

ANALYSIS

Department of Geology and Mineral Industries Critical Minerals in Mine Waste

Analyst: April McDonald

Request: Approve the submission of a federal grant application to the U.S. Geological Survey, National Cooperative Geologic Mapping Program, in the amount of \$304,000, for the second portion of the Earth Mapping Resources Initiative (Earth MRI).

Analysis: The U.S. Geological Survey (USGS) initiated the Earth MRI program in 2018 with the goal collecting geophysical, geologic, and topographic data to improve knowledge of the geologic framework throughout the states, and identify areas that have the potential to contain undiscovered critical mineral resources, valuable energy resources, groundwater, and geologic hazards. This program was designed as a cooperative agreement with the state geological surveys, and this is the second time that Oregon's Department of Geology and Mineral Industries (DOGAMI) has sought approval to apply. DOGAMI received approval from the Joint Ways and Means Subcommittee on Natural Resources to apply for their first geologic mapping grant through the Earth MRI program on February 28, 2023. This funding opportunity is to initiate the second portion of the Earth MRI program, intended to map, characterize, and assess the potential for critical minerals in mine waste. The proposed project is titled "Critical mineral resource evaluation of the historic Bretz Mine, northern sector of the McDermitt caldera, Malheur County, southeastern Oregon."

The USGS deadline is April 12, 2023, and the federal opportunity has no state match requirement. If awarded, DOGAMI will not need additional position authority or Federal Funds expenditure limitation for grant delivery.

Legislative Fiscal Office Recommendation: The Legislative Fiscal Office recommends approval of the request.

Department of Geology and Mineral Industries Filimoehala

Request: Authorization to apply for a grant of \$304,000 from the U.S. Geological Survey Earth Mapping Resources Initiative for the National Cooperative Geologic Mapping Program.

Recommendation: Approve the request.

Discussion: The Department of Geological and Mineral Industries is seeking authorization to apply for a grant from the U.S. Geological Survey Earth Mapping Resources Initiative under the National Cooperative Geologic Mapping Program. This grant would fund mineral resource evaluation of the Brentz Mine in the northern sector of the McDermitt caldera in Malheur County. Receiving federal grant funding is an integral part of DOGAMI's funding model, enabling the department to perform mission related work. The grant application is due on April 12, 2023 and no match is required. If awarded, work would begin in July 2023 and continue for a duration of two years.



Oregon

Tina Kotek, Governor

Department of Geology and Mineral Industries

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March 24, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The purpose of this letter is to request legislative approval regarding a federal grant application. The Department of Geology and Mineral Industries (DOGAMI) intends to submit a proposal to the Earth Mapping Resources Initiative (Earth MRI) Mine Waste Cooperative Agreements with the U.S. Geological Survey (USGS) National Cooperative Geologic Mapping Program in the amount of \$304,000.

The Earth MRI program was initiated by the USGS in 2018 as a cooperative agreement with state geological surveys to collect geophysical, geologic, and topographic data in areas of critical mineral potential, other economically valuable mineral and energy resources, groundwater resources, and geologic hazards across the Nation. DOGAMI applied for a geologic mapping grant through the primary Earth MRI program in early March. This funding opportunity is to initiate the second portion of the Earth MRI program coordinating and funding activities of state geological surveys to map, characterize, and assess the potential for critical minerals in mine waste. The final grant proposal is due to USGS by April 12th, 2023. DOGAMI would begin this two-year project in July 2023.

This grant proposes to fund one project entitled:

- “Critical mineral resource evaluation of the historic Bretz Mine, northern sector of the McDermitt caldera, Malheur County, southeastern Oregon”.

The primary goal that will be achieved by this project include completion of mine waste characterization and mineral system assessment that is essential to understand the state’s mineral, energy, and water resources. This proposal compliments our other Earth MRI grant focusing on surface geologic mapping in the same area.

The proposed grant has no required funding match with full indirects allowed. DOGAMI will not require an increase in our federal fund expenditure limitation or position authority.

This grant opportunity supports DOGAMI's mission and goals to provide earth science information and regulation to make Oregon safe and prosperous and also supports Key Performance Measure #2 (KPM) – Detailed Geologic Map Completion.

Agency Action

Under DOGAMI's funding model it is essential that the Agency pursue relevant federal grant funding opportunities.

Action Requested

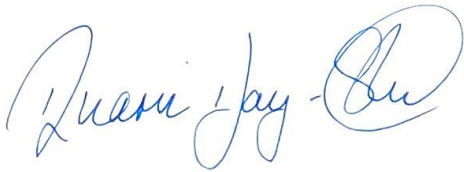
The Agency is requesting approval to apply to USGS for the above Earth MRI grant.

Legislation Affected

Legislation affected by this grant proposal is SB 5510 (2023) if additional federal limitation is necessary.

Thank you for your consideration of this request. If you have any questions, please contact me at 971-610-8968.

Sincerely,



Ruari J. Day-Stirrat

Executive Director/State Geologist

cc: Kate Nass, Chief Financial Office
Sione Filimoehala, Chief Financial Office
Karin Power, Governor's Office
April McDonald, Legislative Fiscal Office
Amanda Beitel, Legislative Fiscal Office