

Honorable Members of the State Legislature and Governor Newsom,

The 2023 - 2024 Annual Report covers the reporting period from July 1st, 2023, through June 30th, 2024, and is submitted by the California State Mining and Geology Board to both the State Legislature and the Governor pursuant to *Public Resources Code section 2717*. This report serves as an overview of the Board, its statutory and regulatory mandates, its activities, and its legislative recommendations.

The Board believes that the regulation of the surface mining industry, the reclamation of mined lands, the dissemination of earthquake and seismic hazard information, and the prudent use of State's natural resources is an ongoing and essential process crucial to the economy, the infrastructure, and the people of the State of California.

Respectfully submitted on behalf of the State Mining and Geology Board,

Executive Officer

State Mining and Geology Board

Teffrey Schmidt

State Mining and Geology Board



2023 - 2024 Annual Report

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STATE MINING AND GEOLOGY BOARD

THE BOARD

The State Mining and Geology Board (Board) serves as a regulatory, policy, and hearing body representing the State's interests in geology, geologic and seismologic hazards, the conservation of mineral resources, and the reclamation of mined lands.

MISSION STATEMENT

The mission of the Board is to provide professional expertise and guidance and to represent the State's interest in the development, utilization, and conservation of mineral resources, the reclamation of mined lands, and the development and dissemination of geologic and seismic hazard information to protect the health and welfare of the people of California.

MEMBERSHIP

Pursuant to *Public Resources Code sections 660 and 662*, the Board is composed of nine members appointed by the Governor and confirmed by the State Senate for four-year staggered terms. Each Board member must have a specific professional background in one of the following:

- Geology
- Mining Engineering
- Environmental Protection
- Groundwater Hydrology and Rock Chemistry
- Local Government
- Landscape Architecture
- Mineral Resource Conservation
- Seismology
- Public Member

Board members during the reporting period.

SPECIALTY	MEMBER NAME
Non-specialized public member	Larry Sheingold, Chair
Landscape Architect	Stephanie Landregan Vice-Chair
Mining Engineer with background and experience in mining in California	George Kenline
Environmental protection or the study of ecosystems	Eric Holst
Registered Geologist with background and experience in mining geology	Janet Kappmeyer
Mineral resource conservation, development, or utilization	Brian Anderson
Registered Geologist, Geophysicist, or Civil Engineer with background and experience in seismology	Zia Zafir
Groundwater hydrology, water quality, or rock chemistry	Marc Los Huertos
Representative of local government with background and experience in urban planning	Fred Jung

COMMITTEES

To enable the Board to meet its responsibilities more effectively, the following standing committees have been established to gather information and formulate recommendations on a variety of topics:

- Policy and Administration
- Geohazards
- Mineral Conservation
- Surface Mining and Reclamation Act Compliance

STAFF

The day-to-day activities of the Board are managed by:

- Jeffrey Schmidt, Executive Officer
- Paul Fry, Senior Geologist
- Mallory Jones, Engineering Geologist
- Natalie Decio, Staff Services Analyst

HISTORY

The Board was established in 1885 as the Board of Trustees to oversee the activities of the State Mineralogist and the California Division of Mines and Geology (now the California Geological Survey and the Division of Mine Reclamation). It is the second oldest Board in California.

KEY STAKEHOLDERS

Key stakeholders include:

- City and County Lead Agencies with jurisdictions over zoning ordinances, building codes, and general plans
- Geological, geophysical, and engineering consulting community
- Environmental, land use, and conservation groups
- Teachers and educational and academic institutions
- Contractors and developers
- Surface mining industry
- Realtors, insurers, and homeowners
- Natural Resources Agency
- Department of Conservation
- California Geological Survey
- Division of Mine Reclamation
- Seismic Safety Commission
- Board for Professional Engineers, Land Surveyors and Geologists
- State Water Board and Regional Water Quality Control Boards
- Metropolitan Water District of Southern California
- Bay Conservation and Development Commission
- Board of Forestry
- State Legislature

BOARD MEETINGS

Pursuant to *Public Resources Code Section 668*, the Board held regular business meetings or standing committee meetings six times during the reporting period. All meetings were held in a hybrid in-person/virtual format. Attendance at these meetings averaged around fifty participants. Among its activities, the Board received briefings from the Department of Conservation, the Division of Mine Reclamation, and the California Geological Survey. The Board also hosts a speaker series during our regular meetings that brings in members of the industry to present on

various topics related to mining, mineral conservation, geohazards, the environment and redevelopment of formerly mined lands.

STATUTORY AND REGULATORY AUTHORITY

The Board operates within the Department of Conservation under the Natural Resources Agency and is granted responsibilities and obligations under the following acts:

Surface Mining and Reclamation Act of 1975 (SMARA)

Pursuant to *Public Resources Code sections 2710* and its regulations at *14 California Code of Regulations Section 3500*, the Board manages a comprehensive surface mining and reclamation policy to assure that adverse environmental impacts are minimized, and mined lands are reclaimed. The Surface Mining and Reclamation Act also encourages the production, conservation, and protection of the State's mineral resources.

Alquist-Priolo Earthquake Fault Zoning Act (APA)

Pursuant to *Public Resources Code sections 2621 through 2630* and its regulations at *14 California Code Regulations Section 3600*, the Board is authorized to represent the State's interests in establishing guidelines and standards for geological and geophysical investigations and reports produced by the California Geological Survey, public sector agencies, and private practitioners. The Board is also authorized to develop specific criteria through regulations to be used by lead agencies to comply with provisions of the Act to protect the health, safety, and welfare of the public.

Seismic Hazards Mapping Act (SHMA)

Pursuant to *Public Resources Code sections 2690 through 2699.6 and its regulations at 14 California Code of Regulations section 3720*, the Board is authorized to provide policy and guidance through regulations for a statewide seismic hazard mapping and technical advisory program to assist cities, counties, and state agencies in fulfilling their responsibilities for protecting the public health and safety from the effects of strong ground shaking, liquefaction or other ground failure, landslides and other seismic hazards caused by earthquakes, including tsunami and seiche threats.

LEAD AGENCY RESPONSIBILITIES

The primary entity responsible for the Surface Mining and Reclamation Act administration, compliance, and enforcement, is the local lead agency, typically, the city or county where the surface mining is taking place. The Surface Mining and Reclamation Act prescribes specific responsibilities and powers to the lead agency; therefore, the lead agency is responsible for assuring that all surface mine operations within its jurisdiction are in full compliance with these provisions. Specific duties of lead agencies which are charged with the primary administration and enforcement of the Surface Mining and Reclamation Act are to:

- Review and approve reclamation plans that meet the minimum requirements established by the Surface Mining and Reclamation Act and the Board's reclamation performance standards for surface mines
- Approve financial assurances, subject to annual review, that are sufficient to pay for the
 costs of reclamation of the lands disturbed by surface mining operations according to the
 requirements of the approved reclamation plan
- Approve local land use permits for surface mining operations
- Conduct an annual inspection of each surface mine to confirm that the operation complies with the requirements of the Surface Mining and Reclamation Act and its approved reclamation plan, and to remedy the situation if the operation is not in compliance
- Issue Administrative Penalties to operators who do not come into compliance

- Maintain a surface mining ordinance that is in accordance with the Surface Mining and Reclamation Act
- Incorporate mineral resource management plans into their general plans and conserve mineral lands "classified" or "designated" within the lead agency's jurisdiction

Should a lead agency fail to bring a surface mining operation into compliance, statute allows the Supervisor of the Division of Mine Reclamation to commence enforcement. The Surface Mining and Reclamation Act prescribes specific responsibilities and powers to the Supervisor. The Division is also responsible for providing technical reviews of reclamation plans and financial assurances to lead agencies to ensure that the requirements of the Surface Mining and Reclamation Act have been addressed in the reclamation plans prior to their formal approval by the lead agency.

Under the Surface Mining and Reclamation Act, the Board is provided authority to hear appeals of enforcement actions taken by the Supervisor against surface mine operators, as well as appeals of certain decisions made by a lead agency regarding reclamation plans and financial assurances. In addition, the Board is provided authority to exercise a lead agency's powers, in whole or in part with exception to local land use and other regulatory permitting, when a lead agency's actions are in violation of the statute, or if the lead agency defaults on its responsibilities and obligations. The Board also reviews lead agency ordinances that establish local permit and reclamation procedures to determine whether each ordinance is in accordance with State policy for reclamation of surface mining operations and for conservation of mineral resources.

The Surface Mining and Reclamation Act affects ninety-six jurisdictions comprised of forty-one cities and fifty-seven counties.

The Board served as the lead agency under the Surface Mining and Reclamation Act for fortynine individual surface mining operations during the reporting period including:

- Twenty located within two counties (El Dorado County and Yuba County)
- Eight located within six cities (Richmond, Marina, Jurupa Valley, Desert Hot Springs, Palm Springs, and Santa Paula)
- Seven marine sand and oyster shell mining operations located within the jurisdiction of the San Francisco Conservation and Development Commission
- Fourteen borrow pits located appurtenant to the Colorado River Aqueduct operated by the Metropolitan Water District of Southern California (Riverside County and San Bernardino County).

The following table lists the surface mines where the Board exercised lead agency authority:

SMGB SMARA LEAD AGENCY SURFACE MINES				
CA ID No.	Mine Name	Status	Primary Commodity	Local Lead Agency
91-07-0006	Richmond Quarry	Active	Recycled Aggregates	City of Richmond
91-09-0001	Bear Creek Quarry	Active	Aggregates	County of El Dorado
91-09-0002	Weber Creek Quarry	Closed – Reclamation in Progress	Aggregates	County of El Dorado
91-09-0003	Diamond Quarry	Active	Aggregates	County of El Dorado
91-09-0004	Chile Bar Slate Mine	Active	Slate	County of El Dorado

SMGB SMARA LEAD AGENCY SURFACE MINES				
91-09-0005	Cool Cave Quarry	Active	Aggregates	County of El Dorado
91-09-0006	Timm Mine	Active	Gold	County of El Dorado
91-09-0009	Somerset Sand Pit	Active	Sand	County of El Dorado
91-09-0010	Lawyer Pit	Closed – Reclamation in Progress	Decomposed Granite	County of El Dorado
91-09-0012	Snows Road Quarry	Active	Sand and Gravel	County of El Dorado
91-09-0015	Marin Quarry	Active	Aggregates	County of El Dorado
91-27-0006	Lapis	Closed - Reclamation in Progress	Sand	City of Marina
91-33-0002	Avalon Mine	Active	Aggregates	City of Jurupa Valley
91-33-0003	Super Creek Quarry	Active	Decorative Stone	City of Desert Hot Springs
91-33-0029	Philadelphia Mine	Closed – Reclamation in Progress	Recycled Aggregates	City of Jurupa Valley
91-33-0031	Garnet Pit	Active	Sand and Gravel	City of Palm Springs
91-33-0062	Pyrite Quarry	Active	Aggregates	City of Jurupa Valley
91-38-0001	Alcatraz, Point Knox	Active	Marine Sand	San Francisco Bay Conservation and Development Commission (BCDC)
91-38-0002	Point Knox South	Active	Marine Sand	San Francisco BCDC
91-38-0003	Point Knox Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0004	Alcatraz South Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0005	Hanson Suisun Bay	Active	Marine Sand	San Francisco BCDC
91-38-0007	Jerico Suisun Bay Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0011	Morris Marine Mining	Active	Marine Oyster Shells	San Francisco BCDC
91-56-0034	Santa Paula Materials	Active	Recycled Aggregates, Fill Dirt	City of Santa Paula
91-58-0001	Western Aggregates	Active	Sand and Gravel	County of Yuba
91-58-0002	Knife River Hallwood	Active	Sand and Gravel	County of Yuba
91-58-0003	Cal Sierra Development	Active	Gold	County of Yuba
91-58-0004	Sperbeck Quarry	Idle	Aggregates	County of Yuba
91-58-0006	Teichert Hallwood	Active	Sand and Gravel	County of Yuba
91-58-0011	Dantoni Pit	Idle	Sand and Gravel	County of Yuba

SMGB SMARA LEAD AGENCY SURFACE MINES					
91-58-0013	Parks Bar Quarry	Active	Aggregates	County of Yuba	
91-58-0019	Teichert Marysville	Idle	Sand and Gravel	County of Yuba	
91-58-0022	Long Bar Property	Active	Sand and Gravel	County of Yuba	
91-58-0025	Simpson Lane	Idle	Sand	County of Yuba	
91-70-0001	Metropolitan Water District (x14 borrow pits)	Active	Aggregates	Counties of Riverside and San Bernardino	

Lead Agency Annual Surface Mine Inspections

Board staff conducted annual on-site inspections for each of the forty-nine surface mining operations under the Board's SMARA lead agency authority during the reporting period. Conditions observed during the annual inspection and documented in the surface mining inspection report by the Board inspector, are the basis to determine ongoing compliance with SMARA. The determination of compliance includes assessing the operations physical and environmental conditions and general conformance relative to the approved reclamation plan and administrative compliance with SMARA. Board staff conduct inspections consistent with the "Guidance Document for Surface Mine Inspectors," dated January 2018 by the Department of Conservation's Division of Mine Reclamation.

Lead Agency Annual Financial Assurance Reviews

Financial assurance cost estimates are required of mining operations under the Board's SMARA lead agency authority to ensure funding is available to complete reclamation in accordance with the surface mining operation's approved reclamation plan. Board staff annually review each surface mining operations Financial Assurance Cost Estimate (FACE) to determine that they are adequate, complete, and consistent with SMARA. Board staff also ensure operators post a financial assurance mechanism equal to or greater than the FACE amount.

Enforcement

Pursuant to Public Resources Code sections 2270, 2770, 2773.1, 2774.1, 2774.2, 2774.5, 2775, 2796.5 and California Code of Regulations sections 3696.5, 3810, and 3940, the Board may enforce the annual reporting requirements and other provisions of the Surface Mining and Reclamation Act.

Board staff proactively identified issues at several operations and worked with the operator with the intent to mitigate potential violations. In addition, Board staff consulted with other local, state, and federal agencies to inform them of potential compliance issues not directly related to SMARA. In some instances, Board staff conducted inspections with staff from other regulatory entities.

Formal enforcement notices or orders were not required, and no fines or penalties were assessed during the reporting period.

Surface Mining Ordinances

Pursuant to *Public Resources Code section 2774.3*, the Board shall review lead agency ordinances which establish permit and reclamation procedures to determine whether each ordinance is in accordance with State policy and shall certify the ordinance as being in accordance with State policy if it adequately meets, or imposes requirements more stringent

than, the California surface mining and reclamation policies and procedures established by the Board pursuant to this chapter.

The Board certified an updated mining ordinance for San Benito County during the reporting period.

Annual Mine Fee Schedule

Pursuant to *Public Resources Code (PRC) section 2207(d)(1)* the Board imposes an annual reporting fee on, and method for collecting annual fees from, each active and idle surface mining operation. *PRC section 2207(d)* also states that, starting in fiscal year 2020 – 2021, the maximum fee for any single mining operation may not exceed ten thousand dollars (\$10,000) annually and may not be less that one hundred dollars (\$100) annually. The maximum annual fees are adjusted for cost of living as measured by the California Consumer Price Index.

Pursuant to PRC section 2207(d)(2)(A) a schedule of fees shall be calculated on an equitable basis reflecting the size and type of the operation. PRC section 2207 further states that the fee schedule must provide for the collection of the amount specified in the Governor's proposed Budget for the Department of Conservation's costs in implementing the section and the Surface Mining and Reclamation Act.

In addition, *PRC 2207(d) (3)* outlines the amount of revenue to be generated by the fee schedule. The total revenue generated by the reporting fees may not exceed and may be less than eight million dollars (\$8,000,000). This amount shall be adjusted for the cost of living each fiscal year. Cost of living adjustments are addressed in *California Code of Regulations section* 3698 and allow for increases to help maintain adequate funding for the Surface Mining and Reclamation Act programs within the Department. The cost-of-living adjustment, or rate of inflation, is measured by the consumer price index.

PRC Section 2207(d)(4)(A) also requires the reporting fee revenue be deposited in the Mine Reclamation Account for carrying out the provisions of the Surface Mining and Reclamation Act. These provisions include the classification and designation of areas with mineral resources of statewide or regional significance, reclamation plan and financial assurance reviews, surface mine inspections, and enforcement.

The annual fee was adjusted during the reporting period and met the requirements above.

ALQUIST-PRIOLO ACT RESPONSIBILITIES

Pursuant to *Public Resources Code section 2622(b)*, the State Geologist shall compile maps delineating earthquake fault zones. Concerned jurisdictions and agencies are encouraged to submit all comments to the Board for review and consideration.

Alquist-Priolo maps released during the reporting period included the southern Rodgers Creek fault zone in the Cotati, Glen Ellen, Petaluma River, Santa Rosa, and Sears Point 7.5-minute Quadrangles in Sonoma County.

SEISMIC HAZARD ZONE RESPONSIBILITIES

Pursuant to *Public Resources Code section 2696(a) and (b)*, the State Geologist shall compile maps identifying seismic hazard zones, and upon completion, submit them to the Board for approval. Concerned jurisdictions and agencies are encouraged to submit all comments to the Board for review and consideration.

No seismic hazard zone maps were released during the reporting period.

MINERAL CONSERVATION AND RECLAMATION RESPONSIBILITIES

As California's population continues to grow, its communities face increasingly difficult land use decisions. The production of mineral resources necessary to support the expanding population must compete with other land uses such as agriculture, timber production, urban development, renewable energy, recreation, and conservation. The rapid growth of many communities and the incompatibility of mining with most other land uses often results in conflicts within those communities. Often, the mineral resource is needed for the very use which threatens it. For example, construction grade aggregate deposits, which are necessary for construction and repair of roads, housing, and commercial development, often are built over before the resource can be extracted.

To address this issue, the Surface Mining and Reclamation Act provides a method by which mineral lands may be "Classified" by the State Geologist and "Designated" by the Board. These Classification and Designation processes are methods by which an inventory of the State's most valuable mineral deposits are designated as significant resources for local communities to consider in their land-use decision making.

Classification and Designation Reports

Pursuant to *Public Resources Code section 2790*, after receipt of mineral information from the State Geologist pursuant to *section 2761 (d)*, the Board may, by regulation adopted after a public hearing, designate specific geographic areas of the state as areas of statewide or regional significance and specify the boundaries of the geographic areas.

There were no mineral land classification reports completed during the reporting period.

Mineral Resource Management Plans

Pursuant to *Public Resources Code section 2762*, a lead agency shall, in accordance with State policy, establish mineral resource management policies to be incorporated in its general plan to recognize mineral information classified by the State Geologist and transmitted by the Board, assist in the management of land use that affects access to areas of statewide and regional significance and emphasize the conservation and development of identified mineral deposits.

There were no new mineral resource management plans submitted during the reporting period.

REGULATORY RESPONSIBILITIES

Pursuant to *Public Resources Code (PRC) section 2755*, the Board has statutory authority to adopt, amend, or repeal regulations that establish State policy for the reclamation of mined lands within California. Currently, the Board is involved in rulemaking activities to update regulations related to comprehensive changes to the Surface Mining and Reclamation Act from the signing of AB 1142 and SB 209 in 2016.

BOARD OUTREACH

During the reporting period, the Board participated in the following public outreach programs:

- The Board worked with the Division of Mine Reclamation to help conduct a surface mine inspection workshop for operators and lead agencies throughout the State. The training included educating participants about the Board and current updated reforms made to the Surface Mining and Reclamation Act.
- The Board conducted a public pre-rulemaking workshop to propose regulatory language

for how the Board exempts mining operations from the Surface Mining and Reclamation Act under Public Resources Code section 2714(f). Both were well attended, and the Board considered recommendations for the regulations.

BOARD WORK

- The Board created a mining ordinance guidance document for lead agencies to use in updating their local mining ordinances to comply with the extensive reforms mandated by AB 1142 and SB 209. The new guidance document also offers lead agencies suggestions to update and amend their ordinances according to SMARA.
- The Board elected a new Vice-Chair.
- The Board conducted interviews for the State Geologist and transmitted candidates to the Director of Conservation for consideration which led to the appointment of a new State Geologist.
- The Board approved an exemption to SMARA pursuant to 2714(f) for an exploratory drilling project located in Kern County.
- The Board completed a package to clean up existing regulations in SMARA (California Code of Regulations Section 100).

The Board is currently working on the following regulatory projects:

- Establish annual reporting and fees for geothermal lithium brine operations (Public Resource Code Section 2207)
- Develop and propose regulatory language for determining surface mining operations that are exempt from the Surface Mining and Reclamation Act (*Public Resources Code Section 2714 (f*))
- Complete eight separate Mineral Designation regulation packages based on classifications made by the California Geological Survey

LEGISLATIVE RECOMMENDATIONS

Pursuant to *Public Resources Code Section 2717*, the Board is required to report to the Governor and Legislature and, on an annual basis, offer legislative recommendations for consideration regarding the Surface Mining and Reclamation Act.

SMARA includes several exemptions for construction, farming, timber, and flood control purposes, among others. One of the exemptions in SMARA allows the Board to exempt certain surface mining operations that are of an infrequent nature and that involve only minor surface disturbances but currently there is no specific exemption in place for habitat restoration projects that seek to mitigate damage caused by legacy gold mining.

The Board recommends that the State legislature amend *Public Resources Code Section* 2714 to allow SMARA exemptions for habitat restoration projects that result in one-time removal of sediment from rivers, lakes, and reservoirs provided the project is:

- (a) sponsored by a public agency and/or a not-for-profit organization
- (b) has all required permits in place
- (c) has been approved by the Board; and,
- (d) is fully funded.

The Board will draft language and assist in the legislative process should the legislature decide to pursue this action.