

STATE CAPITOL  
P.O. Box 110001  
Juneau, AK 99811-0001  
907-465-3500  
fax: 907-465-3532



550 West Seventh Avenue, Suite 1700  
Anchorage, AK 99501  
907-269-7450  
fax 907-269-7461  
[www.Gov.Alaska.Gov](http://www.Gov.Alaska.Gov)  
[Governor@Alaska.Gov](mailto:Governor@Alaska.Gov)

Governor Bill Walker  
STATE OF ALASKA

January 26, 2018

The Honorable Pete Kelly  
President of the Senate  
Alaska State Legislature  
State Capitol, Room 111  
Juneau, AK 99801-1182

Dear President Kelly,

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to amendments to qualifications to acquire or hold mining rights and to annual rental rates for mining claims, leasehold location, prospecting site and mining lease.

The bill would repeal State annual labor requirements for State and federal mining claims, as well as annual labor requirements for State mining leasehold locations. Administration of the annual labor requirements is costly to the Department of Natural Resources. Minor errors on affidavits may result in unintentional abandonment of a claim or leasehold location by the locator. Further, miners on State land are already able to avoid conducting labor by paying a fee in lieu of labor. Instead of requiring annual labor or payment in lieu of labor, the progressive rental rates for State mining locations and leases will be increased. This will ease administration of mining claims and also discourage individuals from holding claims without developing them.

The bill also provides for a new requirement in order to be qualified to acquire or hold a mining right. A person or entity must be a "bona fide miner" in addition to the other requirements of AS 38.05.190. A "bona fide" miner is defined as one who locates or holds a mining claim or lease in good faith for purposes of mineral exploration and development and not for the prevention of mineral exploration or development. The bill also provides a method for the Department of Natural Resources to request affidavits stating that a miner is "bona fide." This provision provides additional assurance that mining locations and leases will be acquired and held in good faith.

For State claims and leasehold locations, the bill would also provide a waiver of the penalty for cure of abandonment caused by a failure to properly record a statement of annual labor as required before the effective date of sections 8 and 9 of the bill.

The bill contains a transition provision providing for authority for the Department of Natural Resources to adopt regulations necessary to implement the changes made by the bill, effective immediately. The rest of the bill is effective September 2, 2018, and an applicability provision makes it clear that for purposes of annual labor, the bill will be applicable to the labor year that otherwise would begin September 1, 2018.

The Honorable Pete Kelly  
Mining Rights Transmittal  
January 26, 2018  
Page 2

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bill Walker". The signature is fluid and cursive, with the first name "Bill" and last name "Walker" clearly distinguishable.

Bill Walker  
Governor

Enclosure