

**2013 DRAFTING REQUEST**

**Senate Substitute Ammendment (SSA-SB1)**

Received: 2/22/2013 Received By: btradewe  
Wanted: As time permits Same as LRB:  
For: Timothy Cullen (608) 266-2253 By/Representing: Jim Stoa  
May Contact: Drafter: btradewe  
Subject: Environment - mining Addl. Drafters: jkreye

Extra Copies:

Submit via email: YES  
Requester's email: Sen.Cullen@legis.wisconsin.gov  
Carbon copy (CC) to: Beau.Stafford@legis.wisconsin.gov

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Regulation of metallic mining and taxation of iron mining

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**Instructions:**

Like 2013 SB 3

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 2/25/2013	csicilia 2/25/2013	jfrantze 2/25/2013	_____			
/1				_____	mbarman 2/25/2013	mbarman 2/25/2013	

FE Sent For:

<END>

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Regulation of metallic mining and taxation of iron mining

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**Instructions:**

Like 2013 SB 3, except make the tonnage rate \$2/long ton

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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FE Sent For:

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State of Wisconsin  
2013 - 2014 LEGISLATURE

s0012/1  
LRB50003/1  
RCT&JK:cjs:ph  
styx

VMNY

SENATE SUBSTITUTE AMENDMENT 1,  
TO SENATE BILL 1

in 2-25-13

Troley

February 5, 2013 - Offered by Senators JAUCH and LEHMAN.

5x✓

Gen Cat

1 AN ACT *to repeal* 293.43 (3) (a) and 293.43 (5); *to amend* 70.375 (2) (a), 70.375  
2 (5) (intro.), 70.395 (1e), 70.395 (2) (dc) 1., 70.395 (2) (dc) 2., 70.395 (2) (dc) 3.,  
3 70.395 (2) (g) (intro.), 227.42 (4), 281.93 (3), 283.63 (3), 285.81 (3), 289.05 (2),  
4 289.27 (3), 289.29 (5), 293.31 (1), 293.35 (5), 293.43 (title), 293.43 (1m), 293.43  
5 (2), 293.43 (3) (c), 293.43 (4), 293.45 (1) and (2), 293.49 (1) (a) (intro.), 293.49 (1)  
6 (a) 3., 293.49 (2) (intro.) and 293.51 (3); *to repeal and recreate* 293.43 (1) and  
7 293.43 (3) (b) (intro.); and *to create* 20.192 (1) (g), 70.375 (7), 70.395 (2) (L),  
8 238.14, 289.645 (4) (g), 293.313, 293.37 (2) (gm), 293.42, 293.43 (2m), 293.44,  
9 293.45 (2m), 293.49 (4g), 293.51 (2m) and 293.64 of the statutes; **relating to:**

1 regulation of metallic mining, an occupation tax on iron mining, and making an  
2 appropriation.

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*Analysis by the Legislative Reference Bureau*

REGULATION OF METALLIC MINING

*Processing application for mining permit*

Under current law, a person who proposes to mine for metallic minerals must obtain a mining permit from the Department of Natural Resources (DNR), as well as any other permit, license, certification, or other authorization that is required under other environmental and natural resources laws (approval).

Current law requires DNR to prepare an environmental impact statement (EIS) for every proposed metallic mine. After the EIS is finalized, DNR must hold a public hearing (called the master hearing), that includes a public informational hearing and a contested case hearing with sworn testimony and the opportunity for cross-examination, before acting on the application for the mining permit and other approvals. Current law does not specify a time, after the application for a mining permit is filed, within which DNR must act on a mining permit application. It does require the master hearing to be held between 120 days and 180 days after DNR issues the EIS and requires DNR to act on the permit application within 90 days after the completion of the record for the master hearing.

Under this substitute amendment, DNR must hold a public informational hearing after the EIS for a proposed metallic mine is finalized. After the public informational hearing, the substitute amendment requires DNR to hold a contested case hearing covering the application for the mining permit and other approvals if any person notifies DNR that the person wishes to be a party within 30 days after DNR provides notice about the contested case hearing. The substitute amendment requires DNR to give the notice no more than 520 days after the application for the mining permit is complete, unless the deadline is extended as provided in the substitute amendment. The substitute amendment authorizes DNR to extend the deadline for a total of not more than 180 days if the applicant changes its proposal for the mine or if additional time is needed to ensure collaboration with a federal agency with responsibilities related to the proposed mine or to evaluate new information related to the mine. The substitute amendment authorizes the applicant to extend the deadline as often and for as long as it decides is necessary. The substitute amendment also authorizes DNR and the applicant to negotiate an agreement for a timeline for processing the mining permit application that includes a different deadline for DNR to provide notice of the contested case hearing.

The substitute amendment requires that the contested case hearing on a proposed metallic mine be concluded and the record of the hearing be completed no more than 680 days after the application for the mining permit is complete, except that if the deadline for providing notice concerning the contested case hearing is extended, the deadline for concluding the hearing and completing the record of the hearing is extended by the same number of days. The substitute amendment

requires DNR to act on the application for the mining permit and other approvals no more than 730 days after the application for the mining permit is complete, except that if the deadline for providing notice concerning the contested case hearing is extended, the deadline for acting on the applications is extended by the same number of days.

### ***Processing application for prospecting permit***

Under current law, a person may not prospect for metallic ore without a prospecting permit from DNR. Prospecting is examining an area to determine the quantity and quality of metallic minerals by means other than drilling, for example, by excavating. Under current law, an EIS is not mandatory for proposed prospecting. DNR determines whether it must prepare an EIS for prospecting in the same way that it determines whether it must prepare an EIS for other actions for which an EIS is not mandatory. Under current law, the rest of the procedure for processing an application for a prospecting permit is similar to that for processing the application for a mining permit.

This substitute amendment provides an expedited procedure for processing a prospecting permit if the application for the permit shows that less than 10,000 tons of material is proposed to be excavated. Under the expedited process:

1. An EIS is not required.
2. DNR must hold a public informational hearing.
3. DNR must act on the application for the prospecting permit and, generally, for other approvals covered in the informational hearing no later than 60 days after the application for the prospecting permit is complete.
4. No contested case hearing is available on the application for the permit or for other approvals covered in the informational hearing.

For an application for a prospecting permit to which the expedited process does not apply, the substitute amendment makes changes to the permitting process that are the similar to those made for processing the application for a mining permit, including the deadlines for DNR action.

### ***Notice of intent***

Under current law, a person who intends to apply for a permit for mining or prospecting for metallic ore must notify DNR before collecting data intended to be used to support the application.

This substitute amendment requires a person who intends to apply for a permit for mining for metallic ore, but not for prospecting, to provide notice of that intent at least 12 months before filing the application.

### ***Collaboration***

This substitute amendment requires DNR to do all of the following in relation to proposed metallic mining:

1. Provide assistance to a person who notifies DNR of the person's intent to apply for a mining or prospecting permit during the processes related to obtaining a permit.
2. Work and consult with American Indian tribes and bands during the processes related to proposed mining in which the tribes and bands have an interest.

3. Work with and provide assistance to other regulatory agencies, including local and federal agencies, during the processes relating to proposed mining in which the agencies have an interest.

4. Seek to enter into a memorandum of understanding with any federal agency with responsibilities related to a potential mining operation covering timelines and other issues of mutual concern.

5. Seek to be the lead agency in matters related to processing an application for a mining permit that are undertaken in coordination with a federal agency.

### ***Irrevocable trust***

Currently, DNR's rules on metallic mining require a person to whom a mining permit is issued to establish an irrevocable trust to ensure adequate funds to undertake preventive measures to avoid adverse environmental consequences and to take measures in response to a spill of hazardous substances or the failure of a mining waste facility to contain the waste. DNR determines the level of funding required based on the likelihood of the need for preventive or response measures and the range of costs of the measures.

Under this substitute amendment, the level of funding for the irrevocable trust for a metallic mine is equal to the sum of the following:

1. Twenty percent of the amount of the bond or other security required under current law to ensure the availability of funds for reclamation of the mining site.

2. Twenty percent of the amount of the bond or other security required under current law as proof of financial responsibility for closure and long-term care of the mining waste facility.

### ***Recycling tipping fee***

Current law imposes several fees, often referred to as tipping fees, on generators of solid waste that are based on the tonnage of solid waste disposed of at solid waste disposal facilities. The recycling tipping fee is \$7 per ton. Under current law there are some exemptions from the recycling tipping fee and the other tipping fees.

The substitute amendment exempts metallic prospecting and mining waste from the recycling tipping fee.

### ***Groundwater***

Under current law, among other conditions, to approve the application for a permit for metallic mining DNR must find that the proposed mine will comply with groundwater laws and rules. Under the groundwater laws, DNR and the Department of Health Services establish groundwater quality standards for substances that contaminate groundwater. Also under current law, for certain facilities, such as waste disposal facilities, the groundwater law requires DNR to establish a three-dimensional design management zone (DMZ) within the property boundaries. DNR's current rules require the applicant for a mining permit to submit information based on predictive modeling to demonstrate whether there is a reasonable certainty that a mining waste facility will result in the violation of a groundwater standard beyond the DMZ. There is no time frame specified for this modeling.

This substitute amendment requires an applicant for a mining permit to submit information based on predictive modeling to demonstrate whether there is a reasonable certainty that a mining waste facility will result in the violation of a groundwater standard beyond the DMZ within 250 years after the facility is planned to be closed.

Currently, for metallic mining waste sites, in addition to the DMZ, DNR's rules provide for a mandatory intervention boundary that is generally 150 feet from the outer waste boundary. Under the rules, if a preventive action limit or an enforcement standard is exceeded beyond the mandatory intervention boundary, DNR must require a response by the operator.

This substitute amendment provides that DNR and an applicant for a mining permit may agree to use a mandatory intervention boundary that is a longer distance, up to 600 feet, from the outer waste boundary.

The substitute amendment also requires DNR to study whether, in connection with metallic mining, groundwater standards should apply in an aquifer containing saline (salty) water and to report its conclusions to the legislature.

#### ***Mining waste characterization***

Current law requires DNR to promulgate rules for the identification and regulation of metallic mining wastes. This substitute amendment requires DNR to adopt, in those rules, standards of the American Society for Testing and Materials for testing and other methodologies related to the evaluation of mining waste.

#### **OCCUPATION TAX ON MINING**

Under current law, the state imposes a net proceeds occupation tax on the mining of metallic minerals in this state. The tax is based, generally, on a percentage of net income from the sale of ore or minerals after certain mining processes have been applied to the ore or minerals. The tax rates are annually adjusted to reflect the change in gross national product. Gross national product, generally, measures the output generated by U.S. enterprises, regardless of whether those enterprises are located in this country.

Under this substitute amendment, instead of paying a net proceeds occupation tax based on net income, a person who is mining ferrous minerals in this state would pay a tax equal to \$2.412 for each 2,240 pounds of ferrous minerals extracted from mines in this state, based on a three-year average. The tax rate would be annually adjusted to reflect the change in the gross domestic product.

Under current law, a person who intends to apply for a mining permit must make three payments of \$50,000 each to the investment and local impact fund. Under the substitute amendment, a person who intends to apply for a mining permit must instead make three payments of \$100,000 each to the investment and local impact fund.

Under current law, the revenue collected from the net proceeds occupation tax is deposited into the investment and local impact fund. The fund is managed by the local impact fund board (the board). The revenue is then, generally, distributed to the counties and municipalities in which metallic minerals are being mined. The substitute amendment allows the board to provide grants to units of local government to prepare economic impact studies related to sites at or near the units

\$2

of local government on which exploration or prospecting is being conducted for the potential mining of ferrous minerals.

Under the substitute amendment, 70 percent of the revenue collected from the tax on extracting ferrous metallic minerals in this state, as created in the substitute amendment, is deposited into the investment and local impact fund and 30 percent of the revenue is used for a regional Wisconsin diversification program that the substitute amendment requires the Wisconsin Economic Development Corporation (WEDC) to establish. The substitute amendment authorizes WEDC to use the moneys it receives for the regional Wisconsin diversification program for the purpose of making business diversification grants or loans in coordination with appropriate units of local government to businesses that are located in close proximity to, but no more than 100 miles from, the site of a mine for ferrous metallic minerals. The substitute amendment also authorizes WEDC to use those moneys for the purpose of catastrophe abatement or response, as determined by WEDC.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 20.192 (1) (g) of the statutes is created to read:

2           20.192 (1) (g) *Regional Wisconsin diversification program.* All moneys received  
3 under s. 70.395 (1e) for grants, loans, and disbursements under s. 238.14.

4           **SECTION 2.** 70.375 (2) (a) of the statutes is amended to read:

5           70.375 (2) (a) ~~In~~ Except as provided in sub. (7), with respect to mines not in  
6 operation on November 28, 1981, there is imposed upon persons engaged in mining  
7 metalliferous minerals in this state a net proceeds occupation tax effective on the  
8 date on which extraction begins to compensate the state and municipalities for the  
9 loss of valuable, irreplaceable metalliferous minerals. The amount of the tax shall  
10 be determined by applying the rates established under sub. (5) to the net proceeds  
11 of each mine. The net proceeds of each mine for each year are the difference between  
12 the gross proceeds and the deductions allowed under sub. (4) for the year.

13           **SECTION 3.** 70.375 (5) (intro.) of the statutes is amended to read:



1           70.375 (5) RATES. (intro.) The Except as provided in sub. (7), the tax to be  
2 assessed, levied and collected upon persons engaging in mining metalliferous  
3 minerals in this state shall be computed at the following rates:

\$2

4           **SECTION 4.** 70.375 (7) of the statutes is created to read:

5           70.375 (7) PER TON RATE. (a) Notwithstanding subs. (2) and (5), for mines in  
6 operation after December 31, 2012, the tax assessed, levied, and collected from a  
7 person engaged in mining ferrous minerals in this state is an amount equal to \$2.412

8 for each 2,240 pounds of ferrous minerals extracted by the person from mines in this  
9 state, based on the average annual amount extracted during the current year and  
10 the previous 2 years, not including any year in which the person is not extracting  
11 ferrous minerals from mines in this state.

12           (b) Beginning in 2014, and in each year thereafter, the department shall change  
13 the dollar amount rate under par. (a) to reflect the percentage change in the gross  
14 domestic product implicit price deflator from the 4th quarter of the 2nd preceding  
15 year to the 4th quarter of the preceding year, as determined by the federal  
16 department of commerce.

17           **SECTION 5.** 70.395 (1e) of the statutes is amended to read:

18           70.395 (1e) DISTRIBUTION. Fifteen days after the collection of the tax under ss.  
19 70.38 to 70.39, the department of administration, upon certification of the  
20 department of revenue, shall transfer the amount collected in respect to mines not  
21 in operation on November 28, 1981, to the investment and local impact fund, except  
22 that the department of administration shall transfer 70 percent of the amount  
23 collected from each person under s. 70.375 (7) to the investment and local impact  
24 fund and 30 percent of the amount collected from each person under s. 70.375 (7) to

1 the appropriation under s. 20.192 (1) (g) for the regional Wisconsin diversification  
2 program under s. 238.14.

3 **SECTION 6.** 70.395 (2) (dc) 1. of the statutes is amended to read:

4 70.395 (2) (dc) 1. Each person intending to submit an application for a mining  
5 permit shall pay ~~\$50,000~~ \$100,000 to the department of revenue for deposit in the  
6 investment and local impact fund at the time that the person notifies the department  
7 of natural resources under s. 293.31 (1) of that intent.

8 **SECTION 7.** 70.395 (2) (dc) 2. of the statutes is amended to read:

9 70.395 (2) (dc) 2. A person making a payment under subd. 1. shall pay an  
10 additional ~~\$50,000~~ \$100,000 upon notification by the board that the board has  
11 distributed 50% of the payment under subd. 1.

12 **SECTION 8.** 70.395 (2) (dc) 3. of the statutes is amended to read:

13 70.395 (2) (dc) 3. A person making a payment under subd. 2. shall pay an  
14 additional ~~\$50,000~~ \$100,000 upon notification by the board that the board has  
15 distributed all of the payment under subd. 1. and 50% of the payment under subd.  
16 2.

17 **SECTION 9.** 70.395 (2) (g) (intro.) of the statutes is amended to read:

18 70.395 (2) (g) (intro.) The board may distribute the revenues received by the  
19 investment and local impact fund under sub. (1e) or proceeds thereof in accordance  
20 with par. (h) for the following purposes, as the board determines necessary:

21 **SECTION 10.** 70.395 (2) (L) of the statutes is created to read:

22 70.395 (2) (L) Notwithstanding any other provision under this subsection, the  
23 board may provide grants to local governmental units, as defined in s. 238.133 (1) (b),  
24 to prepare economic impact studies related to sites at or near the local governmental  
25 units on which exploration or prospecting is being conducted for the potential mining

1 of ferrous minerals or that are the subject of a preapplication process for a permit to  
2 mine ferrous minerals.

3 **SECTION 11.** 227.42 (4) of the statutes is amended to read:

4 227.42 (4) This section does not apply if a hearing on the matter was conducted  
5 as a part of a hearing under s. ~~293.43~~ 293.44.

6 **SECTION 12.** 238.14 of the statutes is created to read:

7 **238.14 Regional Wisconsin diversification program.** The corporation  
8 may use moneys appropriated under s. 20.192 (1) (g) only as follows:

9 (1) The corporation may make a grant or loan of those moneys to a business that  
10 is located within 100 miles from the site of a mine for ferrous metallic minerals in  
11 this state, and the corporation shall give preference for that grant or loan to a  
12 business that is located in close proximity to the site of the mine. In making a grant  
13 or loan under this subsection, the corporation shall coordinate with an appropriate  
14 local governmental unit, as defined in s. 238.133 (1) (b), to make that grant or loan  
15 on a competitive basis for the purpose of business diversification.

16 (2) The corporation may disburse those moneys for the purpose of catastrophe  
17 abatement or response related to a mine for ferrous metallic minerals, as determined  
18 by the corporation.

19 **SECTION 13.** 281.93 (3) of the statutes is amended to read:

20 281.93 (3) MINING HEARING. Subsections (1) and (2) do not apply if a hearing  
21 on the matter is conducted as a part of a hearing under s. ~~293.43~~ 293.44.

22 **SECTION 14.** 283.63 (3) of the statutes is amended to read:

23 283.63 (3) Subsections (1) and (2) do not apply if a hearing on the permit  
24 application is conducted as a part of a hearing under s. ~~293.43~~ 293.44.

25 **SECTION 15.** 285.81 (3) of the statutes is amended to read:

1           285.81 (3) MINING HEARING. Subsections (1) and (2) do not apply if a hearing  
2 on the matter is conducted as a part of a hearing under s. ~~293.43~~ 293.44.

3           **SECTION 16.** 289.05 (2) of the statutes is amended to read:

4           289.05 (2) With the advice and comment of the metallic mining council, the  
5 department shall promulgate rules for the identification and regulation of metallic  
6 mining wastes. The rules promulgated to identify metallic mining wastes and to  
7 regulate the location, design, construction, operation and maintenance of facilities  
8 for the disposal of metallic mining wastes shall be in accordance with any or all of  
9 the provisions under this chapter and chs. 30 and 283. The rules shall take into  
10 consideration the special requirements of metallic mining operations in the location,  
11 design, construction, operation and maintenance of facilities for the disposal of  
12 metallic mining wastes as well as any special environmental concerns that will arise  
13 as a result of the disposal of metallic mining wastes. In promulgating the rules, the  
14 department shall give consideration to research, studies, data and recommendations  
15 of the U.S. environmental protection agency on the subject of metallic mining wastes  
16 arising from the agency's efforts to implement the resource conservation and  
17 recovery act. In the rules, the department shall adopt the standards of the American  
18 Society for Testing and Materials for testing and other methodologies related to the  
19 evaluation of mining waste. After the department promulgates rules adopting those  
20 standards, the department may modify or replace the rules to reflect new  
21 technologies or industry practices.

22           **SECTION 17.** 289.27 (3) of the statutes is amended to read:

23           289.27 (3) NONAPPLICABILITY. Notwithstanding sub. (2), this section does not  
24 apply if a hearing on the feasibility report is conducted as a part of a hearing under  
25 s. ~~293.43~~ 293.44 and the time limits, notice and hearing provisions under that section

1       supersede the time limits, notice and hearing provisions under s. 289.25 (2) and (3)  
2       and this section.

3               **SECTION 18.** 289.29 (5) of the statutes is amended to read:

4               **289.29 (5)** ISSUANCE OF FINAL DETERMINATION OF FEASIBILITY IN CERTAIN  
5       SITUATIONS INVOLVING UTILITIES AND MINING. If a determination of feasibility is  
6       identified in the listing specified in s. 196.491 (3) (a) 3. a., the issuance of a final  
7       determination of feasibility is subject to the time limit under s. 196.491 (3) (a) 3. b.  
8       If a determination of feasibility is ~~required~~ covered by a hearing under s. 293.43, the  
9       issuance of a final determination of feasibility is subject to the time limits under s.  
10      293.45 ~~(2)~~ or 293.49, whichever is applicable.

11              **SECTION 19.** 289.645 (4) (g) of the statutes is created to read:

12              289.645 (4) (g) The recycling fee does not apply to prospecting or mining waste.

13              **SECTION 20.** 293.31 (1) of the statutes is amended to read:

14              293.31 (1) Any person intending to submit an application for a prospecting or  
15      mining permit shall notify the department prior to the collection of data or  
16      information intended to be used to support the permit application. A person  
17      intending to submit an application for a mining permit shall provide notice under  
18      this subsection at least 12 months before filing that application. Specific  
19      environmental data which would be pertinent to a specific prospecting or mining  
20      application, but which was obtained or collected or generated prior to the notice of  
21      intent to apply for a prospecting or mining permit, shall be submitted in writing to  
22      the department together with any substantiating background information which  
23      would assist the department in establishing the validity of the data. The department  
24      shall review the data and; if it concludes that the benefits of permitting the  
25      admission of the data outweigh the policy reasons for excluding it, and if the data is

1 otherwise admissible, inform the person giving the notice of intent to prospect or  
2 mine that the data will be accepted by the department. Such exclusion shall not  
3 relate to general environmental information such as soil characteristics, hydrologic  
4 conditions and air and water data contained in publications, maps, documents,  
5 studies, reports and similar sources, whether public or private, not prepared by or  
6 for the applicant. Such exclusion shall likewise not relate to data which is otherwise  
7 admissible that is collected prior to notification under this subsection for purposes  
8 of evaluating another site or sites and which is not collected with intent to evade the  
9 provisions of this section.

10 **SECTION 21.** 293.313 of the statutes is created to read:

11 **293.313 Collaboration.** The department shall do all of the following:

12 (1) Provide assistance to a person who provides notice under s. 293.31 during  
13 the processes under this subchapter.

14 (2) Work with and consult with federally recognized American Indian tribes or  
15 bands in this state during the processes under this subchapter concerning proposed  
16 mining in which the tribes and bands have an interest.

17 (3) Work with and provide assistance to other regulatory agencies, including  
18 local, state, and federal agencies, during the processes under this subchapter related  
19 to proposed mining in which the agencies have an interest.

20 (4) After the department receives a notice under s. 293.31, seek to enter into  
21 a memorandum of understanding with any federal regulatory agency with  
22 responsibilities related to the potential mining operation covering timelines,  
23 sampling metrology, and any other issue of mutual concern related to processing an  
24 application for a mining permit.

1           (5) Seek to take the lead in processes related to processing an application for  
2 a mining permit that are undertaken in coordination with federal regulatory  
3 agencies.

4           **SECTION 22.** 293.35 (5) of the statutes is amended to read:

5           293.35 (5) If the department determines that a statement under s. 1.11 is  
6 required for consideration of an application for a prospecting permit to which s.  
7 293.42 does not apply, the statement need not consider impacts unrelated to the  
8 proposed prospecting activity, other than the issue of unsuitability for surface  
9 mining, absent a certification under sub. (1).

10          **SECTION 23.** 293.37 (2) (gm) of the statutes is created to read:

11          293.37 (2) (gm) A proposed irrevocable trust agreement to provide funds for  
12 activities to avoid or remedy any adverse environmental consequences from the  
13 mining operation.

14          **SECTION 24.** 293.42 of the statutes is created to read:

15          **293.42 Process for certain prospecting permit applications.** If the  
16 application for a prospecting permit shows that less 10,000 tons of material is  
17 proposed to be excavated, all of the following apply:

18          (1) The department is not required to prepare a statement under s. 1.11 or an  
19 environmental analysis for consideration of the application.

20          (2) The department shall hold a public informational hearing on the  
21 application in the county where the prospecting site, or the largest portion of the  
22 prospecting site, is located.

23          (3) The hearing under sub. (2), shall cover, to the fullest extent possible, all  
24 other applications for approvals, licenses, and permits issued by the department that  
25 are needed to conduct the prospecting. The department shall inform the applicant

1 as to the timely application date for all approvals, licenses, and permits issued by the  
2 department, so as to facilitate their consideration at the hearing.

3 (4) The department shall approve the application for the prospecting permit,  
4 and issue the prospecting permit, or deny the application, under s. 293.45, no later  
5 than 60 days after the department determines that the application is complete.

6 (5) For each approval, license, or permit, other than the prospecting permit,  
7 covered by the hearing under sub. (2), except for an approval, license, or permit for  
8 which federal law requires the opportunity for public comment or the ability to  
9 request a public hearing prior to issuance, the department shall approve the  
10 application and issue the approval, license, or permit or deny the application no later  
11 than 60 days after the department determines that the application for the  
12 prospecting permit is complete, notwithstanding any procedural provisions that  
13 would otherwise apply.

14 (6) Notwithstanding s. 227.42, no person is entitled to a contested case hearing  
15 on a decision by the department on the prospecting permit or on another approval,  
16 license, or permit that is covered by the public informational hearing under sub. (2).

17 **SECTION 25.** 293.43 (title) of the statutes is amended to read:

18 **293.43 (title) ~~Hearings~~ Public informational hearings on permit**  
19 **applications.**

20 **SECTION 26.** 293.43 (1) of the statutes is repealed and recreated to read:

21 293.43 (1) **APPLICABILITY.** This section applies to all applications for mining  
22 permits and to those applications for prospecting permits to which s. 293.42 does not  
23 apply.

24 **SECTION 27.** 293.43 (1m) of the statutes is amended to read:



1           293.43 (1m) SCOPE. (a) ~~The hearing on the~~ Before approving or denying the  
2 application for a prospecting or mining permit shall cover, the department shall hold  
3 a public informational hearing covering the application and, any statements  
4 environmental impact statement prepared under s. 1.11 and, to the fullest extent  
5 possible, all other applications for approvals, licenses and permits issued by the  
6 department. The department shall inform the applicant as to the timely application  
7 date for all approvals, licenses and permits issued by the department, so as to  
8 facilitate the consideration of all other matters at the hearing on the prospecting or  
9 mining ~~permits~~ permit.

10           (b) Except as provided in this paragraph, for all department issued approvals,  
11 licenses and permits relating to prospecting or mining including solid waste  
12 feasibility report approvals and permits related to air and water, ~~to be issued after~~  
13 ~~April 30, 1980,~~ the notice, hearing and comment provisions, if any, and the time for  
14 issuance of decisions, shall be controlled by this section and ss. 293.44, 293.45, and  
15 293.49. If an applicant fails to make application for an approval, license or permit  
16 for an activity incidental to prospecting or mining in time for notice under this section  
17 to be provided, the notice and comment requirements, if any, shall be controlled by  
18 the specific statutory provisions with respect to that application. If notice under  
19 those specific statutory notice requirements can be given for consideration of the  
20 approval, license or permit at the hearing under this section, the application shall  
21 be considered at that hearing; otherwise, the specific statutory hearing provisions,  
22 if any, with respect to that application shall control. The substantive requirements  
23 for the issuance of any approval, permit or license incidental to prospecting or mining  
24 are not affected by the fact that a hearing on the approval, permit or license is  
25 conducted as part of a hearing under this section.

1           **SECTION 28.** 293.43 (2) of the statutes is amended to read:

2           293.43 (2) LOCATION. The hearing under sub. (1m) shall be held in the county  
3 where the prospecting or mining site, or the largest portion of the prospecting or  
4 mining site, is located, but may subsequently be adjourned to other locations.

5           **SECTION 29.** 293.43 (2m) of the statutes is created to read:

6           293.43 (2m) MEETING ON PRELIMINARY ENVIRONMENTAL IMPACT STATEMENT. Before  
7 issuing a final environmental impact statement for a mining permit or for a  
8 prospecting permit, if the department determines that an environmental impact  
9 statement is required under s. 1.11 for the prospecting permit, the department shall  
10 hold at least one informational meeting regarding its preliminary environmental  
11 impact statement.

12           **SECTION 30.** 293.43 (3) (a) of the statutes is repealed.

13           **SECTION 31.** 293.43 (3) (b) (intro.) of the statutes is repealed and recreated to  
14 read:

15           293.43 (3) (b) (intro.) The department shall hold the hearing under sub. (1m)  
16 after it issues the final environmental impact statement, if an environmental impact  
17 statement is required. The department shall provide notice of the hearing under sub.  
18 (1m) by doing all of the following:

19           **SECTION 32.** 293.43 (3) (c) of the statutes is amended to read:

20           293.43 (3) (c) Written comments may be submitted by any governmental  
21 agency ~~within 80 days of the date of~~ or any individual after the issuance of the  
22 environmental impact statement under par. (b). ~~Individual persons may submit~~  
23 ~~written comments within 120 days of the date of issuance of the statement.~~ The last  
24 day for receipt of comments shall be specified by the department in all notices.

25           **SECTION 33.** 293.43 (4) of the statutes is amended to read:

1           293.43 (4) PARTICIPATION BY LOCAL GOVERNMENTS. Any county, town, village or  
2 city receiving notice of the filing of an application in the manner provided under sub.  
3 (3) ~~(a) or~~ (b) shall refer the application and reclamation plan to a committee  
4 established under s. 293.33 (1) or (2), if any, for review and comment. Such counties,  
5 towns, villages or cities may participate as a party in the hearing under sub. (1m) on  
6 the application and may make recommendations on the reclamation plan and future  
7 use of the project site.

8           **SECTION 34.** 293.43 (5) of the statutes is repealed.

9           **SECTION 35.** 293.44 of the statutes is created to read:

10           **293.44 Contested case hearing. (1) REQUIREMENT; SCOPE.** A contested case  
11 hearing shall be held on the application for a mining permit or a prospecting permit,  
12 other than a prospecting permit to which s. 293.42 applies, if a person files a notice  
13 of intent to participate under sub. (4) within 30 days after the department provides  
14 notice under sub. (3). The application for any other approval, license, or permit that  
15 was covered by the informational hearing under s. 293.43 (1m) and any  
16 environmental impact statement prepared under s. 1.11 shall be considered at the  
17 contested case hearing.

18           **(2) LOCATION.** The contested case hearing shall be held in the county where the  
19 prospecting site or mining site, or the largest portion of the prospecting site or mining  
20 site, is located.

21           **(3) NOTICE.** (a) The department shall provide notice of the contested case  
22 hearing by doing all of the following:

23           1. Mailing a copy of the notice to all known departments and agencies required  
24 to grant any permit necessary for the proposed operation; to any regional planning  
25 commission within which the affected area lies; to the governing bodies of all towns,

1 villages, cities, and counties within which any part of the proposed prospecting site  
2 or mining site lies; to the governing bodies of any towns, villages, or cities contiguous  
3 to any town, village, or city within which any part of the proposed prospecting site  
4 or mining site lies; and to any interested persons who have requested such  
5 notification.

6 2. Publishing a class 2 notice, under ch. 985, utilizing a display advertising  
7 format, in the weekly newspaper published in the closest geographic proximity to the  
8 proposed prospecting site or mining site; in the newspaper having the largest  
9 circulation in a county within which all or a portion of the proposed site lies; and in  
10 those newspapers published in counties contiguous to the counties within which all  
11 or a portion of the proposed site lies that have a substantial circulation in the area  
12 of, or adjacent to, the proposed site.

13 3. Mailing a copy of the notice to the federal environmental protection agency,  
14 the U.S. army corps of engineers, and other states potentially affected by the  
15 proposed discharge if a water discharge permit under ch. 283 is to be considered at  
16 the hearing under this section and to the federal environmental protection agency  
17 and appropriate agencies in other states that may be affected if an air pollution  
18 control permit under ch. 285 is to be considered at the hearing under this section.

19 (b) 1. The department shall provide the notice under this subsection after  
20 holding the informational hearing under s. 293.43 and no later than the 520th day  
21 after the day on which the department determines that the application for the  
22 mining permit or prospecting permit is complete, except as provided in subds. 2. to  
23 4.

24 2. The department may extend the deadline under subd. 1. upon notice to the  
25 applicant, for a total of not more than 180 days, if any of the following applies:

1           a. The department needs additional time to ensure collaboration with any  
2 federal regulatory agency with responsibilities related to the mining or prospecting  
3 operation.

4           b. The department needs additional time to evaluate information related to the  
5 mining or prospecting operation that becomes available after the applicant files the  
6 application for the mining permit or prospecting permit.

7           c. The applicant makes changes to its proposal for the mining or prospecting  
8 operation.

9           3. The applicant may, by providing notice to the department, extend the  
10 deadline under subd. 1. as often as and for any length of time that the applicant  
11 determines to be necessary.

12           4. The department and an applicant may negotiate an agreement specifying a  
13 timeline for processing the application for a mining permit or prospecting permit and  
14 for other approvals, licenses, or permits issued by the department and that timeline  
15 may include a deadline for the department to provide notice of the contested case  
16 hearing that is different from the deadline under subd. 1.

17           **(4) PARTICIPATION.** Any person, including a county, city, village, or town that  
18 receives notice under sub. (3) (a) 1., who wishes to participate as a party shall file a  
19 written notice with the hearing examiner setting forth the person's interest within  
20 30 days after the department provides notice under sub. (3), unless good cause is  
21 shown.

22           **(6) RECORD.** Views given under s. 293.43 on the proposed mining or prospecting  
23 operation and all written comments submitted from any source are not part of the  
24 record for the contested case under this section, but shall be placed in the file of the

1 proceeding and shall be given appropriate probative value by the hearing examiner  
2 or decisionmaker.

3 (7) CONTINUATION. Hearings conducted under this section may be continued for  
4 just cause, subject to the deadline under sub. (8).

5 (8) DEADLINES. The hearing examiner shall conclude the hearing under this  
6 section and complete the record of the hearing no later than the 680th day after the  
7 day on which the department determines that the application for the mining permit  
8 or prospecting permit is complete, except that if the deadline under sub. (3) (b) 1. is  
9 extended under sub. (3) (b) 2. to 4., the deadline under this subsection is extended  
10 by the same number of days.

11 (9) APPLICABILITY OF OTHER LAW. Chapter 227 applies to a hearing under this  
12 section to the extent it is not inconsistent with this section.

13 **SECTION 36.** 293.45 (1) and (2) of the statutes are amended to read:

14 293.45 (1) The department shall issue a prospecting permit under this section  
15 to an applicant ~~within 60 days following the date of the completion of the hearing~~  
16 ~~record if, on the basis of the application, the department's investigation and hearing~~  
17 ~~and any written comments, if it finds that the site is not unsuitable for prospecting~~  
18 or, absent a certification under s. 293.35 (1), surface mining, the department has  
19 approved the prospecting plan and the reclamation plan complies with ss. 293.13 (2)  
20 and 293.35 (2) and (3) and rules promulgated under ss. 293.13 (2) and 293.35 (2) and  
21 (3). The department may modify any part of the application or reclamation plan and  
22 approve it as modified. Except as otherwise provided in this chapter, prospecting  
23 permits shall be valid for the life of the project, unless canceled under s. 293.83 (1)  
24 or (3) or 293.85 or revoked under s. 293.87 (2) or (3).

1           (2) The department shall deny a prospecting permit ~~within 60 days following~~  
2 ~~the date of the completion of the hearing record~~ if it finds that the site is unsuitable  
3 for prospecting or, absent certification under s. 293.35 (1), surface mining, or the  
4 reclamation plan, including the bond, does not comply with ss. 293.13 (2) and 293.35  
5 (2) and (3) and rules promulgated under ss. 293.13 (2) and 293.35 (2) and (3) or that  
6 the applicant is in violation of this chapter or any rules adopted under this chapter.  
7 If the applicant has previously failed and continues to fail to comply with this  
8 chapter, or if the applicant has within the previous 20 years forfeited any bond posted  
9 in accordance with prospecting or mining activities in this state, unless by mutual  
10 agreement with the state, the department may not issue a prospecting permit. The  
11 department may not issue a prospecting permit if it finds that any officer, director  
12 or manager of the applicant has, while employed by the applicant, the applicant's  
13 parent corporation, any of the applicant's principal shareholders or members, or any  
14 of the applicant's subsidiaries or affiliates, in which the applicant owns more than  
15 a 40% interest, within the previous 20 years forfeited any bond posted in accordance  
16 with prospecting or mining activities in this state unless by mutual agreement with  
17 the state. In this subsection, "forfeited any bond" means the forfeiture of any  
18 performance security occasioned by noncompliance with any prospecting or mining  
19 laws or implementing rules. If an application for a prospecting permit is denied, the  
20 department, within 30 days from the date of application denial, shall furnish to the  
21 applicant in writing the reasons for the denial.

22           **SECTION 37.** 293.45 (2m) of the statutes is created to read:

23           **293.45 (2m)** The department shall approve or deny the application for a  
24 prospecting permit, other than a prospecting permit to which s. 293.42 applies, and  
25 for any other approval, license, or permit that was covered by the informational

1 hearing under s. 293.43 (1m), after any contested case hearing under s. 293.44 and  
2 no later than the 730th day after the day on which the department determines that  
3 the application for the prospecting permit is complete, except that if the deadline  
4 under s. 293.44 (3) (b) 1. is extended under s. 293.44 (3) (b) 2. to 4., the deadline under  
5 this subsection is extended by the same number of days.

6 **SECTION 38.** 293.49 (1) (a) (intro.) of the statutes is amended to read:

7 293.49 (1) (a) (intro.) Except as provided in sub. (2) and s. 293.50 and except  
8 with respect to property specified in s. 41.41 (11), ~~within 90 days of the completion~~  
9 ~~of the public hearing record,~~ the department shall issue the mining permit if it finds:

10 **SECTION 39.** 293.49 (1) (a) 3. of the statutes is amended to read:

11 293.49 (1) (a) 3. In the case of a surface mine, the site is not unsuitable for  
12 mining. The preliminary determination that a site was not unsuitable for mining  
13 under s. 293.45 may not be conclusive in the determination of the site's suitability  
14 for mining under this section. However, at the hearing held under ~~this section and~~  
15 ~~s. 293.43 s. 293.44,~~ testimony and evidence submitted at the any prospecting permit  
16 proceeding relevant to the issue of suitability of the proposed mining site for surface  
17 mining may be adopted, subject to the opportunity for cross-examination and  
18 rebuttal, if not unduly repetitious.

19 **SECTION 40.** 293.49 (2) (intro.) of the statutes is amended to read:

20 293.49 (2) (intro.) ~~Within 90 days of the completion of the public hearing record,~~  
21 ~~the~~ The department shall deny the mining permit if it finds any of the following:

22 **SECTION 41.** 293.49 (4g) of the statutes is created to read:

23 293.49 (4g) The department shall approve or deny the application for a mining  
24 permit, and for any other approval, license, or permit that was covered by the  
25 informational hearing under s. 293.43 (1m), after any contested case hearing under



1 s. 293.44 and no later than the 730th day after the day on which the department  
2 determines that the application for the mining permit is complete, except that if the  
3 deadline under s. 293.44 (3) (b) 1. is extended under s. 293.44 (3) (b) 2. to 4., the  
4 deadline under this subsection is extended by the same number of days.

5 **SECTION 42.** 293.51 (2m) of the statutes is created to read:

6 **293.51 (2m)** Upon notification that an application for a mining permit has been  
7 approved by the department but prior to commencing mining, the operator shall  
8 establish an irrevocable trust, in accordance with the proposed agreement under s.  
9 293.37 (2) (gm), in an amount equal to 20 percent of the amount of the bond or other  
10 security required under sub. (1) plus 20 percent of the amount of the proof of financial  
11 responsibility provided under s. 289.41 (3) for the mining waste site or, if the  
12 applicant provides proof of financial responsibility using the net worth method under  
13 s. 289.41 (4), of the amount of the proof of financial responsibility that would be  
14 required to be provided under s. 289.41 (3) for the mining waste site if the applicant  
15 did not use the net worth method.

16 **SECTION 43.** 293.51 (3) of the statutes is amended to read:

17 **293.51 (3)** Upon approval of the operator's bond, mining application and  
18 certificate of insurance and receipt of evidence of the establishment of the trust  
19 under sub. (2m), the department shall issue written authorization to commence  
20 mining at the permitted mining site in accordance with the approved mining and  
21 reclamation plans.

22 **SECTION 44.** 293.64 of the statutes is created to read:

23 **293.64 Groundwater quality.** (1) In the feasibility report under s. 289.24  
24 for a prospecting or mining waste facility, an applicant shall submit information  
25 based on predictive modeling to demonstrate whether there is a reasonable certainty

1 that the facility will result in a violation of groundwater quality standards beyond  
2 the design management zone, determined under s. 160.21 (2) (d), within a period  
3 equal to the period in which the mining waste facility is proposed to operate plus 250  
4 years after the closure of the mining waste facility.

5 (2) For the purposes of s. NR 182.075 (1s) and (1u), Wis. Adm. Code, the  
6 horizontal distance to the mandatory intervention boundary for a prospecting or  
7 mining waste site is 150 feet from the outer waste boundary or a longer distance, up  
8 to 600 feet, agreed to by the applicant and the department, notwithstanding s. NR  
9 182.075 (1) (c), Wis. Adm. Code, except that the horizontal distance to the mandatory  
10 intervention boundary may not exceed 50 percent of the horizontal distance from the  
11 outer waste boundary to the boundary of the design management zone, determined  
12 under s. 160.21 (2) (d), for the prospecting or mining waste site.

13 **SECTION 45. Nonstatutory provisions.**

14 (1) REPORT CONCERNING GROUNDWATER STANDARDS. The department of natural  
15 resources shall study whether, in connection with metallic mining, groundwater  
16 standards under chapter NR 140, Wisconsin Administrative Code, should apply in  
17 an aquifer containing saline water and shall report its conclusions to the legislature,  
18 in the manner under section 13.172 (2) of the statutes, no later than the first day of  
19 the 12th month beginning after the effective date of this subsection.

20 (2) WASTE CHARACTERIZATION RULES.

21 (a) The department of natural resources shall submit in proposed form the  
22 rules required under section 289.05 (2) of the statutes, as affected by this act, to the  
23 legislative council staff under section 227.15 (1) of the statutes no later than the first  
24 day of the 9th month beginning after the effective date of this paragraph.

