

- SUBJECT:** Increasing landowner compensation for certain surface mining leases
- COMMITTEE:** Energy Resources — committee substitute recommended
- VOTE:** 6 ayes — R. Lewis, Hawley, Crabb, Driver, Merritt, Woolley
0 nays
3 absent — West, Williams, Wilson
- WITNESSES:** None
- BACKGROUND:** Under current law, the state receives 80 percent of bonuses, rentals, and royalties from mining operations on lands where the state has reserved the mineral interests. The owner of the land receives 20 percent as compensation for use of the land. These percentages apply both to oil and gas exploration and to surface mining. Because surface mining is more destructive to the land itself, the owner often loses the use of the land for any other purpose than a mining operation that primarily benefits the mining company and the state.
- Prior to 1987, the state received 60 percent and the landowner 40 percent.
- DIGEST:** CSHB 1911 would restore the 60-40 percent split for surface mining, but would retain the 80-20 split for oil and gas production and exploration. The bill would not affect a lease that is not within all or part of a survey previously sold with all minerals reserved to the state.
- The bill would define surface mining as removing the overburden lying above the minerals and mining them directly as they are exposed. The bill would exclude in situ mining from the definition of surface mining.
- The bill would apply to leases executed for the surface mining of coal, lignite, potash, sulphur, thorium, and uranium on or after September 1, 1999.
- NOTES:** The substitute added the provision clarifying that the bill would not affect a lease of which the state has no reserved mineral interest.