



THE SOLEDAD CANYON HIGH DESERT, CALIFORNIA PUBLIC LANDS CONSERVATION AND MANAGEMENT ACT OF 2009

FACT SHEET

SUMMARY

The Soledad Canyon High Desert, California Public Lands Conservation and Management Act of 2009 (H.R. 4332) was introduced by Representative Howard P. "Buck" McKeon (CA-25) on December 16, 2009. This measure is a slightly modified version of H.R. 5887, introduced by Representative McKeon during the 110th Congress.

The new version of the bill seeks to accomplish the same goal as the previous legislation -- resolve the mining dispute between the City of Santa Clarita, California and CEMEX USA (CEMEX). The new legislation would employ a proven process to cancel existing mining contracts, fairly compensate CEMEX and potentially provide additional revenue for environmentally important acquisitions throughout Southern California.

HISTORY

- In 1990, CEMEX was awarded two, ten-year consecutive contracts from the United States Bureau of Land Management (BLM) to extract 56-million tons of sand and gravel from a site in Soledad Canyon; located on split estate, with the surface estate owned by the City of Santa Clarita and the underlying mineral estate owned by the United States and administered by the BLM.
- The City of Santa Clarita objected to CEMEX's plan to mine in Soledad Canyon beyond the historical production level of 300,000 tons per year.
- The two entities were at odds for nearly a decade before announcing a truce in February 2007.
- As a result of the truce, CEMEX, the cities of Santa Clarita and Victorville, and the County of San Bernardino worked with Representative McKeon to craft federal legislation, which would amicably resolve the dispute.

HOW THE BILL WORKS

- Upon enactment of the bill, the Secretary of the Interior would immediately cancel CEMEX's mining contracts in Soledad Canyon and prohibit future mining at the site of the contracts.
- The Secretary of the Interior would then determine the fair market value of the cancelled contracts.

- The proposed legislation then instructs the Secretary of the Interior to sell, within specified time frames, federal lands near Victorville, CA, which are currently on the BLM's "disposal list." A map of the properties entitled "Victorville Disposal Area" is available upon request.
 - There are three classifications of land to be sold near Victorville. Depending on the classification, the City of Victorville and the County of San Bernardino would have the preemptive right to purchase land before the land is offered for sale to other interests.
 - The lands near Victorville were carefully selected to ensure that no environmentally-sensitive lands would be sold for development as part of this bill.
- The proceeds from the land sale would be deposited in a special account set up in the United States Treasury. Utilizing existing legislative precedent, the measure contains specific language, which would instruct the Secretary of the Interior to use proceeds from the land sales for specific and prioritized purposes, including:
 - As compensation for CEMEX for the cancellation of the mining contracts in Soledad Canyon, as determined by the Secretary of the Interior.
 - The acquisition of private holdings and land interests in the Mojave National Preserve.
 - The acquisition of private holdings and land interests from willing sellers within the area identified by the *"East Santa Clarita Land Conservation Concept Plan and Implementation Strategy."* These acquisitions could help to achieve a major environmental milestone: linking the northern and southern segments of California's Angeles National Forest.
 - The acquisition of other environmentally-sensitive lands in California.

ENVIRONMENTAL BENEFITS FOR CALIFORNIA

- The bill allows the Secretary of the Interior to acquire environmentally-sensitive California lands for preservation, if additional sale proceeds are available. The proposal specifically identifies two important environmental enhancements for Southern California: linking segments of the Angeles National Forest and further protecting the Mojave National Preserve.
 - With singing sand dunes, volcanic cinder cones, Joshua tree forests, and carpets of wildflowers, the Mojave National Preserve is one of Southern California's most precious treasures. This bill provides a funding avenue for acquiring private in holdings and land interests in order to expand the preserve.
 - Environmental groups and local governments have been exploring ways to preserve lands east of the City of Santa Clarita in order to link two sections of the Angeles National Forest. Linking these sections of the forest would protect the biodiversity of the area, create a greenbelt that buffers the City of Santa Clarita, establish a continuous trail system with connections to public parks, restore the Santa Clara River and its tributaries and

redevelop previously disturbed areas. Previous efforts to preserve this area struggled to secure the necessary funding.

- Keeping with one of the most important aspects of the previous version of the Soledad Canyon Mine Act, the revised legislation would not trade one mine for another. The federal lands sold near Victorville would not be mined.
 - The already identified-for-disposal lands designated for sale near Victorville were selected because they are not environmentally-sensitive and would be subject to California Environmental Quality Act review prior to development.

TAXPAYER PROTECTIONS

- The financial mechanism used in the proposal would ensure that the Secretary of the Interior would be able to use proceeds from land sales to meet the goals outlined in the bill and would not require funding from the federal budget.
- This proven mechanism has been used successfully for more than two decades as a way to ensure land transaction legislation is fiscally responsible.

For more information on the legislation, please contact Michael Murphy at (661) 255-4384 or email at mmurphy@santa-clarita.com

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FREQUENTLY ASKED QUESTIONS

What is the Soledad Canyon High Desert, California Public Lands Conservation and Management Act of 2009?

The Soledad Canyon High Desert, California Public Lands Conservation and Management Act of 2009 is legislation, H.R. 4332, introduced in the House of Representatives by Rep. Howard P. "Buck" McKeon, (R-CA 25), and S. 3057 introduced in the Senate by Sen. Barbara Boxer, (D-CA). The legislation would end a nearly decade-long dispute between the City of Santa Clarita and CEMEX USA (CEMEX) over a sand and gravel mine the company proposed to operate in Soledad Canyon. In 1990, CEMEX was awarded two ten-year consecutive contracts to extract 56 million tons of sand and gravel from Soledad Canyon over a period of 20 years by the United States Bureau of Land Management (BLM) and the City of Santa Clarita objected to the plan. Santa Clarita and CEMEX declared a truce in February 2007 and announced they would seek a legislative solution to the dispute. This legislation is the result of that agreement.

How does the legislation resolve the dispute between the City of Santa Clarita and CEMEX?

These bills would require the BLM to cancel CEMEX's right to mine at the contract site, and would ensure that CEMEX is fairly compensated for its loss arising from such cancellation. As compensation for the cancellation of its Soledad Canyon contracts, the legislation would provide a means for CEMEX to recover the fair market value of its contracts.

Once the bills are signed into law, the Secretary of the Interior would offer for sale federal land near Victorville, CA, which is currently on the BLM's "disposal list." The proceeds from the land sales would be deposited into a special account in the United States Treasury. Based on the provisions within the bills, the Secretary of the Interior would then use funds from this account to compensate CEMEX for the fair market value of its cancelled contracts and costs associated with pursuit of those contracts. Once CEMEX is compensated, additional revenue in this account could then be used to acquire environmentally important land in California. The bills are specifically written to ensure that absolutely no funds from the federal budget would be spent to solve the mining dispute.

If CEMEX's mining contracts are cancelled in Soledad Canyon, will future mining be allowed by a different company?

No. This legislation would end the possibility of mining at the Soledad Canyon site by removing those specific mining contracts from federal mineral entry, contract or lease.

How will BLM decide which lands in Victorville would be sold? Are they ensuring these are not environmentally-sensitive lands?

The bills would allow for the sale of 10,609 acres of federal lands near Victorville, CA, which are currently on the BLM's "disposal list." A map of the specific acreage to be sold is included in the legislation. The lands identified on the map were carefully selected to prevent any environmentally-sensitive lands from being sold as part of this legislation. Lands in line to be developed would be subject to full California Environmental Quality Act review.

Who would likely purchase the Victorville lands for sale?

There are three classifications of land to be sold near Victorville. Depending upon the classification, the City of Victorville and the County of San Bernardino would have preemptive rights to purchase the land before the land is made available to other interests.

Keeping with one of the more important aspects of the Soledad Canyon Mine Act introduced in 2008, the lands sold near Victorville would not be mined, ensuring that the bills would not trade one mine for another.

Who determines the value of "fair compensation" to CEMEX for the cancellation of their mining contracts?

Once the bills are signed into law, the Secretary of the Interior would determine the fair market value of the CEMEX contracts being cancelled in Soledad Canyon, as well as the sum of other CEMEX expenditures and liabilities in trying to bring the contracts into production. If CEMEX does not agree with the Secretary of the Interior's determination of fair compensation, CEMEX would be allowed to ask the United State Court of Federal Claims to determine a fair amount.

What are the environmental benefits of H.R. 4332 and S. 3057?

In addition to prohibiting mining at the Soledad Canyon sites, the bills could provide for further environmental benefits for the region. After compensating CEMEX for its contract cancellations, the legislation would provide for the Secretary of the Interior to use any remaining proceeds from the Victorville area land sales for the acquisition of private in holdings and land interests in the Mojave National Preserve, for the acquisition of holdings and land interests from willing sellers in the area between the two separated segments of the Angeles National Forest, and for the acquisition of other environmentally-sensitive land in the State of California.

Why are investments in the Mojave National Preserve and the Santa Clarita Valley/Angeles National Forest important?

With singing sand dunes, volcanic cinder cones, Joshua tree forests and carpets of wildflowers, the Mojave National Preserve is one of Southern California's most precious environmental treasures. The legislation could provide funds necessary for acquiring private "in holdings," or private lands within the preserve, and other land interests that could make further protection of the preserve possible.

For years, environmental groups and local governments have been exploring ways to preserve lands east of the City of Santa Clarita in order to link two sections of the Angeles National Forest.

Linking these two sections of the forest is an environmental imperative for the region and would protect the biodiversity of the area. It also would create a greenbelt which would serve as a buffer for the community of Agua Dulce. It would establish a continuous trail system with connections to public parks, help restore the Santa Clara River and its tributaries, and redevelop previously disturbed areas. Previous attempts by environmental and government organizations to coordinate and purchase the land necessary to protecting this linkage have been unable to secure the necessary funding.

Beyond these two specific regions, what other environmentally-sensitive lands could be purchased?

After the Secretary uses proceeds from the Victorville land sales to compensate CEMEX and acquire lands in the Mojave National Preserve and the area between the segments of the Angeles National Forest, the bills allow the Secretary to use some of the remaining proceeds to acquire other environmentally-sensitive land in California. Before acquiring land from willing sellers, the Secretary would be required to consult with the State of California, counties and cities affected by potential acquisitions, appropriate planning and regulatory agencies, and other interested parties.

Has this financial process for a land swap ever been used before? Is there legislative precedent?

Yes, this financial process has been successfully employed in land transaction legislation for more than a decade. Past examples of successful land transaction legislation which use similar "account" systems include:

- Southern Nevada Public Lands Management Act- *October 19, 1998*
 - *Directed the Secretary of the Interior to dispose of federal lands in Clark County, Nevada. To date, the bill has produced more than \$2.7 billion of land sales revenue for the specific purposes receiving funds from the special account set up as part of the legislation.*
- Ivanpah Valley Airport Public Lands Transfer Act- *October 27, 2000*
 - *Directed the Secretary of the Interior to convey federal lands in Ivanpah Valley, Nevada to Clark County, Nevada for the development of an airport. Payments received from the County were deposited in a special account dedicated to the acquisition of in holdings in the Mojave National Preserve.*
- Lincoln County Conservation, Recreation, And Development Act- *November 30, 2004*
 - *Directed the Secretary of the Interior to conduct sales of specified lands in Lincoln County, Nevada, with proceeds of the land sales placed in a special account and dedicated to specific purposes. This bill specifically prohibited mining on the lands sold.*
- White Pine County Conservation, Recreation, And Development Act- *December 20, 2006*
 - *Directed the Secretary of the Interior to conduct sales of specified BLM lands in White Pine County, Nevada, with proceeds of the sales placed in a special account and dedicated for specific purposes.*

How do CEMEX and the City of Santa Clarita view this legislation?

CEMEX and the City of Santa Clarita welcome this important legislation as the fair resolution of a dispute of nearly a decade. Both would benefit from the legislation. Santa Clarita would no longer face the prospect of mining operations less than one mile from its residents, and CEMEX would recover the fair market value of its loss arising out of cancellation of the Soledad Canyon contracts.

How do the City of Victorville and the County of San Bernardino view this transaction?

The City of Victorville and the County of San Bernardino are both active supporters of this bill. Victorville and County of San Bernardino representatives have met with Rep. McKeon, CEMEX officials, and City of Santa Clarita representatives, and have carefully reviewed the proposed legislation. They both view this effort as a very positive step forward for its plans for economic development in the area.

How can I find out more about the proposed legislation and add my name to the list of supporters of H.R. 4332 and S. 3057?

The City of Santa Clarita has set up an informational website, which includes additional information about the legislation as well as how to sign up as a supporter. Individual and organizational support forms are available for download at <http://www.santa-clarita.com>. Please visit the site, download, complete and return a supporter form to the City of Santa Clarita to add your name to the continually growing H.R. 4332 and S. 3057 supporters list.

What are the next steps for the legislation?

The bills have been referred to the House Natural Resources Subcommittee on Energy and Mineral Resources, and the Senate Subcommittee on Energy and Natural Resources .

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