SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 982 (Carrillo) - The Surface Mining and Reclamation Act of 1975: idle reserve mine status

Version: July 17, 2025 **Policy Vote:** N.R. & W. 7 - 0

Urgency: No Mandate: No

Hearing Date: August 18, 2025 **Consultant:** Ashley Ames

Bill Summary: This bill would create an "Idle Reserve Mine Status" of up to 10 years length for idle construction aggregate mines, among other provisions, as provided.

Fiscal Impact:

 The Department of Conservation estimates ongoing costs of about \$1 million in the first year and \$987,000 ongoing (Mine Reclamation Account) to develop regulations, review applications, and fulfill annual reporting requirements, among other things.

Background: According to the California Geological Survey, in 2022, about 634 active mines produced about \$5.5B in "non-fuel mineral production" of which about 25% by value is construction aggregate. California is one of the largest producers of construction aggregate in the country. According to the California Construction and Industrial Materials Association (CalCIMA), there are approximately 1,000 mines capable of producing construction aggregate in the state. Demand for construction aggregate is highly cyclical and can fluctuate widely from year to year. If there is not a local source of aggregate, the aggregate has to be hauled to the construction site. Increased haul distances increase the cost to the customer, and result in increased emissions of combustion pollutants to the atmosphere. There are concerns that permitted mines, due to the high variability in demand, may become idle and run the risk of being forced into the reclamation process despite having substantial reserves remaining.

The Surface Mining and Reclamation Act of 1975 (SMARA). SMARA (Public Resources Code (PRC) §§2710 et seq.) encourages the production, conservation, and protection of the state's mineral resources, and requires annual reporting for all mines in the state. SMARA provides a comprehensive surface mining and reclamation policy with regulation of surface mining operations to ensure that adverse environmental impacts are minimized and mined lands are reclaimed to a usable condition.

The Division of Mine Reclamation (division) and the State Mining and Geology Board (board) are jointly charged with ensuring proper administration of SMARA. The board promulgates regulations to clarify and interpret SMARA, and serves as a policy and appeals board. The division provides ongoing technical assistance for lead agencies and operators, maintains a database of mine locations, and is responsible for compliance-related matters.

Unique among most other states, in California the permitting and approval of reclamation plans for surface mining are undertaken by local governments acting as the lead agency. Under SMARA, a lead agency may be a city, county, the San Francisco

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Bay Conservation and Development Commission, or the board. Lead agencies have the primary responsibility for the administration and enforcement of SMARA. As of 2017, 95 lead agencies included 55 counties, 39 cities, and the board.

Under SMARA, mine operators must submit a reclamation plan for review and approval by local lead agencies and the division. The law requires that mines be regularly inspected for compliance with their reclamation plans. Mine operators pay annual fees and must provide financial assurances to ensure that adequate funding will be available to reclaim a mine site.

SMARA's requirements apply to anyone, including government agencies, engaged in surface mining operations in California (including those on federally managed lands) which disturb more than one acre or remove more than 1,000 cubic yards of material. This includes, but is not limited to: prospecting and exploratory activities, dredging and quarrying, streambed skimming, borrow pitting, and the stockpiling of mined materials.

Idle mines. Under current law, mine operators can suspend their operations and idle their mines when it is not commercially viable to continue mining. Providing for idle status also helps prevent the abandonment of mines and ensure regulatory oversight and inspections continue until the mine is reclaimed. An operator can submit an interim management plan for approval, and, if approved, can maintain that status for up to 5 years so long as certain fees are paid, financial assurances remain in effect, and inspections continue. This status can only be renewed two additional 5-year periods prior to the mine having to be reclaimed. This change was designed to prevent operators from using the interim management plan procedures to delay or avoid final reclamation obligations. Under these reform measures, a mine can remain idle up to 15 consecutive years.

Proposed Law: This bill-would, until January 1, 2036, authorize a surface mining operation that is authorized to extract construction aggregate materials, as defined, but currently idle, to apply for and request the-Division of Mine Reclamation to review and approve an application for "Idle Reserve Mine Status" if specified conditions are met. If the division concludes that all of the specified conditions are met and approves the application for "Idle Reserve Mine Status," and if the lead agency concurs with the division's review and other specified conditions are met, the bill would authorize the lead agency to extend the maximum renewal period that an interim management plan may remain in effect by up to 10 years, as provided. The bill would require the State Mining and Geology Board to adopt regulations to implement these provisions. The bill would require the division to compile and post on its internet website specified information.

Related Legislation:

AB 580 (Wallis, 2025) would extend, until January 1, 2051, the sunset date on the authority for the Metropolitan Water District of Southern California to develop a single master reclamation plan to comply with its obligations under SMARA.

AB 442 (Mayes, Chapter 166, Statutes of 2021) until January 1, 2026, allows the Metropolitan Water District of Southern California to prepare a single master reclamation plan for its earth moving operations conducted on lands it owns or leases, or upon which easements or rights-of way were granted to Metropolitan, as provided.

SB 1133 (Wolk, Chapter 235, Statutes of 2016) eliminates the sunset date and retains the annual reporting requirement and other requirements per SMARA for the Cache Creek Resources Management Plan to serve as a functional equivalent of a reclamation plan for the removal of sand and gravel necessary for restoration projects or channel maintenance activities in Lower Cache Creek.

SB 209 (Pavley, Chapter 8, Statutes of 2016) makes numerous changes to SMARA that are all part of the year-long stakeholder process convened by the Governor's office in 2015 to recommend substantive and procedural changes to the state's mining laws.

AB 1034 (Obernolte, Chapter 595, Statutes of 2015) requires a lead agency to consider the construction and operation of a renewable energy generation facility on disturbed mined lands to be an interim use and would prohibit a lead agency from requiring an amendment to an approved reclamation plan if specified criteria are met.

SB 447 (Lara, Chapter 417, Statutes of 2013) allows, until January 1, 2019, a surface mining operator, whose operations are not in compliance with its approved reclamation plan, to continue to sell mining products to a state or local agency if the operator stipulates to an order to comply with the lead agency and/or the Department of Conservation, and also requires legislative reports regarding SMARA, as provided.

SB 143 (Rubio, Chapter 324, Statutes of 2012) limits the renewal of an idle surface mining operation's Interim Management Plan to one additional five-year renewal period at the expiration of the first five-year renewal period.

SB 108 (Rubio, Chapter 491, Statutes of 2011) amended the definition of an idle mine by taking a snapshot of a five-year period, rather than the life of the mine, to determine if production has been curtailed to the point where the interim management plan requirements apply; allowed a mining operation that was considered abandoned prior to January 1, 2013, to be returned to idle status if an interim management plan is approved by July 1, 2013, and various requirements, as specified, are met, among other provisions.

SB 649 (Kuehl, Chapter 794, Statutes of 2003) prohibits operators of surface mines who are not in compliance with SMARA from selling California-mined materials to local agencies; increases the annual reporting fees on operators; and creates a new fee for precious metals (\$5 per ounce of gold and 10¢ per ounce of silver) to be used for the remediation of abandoned mines.