

ASSEMBLY BILL NO. 148—ASSEMBLYMEN PETERS, WATTS, BILBRAY-AXELROD; ANDERSON, CARLTON, COHEN, MARTINEZ, NGUYEN AND TORRES

FEBRUARY 18, 2021

Referred to Committee on Natural Resources

SUMMARY—Revises provisions governing mining. (BDR 46-134)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to mining; revising the application requirements for obtaining a permit to engage in an exploration project or mining operation; prohibiting certain persons from obtaining such a permit; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law prohibits a person from engaging in certain exploration projects or mining operations without a permit issued for that purpose by the Division of Environmental Protection of the State Department of Conservation and Natural Resources. (NRS 519A.180, 519A.200) Existing law further: (1) requires certain information to be included in an application for such a permit, including the name and address of the applicant and, if the applicant is a corporation or other business entity, the name and address of its principal officers; and (2) prohibits the issuance of such a permit to an applicant who is in default on any obligation relating to reclamation. (NRS 519A.190, 519A.210)

Sections 1 and 2 of this bill require an applicant for such a permit who is a corporation or business entity to submit with the application the name and address of each person who has a controlling interest in the corporation or business entity.

Sections 1 and 2 further require an applicant to submit an affidavit that states whether or not the applicant and each person who has a controlling interest in the corporation or business entity is in good standing with all agencies of other states and federal agencies in relation to exploration projects or mining operations outside of this State.

Sections 1 and 2 prohibit the issuance of a permit to any applicant that is a corporation or other business entity if any person who has a controlling interest in the corporation or business entity has or previously had a controlling interest in another corporation or business entity that has defaulted on any obligation relating to reclamation unless the applicant: (1) pays the full amount of the defaulted



23 obligation or provides evidence of satisfaction of the defaulted obligation; and (2)  
24 demonstrates that the conditions which led to the default have been remedied and  
25 no longer exist.

26 **Sections 1 and 2** further prohibit the issuance of a permit if the applicant or, if  
27 the applicant is a corporation or other business entity, a person who has a  
28 controlling interest in the corporation or business entity is not in good standing with  
29 an agency of another state or a federal agency in relation to an exploration project  
30 or mining operation outside of this State unless the applicant or person who has a  
31 controlling interest remedies all issues relating to the exploration project or mining  
32 operation outside of this State and becomes in good standing with all agencies of  
33 the other state and federal agencies.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 519A.190 is hereby amended to read as  
2 follows:

3 519A.190 *1.* A person who desires to engage in an  
4 exploration project must:

5 ~~[(1)]~~ *(a)* File with the Division, upon a form approved by it, an  
6 application for a permit. The application must include:

7 ~~[(a)]~~ *(I)* The name and address of the applicant and, if *the*  
8 *applicant is* a corporation or other business entity ~~[, the]~~ :

9 *(I)* ~~The~~ name and address of ~~[its principal officers and its]~~  
10 *each person who has a controlling interest in the corporation or*  
11 *business entity; and*

12 *(II)* *The name and address of the* registered agent *of the*  
13 *corporation or business entity* for service of process;

14 ~~[(b)]~~ *(2)* An exploration map or sketch in sufficient detail to  
15 enable the Division to locate the area to be explored and to  
16 determine whether significant environmental problems are likely  
17 to result;

18 ~~[(e)]~~ *(3)* The kinds of prospecting and excavation techniques  
19 that will be used in the exploration project; ~~and~~

20 ~~—(d)]~~ *(4)* *An affidavit stating whether or not the applicant and,*  
21 *if applicable, each person who has a controlling interest in the*  
22 *corporation or business entity is in good standing with all agencies*  
23 *of other states and federal agencies in relation to exploration*  
24 *projects outside of this State; and*

25 *(5)* Any other information required by the regulations  
26 adopted by the Commission pursuant to NRS 519A.160.

27 ~~[(2)]~~ *(b)* Pay to the Division the application fee established in the  
28 regulations adopted by the Commission pursuant to NRS 519A.160.

29 ~~[(3)]~~ *(c)* Agree in writing to assume responsibility for the  
30 reclamation of any surface area damaged as a result of the  
31 exploration project.



~~1 [4. Not be in default of any other obligation relating to  
2 reclamation pursuant to this chapter.~~

~~3 —5.] (d) File with the Division a bond or other surety in a form  
4 approved by the Administrator and in an amount required by the  
5 regulations adopted by the Commission pursuant to NRS 519A.160.~~

~~6 2. Except as otherwise provided in subsections 3 and 4, the  
7 Division shall not issue a permit to engage in an exploration  
8 project pursuant to this section to an applicant if:~~

~~9 (a) The applicant has defaulted on any obligation relating to  
10 reclamation pursuant to this chapter, including, without  
11 limitation, by forfeiting a surety or failing to pay the full costs of  
12 reclamation or any penalty assessed pursuant to NRS 519A.280;~~

~~13 (b) For an applicant who is a corporation or other business  
14 entity, any person who has a controlling interest in the  
15 corporation or business entity has or previously had a controlling  
16 interest in another corporation or business entity that defaulted on  
17 any obligation relating to reclamation pursuant to this chapter,  
18 including, without limitation, by forfeiting a surety or failing to  
19 pay the full costs of reclamation or any penalty assessed pursuant  
20 to NRS 519A.280; or~~

~~21 (c) The applicant or, if the applicant is a corporation or other  
22 business entity, a person who has a controlling interest in the  
23 corporation or business entity is not in good standing with an  
24 agency of another state or a federal agency in relation to an  
25 exploration project outside of this State.~~

~~26 3. The Division may issue a permit to engage in an  
27 exploration project pursuant to this section to an applicant  
28 described in paragraph (a) or (b) of subsection 2 if the applicant:~~

~~29 (a) Pays to the Division the full amount of the defaulted  
30 obligation described in paragraph (a) or (b) of subsection 2, as  
31 applicable, or provides evidence of satisfaction of that defaulted  
32 obligation; and~~

~~33 (b) Demonstrates to the Division that any conditions which led  
34 to the default have been remedied and that such conditions no  
35 longer exist.~~

~~36 4. The Division may issue a permit to engage in an  
37 exploration project pursuant to this section to an applicant  
38 described in paragraph (c) of subsection 2 if the applicant  
39 demonstrates to the Division that the applicant or person who has  
40 a controlling interest in the corporation or business entity has  
41 remedied all issues related to the exploration project outside of this  
42 State and becomes in good standing with all agencies of the other  
43 state and federal agencies.~~

~~44 5. As used in this section, "person who has a controlling  
45 interest" means a person who:~~



1 *(a) Owns or controls a majority of the voting stock or holds*  
2 *any other controlling interest, directly or indirectly, in a*  
3 *corporation or other business entity that gives the person the*  
4 *power to direct management or determine policy; or*

5 *(b) Is a principal officer, partner, director or trustee of a*  
6 *corporation or business entity.*

7 **Sec. 2.** NRS 519A.210 is hereby amended to read as follows:

8 519A.210 **1.** A person who desires to engage in a mining  
9 operation must:

10 ~~[(1)]~~ *(a) File with the Division, upon a form approved by it, an*  
11 *application for a permit for each location at which the person will*  
12 *conduct operations. The application must include:*

13 ~~[(a)]~~ *(I) The name and address of the applicant and, if **the***  
14 *applicant is a corporation or other business entity ~~[-, the]~~ :*

15 *(I) ~~The~~ name and address of ~~[its principal officers and its]~~*  
16 *each person who has a controlling interest in the corporation or*  
17 *business entity; and*

18 *(II) **The name and address of the** registered agent of **the***  
19 *corporation or business entity for service of process;*

20 ~~[(b)]~~ *(2) A completed checklist developed by the Division*  
21 *pursuant to NRS 519A.220; ~~and~~*

22 ~~—(c)]~~ *(3) **An affidavit stating whether or not the applicant and,***  
23 *if applicable, each person who has a controlling interest in the*  
24 *corporation or business entity is in good standing with all agencies*  
25 *of other states and federal agencies in relation to mining*  
26 *operations outside of this State; and*

27 *(4) Any other information required by the regulations*  
28 *adopted by the Commission pursuant to NRS 519A.160.*

29 ~~[(2)]~~ *(b) Pay to the Division the application fee established in the*  
30 *regulations adopted by the Commission pursuant to NRS 519A.160.*

31 ~~[(3)]~~ *(c) Agree in writing to assume responsibility for the*  
32 *reclamation of any land damaged as a result of the mining operation.*

33 ~~[(4. Not be in default of any other obligation relating to~~  
34 ~~reclamation pursuant to this chapter.~~

35 ~~—5.]~~ *(d) File with the Division a bond or other surety in a form*  
36 *and amount required by the regulations adopted by the Commission*  
37 *pursuant to NRS 519A.160.*

38 ~~[(6)]~~ *(e) File with the Division of Minerals of the Commission*  
39 *on Mineral Resources a copy of the plan for reclamation which is*  
40 *filed with the application pursuant to ~~[subsection 1.]~~ **paragraph (a),***  
41 *on the same day the application is filed with the Division.*

42 **2. Except as otherwise provided in subsections 3 and 4, the**  
43 **Division shall not issue a permit to engage in a mining operation**  
44 **pursuant to this section to an applicant if:**



1 (a) *The applicant has defaulted on any obligation relating to*  
2 *reclamation pursuant to this chapter, including, without*  
3 *limitation, by forfeiting a surety or failing to pay the full costs of*  
4 *reclamation or any penalty assessed pursuant to NRS 519A.280;*

5 (b) *For an applicant who is a corporation or other business*  
6 *entity, any person who has a controlling interest in the*  
7 *corporation or business entity has or previously had a controlling*  
8 *interest in another corporation or business entity that defaulted on*  
9 *any obligation relating to reclamation pursuant to this chapter,*  
10 *including, without limitation, by forfeiting a surety or failing to*  
11 *pay the full costs of reclamation or any penalty assessed pursuant*  
12 *to NRS 519A.280; or*

13 (c) *The applicant or, if the applicant is a corporation or other*  
14 *business entity, a person who has a controlling interest in the*  
15 *corporation or business entity is not in good standing with an*  
16 *agency of another state or a federal agency in relation to a mining*  
17 *operation outside of this State.*

18 3. *The Division may issue a permit to engage in a mining*  
19 *operation pursuant to this section to an applicant described in*  
20 *paragraph (a) or (b) of subsection 2 if the applicant:*

21 (a) *Pays to the Division the full amount of the defaulted*  
22 *obligation described in paragraph (a) or (b) of subsection 2, as*  
23 *applicable, or provides evidence of satisfaction of that defaulted*  
24 *obligation; and*

25 (b) *Demonstrates to the Division that any conditions which led*  
26 *to the default have been remedied and that such conditions no*  
27 *longer exist.*

28 4. *The Division may issue a permit to engage in a mining*  
29 *operation pursuant to this section to an applicant described in*  
30 *paragraph (c) of subsection 2 if the applicant demonstrates to the*  
31 *Division that the applicant or person who has a controlling*  
32 *interest in the corporation or business entity has remedied all*  
33 *issues related to the mining operation outside of this State and*  
34 *becomes in good standing with all agencies of the other state and*  
35 *federal agencies.*

36 5. *As used in this section, "person who has a controlling*  
37 *interest" means a person who:*

38 (a) *Owns or controls a majority of the voting stock or holds*  
39 *any other controlling interest, directly or indirectly, in a*  
40 *corporation or other business entity that gives the person the*  
41 *power to direct management or determine policy; or*

42 (b) *Is a principal officer, partner, director or trustee of a*  
43 *corporation or business entity.*

44 **Sec. 3.** 1. *This section becomes effective upon passage and*  
45 *approval.*



- 1        2. Sections 1 and 2 of this act become effective:  
2        (a) Upon passage and approval for the purpose of adopting any  
3 regulations and performing any other preparatory administrative  
4 tasks that are necessary to carry out the provisions of this act; and  
5        (b) On April 1, 2022, for all other purposes.

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