



STATE MINING AND GEOLOGY BOARD

DEPARTMENT OF CONSERVATION

801 K Street • Suite 2015 • Sacramento, California 95814

Policy and Legislation Committee

Brian Baca, Chair; Jelisaveta Gavric, John Lane

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CONFORMED MINUTES

THE POLICY AND LEGISLATION COMMITTEE OF THE STATE MINING AND GEOLOGY BOARD

Conducted a Meeting on:

Thursday, June 14, 2012

9:00 A.M.

LOCATION:

Assembly Hearing Room #444
State Capitol
Sacramento, California 95814

AGENDA

For questions regarding this Agenda, please contact the SMGB office by telephone at (916) 322-1082, or by facsimile at (916) 445-0738. This Notice and associated staff reports can be accessed electronically at the SMGB's Internet web site at: <http://www.consrv.ca.gov/smgb/> (note: Agenda reports should be available electronically approximately one week prior to the scheduled meeting/hearing date).

The SMGB requires that all lengthy comments be submitted in writing in advance of the meeting date where this matter is to be decided. To ensure that the SMGB has the opportunity to fully preview written material, comments should be received in the SMGB office located at 801 K Street, Sacramento, CA, 95814, no later than 5:00 P.M., 15 calendar days prior to the scheduled meeting date, and must identify the Agenda Item to which it relates. For written materials in excess of two pages, or that contains large maps, photos, foldouts, or other documents requiring special handling, please submit 15 copies. The SMGB will not reproduce these types of documents. Comments on Agenda Items will be accepted by electronic mail, and are subject to the same conditions set forth for other written submissions.

New submittals received after 15 calendar days prior to the scheduled meeting date will be marked as late, and the SMGB will decide whether new submittals will be considered or not during the public hearing. Late submittals, received by the SMGB at least 48 hours prior to the scheduled meeting, will be included in a late document submittal listing. Late submittals, received after 48 hours prior to the scheduled meeting, will not be included on the late document submittal list. The SMGB would accept a two-page written summary of testimony, or final comments based on, and limited to, review of the SMGB's packet and/or Executive Officer's

report, at the time of the public hearing. Such two-page summaries would be included as part of the administrative record before the SMGB. This policy does not apply to quasijudicial proceedings (i.e., appeals, petitions, etc.) where administrative procedures for the submittal of documents are set forth in statute and regulation.

Individuals are responsible for presenting their own projects at the meeting.

[NOTE: Times are approximate. The chairman may alter the hearing start time or agenda item order during the meeting]

I. Call to Order (Baca)

The meeting was called to order at 9:10 A.M. by Committee Chairman Baca, with Member Gavric and Member Lane present, and a quorum was declared.

II. Roll Call and Declaration of a Quorum

III. Consent Items [Action]

[All the items appearing under this section will be acted upon by the committee by one motion and without discussion; however, any committee member wishing to discuss a particular item may request the Chairman to remove the item from the Consent Calendar and consider it separately under Continued Business or New Business]

1. Approval of Minutes, March 8, 2012, Committee Meeting.

Committee Chairman Baca moved to approve the minutes, with Member Gavric and Member Lane abstaining, and the motion was approved.

IV. Continued Business [Action]

[These business items have been continued from a previous meeting/hearing.]

2. Report of the State Mining and Geology Board's Annual Mine Fees Survey under the Surface Mining and Reclamation Act (SMARA).

Executive Officer Testa stated that the SMGB has been considering the equity of the current reporting fee schedule and directed the Executive Officer to develop a survey to provide documentation as to whether such mine fees are equitable. An eight-question survey was conducted for all 1,355 mining operations during the period of December 2011 and February 2012, with 419 responding. Results were compiled and tabulated, and provided as SMGB Information Report 1012-09. Several scenarios and options have previously been discussed by the Policy and Legislation Committee back in March, May, June, October and December, 2011, and March and May, 2012. Following discussion, it was determined that calculation of mine fees on the basis of production remained the most reasonable approach, and raising the statutory cap for specific mine operations would provide a means to achieve equity in mine fees among small, medium and large mining operations. The Committee also determined that raising the statutory cap for total revenues was not desirable at this time. In March, the Committee requested that various site specific cap scenarios be evaluated.

- Melody Williamson, analyst with the Office of Mine Reclamation Reporting, Compliance and Review Unit provided a summary of the results of the survey of California mine operators'



satisfaction with annual mining fees. In addition, several different mine site specific cap fee scenarios were discussed (\$8,000, \$12,000 and \$15,000).

- Committee Chairman Baca complimented all on an excellent survey report and presentation.

Committee Member Lane moved to recommend to the whole SMGB that the Department of Conservation (DOC) amend Public Resources Code 2207(d) which establishes a single mining operation cap not to exceed \$4,000, to a new cap of \$8,000, and raise the minimum single mining operation fee from \$100 to \$500. Committee Chairman Gavric seconded and the motion was unanimously approved.

V. New Business [Action]

No new business was discussed.

VI. Good of the Meeting [Information]

[This time is scheduled to provide the public with an opportunity to address non-agenda items. Those wishing to speak should do so at this time. All persons wishing to address the Committee should fill out a speaker card and present it to the Secretary so that the Chair can determine the number of persons who wish to speak. Speakers are limited to three minutes except by special consent of the Chairman]

No Good of the Meeting information were discussed.

VII. Continuing Business [Information]

[This item is provided as an opportunity for any SMGB Committee member to receive information on or any items of continuing interest to the SMGB.]

No continued business was discussed.

VIII. New Business [Information]

[This item is provided as an opportunity for any SMGB Committee member to bring any item of new business to the Committee's attention for further discussion and further action.]

No new business was offered.

IX. Announcements of Future Meetings

The next meeting of the Policy and Legislation Committee was scheduled to be held in Sacramento in August 2012.

X. Adjournment

The Committee meeting was adjourned at 9:30 A.M.

APPROVED

Brian Baca, Committee Chairman

Stephen M. Testa, Executive Officer

