

Department of Natural Resources

OFFICE OF THE COMMISSIONER

550 West 7th Avenue, Suite 1400 Anchorage, AK 99501-3561 Main: 907.269.8431

March 9, 2025

The Honorable Robyn Burke Co-Chair, House Resources Committee Alaska State Capitol, Room 108 Juneau, AK 99801

The Honorable Maxine Dibert Co-Chair, House Resources Committee Alaska State Capitol, Room 128 Juneau, AK 99801

Re: DNR Responses to Questions on Minerals and Mining Overview

Dear Co-Chairs Burke and Dibert,

Thank you for inviting the Department of Natural Resources (DNR) to present an overview of DNR's role in mineral development and mining to the House Resources Committee on March 3, 2025. This letter completes the responses to questions and requests for follow-up information from this hearing. All of the dollar figures presented in this document are in thousands unless otherwise noted.

1. Rep. Rauscher asked what depths are reached with geophysical survey methods.

While many kinds of geophysical surveys measure various properties of the Earth, the Division of Geological and Geophysical Surveys most recently has been collecting aerial electromagnetics (electrical properties), magnetics (magnetic properties), gravity (density), and radiometrics (radioactivity). These surveys have different resolutions (detail of information) and can "see" to various depths beneath the surface depending on the type of rocks in the ground. Aerial gravity and magnetic surveys can collect data up to thousands of meters in the right conditions, and reveal details of buried resources. Electromagnetic surveys typically only penetrate hundreds of meters, but provide much higher resolution and greater detail about potential resources. Radiometric surveys are often paired with magnetic surveys, although specific conditions are required to make aerial radiometric data useful. Most specifically, the ground needs to be uncovered and mostly dry. Radiometric methods collect data from the top few meters of the ground.

2. Rep. Rauscher asked how often the state received funding from the federal Abandoned Mine Land fund.

Co-Chairs Burke and Dibert

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The federal Surface Mining Control and Reclamation Act of 1977 regulates surface coal mining and reclamation nationwide. The State assumed primacy over the coal program in 1983 with passage of the Alaska Surface Coal Mining Control and Reclamation Act. In addition to regulating the coal industry, state and federal laws established the Abandoned Mine Lands Program for the purpose of reclaiming abandoned historic mines of any type. Land and water eligible for reclamation are those that were mined or affected by mining and abandoned or left in an inadequate reclamation status before August 3, 1977, and for which there is no continuing reclamation responsibility under state or federal law. Abandoned Mine Lands (AML) funds can be spent on coal and non-coal abandoned historic mines. State, private, native and federal lands are eligible.

The State's AML Program is funded 100 percent by the AML Trust Fund administered by the federal Office of Surface Mining Reclamation and Enforcement (OSMRE). Federal AML funds are collected from a fee assessed on today's coal industry for every ton of coal produced and used to correct past deficiencies on now-defunct mine sites. The fund dispersed money annually to participating states.

Alaska's AML program has historically received one grant each year. However, the Infrastructure Investment and Jobs Act in 2021 infused the federal fund with an additional \$11.293 billion. The State will receive \$20 million of this infusion over a 15-year period, or \$1.33 million annually. These grants are in addition to the annual grant.

With two grants each year, the Alaska program now receives \$4.159 million annually. This will remain consistent until 2034, at which time funding will decrease to \$1.33 million annually until 2036.

Please reach out if you have further questions.

Sincerely,

Rena Miller

Acting Legislative Liaison

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cc: Jordan Shilling, Director, Governor's Legislative Office