

C S S B

1 3 7

HOUSE COMMITTEE REPORT

(11)

Date referred: 4/20/88

FURTHER REFERRALS:

DATE: 5-3-88

The Finance Committee has considered CSSB 137(Res)am

"An Act relating to state land withdrawn from mineral location or mining."

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Adams Al Adams

Pourchet [Signature]

Larson [Signature]

Swack [Signature]

Boyer [Signature]

Rieger [Signature]

Davis [Signature]

SIGNING OTHER RECOMMENDATIONS:

Goll [Signature]

Wallis [Signature]

Brown [Signature]

Al Adams
Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Re: to state land withdrawn from
mineral location...
Sponsor: Coghill, Faiks, et. al.
Requestor: House Finance Committee

Agency Affected: Natural Resources
BRU: Geological and Geophysical
Surveys
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Al Adams, Chair Phone: 465-3706
Division: House Finance Committee Date: 5/3/88

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Original sponsors: Coghill, Faiks,
Bennett, et al.

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 137 (Resources) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to state land withdrawn from mineral
7 location or mining."

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

9 * Section 1. AS 38.05.185 is amended by adding new subsections to read:

10 (d) The commissioner shall submit a report to the legislature
11 and to the governor within the first 10 days of the convening of each
12 regular session of the legislature detailing the state land closed to
13 mineral location and mining during the previous calendar year. The
14 report shall include

- 15 (1) the known resource values of the area;
16 (2) the reason for the closure;
17 (3) the effective date of the closure; and
18 (4) the legal description of the land involved in the
19 closure.

20 (e) Each area closed under (a) of this section remains closed to
21 mineral location and mining until the commissioner issues an order
22 altering the status of the land or until the closure is disapproved by
23 act of the legislature. In addition to an act of the legislature
24 disapproving a closure by the commissioner, the legislature may by
25 resolution make recommendations to the commissioner on future manage-
26 ment of the area involved.

27 (f) Each report prepared under (d) of this section that reports
28 on an area of more than 5,120 acres shall include a mineral assessment
29 report for the area.

1 (g) Every 10 years, the commissioner shall submit a report to
2 the governor and the legislature concerning state land that is at that
3 time withdrawn from mineral location or mining, including state land
4 withdrawn from multiple use by the legislature. The commissioner may
5 make recommendations in each report regarding existing closures of
6 state land.

7 * Sec. 2. Notwithstanding AS 38.05.185(g), as enacted by sec. 1 of this
8 Act, the first report to the governor and legislature shall be delivered to
9 the legislature five years after the effective date of this Act.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 137
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: 3/8/88
Title: An act relating to state land withdrawn from mineral location, etc.
Sponsor: Coghill, Faiks, et. al.
Requestor: House Resources

Agency Affected: Natural Resources
BRU: Geological and Geophysical Surveys
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	35	35	35	35	35	35
TRAVEL	5	5	5	5	5	5
CONTRACTUAL	25	25	25	25	25	25
SUPPLIES	5	5	5	5	5	5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	70	70	70	70	70	70

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	70	70	70	70	70	70
FEDERAL FUNDS						
OTHER						
TOTAL	70	70	70	70	70	70

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) The fiscal consequences of SB 137 are difficult to quantify precisely because the projected offer is directly related to the amount of land withdrawn from mineral entry in any one calendar year and the amount of resource information readily available for each parcel.

Prepared by: Wyatt Gilbert Phone: 465-2520
Division: Geological and Geophysical Surveys Date: 3/8/88

Approved by Commissioner: Jennie Gornish Date: 3-8-88
Agency: Natural Resources

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE

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GRANTS, CLAIMS						
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CAPITAL	0	0	0	0	0	0
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ANALYSIS : (Attach a separate page if necessary) The fiscal consequences of SB 137 are difficult to quantify precisely because the projected offer is directly related to the amount of land withdrawn from mineral entry in any one calendar year and the amount of resource information readily available for each parcel.

Prepared by: Wyatt Gilbert Phone: 465-2520
Division: Geological and Geophysical Surveys Date: 3/8/88

Approved by Commissioner: Jennie Gomb Date: 3-8-88
Agency: Natural Resources

Distribution (by preparer):
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Senate Bill 137

Bill Analysis

One can give a general estimate needed to track the withdrawals and to carry out a minimum field analysis and sampling program. The projected expenditures for each fiscal year are as follows:

100 - 35.0	6 months' salary and benefits for Geol. IV
200 - 5.0	Travel to withdrawal and field per diem
300 - 25.0	Helicopter expenses (18.0) Geochemical, mineral and petrographic analyses (7.0)
400 - 5.0	Field supplies and equipment (3.0) Office supplies (2.0)

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

April 13, 1987

The Honorable Jack Coghill
Chairman, Senate Resources Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Coghill:

Subject: CSSB 137, an act relating to state land withdrawn from mineral location or mining.

Position: The Department of Natural Resources recommends passage of CSSB 137, with modification to Section 1(e), page 1, lines 24-26.

Background: CSSB 137 calls for the Commissioner of Natural Resources to provide a report to the Governor and Legislature detailing state land closed to mineral location and mining during the previous calendar year.

Additionally, the bill states that a section closed to mineral location and mining by the Commissioner shall remain closed until the Commissioner issues an order altering its status, or the Legislature disapproves of the closure.

In Section 1(e), lines 24-26, of CSSB 137, the proposed language states that "[a]n act of the legislature disapproving a closure by the commissioner may direct the commissioner on future management of the area involved." Such language appears to pre-empt the authority of the Commissioner of Natural Resources. In the opinion of the Department, a preferable substitute would be as follows: "[a]n act of the legislature disapproving a closure by the commissioner may make recommendations to the commissioner on future management of the area involved."

Section 1(f) of CSSB 137 calls for a mineral assessment report for each area that exceeds 5,120 acres for which a report to the Legislature is prepared.

Senator Coghill

-2-

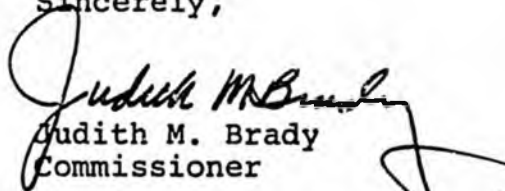
April 13, 1987

Finally, under Section 1(g), the commissioner is required to submit a report, every 10 years, concerning land that is withdrawn from mineral location or mining and may make recommendations regarding existing closures.

Recommendation: With the suggested language change in Section 1(e), the Department of Natural Resources supports CSSB 137 and recommends its passage.

I would be pleased to make my staff available to the committee for additional information or further work with the committee staff.

Sincerely,


Judith M. Brady
Commissioner

cc: Committee Members
Bill Sponsors
George Sullivan
Rod Swope

Calista Corporation

516 Denali Street, Anchorage, Alaska 99501 (907) 279-5516

March 10, 1988 MAR 14 1988

Governor Steve Cowper
Third Floor, State Capitol
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

On February 17, 1988, I wrote to you regarding Calista Corporation's concerns with mineral closures in the middle Kuskokwim River area (copy enclosed). Although I did not request it, I had hoped to receive a response from you or your staff indicating your position with respect to this issue.

It is my understanding that on March 21, 1988, the Kuskokwim Area Plan will be delivered to you for your authorization for the implementation of this plan. If you make the decision to authorize these closures, we would invite you to provide Calista Corporation a letter which we will publish in our next edition of the Calista Newsletter. A copy of the Newsletter will, in turn, be provided to each of Calista's 13,306 shareholders prior to the Calista Annual Shareholders' Meeting in May.

This will give you an opportunity to explain your position with respect to these closures. In your letter, we hope that you will explain the steps your office has taken to determine that the short and long term economic impact to this region of the state will not be substantially impacted as a result of these mineral closures. If this factor is not a consideration in a decision by your office to implement mineral closures or if a determination has been made that these closures may have a negative impact on the local economy and the mineral closures are authorized regardless of the identified impacts, we would like you to address this as well. Any plans that your office has developed to offset the potential negative impacts in this area as a result of a decision to authorize mineral closures should also be outlined in your letter. If no plans have been made to compensate for the potential economic opportunities lost by the people and communities of this region as a result of the proposed mineral closures, we think it is important that you state this also.

There is an ironic twist in this plan with regard to mineral properties. DNR is recommending additional state selections in the area plan. All of these selections are being based on their high mineral potential. Calista received a letter from Martha Welbourn, Project Manager for the Kuskokwim Area Plan, dated February 3, 1988. She states that; "As a result of the review of selections proposed because of mineral value, the George River area, the upper George River and Horn Mountain selections are rated high priority...."

It is noteworthy that one of the numerous rivers to be closed to mineral entry by the plan is the George River. This is the same river that is also being considered by DNR for selection by the state because of its high mineral potential.

Governor Steve Cowper
March 10, 1988
Page 2

Every other area, without exception, that has been identified as having high mineral potential has been targeted for mineral closures within this southern area of the plan. It makes me wonder why then the DNR is proposing the state selection of these areas of high mineral potential. These areas are currently unappropriated Federal lands managed by BLM and thus subject to the Mining Laws of 1872. If the areas are already available to the public for mineral entry, it makes one wonder what benefit the state will derive by selecting these areas of high mineral potential when mining will be allowed to occur under either ownership. It doesn't make a great deal of sense for DNR to waste valuable state selections to open a mineralized area to the public that is already open under its present management. It only makes sense if like all the other surrounding areas of high mineral value in state ownership there is some other hidden agenda.

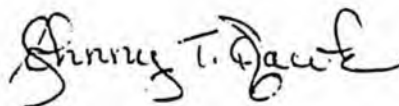
At least at Calista we are asking if these selections are being made for the purpose of facilitating a program of mineral closures in these areas. Since there exists enough doubt in our minds about the necessity, wisdom and motives behind these additional state selections, we are very much opposed to them. We urge you to review these selection recommendations with these concerns in mind.

Hopefully you will receive my letter in time to prevent these ill-conceived mineral closure orders from taking effect. If so, I urge you once again to send this plan back to DNR without your approval.

I will be anxiously awaiting a response from your office to the concerns I have raised.

Sincerely,

CALISTA CORPORATION



Johnny T. Hawk
Acting President

JTH:slb

Enclosure

cc Senator John Binkley
Senator Arliss Sturgulewski
Senator John B. Coghill
Senator Willie Hensley
Rep. Albert P. Adams
Rep. Lyman Hoffman
Rep. Kay Wallis
Alaska Federation of Natives
Gene Peltola, AVCP
Glenn Fredericks, Kuskokwim Corp.

Calista Corporation

518 Denali Street, Anchorage, Alaska 99501 (907) 279-5518

February 17, 1988

Governor Steve Cowper
Third Floor, State Capitol
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

After reviewing the reading files of Calista, I discovered several letters regarding Calista Corporation's concerns with respect to the Kuskokwim Area Plan. Although there has been a change in leadership at Calista, I wanted you to know that I and my board still support Nelson Angapak's position with respect to mineral closures.

If there has been any change in Calista's position, it is that we are now more adamant than ever regarding these closures. We do not wish to see the development of a potential major source of income for this area of the Calista region jeopardized by an arbitrary decision of the state to close these lands to mineral entry. I do not need to tell you that Calista Corporation is concerned about the importance of the Kuskokwim salmon fishery to the subsistence and commercial fisherman in our region. Calista staff and board members have been at the forefront to protect this resource for the benefit of our shareholders. Although we have no legal responsibility to support fisheries issues, our board does believe it has an obligation, nevertheless, to our shareholders to protect this resource.

Nonetheless, Calista is also supportive of developing a mineral industry in the middle Kuskokwim. This corporation has spent a great deal of resources and time trying to identify mineralized zones and encouraging the mineral industry of the potential of the area. All of this expenditure of money and energy will be in vain if you adopt the Kuskokwim Area Plan with its proposed mineral closures.

As you are no doubt aware, the mining industry is already somewhat gun-shy of the middle Kuskokwim due to the ongoing Tuluksak mining incident. If you were not aware of this, I would like to tell you that whenever our Land Department has approached an exploration company with offices in Alaska, the Tuluksak incident invariably becomes a major topic for discussion. To add state imposed mineral closures of the magnitude that is being proposed by DNR is going to send one more strong message to the industry that this region of the state is an inhospitable place for miners.

The sad thing to us is that we do not believe that the mineral closures are necessary to protect the fisheries on these rivers. It is still a puzzle to Calista how DNR can justify these particular closures. Their justification apparently is that these are areas of highest potential conflict between mining and fisheries. It is our understanding, however, that DNR.

Governor Cowper
February 17, 1988
Page 2

means the streams in question are anadromous streams and that the areas being closed to mineral entry have the highest and most significant potential for mineralization in the southern half of the planning area. Consequently, the argument is made that mining will more likely occur here than any other place, and if any conflicts at all occur, no matter how minor, they will occur along the portions of the streams that go through the lands having the highest mineral potential.

This does not mean, however, that the greatest conflict with the salmon rearing and spawning habitat will occur here if mineral development occurs in the region. In fact, the areas being closed cannot be demonstrated to be the most favorable habitat for salmon rearing and spawning. Those areas with the greatest potential for fisheries habitat are not being closed to mineral entry. This plan allows miners to mine to their hearts' content in the most productive stretches of these rivers.

If the object of these closures is to avoid conflicts and to protect the fishery, it would seem to be more effective to close the portions of the river that have the highest fisheries productivity to mining rather than to close the stretch of the river that runs through the area with the highest potential for mineralization to have occurred regardless of the river's productivity in those locations. If, on the other hand, the object of the closures is to insure that mining will not be an allowable activity in the plan, then one would choose to close the best mineral lands. These are the mineral lands that would attract the attention of the industry first. If discoveries were made in these areas, then exploration interest would gradually expand beyond these areas into areas now considered to have less potential. By eliminating mineral activity in the areas that can currently generate interest, there will be no overlap into surrounding areas. It is no mystery or coincidence that the Department of Fish and Game waited until the Department of Natural Resources identified the very best mineral lands before they began their efforts to secure mineral closures. The real mystery to us is why the DNR has become an active participant in this effort to torpedo the mining industry in this area.

I would urge you to take a more rational approach to this issue than has the DNR. In order to get a more objective opinion of this issue, we would urge you to have the Departments of Community and Regional Affairs and Commerce and Economic Development review this issue for you to help you determine the potential economic significance that this decision will have on the middle Kuskokwim communities both in the short and long runs.

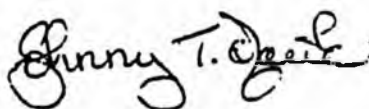
The recent Daily News article on the effects of alcohol in some bush communities identified this area of the state as a major problem area. It is my opinion that there is no area in the state with greater alcohol problems per capita than some of the communities along the middle Kuskokwim. If you didn't get the message in the Daily News articles, then allow me to tell you that there is a growing problem in this area that is not being adequately

Governor Cowper
February 17, 1988
Page 3

addressed by the State of Alaska. Unless you are willing to close your eyes to this situation or provide massive subsidies indefinitely to this part of the state, you had better do something soon to develop or encourage private enterprise in this area. If you are willing to shut out the industry with the greatest potential to resolve the economic and job problems of this area, then by all means adopt the Kuskokwim Area Plan with the mineral closures. Otherwise, I urge you to send the plan back to DNR with instructions to remove the mineral closures altogether or tailor them to address the real threatened areas, if any.

Sincerely,

CALISTA CORPORATION



Johnny T. Hawk
Chairman of the Board

JTH:slb

cc Senator John Binkley
Senator Arliss Sturgulewski
Senator John B. Coghill
Senator Willie Hensley
Rep. Albert P. Adams
Rep. Lyman Hoffman
Rep. Kay Wallis
Alaska Federation of Natives
Gene Peltola, AVCP
Glenn Fredericks, Kuskokwim Corporation

AVAILABILITY OF LAND FOR MINERAL EXPLORATION AND DEVELOPMENT IN ALASKA¹

by
Robert Bottge
Alaska Field Operations Center
Juneau, Alaska

INTRODUCTION

The Bureau of Mines' Alaska Field Operations Center is currently conducting a mineral land inventory of Alaska to determine the availability of federal, state, and private land, for mineral exploration and development through six regional studies. The objective of these studies is to provide government land use planners and the mineral industry with information which,

1. displays land ownership and land availability for mineral exploration and development,
2. shows the location of known metallic mineral deposits, and discusses associated geologic mineral terranes, and
3. compares known metallic mineral deposits and associated geologic terranes, to land ownership and land availability patterns.

Concern over the accessibility of federal lands was expressed as early as 1964, when Public Law 88-606 established the Public Land Law Review Commission "...to study existing laws and procedures related to the administration of the public lands of the United States, and for other purposes." However, it was not until the study, "Is Our Account Overdrawn," in 1976, that real concern for the availability of federal lands for mineral exploration and development became an issue. That study estimated that a large portion of public lands were excluded from the mining and leasing laws (67% and 73%, respectively).

The Bureau showed its interest in this problem in 1977 when it contracted with the Arizona Bureau of Mines to study and make recommendations for an inventory of the public lands in the United States for their availability to

¹Presentation made at the Agency Session, Alaska Miners Convention, in Anchorage, Alaska, October 30, 1986.

mineral exploration and development. The 12-state study presently underway by the Bureau shows its continued efforts to address the availability of mineral resources of federal lands to the United States mineral and materials policy objectives.

The Alaska Field Operations Center is in its third year of investigating the federal, state, and private lands available to mineral exploration and development in Alaska. To date we have addressed the land that is available in eighty four, 1:250,000-scale quadrangles in southeast, southcentral, northcentral and northern Alaska. We have published one report on the southeast region, and the reports on the southcentral, northcentral and the northern regions are in various stages of publication. We have completed perhaps 30% of the work on the 38 quadrangles in western Alaska, leaving the 31 quadrangles in southwestern Alaska. We should complete our assessment of the state in FY 1987.

Each published regional report includes 1:500,000-scale maps showing the land availability patterns for the region. The 1:250,000 scale work maps for the southeast, southcentral and northcentral regions have been put on open file and are available for viewing in our Anchorage, Fairbanks, and Juneau offices

SCOPE AND METHODOLOGY

The inventory of land availability currently being conducted by the Bureau in the other 11 western states addresses only federal land, but because of the complex nature of land ownership in Alaska, we felt we could not adequately explain federal ownership without portraying ownership of all land. Our reports are composed of three parts: (1) an inventory of federal, state, and private lands, (2) a comparison of mineral terranes and land availability categories, and (3) a comparison of mineral deposits and mineral terranes versus land availability categories.

Inventory of Land Ownership

Computer generated 1:250,000-scale maps, showing state and Native selections and conveyances of federal lands, were purchased from the Bureau of Land Management (BLM) Public Office in Anchorage. These maps were plotted from information in the Alaska Automated Land Records System (AALRS). The information was traced onto mylars, labelled, and checked against the Master Title Plats (MTP's) of the BLM and the State of Alaska. We then obtained the land management plans from all the federal and state agencies having land management responsibility in each region.

Land selections allowed under the Statehood Act, ANCSA, and ANILCA were plotted to the nearest whole section; Native allotments and other private parcels were shown as a dot centered on the sections in which they occur. State mineral closing orders were plotted as whole sections whether or not the closing order included the entire section. Maps and plans from towns in the regions were used to determine land where mining would be discouraged.

Because of the continuing selection and conveyance of land from the federal domain to the state and to Native corporations, this information is quickly outdated. The computer data for the southcentral, northcentral and northern study areas are for October, 1984, but the corrections made from the MTP's were from cards updated as recently as June, 1986. While the use of one final date for all data would be preferable, the use of the federal and state MTP's during 1985 and 1986 to check the computerized data received in 1984 made this impractical as the MTP's are constantly updated. This situation exemplifies the very dynamic nature of federal land ownership in Alaska.

LAND STATUS CATEGORIES

Up to 15 land status categories were plotted on 1:250,000 scale quadrangle maps and reduced to 1:500,000 scale for our reports. The 15 sub-categories were part of three major categories: land available for mining, land available

with restrictions, and land unavailable for mining. In our report on Southeast, we showed four major categories and no sub-categories. Depicting land ownership is fairly easy when the federal government owns 95 percent of the land.

Land Available for Mining

To date we have examined about 242 million of Alaska's 375 million acres (2/3's of the state) and have found that roughly 75 million acres (31%) are available for mineral exploration and development. The southcentral region has the most available land (31 million of 72 million acres) while the least available acreage is in northern Alaska, 14 million of 90 million acres.

Restricted Land

Approximately 24 million of the 242 million acres examined to date are available with restrictions. This category includes certain federal lands where mineral entry is allowed but under rigid controls, and all land conveyed to the Native regional corporations except the Bristol Bay Native Corporation. Land open to exploration and development with restrictions include parts of the Steese National Conservation Area and the White Mountains National Recreation Area in northcentral Alaska, and the College Fiord and Nellie Juan proposed wilderness areas of the Chugach National Forest in southcentral Alaska. In Southeast, LUD II areas were also put in this category. While mining is considered an authorized use in LUD II areas, the emphasis is on retaining a primitive wildland character. Amenity values are emphasized over commodity values.

Land Unavailable for Mining

Federal Land

Over 59 percent of the land (144 million acres) is presently closed to mineral exploration and development of new claims. Nearly one half of that acreage (68 million acres) is located in northern Alaska. Closed lands con-

sist of federal parks, preserves, wildlife refuges, wild and scenic rivers, wilderness areas, and military land, all of which will remain closed to mineral entry. Additional land has been closed by Public Land Orders (PLO) issued by the Secretary of the Interior. Unconveyed lands will eventually go back to the public domain once the BLM processes the land selection.

State Land

Basically all state land is open to mineral exploration and development unless it is withdrawn through legislative statute, such as for parks, or through Mineral Closing Orders issued by the Commissioner, Department of Natural Resources.

State game refuges are open to mineral exploration and development under administration by the Department of Fish and Game. However, the permit requirements imposed by the Department essentially make mining impractical in a game refuge.

Selected Land

Selected lands consist of tracts that have been selected by the state under the Statehood Act and ANILCA, and by Native corporations under terms of ANCSA or ANILCA. If the selection is denied or relinquished, the land remains closed to mineral entry until the BLM changes the Master Title Plat. This is called the notational rule. Land categories include land selected by Native corporations, land selected by the State, and land selected by both.

ANILCA set aside 104 million acres of federal land for the creation of, and addition to, national parks, preserves, wildlife refuges, conservation areas, and recreation sites. The Act also allowed the state and the Native corporations to select lands within the withdrawn areas. Our maps show lands selected by the Native corporations in federal withdrawals, state selections in federal withdrawals, and selections by both in federal withdrawals.

Private Land

The Federal government has made land available to individual Natives under the Alaska Natives Allotment Act (ANAA), and ANCSA; to Native corporations under ANCSA and ANILCA, and to other individuals for homesteads, homesites, patented mining claims, residential sites, recreational sites, and land acquired in federal disposal sales. Private parcels are designated by a dot centered in the sections wherein they occur. The state has distributed some of its land to individuals through land disposal sales and leases. The total acreage distributed by the state to individuals is not available.

GEOLOGICALLY FAVORABLE AREAS

Mineral Terranes

Maps from the Mineral Terranes of Alaska; 1982, were changed in scale to match the 1:250,000-scale quadrangle maps prepared for this study. The mineral terrane maps were overlaid on the land status maps, and the area in each terrane type was determined by land status category using an electronic planimeter. The compilations for each quadrangle are given in an appendix, while a table in each report summarizes all the quadrangle data.

In the four areas we have examined to date, we have found 90 million acres underlain by mineral terranes. Of these lands, 26% are available for mineral exploration and development, 9% are available with restrictions, and 65% are unavailable. Of the 90 million acres that are underlain by mineral terranes, approximately 65 million acres underlay federal lands, of which 12% are available for mineral exploration and development. About 17 million acres of state land are underlain by mineral terranes of which 92% are available. Nearly 8 million acres of private land are underlain by mineral terranes of which 98% may be available.

MINERAL TERRANES AND MINERAL DEPOSITS

Each quadrangle map in our reports shows the location of metallic mineral deposits in addition to land status. This information was derived from the Bureau of Mines Mineral Industry Location System (MILS) data base. Each of the computer-generated MILS location points, identifies one or more mineral deposit sites within a 3-mile radius. Numbers refer to properties listed in an appendix. The appendix also includes a list of past producers and the commodities produced.

Tabulations comparing the mineral deposits and mineral terranes against land status categories were made by quadrangle. These tabulations are shown in an appendix and summarized in a table in each report text.

In our work to date, we have noted 4,800 mineral deposits and occurrences, of which over half are in lands available for mineral exploration and development and over one third are in land which is unavailable.

CONCLUSIONS

Perhaps the most meaningful statistics to come out of our work to date are as follows:

After examining two thirds of the state, we have found

30% of the land is open to mining
10% is open with restrictions, and
60% is closed

In round numbers

90% of the state land is open.
80% of the federal land is closed

Ten percent of the land examined to date, 24 million of 242 million acres, is underlain by mineral terranes in land that is considered open. In other words, only 10% of the land that is worth looking at is available for mineral exploration and development.

Alaska needs mineral resource assessment

A lot is being said these days about the sad state of the mineral industry in Alaska. Hardly a day goes by that we don't read or hear of some new government regulation affecting mining or of another report indicating that the gross value of minerals produced last year in Alaska was down compared to previous years.

More frequently we hear of another lawsuit being filed in an effort to stop mining somewhere in the state. The same could be said about most of the basic industries in Alaska, including tourism and recreation, when someone proposes to land an aircraft inside one of the parks or build a tourist destination facility that will involve public lands.

Of all the Alaska legislation adopted by the Congress since statehood, and there has been considerable, the Alaska National Interest Lands Conservation Act (ANILCA) has probably had the greatest impact on mining in Alaska. Millions of acres of land theretofore open to mining activity were closed by ANILCA.

Yet Congress, in adopting ANILCA, said:

"This act provides sufficient protection for the national interests in the scenic, natural, cultural and environmental values on the public lands in Alaska, and at the same time provides adequate opportunity for satisfaction of the economic and social needs of the state of Alaska and its people; accordingly, the designation and disposition of the public lands in Alaska pursuant to this act are found to represent a proper balance between the reservation of national conservation system units and those public lands necessary and appropriate for more intensive use and disposition..."

Recently, a study conducted by the U.S. Bureau of the Mines looked at land availability and ownership in Alaska and compared these features with where mineral terranes and known mineral deposits exist geographically within the state. The study took four years to complete.

The study causes me to question whether balance was really achieved in the ANILCA legislation. Consider the following "bottom line" of the analysis and draw your own conclusion:

- 30 percent of the land area of Alaska is open to mining;
- 10 percent of the land area of Alaska is open to mining "with restrictions;"
- 80 percent of the land area of Alaska is closed to mining.
- 90 percent of state-owned land in Alaska is open to mining;
- 20 percent of federal-owned land within Alaska is open to



assessment of all of Alaska is needed.

This is a chore that will require a decade or more of time and hundreds of millions of dollars to accomplish. But it can be done in a fraction of the time which would have been required just a decade ago using sophisticated technology which was not available even a few years ago. It can be done without damage to the environment, too.

mining;

- 10 percent of all the land area within Alaska that is underlain by mineral terranes is open for mineral exploration and development.

Has the balance scale been tipped against the national interest when only 10 percent of the lands within Alaska that are known to be underlain by mineral terranes are open to mineral activity? Stated in the negative, is closing 90 percent of the known mineral terranes in Alaska to mining a balanced, or responsible, land-use decision? It would appear that the state of Alaska has done a better job of applying multiple-use management to its land than has the federal government which has instead chosen to set aside large blocks of public land for single-use purposes.

The federal government, with the support and help of private industry and the state, needs to complete a comprehensive analysis of all public lands in Alaska to determine the presence of economically recoverable minerals. In short, a minerals resource as-

One provision of ANILCA is entitled "National Need Mineral Activity Recommendation Process." It recognizes the time will come when the nation needs to access lands closed by law to mineral entry but which contain deposits of minerals the country needs because of national emergency. The process is lengthy and could never work in time of true emergency. Most importantly, it will only work if we actually know the minerals exist in the first place. There will not be time, in a true emergency, to assess the availability of the minerals. That needs to be done ahead of time, now!

The Bureau of Mines study is but the first step in locating Alaska minerals this nation will need in the future. The federal government needs to accelerate this effort. It should not wait till an emergency develops.

Vern R. Wiggins is co-chairman of the Alaska Land Use Council.

Berry's World

PARDON ME...

BOY,
IS THAT THE
CHATTANOOGA
CHOO CHOO...



Jim Berry
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Opinion

Tuesday, December 15, 1987

Mineral assessments—a wind of change?

The release in early November of the first of three mineral assessments conducted for the Bureau of Land Management of the White Mountains National Recreation Area and the Steese National Conservation Area should have far-reaching implications.

The first of these mineral assessments covering the Lime Peak-Mount Prindle Area in itself calls into serious question the entire land-use planning process pursued throughout the length and breadth of Alaska in dozens of land plans by both state and federal agencies since passage of the Alaska National Interest Lands Conservation Act.

What is the justification for such an assertion, you may ask, which implies that hundreds upon thousands of man-hours spent on evaluating land use priorities and values for numerous plans was misplaced effort?

Quite simply, it is abundantly clear that judgments have been made, plans written and restriction placed upon land use—particularly the ability to explore, develop and mine minerals—from a skewed knowledge base characterized by almost total ignorance of the subsurface mineral values. In most cases surface values—scenic, wild-life habitat, etc.—can be readily



Views expressed here do not necessarily represent those of the Daily News-Miner

identified, but a lot more effort and, yes, financial commitment is needed to evaluate even in broad terms the subsurface mineral potential of the public lands.

The mineral assessment on the BLM lands north of Fairbanks may help expose the sham which has and is being perpetrated on Alaska. Congress, in its wisdom, established these special areas under BLM management and mandated that plans be written consistent with the will of the U.S. Congress. Congress, in its wisdom, had recognized that significant and competing values were involved, but some special interests were much more successful than others in persuading Congress as to where the management leanings should be placed. Congress, also in its wisdom, decided that in the White Mountains National Recreation Area those

lands that were open to mineral entry would be through leasing only, whereas in corresponding areas of the Steese National Conservation Area mineral activity would be subject to the 1872 mining laws. The planners had additional tools at their disposal enabling them to maintain closure to any form of mineral entry over extensive acreage within both areas.

The plans, with severe restrictions intact, were implemented in 1986 over the protests of the mining industry; a tribute, I suppose, to the effective and sustained lobbying efforts by national environmental groups in Washington, D.C. It was a travesty for sure, but, before the door was slammed shut, the miners and their allies won a concession. Largely through the efforts of Sen. Ted Stevens, the U.S. Congress agreed to spend \$1 million to conduct mineral assessments. The money was appropriated to the U.S. Geological Survey who in turn set up a cooperative project with the Alaska Division of Geological and Geophysical Surveys and the U.S. Bureau of Mines.

The first of the mineral assessments cost \$910,000. Now, \$900,000 does not go very far in the Alaska Bush, especially when advanced prospecting technology, costly laboratory analyses by the hun-

dreds and expensive logistical support by helicopter is a must. I venture to suggest that in terms of the work load performed and the economic points which are emerging, that this public expenditure just could be the bargain of the decade.

The BLM has traditionally managed the lands under its jurisdiction for multiple use. This has been its mission and it was very good at executing the task. Now to many of us multiple-use means precisely that—allowing uses on the public lands that are both varied and productive while ensuring through management practices reasonable protection of other values. However, in the case of the land north of Fairbanks the mission of BLM became clouded and tangled with politics and in effect Congress set up BLM for a contradictory role. The mantle of administering lands for restrictive public access and use does not fit the professionals of BLM. The BLM was, in essence, taking on the appearance of a National Park Service clone!

The question, now that mineral values estimated in terms of billions of dollars have been indicated, is will the land-use classifications be changed significantly and mineral entry facilitated? The evidence favoring this action is not coming from a bunch of rowdy min-

ers but rather from highly trained and respected professionals in the state and federal geological surveys and the U.S. Bureau of Mines. If the decision to amend the plans is made once all the mineral assessments are in, it will take a minimum of two years to change the present provisions.

Beyond that time frame, what should happen? Well, mineral assessments do not of themselves make mines; neither is it a function of government to mount the sort of high-cost detailed exploration that would pinpoint specific mineable ore reserves—that is the role of the private sector.

However, the private sector—individual mining companies—must have the assurance that exploration success would be rewarded with the ability to develop and mine economic reserves before money and human resources are risked in the effort to prove mines.

Hopefully, mineral assessments like those for BLM could bring some balance and credibility back into the land planning process. Maybe, just maybe, a glimpse into Pandora's box is what it takes!

Dr. John Sims served as director of the state Office of Mineral Development and is presently vice-president of marketing for Usibelli Coal Mine.

Original sponsors: Coghill, Faiks,
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1 IN THE SENATE BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 137 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state land withdrawn from mineral
7 location or mining."

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

9 * Section 1. AS 38.05.185 is amended by adding new subsections to read:

10 (d) The commissioner shall submit a report to the legislature
11 and to the governor within the first 10 days of the convening of each
12 regular session of the legislature detailing the state land closed to
13 mineral location and mining during the previous calendar year. The
14 report shall include

- 15 (1) the known resource values of the area;
16 (2) the reason for the closure;
17 (3) the effective date of the closure; and
18 (4) the legal description of the land involved in the
19 closure.

20 (e) Each area closed under (a) of this section remains closed to
21 mineral location and mining until the commissioner issues an order
22 altering the status of the land or until the closure is disapproved by
23 act of the legislature. An act of the legislature disapproving a
24 closure by the commissioner may make recommendations to the commis-
25 sioner on future management of the area involved.

26 (f) Each report prepared under (d) of this section that reports
27 on an area of more than 5,120 acres shall include a mineral assessment
28 report for the area.

29 (g) Every 10 years, the commissioner shall submit a report to

1 the governor and the legislature concerning state land that is at that
2 time withdrawn from mineral location or mining, including state land
3 withdrawn from multiple use by the legislature. The commissioner may
4 make recommendations in each report regarding existing closures of
5 state land.

6 * Sec. 2. Notwithstanding AS 38.05.185(g), as enacted by sec. 1 of this
7 Act, the first report to the governor and legislature shall be delivered to
8 the legislature five years after the effective date of this Act.

1 IN THE SENATE

BY COGHILL, FAIKS, BENNETT,
JONES AND FAHRENKAMP

2

SENATE BILL NO. 137

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the definition of 'multiple
7 use'."

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

9 * Section 1. AS 38.04.910(4) is amended to read:

10 (4) "multiple use"

11 (A) means the management of state land and its various
12 resource values so that it is used in the combination that will
13 best meet the present and future needs of the people of Alaska,
14 making the most judicious use of the land for [SOME OR] all of
15 the [THESE] resources or related services over areas large enough
16 to provide sufficient latitude for periodic adjustments in use to
17 conform to changing needs and conditions; [IT]

18 (B) includes

19 (i) [(A)] the use of the [SOME] land for less
20 than all of the resources but does not exclude compatible
21 competing uses; [,] and

22 (ii) [(B)] a combination of balanced and diverse
23 resource uses that takes into account the short-term and
24 long-term needs of present and future generations for renew-
25 able and nonrenewable resources, including, but not limited
26 to, recreation, range, timber, minerals, watershed, wildlife
27 and fish, and natural scenic, scientific, and historic
28 values;

29 * Sec. 2. AS 41.17.950(8) is amended to read:

1 (8) "multiple use" has the meaning given in AS 38.04.910

2 [MEANS

3 (A) THE MANAGEMENT OF ALL THE VARIOUS RESOURCES OF
4 FOREST LAND SO THAT THEY ARE USED IN THE COMBINATION THAT WILL
5 BEST MEET THE NEEDS OF THE CITIZENS OF ALASKA, MAKING THE MOST
6 JUDICIOUS USE OF THE LAND FOR SOME OR ALL OF THESE RESOURCES OR
7 RELATED VALUES, BENEFITS, AND SERVICES OVER AREAS LARGE ENOUGH TO
8 PROVIDE SUFFICIENT LATITUDE FOR PERIODIC ADJUSTMENTS IN USE TO
9 CONFORM TO CHANGING NEEDS AND CONDITIONS;

10 (B) THAT SOME LAND WILL BE USED FOR LESS THAN ALL OF
11 THE RESOURCES; AND

12 (C) HARMONIOUS AND COORDINATED MANAGEMENT OF THE
13 VARIOUS RESOURCES, EACH WITH THE OTHER, WITHOUT SIGNIFICANT
14 IMPAIRMENT OF THE PRODUCTIVITY OF THE LAND AND WATER, WITH CON-
15 sideration being given to the relative values of the various
16 resources, and not necessarily the combination of uses that will
17 give the greatest dollar return or the greatest unit output];