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Referred: Resources and
Finance

1 IN THE HOUSE

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2 HOUSE BILL NO. 37

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for a bonus for those who discover
7 and produce certain mineral ores."

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

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

10 CHAPTER 22. BONUS FOR DISCOVERY AND PRODUCTION

11 Sec. 27.22.010. DISCOVERY AND PRODUCTION BONUS. (a) To stimu-
12 late prospecting for, discovery of, and production from new domestic
13 metal-bearing deposits, and in the interest of the general industrial
14 development of the state, the commissioner of the Department of
15 Natural Resources shall, upon sufficient proof, pay a bonus of \$10,000
16 to a person or persons, partnership, company, or corporation that
17 discovers and produces ore in Alaska under the terms of this chapter.

18 (b) The commissioner shall pay the bonus for the discovery and
19 production from new domestic metal-bearing deposits containing one
20 or any combination of the following metals only: antimony, beryllium,
21 bismuth, cadmium, chromite, cobalt, columbium, gold, lead, manganese,
22 mercury, molybdenium, nickel, platinum group metals, selenium, silver,
23 tantalum, tellurium, thorium, tin, tungsten, uranium, and zinc. The
24 production must be from a mining location of a lode or placer deposit
25 which has not previously been discovered or worked for any of the
26 metals listed in this subsection or for any metals or minerals,
27 including gravel, that are not so listed.

28 Sec. 27.22.020. AMOUNT OF PRODUCTION. The bonus will be paid,
29 not for discovery alone, but only in connection with the delivery and

1 sale to a bona fide purchaser of the first unit shipment of ore or
2 concentrate with a gross market value of \$100,000 or more substan-
3 tiated by affidavit showing completion of sale and receipt of money,
4 gross or net, in hand of the claimant.

5 **Sec. 27.22.030. WHO MAY CLAIM.** A person of legal age and a
6 citizen of the United States or a partnership, company or corporation
7 of such citizens legally authorized to operate in the state may claim
8 the bonus offered in this chapter.

9 **Sec. 27.22.040. NATURE OF BONUS.** (a) A bonus will be paid only
10 once for production of ores or concentrates from a single lode or
11 placer deposit. The commissioner or his duly authorized representa-
12 tive shall determine whether production from a given location, claim
13 or group of claims is the first production from the deposit for the
14 purpose of this chapter or whether the deposit has previously been
15 discovered or worked for any of the metals listed in sec. 10(b) of
16 this chapter or any other metals or minerals, including gravel, not
17 so listed, or whether production is such as to which a bonus has
18 already been paid, or whether for any reason a bonus is not payable.
19 In making the determination the commissioner shall be guided by the
20 federal or state mining laws either of which is applicable or both.
21 The subdivision of a deposit into units to increase bonus payments
22 will not be recognized in determining eligibility for bonus payments.

23 (b) The fact that a bonus has already been received will not
24 prevent the payment of another bonus to the same person, partnership,
25 company, or corporation with respect to production from a different
26 deposit.

27 **Sec. 27.22.050. NOTICE OF DISCOVERY AND PRODUCTION; ACTION OF**
28 **THE COMMISSIONER.** (a) Notice of the discovery of a metal deposit
29 and production from it believed to meet the requirements of this

1 chapter shall be forwarded to the commissioner by registered letter
2 together with

3 (1) a brief description of the size, location, and date
4 of discovery of the deposit including the number, size and location
5 of mining claims and the name or names of the locators;

6 (2) the calendar dates during which the ore was mined and
7 concentrate prepared;

8 (3) an affidavit and supporting documents showing comple-
9 tion of sale and receipt of at least \$100,000, gross or net, in hand
10 of the claimant.

11 (b) Upon receipt of the notice, the commissioner shall make or
12 cause to be made the field investigations, including examination of
13 the claimant's records and other pertinent data to assure compliance
14 with the expressed intent and purpose of this chapter. If the
15 claimant has fulfilled the necessary requirements as determined by
16 the commissioner, the commissioner shall so certify and pay the bonus.

17 Sec. 27.22.060. DEFINITIONS. For the purposes of this chapter,

18 (1) "commissioner" means the commissioner of the Depart-
19 ment of Natural Resources;

20 (2) "domestic" means within the confines of the state.
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