



# LAWS OF ALASKA

2004

**Source**

SCS CSHB 344(RES)

**Chapter No.**

\_\_\_\_\_

**AN ACT**

Relating to annual rental fees, statements of annual labor, and production royalty for mining claims; and providing a cure for abandonment.

\_\_\_\_\_

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1



AN ACT

1 Relating to annual rental fees, statements of annual labor, and production royalty for mining  
2 claims; and providing a cure for abandonment.

3 \_\_\_\_\_

4 \* **Section 1.** AS 38.05.265 is amended to read:

5           **Sec. 38.05.265. Abandonment.** Failure to properly record a certificate of  
6 location or a statement of annual labor, pay any required annual rental, or pay any  
7 required production royalty as required by AS 38.05.185 - 38.05.200, 38.05.210 -  
8 38.05.245, 38.05.252 - 38.05.275, and by regulations adopted under these sections  
9 constitutes abandonment of all rights acquired under the mining claim, leasehold  
10 location, or prospecting site involved, and the claim, leasehold location, or prospecting  
11 site is subject to relocation by others, unless the failure constituting the  
12 abandonment is cured under (b) of this section. A locator or claimant of an  
13 abandoned location or a successor in interest may not relocate the claim, leasehold  
14 location, or prospecting site until one year after abandonment. The locator of an

1 abandoned prospecting site may locate a claim or leasehold location on that site at any  
2 time. A statement of annual labor that does not accurately set out the essential facts is  
3 void and of no effect. If an annual rental or a royalty payment is deficient but is  
4 otherwise timely paid, abandonment does not result if full payment is made within

5 (1) the period prescribed by a deficiency notice from the  
6 commissioner; or

7 (2) 30 days after a final judgment establishing the amount due if the  
8 deficiency amount due was contested.

9 \* **Sec. 2.** AS 38.05.265 is amended by adding a new subsection to read:

10 (b) Unless another person has located a mining claim or leasehold location  
11 that includes all or part of the mining claim or leasehold location abandoned under (a)  
12 of this section or the area is closed to mineral location under AS 38.05.185 -  
13 38.05.275, a person may cure the failure to record or pay that constituted the  
14 abandonment and cure the abandonment by

15 (1) properly recording a certificate of location or a statement of annual  
16 labor, paying any required annual rental, and paying any required production royalty;  
17 and

18 (2) paying a penalty equal to the annual rent for the mining claim or  
19 leasehold location that was abandoned under (a) of this section.