

State of South Dakota

EIGHTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2009

400Q0279

SENATE BILL NO. 40

Introduced by: The Committee on Agriculture and Natural Resources at the request of the
Department of Environment and Natural Resources

1 FOR AN ACT ENTITLED, An Act to revise the financial assurance requirements for
2 responding to accidental releases of chemical or biological ore leaching agents from certain
3 permitted mines.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 45-6B-20.1 be amended to read as follows:

6 45-6B-20.1. The board may require any operator whose mining operation employs cyanide
7 leaching or any other chemical or biological leaching process to extract minerals from ore, in
8 addition to the surety required by § 45-6B-20, to file or deposit an additional proof of financial
9 assurance with the board before the issuance of the mining permit in such form as required by
10 the board. ~~Such~~ The financial assurance may consist of insurance, cash, company net worth, or
11 such other form of security as the board deems adequate to protect the interests of the public.
12 The board shall set the amount of ~~such~~ the financial assurance based on the cost of responding
13 to and remediating accidental releases of cyanide or other chemical or biological leaching agents
14 to the environment. In determining the assurance amount for responding to and remediating
15 accidental releases, the board shall consider such factors as the distance to surface water and



1 groundwater resources and their beneficial use classification, the financial and technical
2 capability of the operator to respond to accidental releases, the type and amount of leaching
3 agents to be used by the operator, contingencies and safeguards built into the operating and
4 reclamation plans to lessen the likelihood of accidental releases, and any other site-specific
5 factor related to protection of public health and safety or the environment. The amount of the
6 financial assurance ~~shall~~ may not be ~~at least equivalent to twenty-five thousand dollars but not~~
7 ~~more than five hundred thousand~~ one million dollars. Any operator whose proof of financial
8 assurance is based on company net worth ~~must~~ shall report to the board yearly the status of the
9 company's net worth.