

Introduced: 2/6/63
Referred: Resources and
Finance

1 IN THE HOUSE

BY MESSRS. MCCOMBE
and STRANDBERG

2 HOUSE BILL NO. 31

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to financial assistance for
7 qualified Alaska prospectors; and providing
8 for an effective date."

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

10 * Section 1. AS 27 is amended by adding a new chapter to read:

11 CHAPTER 7. FINANCIAL ASSISTANCE TO PROSPECTORS.

12 ARTICLE 1.

13 Sec. 27.07.010. ADMINISTRATION. The Department of
14 Natural Resources shall administer this chapter.

15 Sec. 27.07.020. REGULATIONS. The department shall
16 adopt regulations necessary to administer this chapter and
17 to protect the state from fraud or misuse of funds.

18 Sec. 27.07.030. SCREENING BOARDS. The department
19 shall appoint one or more screening boards to review appli-
20 cations for assistance and make recommendations.

21 Sec. 27.07.040. COMPOSITION OF SCREENING BOARD. Each
22 screening board has three members. The chairman is the com-
23 missioner of natural resources or his delegate. One member
24 is a state mining engineer or a state geologist and one is a
25 professor or instructor of the mining extension course of the
26 University of Alaska.

27 ARTICLE 2. FINANCIAL ASSISTANCE.

28 Sec. 27.07.060. ITEMS FOR WHICH ASSISTANCE IS AVAILABLE.

29 (a) The Department of Natural Resources shall reimburse

1 expenditures made by qualified prospectors for

2 (1) purchase of

3 (A) tents, camp stoves, and other camp gear,
4 but not clothing, bedding, light plants and lanterns,
5 hunting and fishing equipment, cooking utensils, boats,
6 motors, or vehicles;

7 (B) small tools, drill steel, camp hardware,
8 first aid kits;

9 (C) food, soap, and similar consumable items;

10 (D) gasoline and oil, blasting supplies,
11 chemicals for mineral testing;

12 (E) transportation from the prospector's
13 place of residence to the prospecting area and return
14 and transportation within the prospecting area;

15 (F) recording fees, postage on samples, as-
16 says, maps;

17 (2) rental of geochemical or geophysical equip-
18 ment, if the prospector is trained in its use, light weight
19 percussion or diamond drills, churn drills, tracked or
20 wheeled transport equipment, boats, and horses.

21 (b) In unusual cases, the department, by prior agree-
22 ment, may permit a qualified prospector to receive credit for
23 the rental value of certain items of equipment owned by the
24 prospector.

25 Sec. 27.07.070. LIMITATIONS ON ASSISTANCE. (a) The
26 department may not pay a person more than \$2,000 [\$1,000]
27 nor a partnership more than \$4,000 [\$2,000] in one calendar
28 year under this chapter.

29 (b) The department may not reimburse a person for

1 (1) more than 75 [50] per cent of the amount the
2 person expended on items listed in sec. 60 of this chapter;
3 the department may by regulation limit the amount reimbursed
4 to less than 75 [50] per cent;

5 (2) expenditures made or obligations incurred be-
6 fore the department approves the person's prospecting program
7 or after the program terminates;

8 (3) expenditures that have not been approved by
9 the department in the notification of qualification or in an
10 amendment to the notification;

11 (4) any expenditures if the person did not spend
12 at least 30 days in his prospecting area (which does not in-
13 clude home or a public lodging house) during the period of
14 his qualification;

15 (5) costs in prospecting on or developing mining
16 claims in good standing at the beginning of the person's
17 prospecting program or for work done on property owned by the
18 prospector or other private persons; except that the depart-
19 ment shall reimburse a person for costs in further prospect-
20 ing on discoveries made and staked in a previous year as a
21 result of a prospecting program carried out under this chap-
22 ter.

23 ARTICLE 3. QUALIFICATIONS FOR ASSISTANCE.

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25 Sec. 27.07.090. APPLICATION. (a) To obtain assist-
26 ance under this chapter a person must file an application
27 with the department before undertaking a prospecting program.

28 (b) An applicant shall provide the department with

29 (1) his full name, permanent address, and the

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length of time he has been a resident of the state;

(2) his experience, education, and training in prospecting;

(3) his experience in traveling and living in remote areas;

(4) a description of the area in which he desires to prospect and the way he plans to travel;

(5) the approximate dates between which he intends to prospect;

(6) the minerals he hopes to find;

(7) the names and addresses of persons who will be associated with him in the prospecting venture;

(8) a detailed estimate of the cost of the prospecting program.

Sec. 27.07.100. REVIEW BY SCREENING BOARD. The department shall refer applications to a screening board. The screening board shall review each application referred to it to determine whether or not the applicant is capable of carrying out his prospecting program, and whether or not the program is realistic. After review the screening board shall refer the application to the department, with recommendations.

Sec. 27.07.110. DECISION BY DEPARTMENT. The department shall review the application and recommendations made by the screening board and decide whether or not the applicant is qualified for assistance. An applicant is qualified if he is capable of carrying out his prospecting program and if the program is realistic.

Sec. 27.07.120. INFORMATION ON WHICH DECISION IS BASED. The department and the screening boards may consider any

1 relevant information in deciding on an applicant's qualifica-
2 tion.

3 Sec. 27.07.130. TIME LIMIT. A person's qualification
4 to receive assistance expires on a date set by the depart-
5 ment or within one year, whichever is shortest. There is no
6 limit on the number of times a person may be qualified for a
7 new prospecting program or for an extension of an old one.

8 Sec. 27.07.140. DUTY OF PROSPECTOR. (a) To receive
9 reimbursement under this chapter a prospector must prepare
10 and submit to the department

11 (1) a daily diary of field activities, but, when
12 two prospectors work together, a single diary for both is
13 sufficient;

14 (2) one or more U. S. Geological Survey or Coast
15 and Geodetic Survey maps with notations to show the areas
16 covered by the prospecting;

17 (3) sketches of any detail work done on a dis-
18 covery, with references to samples taken, assays made, or
19 drilling done;

20 (4) notes and maps covering geochemical and geo-
21 physical work performed;

22 (5) a short summary of results, with recommenda-
23 tions concerning the area prospected.

24 (b) The department shall hold information submitted to
25 it under this section confidential for two years from the
26 date of submission unless the person submitting the informa-
27 tion, in writing, authorizes its earlier release.

28 (c) At the conclusion of a prospecting program the
29 prospector shall submit to the department a statement of

1 prospecting expenses on which he claims reimbursement, and
2 shall support the statement with receipts and vouchers. The
3 department may make reimbursement only on properly substan-
4 tiated statements of expenses.

5 ARTICLE 4. MISCELLANEOUS PROVISIONS.

6 Sec. 27.07.160. OWNERSHIP OF DISCOVERIES. A qualified
7 prospector may locate, stake, or lease a discovery made by
8 him and may hold, own, or dispose of the discovery.

9 Sec. 27.07.170. NONLIABILITY. Nothing in this chapter
10 makes the state or an employee of the state liable for an
11 act of commission or negligence or for a debt incurred by a
12 prospector. Neither the state nor an employee of the state,
13 by virtue of this chapter, may be made a party to an action
14 brought against a prospector by others.

15 ARTICLE 5. GENERAL PROVISIONS.

16 Sec. 27.07.190. DEFINITIONS. As used in this chapter

17 (1) "department" means the Department of Natural
18 Resources;

19 (2) "minerals" means naturally occurring metals or
20 ores which may be reduced to metals or valuable metallic
21 products; nonmetallic ores or compounds, gems and gemstones,
22 clays, refractories, and high specification stone and sand;
23 but does not mean coal, natural gas, petroleum, common stone,
24 sand, or gravel.

25 * Sec. 2. AS 27.05.140 - 27.05.170 are repealed.

26 * Sec. 3. This Act takes effect on the day after its passage
27 and approval or on the day it becomes law without such approval.
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29 HB #31 as am