

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.

~

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 other 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 the reclamation of 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 the reclamation of an  
30 exploration project or mining operation outside of this State unless the applicant or  
31 person who has a controlling interest remedies all issues relating to the reclamation  
32 of the exploration project or mining operation outside of this State and becomes in  
33 good standing with all agencies of the other state and federal agencies in relation to  
34 the reclamation of the exploration project or mining operation outside of this State.

---

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 ~~[(a)]~~ (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 ~~[(c)]~~ (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 the reclamation*  
24 *of exploration 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.



1 ~~3.]~~ (c) Agree in writing to assume responsibility for the  
2 reclamation of any surface area damaged as a result of the  
3 exploration project.

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

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

9 *2. Except as otherwise provided in subsections 3 and 4, the*  
10 *Division shall not issue a permit to engage in an exploration*  
11 *project pursuant to this section to an applicant if:*

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

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

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

29 *3. The Division may issue a permit to engage in an*  
30 *exploration project pursuant to this section to an applicant*  
31 *described in paragraph (a) or (b) of subsection 2 if the applicant:*

32 *(a) Pays to the Division the full amount of the defaulted*  
33 *obligation described in paragraph (a) or (b) of subsection 2, as*  
34 *applicable, or provides evidence of satisfaction of that defaulted*  
35 *obligation; and*

36 *(b) Demonstrates to the Division that any conditions which led*  
37 *to the default have been remedied and that such conditions no*  
38 *longer exist.*

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



1 *agencies of the other state and federal agencies in relation to the*  
2 *reclamation of the exploration project.*

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

5 (a) *The president, secretary, treasurer or equivalent thereof of*  
6 *the corporation or business entity;*

7 (b) *A partner, director or trustee of the corporation or business*  
8 *entity; or*

9 (c) *A person who, directly or indirectly, possesses the power to*  
10 *direct the management or determine the policy of the corporation*  
11 *or business entity resulting from, without limitation, his or her*  
12 *ownership of voting stock in the corporation or business entity, a*  
13 *contract or any other circumstance.*

14 *↳ The term does not include a person designated to act as a proxy,*  
15 *including, without limitation, an agent, bank, broker, nominee or*  
16 *custodian, for one or more persons who own voting stock unless*  
17 *the proxy otherwise has the power to direct the management or*  
18 *determine the policy of the corporation or business entity.*

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

20 519A.210 1. A person who desires to engage in a mining  
21 operation must:

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

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

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

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

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

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

39 (4) Any other information required by the regulations  
40 adopted by the Commission pursuant to NRS 519A.160.

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

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



~~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 and amount required by the regulations adopted by the Commission  
5 pursuant to NRS 519A.160.~~

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

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

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

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

*25 (c) The applicant or, if the applicant is a corporation or other  
26 business entity, a person who has a controlling interest in the  
27 corporation or business entity is not in good standing with an  
28 agency of another state or a federal agency in relation to the  
29 reclamation of a mining operation outside of this State.*

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

*33 (a) Pays to the Division the full amount of the defaulted  
34 obligation described in paragraph (a) or (b) of subsection 2, as  
35 applicable, or provides evidence of satisfaction of that defaulted  
36 obligation; and*

*37 (b) Demonstrates to the Division that any conditions which led  
38 to the default have been remedied and that such conditions no  
39 longer exist.*

*40 4. The Division may issue a permit to engage in a mining  
41 operation pursuant to this section to an applicant described in  
42 paragraph (c) of subsection 2 if the applicant demonstrates to the  
43 Division that the applicant or person who has a controlling  
44 interest in the corporation or business entity has remedied all  
45 issues related to the reclamation of the mining operation outside*



1 *of this State and becomes in good standing with all agencies of the*  
2 *other state and federal agencies in relation to the reclamation of*  
3 *the mining operation.*

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

6 (a) *The president, secretary, treasurer or equivalent thereof of*  
7 *the corporation or business entity;*

8 (b) *A partner, director or trustee of the corporation or business*  
9 *entity; or*

10 (c) *A person who, directly or indirectly, possesses the power to*  
11 *direct the management or determine the policy of the corporation*  
12 *or business entity resulting from, without limitation, his or her*  
13 *ownership of voting stock in the corporation of business entity, a*  
14 *contract or any other circumstance.*

15 *↳ The term does not include a person designated to act as a proxy,*  
16 *including, without limitation, an agent, bank, broker, nominee or*  
17 *custodian, for one or more persons who own voting stock unless*  
18 *the proxy otherwise has the power to direct the management or*  
19 *determine the policy of the corporation or business entity.*

20 **Sec. 3.** 1. This section becomes effective upon passage and  
21 approval.

22 2. Sections 1 and 2 of this act become effective:

23 (a) Upon passage and approval for the purpose of adopting any  
24 regulations and performing any other preparatory administrative  
25 tasks that are necessary to carry out the provisions of this act; and

26 (b) On April 1, 2022, for all other purposes.





