



ALASKA MINERS ASSOCIATION, INC.

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January 18, 2014

Representative Eric Feige, Co-Chair
Representative Dan Saddler, Co-Chair
House Resources Committee
State Capitol Building
Juneau, AK 99801

Re: AMA Support of HB135

Dear Representative Feige and Representative Saddler:

Thank you for the opportunity to submit a support letter for HB135, an Act establishing the Petersville Recreational Mining Area.

The Alaska Miners Association (AMA) is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. We are composed of more than 1,500 individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. Our members look for and produce gold, silver, platinum, molybdenum, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials.

The history behind the introduction of HB135 is long and complex. In 1994, Ms. Michele Stevens negotiated with the Alaska Department of Natural Resources (DNR) to establish the Petersville Recreational Mining Area, and as a result, Mineral Closing Order 674 (MCO #674). The concepts behind this agreement included: Ms. Stevens would relinquish certain mining claims on land the State of Alaska under the Alaska Statehood Act; Ms. Stevens would support Legislation to create the Petersville Mining Recreational Area; DNR would then develop a mechanism to allow commercial recreational mining on State land; and subsequently, DNR and Ms. Stevens would enter into a commercial lease on Ms. Stevens' private structures and mining equipment located on this land.

In 2006, DNR developed the process of commercial recreational mining on State land; however, it does require a valid mining claim under state law. MCO #674 prohibits a mining claim under State law. HB135 would correct this issue and allow Ms. Stevens to reestablish some of her former claims and enter into the commercial recreational mining lease with DNR, as originally intended in the 1994 agreement.

It should be noted that Ms. Stevens has gifted the State of Alaska with acres of placer gold resources that will remain open for public recreational mining, with the intent that she be allowed to enter into the commercial recreational mining agreement with DNR.

It is our understanding that DNR is fully supportive of HB135, as is the Yentna Mining District. AMA is very supportive of this legislation and we urge quick passage of this bill.

Thank you for the opportunity to submit a letter of support, and please do not hesitate to contact me if you have questions.

Sincerely,

Deantha Crockett
Executive Director