

Highlights of [GAO-11-834T](#), a testimony before the Subcommittee on Energy and Mineral Resources, Committee on Natural Resources, House of Representatives

Why GAO Did This Study

The General Mining Act of 1872 helped foster the development of the West by giving individuals exclusive rights to mine gold, silver, copper, and other hardrock minerals on federal land. However, miners often abandoned mines, leaving behind structures, safety hazards, and contaminated land and water. Four federal agencies—the Department of the Interior’s Bureau of Land Management (BLM) and Office of Surface Mining Reclamation and Enforcement (OSM), the Department of Agriculture’s Forest Service, and the Environmental Protection Agency (EPA)—fund the cleanup of some of these hardrock mine sites.

From 2005 through 2009, GAO issued a number of reports and testimonies on various issues related to abandoned and current hardrock mining operations. This testimony summarizes some of the key findings of these reports and testimonies focusing on the (1) number of abandoned hardrock mines, (2) availability of information collected by federal agencies on general mining activities, (3) amount of funding spent by federal agencies on cleanup of abandoned mines, and (4) value of financial assurances for mining operations on federal land managed by BLM. In 2005, GAO recommended that BLM strengthen the management of its financial assurances, which BLM generally implemented. BLM also agreed to take steps to address additional concerns raised by GAO in 2008.

View [GAO-11-834T](#) or key components. For more information, contact Anu Mittal at (202) 512-3841 or mittala@gao.gov.

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ABANDONED MINES

Information on the Number of Hardrock Mines, Cost of Cleanup, and Value of Financial Assurances

What GAO Found

GAO’s past work has shown that there are no definitive estimates of the number of abandoned hardrock mines on federal and other lands. For example, in 2008 and 2009, GAO reported that BLM and the Forest Service had difficulty determining the number of abandoned hardrock mines on their lands and had no definitive estimates. Similarly, estimates of the number of abandoned hardrock mine sites in the 12 western states and Alaska (where most of the mining takes place) varied widely because there was no generally accepted definition of what constitutes an abandoned hardrock mine site. In 2008, GAO developed a standard definition for abandoned hardrock mining sites and used this definition to determine that there were at least 161,000 abandoned hardrock mine sites in the 12 western states and Alaska, and at least 33,000 of these sites had degraded the environment, by contaminating surface water and groundwater or leaving arsenic-contaminated tailings piles.

In 2008, GAO reported that BLM, the Forest Service, and the U.S. Geological Survey (USGS) either do not routinely collect or do not consistently maintain data on the amount of hardrock minerals being produced on federal land, the amount of hardrock minerals remaining, and the total acreage of federal land withdrawn from hardrock mining operations. According to BLM and Forest Service officials, they do not have the authority to collect information from mine operators on the amount of hardrock minerals produced on federal land or the amount remaining. In contrast, USGS collects extensive data on hardrock mineral production through its mineral industry surveys and reports these data in monthly, quarterly, and annual reports, but the agency does not collect land ownership data that would allow it to determine the amount of hardrock mineral production on federal land. As a result, comprehensive information on hardrock mineral production is generally not available to the public.

From 1997 to 2008, four federal agencies—BLM, the Forest Service, EPA, and OSM—had spent at least a total of \$2.6 billion to reclaim abandoned hardrock mines on federal, state, private, and Indian lands. Of this amount, EPA had spent the most—\$2.2 billion. The amount each agency spent annually varied considerably, and the median amount spent for abandoned hardrock mines on public lands by BLM and the Forest Service was about \$5 million and about \$21 million, respectively. EPA spent substantially more—a median of about \$221 million annually—to clean up abandoned mines that were generally on nonfederal land. OSM provided grants with an annual median value of about \$18 million to states and Indian tribes through its program for hardrock mine cleanups.

One factor that contributes to costs for reclamation of federal lands disturbed by mining operations is inadequate financial assurances required by BLM. Since 2005, GAO has reported several times that operators of hardrock mines on BLM lands have not provided financial assurances sufficient to cover estimated reclamation costs in the event that operators fail to perform the required reclamation. Most recently, in 2008, GAO reported that the financial assurances that were provided for 52 operations were about \$61 million less than needed to fully cover estimated reclamation costs, which could leave the taxpayer with the bill for reclamation, if the operator fails to do so.