

PETE CONATY & ASSOCIATES
GOVERNMENTAL RELATIONS

June 16, 2009

Dave McCracken, President and General Manager
The New 49'ers
P.O. Box 47
Happy Camp, CA 96039

RE: SB 670 Assembly Water, Parks, and Wildlife Committee hearing update

Dear Dave:

SB 670, the bill by California State Senator Pat Wiggins (D-Santa Rosa) to ban suction dredge gold mining in California, was heard in the Assembly Water, Parks, and Wildlife Committee on June 16, 2009.

As your lobbyist, I provided the lead opposition testimony and was joined by the lobbyist for Siskiyou County. Additionally, Mr. and Mrs. Dunn, who own a gold equipment store, and Dan Effman, a member of the Karuk tribe who represents a tribal reform group also testified against the bill. About 20 miners showed up and testified against the bill. By most measures, this level of public presence at a bill hearing would at least siphon off some votes for that bill. However, at this hearing, a new dynamic has emerged. The casino tribes, some of which have been in support of the bill from the beginning, have brought other statewide Indian gaming groups into the mix.

The opposition had at least 5 lobbyists representing tribal and environmental groups, including sportsmen's organizations such as Cal-Trout. The commercial fishermen are also in support and have apparently been led to believe that banning suction dredges from California's rivers will miraculously restore a fishing industry that is suffering from global ocean conditions.

The bill subsequently passed out of the committee 12-0 with one legislator not voting.

The proponents of the bill engaged in much conjecture and speculation during the hearing, yet it was our side which was asked to provide, on the spot, proof of our testimony. The proponents spoke to the following points:

- SB 670 will save the state money because dredging permits do not cover the \$ 1 million costs of the program (actually the program does not cost \$1 million, the court ordered study costs that much).
- Equity. They portrayed this fight as a struggle between a few hobbyists that engage in gold mining while out of work commercial fishermen are starved out of their livelihood because of the destruction of fish habitat caused by suction dredge gold mining.

- Sierra Fund. One of the environmental groups in strong support of the bill is the Sierra Fund. The Fund's board member is also the Executive Director of the California Tribal Business Alliance (CTBA). The members of the CTBA are not tribes that depend on salmon from the river and really have no stake in the bill other than the Sierra Fund's board member has had issues with suction dredgers in the river near her home. The Morongo Band of Indians, California Association of Tribal Governments, Ramona Band of Indians, Resighini Rancheria, San Manuel Band, Sycuan Band, and the California Nations Indian Gaming Association have also joined on in support of the bill.
- The Sierra Fund's person who testified stated that mercury is a major problem and suction dredging flowers the mercury. Furthermore, "miners throw the mercury back into the river, retort on the riverbank, or flush it down the toilet" when they come across it. She also stated that the mercury is more apt to flower during the hot August Days when most mining is done.
- Cal Trout stated that fish are destroyed by suction dredges.
- Friends of the River called this a statewide issue and that the San Gabriel River is "Ground Zero" for suction dredge mining.
- A Karuk tribal representative stated that tribal members caught barely 100 fish at Ishi Pishi Falls this season and that rich miners can kill fish while being subsidized by the state.

While this may seem like a hopeless cause, that is not the case at all. The similar AB 1032 of 2007 enjoyed similar bi-partisan support in the Legislature, but was subsequently vetoed by the Governor. That is why, even against the overwhelming support from tribal gaming interests and environmentalists, it is imperative to fight the bill all the way through the legislative process. This requires consistent lobbying and grassroots activity as the bill proceeds through the Assembly. The final legislative vote will be before the full 80 member State Assembly. **It is imperative that miners, mining clubs or groups and especially businesses statewide send letters opposing the bill to the Governor requesting he veto it.** Overwhelming amounts of letters to the Governor will show him and his staff that a lot of Californians will be affected if he signs this bill.

Furthermore, if miners can contact their local State Assemblymember and voice their opposition to the bill, that may pull off a few votes on the Assembly floor. SB 670 is an "Urgency" measure. This means that if it is signed in to law, it goes into effect immediately. It also means that the bill must receive a 2/3 vote to pass off of the Assembly Floor. There are 80 Assemblymembers. Therefore, SB 670 needs 54 votes to pass. The Assembly is made up of 50 Democrats who will most probably vote for the bill. 3 Republicans voted for the bill in committee. **Therefore, it is very important that local miners make their opposition known to their local Assemblymember before the bill goes to the Floor.** Some legislators may not wish to vote "No" on the bill in the face of such a powerful coalition of supporters, however, they might be persuaded to abstain from the bill. Even if the bill is not stopped on the Floor, it can be vetoed by the Governor.

Sincerely,



Pete Conaty