

Introduced: 1/16/70
Referred: Resources and
Finance

1 IN THE HOUSE

BY SWEET

2 HOUSE BILL NO. 478

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to mining leasing."

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

8 * Section 1. AS 38.05.205(c) is amended to read:

9 (c) A mining lease shall be for a period of 10 years and for as
10 long after that as minerals are being produced [ANY PERIOD UP TO 55
11 YEARS, AND THE LESSEE HAS A RIGHT TO A NEW LEASE AT THE END OF EACH
12 LEASE PERIOD]. If production ceases temporarily because of acts of
13 God, by reason of other causes beyond the lessee's reasonable control,
14 or for other purposes which the commissioner considers reasonable, the
15 lease does not terminate for lack of production. The commissioner may
16 make reasonable adjustments of the rental rate at the end of each 20
17 year period, based upon changed conditions in production costs and
18 markets. A valid mining claim located and held under sec. 195 of this
19 chapter may be converted to a lease at any time upon application by the
20 owner, and issuance by the director. No rights granted by a mining
21 lease may be exercised until the lease has been filed for record in
22 the recording district where the land is located.

23 * Sec. 2. AS 38.05.250(c) is amended to read:

24 (c) Leases for submerged lands shall be conditioned upon payment
25 of an annual rental of \$1 an acre. Expenditures on or for the benefit
26 of the leasehold may be credited against the rental. Rent shall be
27 paid or a statement of annual labor shall be filed within 90 days
28 after each anniversary date of the lease. All submerged land mining
29 leases shall be for a period of 10 years and for as long after that as

1 minerals are being produced [UP TO 55 YEARS, AND THE LESSEE HAS A
2 RIGHT TO A NEW LEASE AT THE END OF EACH LEASE PERIOD]. If production
3 ceases temporarily because of acts of God, by reason of other causes
4 beyond the lessee's reasonable control, or for other purposes which the
5 commissioner considers reasonable, the lease does not terminate for
6 lack of production. The commissioner may make reasonable adjustments
7 of the rental rate at the end of each 20 year period, based upon
8 changed conditions in production costs and market.
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