong environment.

State Sen. Tom Tiffany (R-Hazelhurst) and State Rep. Rob Hutton (R-Brookfield) recently introduced the Mining for America Act, legislation to lift the moratorium on mining in Wisconsin, create certainty in the regulatory process, put the regulatory permitting process more in line with other industries and states, and maintain strong environmental protections.

Here are some **Myths** and **Facts** about recent legislation to accomplish this goal:

Myth: Mining companies would operate in Wisconsin with no oversight.

Fact: The legislation maintains a clear and strict regulatory regime. It does not seek exemptions from environmental standards currently in the statutes and it does not preempt local regulations. The primary focus of the bill is to establish a clear timeline and consistency for regulatory approval. This gives mining applicants the kind of certainty they need about the application, permitting, and regulatory process to determine whether they'll be able to successfully invest in Wisconsin to create jobs and economic growth by developing our natural resources.

The legislation would do four key things:

- 1) Lift the mining moratorium that has effectively halted new nonferrous metallic mining in Wisconsin.
- 2) Place mining under a permit process similar to other environmental permits and establish timelines so that mining applicants aren't left in limbo indefinitely.
- 3) Make minor modifications for demonstrating compliance with certain standards.
- 4) Clarify fee schedules for mining applicants.

Myth: You can't do responsible mining in Wisconsin.

Fact: In fact, Wisconsin has a history of safe mining exemplified by the Flambeau mine near Ladysmith, and there are other examples in both Michigan and Minnesota. The Flambeau mine operated in the 1990s with a state-of-the-art treatment plant to ensure compliance with all groundwater and surface water standards while generating a total of 181,000 tons of

marketable copper, 334,000 ounces of gold, and 3.3 million ounces of silver. About 85 percent of the jobs at the Flambeau mine were filled by local residents, making it a source of jobs and economic development for northern Wisconsin. Not only is the Flambeau mine an example of success, but mining technology has progressed to make mining practices in our state cleaner, safer, and more efficient. In 2011, the Bureau of Land Management and United States Forest Service reported to the United States Senate that since 1990, they have permitted over 3,300 mines and none have ended up on the National Priorities List established under CERCLA (Superfund).

Myth: The Flambeau mine ultimately contaminated our water.

Fact: The Flambeau mine operated in accordance with environmental standards including ground and surface water. In fact, despite attempts at litigation over the mine, a federal appeals court ruled that the Flambeau mine had not violated the Clean Water Act, and cited with approval the federal district court's observation that "Flambeau's 'efforts to protect the environment during its mining operations and reclamation effort' were 'exemplary' and 'deserve commendation, not penalties.'" And the Flambeau company will remain governed by its permit and continual DNR monitoring of the reclaimed site.

Myth: The legislation would create a "fast track" for mining operations.

Fact: The legislation would not create a "fast track" – it would still take a minimum of three to five years and there is no presumptive approval. What the legislation does is create a timeline for each stage of the review with ample opportunities for DNR comments and requests for additional information, along with opportunities for a public hearing on a proposed nonferrous metallic prospecting or mining project before the DNR acts on a permit application. This is more in line with how environmental permits are issued in Wisconsin and other states. The regulatory process for mining operations would remain robust, and would simply add a level of certainty associated with a permitting and application approval process that has clear timeline that applicants, the DNR, and the public could rely upon.

Myth: The legislation would remove crucial financial assurance requirements on mining companies.

Fact: Financial assurances would remain in place in Wisconsin. Wisconsin state law requires that mining applicants provide funds for the eventual reclamation of an area where mining operations occur. The legislation Sen. Tiffany and Rep. Hutton have proposed maintains this requirement, and to satisfy it applicants must file a bond, cash, certificates of deposit, or governmental securities with the Wisconsin Department of Natural Resources to ensure that the operator meets the long-term care requirements to cover the cost of the reclamation plan for the mining or prospecting site. The legislation ends a prohibitive mandate for an irrevocable trust to cover these costs – an unnecessary policy that was not in place for successful operations like Flambeau, and is unique to Wisconsin. This means Wisconsin will continue to require mining operators to provide financial assurance for reclamation plan, but that our state will be able to compete with states like Michigan and Minnesota for mining investment.

Myth: The legislation would stop people from requesting a contested case hearing on a mining operation.

Fact: Contested case hearings and judicial reviews are still part of the legislation. This legislation would simply place mining under a similar contested case hearing process as the one used for protecting other natural resources, such as wetlands. The contested case would be available following the DNR's decision on whether to issue mining and associated permits.

About Natural Resource Development Association

The Natural Resource Development Association supports policies that lead to proper, necessary, and conscientious resource development and conservation. By engaging community leaders, laborers, manufacturers, and job creators in the legislative and decision-making process, the association will help create open atmosphere for resources development that is both environmentally sound and economically beneficial for Wisconsin.