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BLM Raises Fees for Unpatented Mining Claims and More

Payments Due September 1, 2019 for 2020 Assessment Year

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Effective July 1, 2019, the Bureau of Land Management (BLM) issued a final rule (the Rule) to adjust location and maintenance fees for federal unpatented mining claims, mill sites, and tunnel sites. The Mining Law of 1872, 30 U.S.C. § 28j(c) requires periodic adjustments to such fees to reflect changes in the Consumer Price Index. Under the Rule, for new claims and sites located on or after September 1, 2019, location fees will increase from \$37 to \$40. For maintenance year 2020, the annual claim maintenance fees will increase from \$155 to \$165 per claim for each lode claim; and \$165 for each 20 acres or portion thereof for each placer claim. Mining claimants who timely pay claim maintenance fees for the 2020 assessment year, relying on the fee in effect immediately before the adjustment was made, will be given an opportunity to cure any payment deficiencies without penalty upon notice from the BLM. Locators also will have an opportunity to cure deficient location fee payments until December 31, 2019.

We offer the following thoughts on what affected parties should do to ensure compliance with the Rule:

The newly adjusted fees go into effect for assessment year 2020 and must be reflected in the annual claim maintenance fees **due on or before September 1, 2019 for existing claims, mill sites, and tunnel sites**. Owners and operators that have already paid annual claim maintenance fees for the 2020 assessment year, should take immediate steps to submit any additional payments required as a result of the fee increases.

For more information on the claim maintenance fee adjustments, see the Federal Register notice of the Rule.

If you have questions about the Rule, or any other mining issue, please contact Karol Kahalley, or a member of Holland & Hart's Mining team.

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