

COMMITTEE REPORT
SENATE

FURTHER:

3730/86

Date 5/7/84

Mr. President

The Committee on FINANCE considered SB 461

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 461 (Res)
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
DFW
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman

Chairman recommendation

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSSB 461 (Res)
 Title: Management and use of
water in mining
 Sponsor: Senator Fahrenkamp
 Requestor: Senate Finance Committee
 Date of Request: May 7, 1984

FISCAL DETAIL

Dept. of Natural Resources
 Agency Affected: Dept. of Environmental Conservation
 Program Category Affected: _____
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	0	0				
200 TRAVEL	0	0				
300 CONTRACTUAL	0	0				
400 SUPPLIES	0	0				
500 EQUIPMENT	0	0				
600 LAND & STRUCTURES	0	0				
700 GRANTS CLAIMS	0	0				
800 MISCELLANEOUS	0	0				
TOTAL OPERATING	0	0				
CAPITAL	0	0				
REVENUE	0	0				

FUNDING: (Thousands of Dollars)

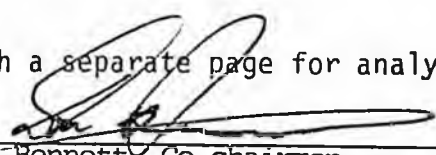
GENERAL FUND	0	0				
FEDERAL FUNDS	0	0				
OTHER	0	0				
TOTAL	0	0				

POSITIONS:

FULL-TIME	0	0				
PART-TIME	0	0				
TEMPORARY	0	0				

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By:  Phone: 465-3714
 Division: Don Bennett, Co-chairman Date: May 7, 1984
Senate Finance Committee
 Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83

Offered: 3/30/84
Referred: Finance

Original sponsor: Fahrenkamp

1 IN THE SENATE BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 461 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the management and use of water
7 in mining; and providing for an effective date."

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

9 * Section 1. AS 46 is amended by adding a new chapter to read:

10 CHAPTER 16. MANAGEMENT AND USE OF WATER IN MINING.

11 Sec. 46.16.010. MINING WATER USE REVIEW COMMITTEE ESTABLISHED.

12 The mining water use review committee is established. The review
13 committee is responsible for reviewing and making recommendations on
14 applications for grants and loans under this chapter.

15 Sec. 46.16.020. MEMBERSHIP OF THE REVIEW COMMITTEE. (a) The
16 review committee consists of the commissioner of natural resources,
17 the commissioner of environmental conservation, the dean of the school
18 of mineral industry at the University of Alaska, two individuals
19 appointed by the governor who have placer mining experience, and one
20 public member appointed by the governor.

21 (b) An individual described in (a) of this section who serves ex
22 officio may designate an alternate to serve on the review committee.

23 (c) An individual appointed by the governor serves for a three-
24 year term.

25 Sec. 46.16.030. RESPONSIBILITY OF THE REVIEW COMMITTEE. (a)
26 The review committee shall select a presiding officer and establish
27 procedures necessary to implement its responsibilities.

28 (b) The review committee shall review each application for a
29 grant or a loan filed under this chapter and make a recommendation to

1 the commissioner of natural resources or to the commissioner of en-
2 vironmental conservation for action on the application.

3 (c) In making its recommendation, the committee shall consider
4 the economic benefits to the placer mining industry, the environmental
5 benefits to the public, and other benefits that each grant or loan may
6 offer.

7 Sec. 46.16.040. RESPONSIBILITY OF COMMISSIONER OF NATURAL RE-
8 SOURCES. The commissioner of natural resources shall administer the
9 innovative gold recovery demonstration grant program established under
10 AS 46.16.070 and the placer mining water reduction loan program estab-
11 lished under AS 46.16.080.

12 Sec. 46.16.050. RESPONSIBILITY OF COMMISSIONER OF ENVIRONMENTAL
13 CONSERVATION. The commissioner of environmental conservation shall
14 administer the innovative pollution control demonstration grant estab-
15 lished under AS 46.16.090 and the placer mining water recycling loan
16 program established under AS 46.16.100.

17 Sec. 46.16.060. UNIFORM REGULATIONS. The commissioner of
18 natural resources and the commissioner of environmental conservation
19 shall adopt uniform regulations and administrative procedures to
20 implement the loan and grant program established by this chapter.

21 Sec. 46.16.070. INNOVATIVE GOLD RECOVERY DEMONSTRATION GRANT.
22 (a) The innovative gold recovery demonstration grant program is
23 established as a direct grant program to give a person engaged in
24 placer mining the opportunity to study and test new methods of gold
25 recovery and water use reduction.

26 (b) The commissioner of natural resources may make a grant under
27 this section to a person that has

- 28 (1) a proven history of successful placer mining;
29 (2) the capability to produce verifiable results; and

1 (3) the capability to study and test new methods of gold
2 recovery and water use reduction under actual operating conditions.

3 (c) The commissioner of natural resources may not make a grant
4 under this section to a person in excess of \$100,000.

5 (d) The commissioner of natural resources shall monitor and
6 evaluate the results of grants made under this section.

7 Sec. 46.16.080. PLACER MINING WATER REDUCTION LOAN AND GRANT.

8 (a) The placer mining water reduction program is established as a
9 loan and grant program.

10 (b) A person whose primary source of income is derived from
11 placer mining may apply for a loan to purchase and test equipment that
12 reasonably offers the possibility of a reduction in the amount of
13 water used in placer mining.

14 (c) If a loan applicant offers evidence reasonably believed by
15 the review committee to indicate a 50 percent reduction in the amount
16 of water used in the placer mining operation, the review committee may
17 recommend to the commissioner of natural resources that 50 percent of
18 the loan be considered a grant to the loan applicant.

19 (d) If a loan applicant offers evidence reasonably believed by
20 the review committee to indicate an 80 percent reduction in the amount
21 of water used in the placer mining operation, the review committee may
22 recommend to the commissioner of natural resources that the entire
23 loan be considered a grant to the applicant.

24 (e) A loan under this section may not

25 (1) exceed \$50,000;

26 (2) exceed a term of 10 years;

27 (3) have an interest rate exceeding 10 percent per annum;

28 or

29 (4) have a repayment schedule requiring payments within one

1 year after the loan was disbursed to the applicant.

2 Sec. 46.16.090. INNOVATIVE POLLUTION CONTROL DEMONSTRATION
3 PROGRAM. (a) The innovative pollution control demonstration grant
4 program is established as a direct grant program to give a person
5 engaged in placer mining the opportunity to study and test innovative
6 and economically viable mining techniques for waste disposal and
7 pollution control in placer mining.

8 (b) The commissioner of environmental conservation may make
9 grants under this section to a person that has

10 (1) a proven history of successful placer mining;

11 (2) the capability to produce verifiable results; and

12 (3) the capability to study and test innovative and
13 economically viable techniques for waste disposal and pollution con-
14 trol in placer mining.

15 (c) The commissioner of environmental conservation may not make
16 a grant under this section to a person in excess of \$100,000.

17 (d) The commissioner of environmental conservation shall monitor
18 and evaluate the results of grants made under this section.

19 Sec. 46.16.100. PLACER MINING WATER RECYCLING LOAN AND GRANT
20 PROGRAM. (a) The placer mining water recycling program is estab-
21 lished as a loan and grant program.

22 (b) A person whose primary source of income is derived from
23 placer mining may apply for a loan to purchase and test equipment that
24 reasonably offers the possibility of recycling the water used in
25 placer mining.

26 (c) If a loan applicant offers evidence reasonably believed by
27 the review committee to indicate that the loan applicant has recycled
28 50 percent of the water used in the placer mining operation, the
29 review committee may recommend to the commissioner of environmental

1 conservation that 50 percent of the loan be considered a grant to the
2 loan applicant.

3 (d) If a loan applicant offers evidence reasonably believed by
4 the review committee to indicate that the loan applicant has recycled
5 80 percent of the water used in the placer mining operation, the
6 review committee may recommend to the commissioner of environmental
7 conservation that the entire loan be considered a grant to the appli-
8 cant.

9 (e) A loan under this section may not

10 (1) exceed \$50,000;

11 (2) exceed a term of 10 years;

12 (3) have an interest rate exceeding 10 percent per annum;

13 or

14 (4) have a repayment schedule requiring payments within one
15 year after the loan was disbursed to the applicant.

16 Sec. 46.16.110. ACCESS TO INFORMATION. (a) The information
17 gathered and obtained from loans and grants made under this chapter is
18 public information. The commissioner of natural resources and the
19 commissioner of environmental conservation shall compile, analyze, and
20 distribute the information for the benefit of the placer mining indus-
21 try and the state and federal governments.

22 (b) The contents of an application for a grant or a loan are
23 available to the extent permitted under AS 09.25.110 and 09.25.120.

24 * Sec. 2. This Act takes effect July 1, 1984.

Introduced: 2/13/84
Referred: Resources

1 IN THE SENATE

BY FAHRENKAMP

2

SENATE BILL NO. 461

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the management and use of water

7

in mining; and providing for an effective date."

8

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

9

* Section 1. AS 46 is amended by adding a new chapter to read:

10

CHAPTER 32. MANAGEMENT AND USE OF WATER IN MINING.

11

Sec. 46.32.010. MINING WATER USE BOARD ESTABLISHED. The mining

12

water use board is established. The board is responsible for the

13

implementation of this chapter.

14

Sec. 46.32.020. MEMBERSHIP AND PRESIDING OFFICER OF THE BOARD.

15

(a) The board consists of the commissioner of environmental conserva-

16

tion, the commissioner of natural resources, the commissioner of

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commerce and economic development, the dean of the school of mineral

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industry at the University of Alaska, and two individuals appointed by

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the governor who are familiar with the mining industry.

20

(b) An individual described in (a) of this section who serves ex

21

officio may designate an alternate to serve on the board.

22

(c) The governor may designate the presiding officer of the

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board.

24

(d) An individual appointed by the governor serves for a three-

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year term.

26

Sec. 46.32.030. RESPONSIBILITY OF THE BOARD. (a) The board

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shall review and may approve applications filed with the board for

28

grants or loans filed under this chapter.

29

(b) The board may adopt regulations necessary to implement this

1 chapter.

2 Sec. 46.32.040. RESPONSIBILITY OF COMMISSIONER OF NATURAL RE-
3 SOURCES. (a) The commissioner of natural resources shall administer
4 the innovative gold recovery demonstration grant program established
5 under AS 46.32.050 and the placer mining water reduction loan program
6 established under AS 46.32.060.

7 (b) The commissioner of natural resources may adopt regulations
8 necessary to implement this section.

9 Sec. 46.32.050. INNOVATIVE GOLD RECOVERY DEMONSTRATION GRANT.

10 (a) The innovative gold recovery demonstration grant program is
11 established as a direct grant program to give an individual placer
12 miner and a business engaged in placer mining the opportunity to study
13 and test new methods of gold recovery.

14 (b) The commissioner of natural resources shall monitor and
15 evaluate the results of grants made under this section.

16 Sec. 46.32.060. PLACER MINING WATER REDUCTION LOAN AND GRANT.

17 (a) The placer mining water reduction program is established as a
18 loan and grant program.

19 (b) A placer miner may apply for a loan to study technology that
20 reasonably offers the possibility of a reduction in the amount of
21 water used in placer mining. The board shall review and may approve
22 an application for the study of a proposal that the board believes to
23 offer a reasonable possibility of a reduction in the amount of water
24 used in placer mining.

25 (c) If a loan applicant offers evidence that the commissioner of
26 natural resources reasonably believes has reduced the amount of water
27 used in the placer mining operation by 50 percent, the commissioner
28 may recommend to the board that 50 percent of the loan be considered a
29 grant to the loan applicant.

1 (d) If a loan applicant offers evidence that the commissioner of
2 natural resources reasonably believes has reduced the amount of water
3 used in the placer mining operation by 80 percent, the commissioner
4 may recommend to the board that the entire loan be considered a grant
5 to the applicant.

6 Sec. 46.32.070. RESPONSIBILITY OF COMMISSIONER OF ENVIRONMENTAL
7 CONSERVATION. (a) The commissioner of environmental conservation
8 shall administer the innovative pollution control demonstration grant
9 established under AS 46.32.080 and the placer mining water recycling
10 loan program established under AS 46.32.090.

11 (b) The commissioner of environmental conservation may adopt
12 regulations necessary to implement this section.

13 Sec. 46.32.080. INNOVATIVE POLLUTION CONTROL DEMONSTRATION
14 PROGRAM. (a) The innovative pollution control demonstration grant
15 program is established as a direct grant program to give an individual
16 placer miner and a business engaged in placer mining the opportunity
17 to study and test innovative and economically viable mining techniques
18 for waste disposal and pollution control in placer mining.

19 (b) The commissioner of environmental conservation shall monitor
20 and evaluate the results of grants made under this section.

21 Sec. 46.32.090. PLACER MINING WATER RECYCLING LOAN AND GRANT
22 PROGRAM. (a) The placer mining water recycling program is estab-
23 lished as a loan and grant program.

24 (b) A placer miner may apply for a loan to study technology that
25 reasonably offers the possibility of recycling the water used in
26 placer mining. The board shall review and may approve an application
27 for the purchase of water recycling pumps and other equipment that the
28 board believes will offer a reasonable possibility of recycling the
29 water used in placer mining.

1 (c) If a loan applicant offers evidence that the commissioner of
2 environmental conservation reasonably believes has recycled 50 percent
3 of the water used in the placer mining operation, the commissioner may
4 recommend to the board that 50 percent of the loan be considered a
5 grant to the loan applicant.

6 (d) If a loan applicant offers evidence that the commissioner of
7 environmental conservation reasonably believes has recycled 80 percent
8 of the water used in the placer mining operation, the commissioner may
9 recommend to the board that the entire loan be considered a grant to
10 the applicant.

11 * Sec. 2. This Act takes effect July 1, 1984.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 3/23/84

REQUEST
Bill/Resolution No.: SB 461
Title: Management & Use of Water
Mining
Sponsor: Sen. Fahrenkamp
Requestor:
Date of Request:

FISCAL DETAIL
Agency Affected: Natural Resources
Program Category Affected: NRMEC
BRU, Program or Subprogram(s) Affected:
Minerals Energy Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		\$52.8	\$55.4	\$58.2	\$61.1	\$64.2
200 TRAVEL		20.0	21.0	22.1	23.2	24.4
300 CONTRACTUAL		100.0	55.0	60.3	65.8	71.5
400 SUPPLIES		.3	.2	.2	.2	.2
500 EQUIPMENT		.7				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE		\$173.8	\$131.6	\$140.8	\$150.3	\$160.3

FUNDING: (Thousands of Dollars)

GENERAL FUND		173.8	131.6	140.8	150.3	160.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Senate Bill 462 appropriates \$4,000,000.00 from the general fund to the Mining Water Use Board established in SB 461.

ANALYSIS: Attach a separate page for analysis

Prepared By: Laurel Murphy Phone: 265-4184
Division: Mining Date: 3/23/84

Approved by Commissioner: James D. Arnold Date: 3/26/84
Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

Analysis of Fiscal Note

- 100: New Position; Mining or Hydraulic Engineer.
- 200: Travel for regulation hearings; interagency coordination and briefing; inspection of on-site operations.
- 300: Development of loan and grant regulations, forms and procedures; development of accounting procedures; analysis and preparation of test results; inspections and other reports; audit; air charter; legal counsel; training; office overhead; printing; noticing; computer time.
- 400: Miscellaneous office supplies.
- 500: Office equipment for new position.

Note: These figures assume close coordination with DEC in the development of this program. Also, FY 86-89 include a 5% inflation adjustment.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 3/23/84

REQUEST

Bill/Resolution No.: SB 461
Title: Management & Use of Water
Mining
Sponsor: Sen. Fahrenkamp
Requestor:
Date of Request:

FISCAL DETAIL

Agency Affected: Natural Resources
Program Category Affected: NRMEC
BRU, Program or Subprogram(s) Affected:
Minerals Energy Management

EXPENDITURES REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		\$52.8	\$55.4	\$58.2	\$61.1	\$64.2
200 TRAVEL		20.0	21.0	22.1	23.2	24.4
300 CONTRACTUAL		100.0	55.0	60.3	65.8	71.5
400 SUPPLIES		.3	.2	.2	.2	.2
500 EQUIPMENT		.7				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE		\$173.8	\$131.6	\$140.8	\$150.3	\$160.3

FUNDING: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
GENERAL FUND		173.8	131.6	140.8	150.3	160.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Senate Bill 462 appropriates \$4,000,000.00 from the general fund to the Mining Water Use Board established in SB 461.

ANALYSIS: Attach a separate page for analysis

Prepared By: Laurel Murphy Phone: 265-4184
Division: Mining Date: 3/23/84

Approved by Commissioner: *John D. Arnold* Date: 3/26/84
Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

Analysis of Fiscal Note

- 100: New Position; Mining or Hydraulic Engineer.
- 200: Travel for regulation hearings; interagency coordination and briefing; inspection of on-site operations.
- 300: Development of loan and grant regulations, forms and procedures; development of accounting procedures; analysis and preparation of test results; inspections and other reports; audit; air charter; legal counsel; training; office overhead; printing; noticing; computer time.
- 400: Miscellaneous office supplies.
- 500: Office equipment for new position.

Note: These figures assume close coordination with DEC in the development of this program. Also, FY 86-89 include a 5% inflation adjustment.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 5, 1984

SUBJECT: Management & use of water in mining
(CSSB 461(Resources))

TO: Senator John Sackett
Co-Chairman, Senate Finance Committee

FROM: Richard A. Bradley
Legislative Counsel

You have requested a sectional analysis of the above described bill.

As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1 of the bill adds a new Chapter 16 to AS 46:
"Management and Use of Water in Mining."

Section 10 establishes a "mining water use review committee." The committee is charged with "reviewing and making recommendations (to the commissioners of natural resources and environmental conservation) on applications for grants and loans under this chapter." While the more usual legislative drafting might have called this committee a "board" or "commission", I am advised that the administration thought that there were "too many" boards and commissions already. Of course, this "committee" has the usual powers of a similarly established board or commission and its members are entitled to the usual travel allowances and per diem. See, for example, AS 39.20.180.

Section 20(a) provides for the membership of the committee: the commissioners of natural resources and environmental conservation, the dean of the school of mineral industry at the University, two appointees of the governor who have

Senator John Sackett
Page 2
May 5, 1984

"placer mining experience", and a public member appointed by the governor.

Section 20(b) permits a member of the committee who serves ex officio to designate an alternate.

Section 20(c) provides that appointees to the committee serve a three year term. Members who serve by virtue of other positions serve so long as they hold the other positions.

Section 30(a) directs the committee to select a presiding officer and to "establish procedures necessary to implement its responsibilities."

Section 30(b) directs the committee to review each application for a grant or loan filed under the chapter to the appropriate commissioner (DNR or DEC) for action on the application.

Section 30(c) establishes the broad goals of the committee in its review of the applications: "the economic benefits to the placer mining industry, the environmental benefits to the public, and other (individual) benefits" that each grant or loan would offer.

Section 40 directs the commissioner of natural resources to implement the innovative gold recovery demonstration grant program (sec. 70) and the placer mining water reduction loan program (sec. 80).

Section 50 directs the commissioner of environmental conservation to administer the innovative pollution control demonstration grant program (sec. 90) and the placer mining water recycling loan program (sec. 100).

The bill might read better if "program" were added after "demonstration grant" on line 14 of page 2 of the bill.

Section 60 directs the commissioners of natural resources and environmental conservation to establish "uniform regulations and administrative procedures" to implement the grant and loan programs established under the chapter.

Section 70(a) establishes the "innovative gold recovery demonstration grant program" as a direct grant program for the

study and test of "gold recovery and water use reduction. The program is assigned to DNR by sec. 40.

Section 70(b) establishes the tests for the commissioner's determination on grant applications after review by the review committee: (1) a history of successful placer mining, (2) the capability to produce verifiable results, and (3) the capability to study and test new methods of gold recovery and water use reduction under actual operating conditions.

Section 70(c) limits grants to \$100,000.

Section 70(d) requires the commissioner to monitor and evaluate the results of grants made under the section.

Section 80(a) establishes the placer mining water reduction loan and grant program. The program is assigned to DNR by sec. 40.

Section 80(b) provides that a person whose primary source of income is derived from placer mining "may apply for a loan to purchase and test equipment that reasonably offers the possibility of a reduction in the amount of water used in placer mining."

Section 80(c) provides that if the loan applicant demonstrates to the satisfaction of the review committee a 50 percent reduction in the amount of water used in the placer mining operation, the review committee may recommend to the commissioner of natural resources that 50 percent of the loan be considered a grant.

Section 80(d) similarly provides that if the loan applicant demonstrates to the satisfaction of the review committee an 80 percent reduction in the amount of water used in the placer mining operation, the review committee may recommend to the commissioner of natural resources that the entire loan be considered a grant.

Section 80(e) provides that a loan under this section may not exceed \$50,000, have a term in excess of ten years, carry an interest rate in excess of ten percent per annum, or have a repayment schedule requiring payments for the year after the loan was disbursed to the applicant.

Section 90(a) establishes the "innovative pollution control demonstration program" as a direct grant program to give a person engaged in placer mining an opportunity to study and test innovative and economically viable mining techniques for waste disposal and pollution control in placer mining. The program is assigned to DEC by sec. 50.

Section 90(b) establishes the tests for the commissioner's determination on grant applications: (1) a history of successful placer mining, (2) the capability to produce verifiable results, and (3) the capability to study and test new methods of innovative and economically viable techniques for waste disposal and pollution control in placer mining.

Section 90(c) limits grants to \$100,000.

Section 90(d) requires the commissioner to monitor and evaluate the results of grants made under the section.

Section 100(a) establishes the placer mining water recycling program as a loan and grant program. The program is assigned to DEC by sec. 50.

Section 100(b) provides that a person whose primary source of income is derived from placer mining "may apply for a loan to purchase and test equipment that reasonably offers the possibility of a recycling the water used in placer mining."

Section 100(c) provides that if the loan applicant demonstrates to the satisfaction of the review committee that 50 percent of the water used in the placer mining operation has been recycled, the review committee may recommend to the commissioner of natural resources that 50 percent of the loan be considered a grant.

Section 100(d) similarly provides that if the the loan applicant demonstrates to the satisfaction of the review committee that 80 percent of the water used in the placer mining operation has been recycled, the review committee may recommend to the commissioner of natural resources that the entire loan be considered a grant.

Section 100(e) provides that a loan under this section may not exceed \$50,000, have a term in excess of ten years, carry an interest rate in excess of ten percent per annum, or

have a repayment schedule requiring payments for the year after the loan was disbursed to the applicant.

Section 110(a) provides that the "information gathered and obtained from loans and grants made under this chapter" is public information. The commissioners are directed to compile, analyze, and distribute the information gathered broadly.

Section 100(b) provides that "the contents of an application for a grant or loan are available to the extent permitted under AS 09.25.110 and 09.25.120." The sections provide:

Sec. 09.25.110. INSPECTION AND COPIES OF PUBLIC RECORDS. Unless specifically provided otherwise the books, records, papers, files, accounts, writings, and transactions of all agencies and departments are public records and are open to inspection by the public under reasonable rules during regular office hours. The public officer having the custody of public records shall give on request and payment of costs a certified copy of the public record.

Sec. 09.25.120. INSPECTION AND COPYING OF PUBLIC RECORDS. Every person has a right to inspect a public writing or record in the state, including public writings and records in recorders' offices except (1) records of vital statistics and adoption proceedings which shall be treated in the manner required by AS 18.50; (2) records pertaining to juveniles; (3) medical and related public health records; (4) records required to be kept confidential by a federal law or regulation or by state law. Every public officer having the custody of records not included in the exceptions shall permit the inspection, and give on demand and on payment of the legal fees therefor a certified copy of the writing or record, and the copy shall in all cases be evidence of the original. Recordors shall permit memoranda, transcripts, and copies of the public writings and records in their offices to be made by photography or otherwise for the purpose of examining titles to real estate described in the public writings and records, making abstracts of title or guaranteeing or insuring the titles of the real estate, or building and maintaining title and abstract plants; and shall furnish proper and reasonable facilities to persons having lawful occasion for access to the public writings and

Senator John Sackett
Page 6
May 5, 1984

records for those purposes, subject to reasonable rules and regulations, in conformity to the direction of the court, as are necessary for the protection of the writings and records and to prevent interference with the regular discharge of the duties of the recorders and their employees.

Section 2 of the bill establishes a July 1, 1984 effective date.

If I may be of further assistance, please advise.

RAB:ojb
J7/028

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 461

Title: Management and Use of Water
in Mining

Sponsor: Fahrenkamp

Requestor: _____

Date of Request: _____

FISCAL DETAIL

Agency Affected: Environmental Conservation
Program Category Affected: _____

BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		49.5	52.0	54.6	57.3	60.2
200 TRAVEL		20.0	21.0	22.1	23.2	24.4
300 CONTRACTUAL		40.0	42.0	44.1	46.3	48.6
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		109.5	115.0	120.8	126.8	133.2
CAPITAL		--	--	--	--	--
REVENUE		--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	109.5	115.0	120.8	126.8	133.2
FEDERAL FUNDS					
OTHER					
TOTAL					

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0
PART-TIME					
TEMPORARY					

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

General Funds

ANALYSIS: Attach a separate page for analysis

Prepared By: Randolph Bayliss

Phone: 465-2653

Division: Environmental Quality Management

Date: 2/28/84

Approved by Commissioner: *Christopher Walsh*

Date: 2/28/84

Agency: ADEC

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

12/1/83

1.	POSITION TITLE Environmental Engineer III				RANGE/STEP 19A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION AWA	ELECTION DISTRICT Juneau	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE				Additional staff required to provide technical review and assistance; to evaluate grant and loan applications and to prepare guidance on procedures.					
	1		2		3					
	PERSONAL SERVICES									
5.	Salary		38,124.00							
6.	Benefits		1,020.58							
7.	Supplemental Benefits		7,598.11							
8.	Fixed Benefits		2,728.20							
9.	TOTAL PERSONAL SERVICES		01		49,470.89					
10.	Travel		02		20,000.00					
11.	Contractual		03		40,000.00					
12.	Commodities		04							
13.	Equipment		05							
14.	Other									
15.	TOTAL COST				09,470.89					
	RECEIPT CODE				FUNDING SOURCE					
16.					Federal Receipts 1002					
17.					G.F. Match 1003					
18.					General Funds 1004 09,470.89					
19.					I-A Receipts 1005					
20.					Program Receipts 1028					
21.					Other					
FOR B&M USE ONLY										
4A KEY NUMBER _____										

13 REQUEST FOR
NEW POSITION

AGENCY Environmental Conservation
PROGRAM NRMEC
BRU Environmental Quality Management
COMPONENT Water Quality Management

FY 85

Page _____ of _____
Revised Date _____

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 461
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	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

General Funds

ANALYSIS: Attach a separate page for analysis

Prepared By: Randolph Bayliss Phone: 465-2653
 Division: Environmental Quality Management Date: 2/28/84
 Approved by Commissioner: Christopher W. Wootch Date: 2/28/84
 Agency: ADEC

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

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PROGRAM NRMEC
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Page _____ of _____
Revised Date _____

FY 85