

Original sponsor: Resources Committee

Offered: 2/22/82
Referred: Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 732 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to issuance of production licenses for
7 mineral extraction from state land; and providing for
8 an effective date."

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

10 * Section 1. PURPOSE. The purpose of sec. 2 of this Act is to require a
11 locator or lessee of locatable mineral deposits on state land to obtain a
12 license from the Department of Natural Resources authorizing production from
13 that land. This requirement applies to all existing and future mining opera-
14 tions on state land. The legislature finds that the requirement is consistent
15 with the provisions of art. VIII, sec. 11 of the Constitution of the State of
16 Alaska and believes that it satisfies the requirements of sec. 6(i) of the
17 Alaska Statehood Act (P.L. 85-508).

18 * Sec. 2. AS 38.05 is amended by adding a new section to read:

19 Sec. 38.05.207. PRODUCTION LICENSE. (a) An application for a
20 production license must be filed with the commissioner when a locator of
21 a mining claim under AS 38.05.195 or a lessee of a mining location under
22 AS 38.05.205 is prepared to produce minerals for sale in commercial
23 quantities. The application shall state under oath the location of the
24 land and ownership of the mineral deposits involved in the mining opera-
25 tion and the date production began or is expected to begin. Upon receipt
26 of an application, the commissioner shall publish in a paper of general
27 circulation in the area of the location notice of the application and
28 notice that a production license will be issued. The notice may be
29 combined with notices of other applications either in the same general

1 area or statewide. Pending completion of this public notice requirement
2 and issuance of the production license, the locator or lessee has the
3 right to produce minerals from the property.

4 (b) If the commissioner determines under AS 38.05.185(b) that a
5 locator or lessee has complied as nearly as possible under the circum-
6 stances of the case with the provisions of AS 38.05.185 - 38.05.280 and
7 that no conflicting rights are asserted by any other person, the commis-
8 sioner shall issue a transferable production license for mineral extrac-
9 tion. If conflicting rights are asserted the commissioner may resolve
10 the conflict. The production license serves as the certification of the
11 commissioner for the tax exemption under AS 43.65.010(b).

12 * Sec. 3. AS 38.05.345 is amended by adding a new subsection to read:

13 (f) The provisions of this section do not apply to a production
14 license issued under AS 38.05.207.

15 * Sec. 4. This Act takes effect January 1, 1983.
16
17
18
19
20
21
22
23
24
25
26
27
28
29