

SB

200

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

3/19/87

DATE TURNED INTO OFFICE _____

Mr. President:

RESOURCES

Committee considered SB 200

moratorium on mining loans; efd.

and recommended:

[] replace with CS SB200 [] same title
[] attached amendment(s) and [] new title

[] do pass

[] do not pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted and attached

** Committee [] attached or [] adopted fiscal note(s)
[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures: Roy Jones, Nelson, Lutes, Stangor, and others]

[Handwritten signature: no Kee]
Chairman signature and recommendation

[] Committee Backup Attached

Original sponsors: Coghill, Fahrenkamp,
Bennett and Faiks

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 200 (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 amending the mining loan fund law."

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

8 * Section 1. AS 27.09.040(a) is amended to read:

9 (a) A loan granted under this chapter

10 (1) may not exceed \$5,000,000;

11 (2) may not exceed a term of 15 years except for an exten-
12 sion or modification under AS 27.09.048;

13 (3) may not bear interest exceeding 10 percent; and

14 (4) may not exceed 75 percent of the appraised value of the
15 collateral used to secure the loan.

16 * Sec. 2. AS 27.09 is amended by adding a new section to read:

17 Sec. 27.09.048. EXTENSION OR MODIFICATION OF LOAN. The depart-
18 ment may grant an extension on a loan or may modify the conditions of
19 a loan, excluding a reduction in the amount of interest charged under
20 the loan or a cancellation of interest due under the loan, when a
21 borrower is able to show that

22 (1) the borrower has experienced poor mining seasons; or

23 (2) regulations of the state or the federal government that
24 regulate the mining operation for which the loan was granted have been
25 changed by the state or the federal government and prevent the borrow-
26 er from fulfilling the terms of the loan.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version : CS SB 200

Publish Date : _____

REQUEST: _____

Revision Date: _____

Title: An act relating to moratorium
on mining loans

Sponsor: Coghill, Fahrenkamp, Bennett &

Requestor: _____ Faiks

Agency Affected: Commerce & Economic Development

BRU: Business Loans

Components: Investments and Accounting
& Collections

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
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						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Martin J. Richard, Director Phone: 465-2510
 Division: Division of Investments Date: 1/20/87

Approved by Commissioner: [Signature] Date: _____
 Agency: Commerce & Economic Development

Distribution (by preparer):

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

5-0900B
Bradley
4/16/87

Original sponsors: Coghill, Fahrenkamp,
Bennett and Faiks

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

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3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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17 Sec. 27.09.048. EXTENSION OR MODIFICATION OF LOAN. The depart-
18 ment may grant an extension on a loan or may modify the conditions of
19 a loan, ^{excluding} [including] a reduction in the amount of interest charged under
20 the loan, ^{or} for a cancellation of interest due under the loan, ^{or} when a
21 borrower is able to show that

22 (1) the borrower has experienced poor mining seasons; or

23 (2) regulations of the state ^{or Fed. gov.} that regulate the mining
24 operation for which the loan was granted have been changed by the
25 state ^{or Fed. gov.} and prevent the borrower from fulfilling the terms of the loan.
26

Alaska State Legislature

Senate Resources Committee



Sen. John B. (Jack) Coghill, Chairman
Sen. Paul Fischer, Vice-Chairman
Sen. Lloyd Jones
Sen. Arliss Sturgulewski
Sen. Jim Duncan
Sen. Fred Zharoff
Sen. Dick Eliason

Box V
Juneau, Alaska 99811
(907) 465-4907

MEMORANDUM

TO: Senate Resource Committee Members
FROM: Senate Resource Committee Staff *ALG*
RE: CSSB 200; An Act Amending the mining loan fund law.
DATE: April 27, 1987

Several concerns were raised by the committee during the initial hearing on this measure April 16, 1987. In addition to a sectional clarification of this measure, you will also find further back up information attached.

Section 1. This additional language to the present law provides for the extensions or modifications to the 15 year term of loans granted under this chapter.

Section 2. This new section specifies the conditions under which an extension or modification under section 1 can be granted, and includes wording that gives the Department of Commerce and Economic Development flexibility in granting the extensions or modifications.

This measure is patterned after other existing loan programs. For example the Commercial Fishing Loan Act (AS 16.10.310. attached), allows that the department may "(4) establish amortization plans for repayment of loans, which may include extensions for poor fishing seasons or for adverse market conditions for Alaskan products;".

In the case of the Agricultural Revolving Loan Fund, a letter to Senator Fahrenkamp from Commissioner Brady indicates that an "aggressive and realistic debt restructuring" program is now being under taken by the DNR. The letter further states "[T]his proposal is designed to assist producing farmers with their debt problems on an equal basis throughout the state. The plan emphasizes a postponement rather than a forgiveness of ARLF debt obligations..."

CSSB 200 is in keeping with past legislative actions regarding other state resource development loan programs.

As indicated by DCED fiscal note comments, any loans which have been referred to the Department of Law for legal action would not be effected by enactment of this legislation. This legislation would also only effect the state's portion of banks participation loans.

It is important to note that DCED's comments recognize that this legislation "gives the department flexibility in assisting borrowers with repayment modifications."

The major complain staff has received regarding state mining loans is that since receiving a mining loan under one set of mine operating regulations the state has changed the criteria under which the miner is forced to repay the loan, namely the operation of his mine.

There was concern expressed by the committee regarding just what a "poor mining season" was. This has not been defined so as to allow the department discretion in the review and granting of extentions or modifications.

Under AS 27.09.030 "a person who requests a loan under AS 27.09.010 shall prepare an operating plan which describes ..., the nature and location of advanced mineral exploration, development, or mining for which the loan is requested, the equipment and other resources available to the person to implement the operating plan, and the economic feasibility of the plan. The person requesting a loan shall submit an operating plan to the department." This section allows for the department to have the information necessary to determine whether the borrower's poor mining season was attributable to circumstance that could have been controlled by the borrower, or were a result, as in other loan programs, of circumstances beyond the borrowers control. An example would be acts of God, or lawsuits against government agencies, which indirectly effect the efficient operation of the mine operating plan under which the loan was granted.

Staff has personal knowledge that many miners are distressed with the states response to problems which are effecting their ability to operate within the law. Many more of them will be filing for protection under bankruptcy laws, if the legislature does not allow them the same opportunities granted other borrowers of state funds, the fiscal impacts of this will exceed DCED's fiscal note substantially.

Presently, the Mining Loan program delinquency rate of 38.3% on Balances Outstanding amounts to \$4,705,690.00 of the total loaned. This compares with a 14% delinquency rate on Commercial Fishing loans amounting to \$10,321,640.00 of the total loaned.

Given the present regulatory uncertainty which exists for the mining industry, those individuals whose plans of operation were approved by the state and state loans granted, may unnecessarily be removed from local economies, if CSSB 200 is not enacted now. DCED has a present

approval rate on new loans of zero (0). The last two loans in this program were approved in April of 1986. The applications for these two loans were made in 1985 prior to the state changing the water quality regulations.

Effect of amendments. — The 1980 amendment effective May 26, 1980, rewrote this section.

Article 7. Commercial Fishing Loan Act.

Section	Section
310 Powers of the department	335. Default and foreclosure
315 Allocation of loans	339 Regulations
320 Limitations on loans	355. Disposal of property acquired by default or foreclosure
333 Loans for purchase of Alaska limited entry permits	

Sec. 16.10.310. Powers of the department. (a) The department may

- (1) make loans to
 - (A) individual commercial fishermen who have been state residents for a continuous period of two years immediately preceding the date of application for a loan under AS 16.10.300 — 16.10.370 and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for the year immediately preceding the date of application and any other two of the past five years, and who actively participated in the fishery during those periods, for the purchase of entry permits;
 - (B) an individual for the repair, restoration, or upgrading of existing vessels and gear, for the purchase of entry permits and gear, and for the construction and purchase of vessels, if the individual has been a state resident for a continuous period of two years immediately preceding the date of application for a loan under AS 16.10.300 — 16.10.370, and either
 - (i) because of lack of training or lack of employment opportunities in the area of residence does not have occupational opportunities available other than commercial fishing; or
 - (ii) is economically dependent on commercial fishing for a livelihood and for whom commercial fishing has been a traditional way of life in Alaska;
- (2) designate agents and delegate its powers to them as necessary;
- (3) adopt regulations necessary to carry out its functions;
- (4) establish amortization plans for repayment of loans, which may include extensions for poor fishing seasons or for adverse market conditions for Alaskan products;
- (5) enter into agreements with private lending institutions, other state agencies, or agencies of the federal government, to carry out the purposes of AS 16.10.300 — 16.10.370;
- (6) enter into agreements with other agencies or organizations to create an outreach program to make loans under AS 16.10.300 — 16.10.370 in rural areas of the state;
- (7) allow an assumption of a loan if

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§ 16.10.315

FISH AND GAME

§ 16.10.320

(A) the applicant has been a state resident for a continuous period of two years immediately preceding the date of the request for an assumption; and

(B) approval of the assumption would be consistent with the purposes of AS 16.10.300; an applicant for a loan assumption may not be disqualified because the applicant does not meet the loan eligibility requirements of (1) of this subsection;

(8) prequalify loan applicants for a limited entry permit loan and charge a fee not to exceed \$200 for prequalification.

(b) *[Repealed, § 34 ch 79 SLA 1985.]*

(c) In determining whether an individual commercial fisherman is reasonably likely to be able to repay a loan made under AS 16.10.300 — 16.10.370, the commissioner shall consider the individual commercial fisherman's income from commercial fishing and from all other sources. (§ 1 ch 134 SLA 1972; am § 3 ch 54 SLA 1973; am § 3 ch 128 SLA 1975; am § 1, ch 154 SLA 1977; am § 3 ch 83 SLA 1978; am §§ 2 — 7 ch 72 SLA 1979; am § 7 ch 113 SLA 1982; am § 1 ch 7 SLA 1983; am §§ 1, 2, 34 ch 79 SLA 1985)

Effect of amendments. — The 1985 amendment, in subsection (a) in paragraph (1), rewrote subparagraph (B) and deleted subparagraph (C), and added paragraphs (7) and (8); repealed subsection (b), concerning consultation with the Department of Fish and Game; and added subsection (c).

Sec. 16.10.315. Allocation of loans. The department shall allocate at least 10 percent of the money that is appropriated for a state fiscal year to make loans under AS 16.10.310 for loans of \$35,000 or less made under AS 16.10.310(a)(1)(B). An allocation made under this section terminates on April 15 of the state fiscal year for which the allocation is made. (§ 2 ch 7 SLA 1983; am § 3 ch 79 SLA 1985)

Effect of amendments. — The 1985 amendment deleted "and (C)" at the end of the first sentence.

Sec. 16.10.320. Limitations on loans. (a) Except as permitted in (h) of this section, a loan under AS 16.10.300 — 16.10.370

(1) may not exceed a term of 15 years, except for extensions under AS 16.10.310(a)(4);

(2) may not bear interest exceeding 10 1/2 percent;

(3) must be secured by a first priority lien and appropriate security agreement;

(4) may not exceed 90 percent of the appraised value of the collateral used to secure the loan; and

(5) may not be made to a person who has a past due child support obligation established by court order or by the child support enforce-

STATISTICS ON DCED LOAN PROGRAMS
(Thousands of Dollars)

February 28, 1987

	Veterans	Small Business	Commercial Fish	Tourism	Bulk Fuel	Child Care	Hist Dist	Mining	Alternative Energy	Resid. Energy	Fish Enhance	Power Dev.	Water Resource	Total
COMMITMENTS														
Total No. Loans														
Committed FY 72-87	7,718	1,338	3,156 ³	59	233	62	12	71	2,944	2,232	134	5	5	17,969
Total Dollar Amount														
Committed FY 72-87	371,795.2	202,529.3	183,661.3 ³	29,874.7	8,438.7	2,175.6	1,345.4	28,426.4	19,299.6	8,346.5	52,619.8	193,847.0	2,500.0	1,104,859.5
Total No. Loans														
Committed FY 87	-0-	-0-	108 ³	-0-	16	3	1	-0-	10	2	10	1	-0-	149
Total Dollar Amount														
Committed FY 87	-0-	-0-	6,280.8 ³	-0-	432.9	150.0	250.0	-0-	88.8	8.6	1,846.3	1,000.0	-0-	10,057.4
APPROPRIATIONS														
FY 84	-0-	-0-	9,091.0	-0-	-0-	869.5	500.0	-0-	2,400.0	3,123.4	6,500.0	N/A	-0-	22,483.9
FY 85	-0-	-0-	3,500.0	-0-	-0-	-0-	-0-	-0-	1,000.0	-0-	5,000.0	210,000.0	-0-	219,500.0
FY 86	-0-	-0-	3,710.0	-0-	-0-	-0-	-0-	-0-	845.0	-0-	812.0	-0-	-0-	5,367.0
FY 87					64.0		400.0							464.0
LOANS OUTSTANDING														
Owned by Fund														
Number of Loans														
Outstanding	27	20	1,445	3	49	36	5	46	1,559	1,218	114	1	1	4,524
Principal Amount														
Outstanding	1,595.6	3,074.9	62,423.7	1,071.9	809.3	1,348.9	735.2	12,286.4	10,671.0	3,147.9	45,359.5	186,104.1	867.6	329,496.0
Average Loan Amount														
Outstanding	59.1	153.7	43.2	357.3	16.5	37.5	147.0	267.1	6.8	2.7	397.9	186,104.1	867.6	72.8
Serviced for AIDA														
Number of Loans														
Outstanding	1,575	200	320	7	N/A	1	3	N/A	N/A	N/A	11	N/A	N/A	2,117
Principal Amount														
Outstanding	68,372.6	17,227.5	11,302.3	914.2		6.6	96.4				6,023.2			103,942.8
Average Loan Amount														
Outstanding	43.4	86.1	35.3	130.8		6.6	32.1				547.6			49.1
Summary														
Total No. of Loans														
Outstanding	1,602	220	1,765	10	49	37	8	46	1,559	1,218	125	1	1	6,641
Total Principal Amount Outstanding														
	69,968.2	20,302.4	73,726.0	1,986.1	809.3	1,355.5	831.6	12,286.4	10,671.0	3,147.9	51,382.7	186,104.1	867.6	433,438.8
DELINQUENCY RATES AND DEFAULT STATISTICS														
Statistics Based on Balances Outstanding														
% Delinquent ¹	6.5%	9.3%	14.0%	6.5%	25.7%	10.9%	-0-	38.3%	5.2%	8.1%	5.7%	-0-	-0-	5.9%
% in Default ²	1.5%	24.2%	4.0%	4.3%	1.6%	12.7%	-0-	31.6%	3.6%	3.6%	3.0%	-0-	-0-	3.6%
Statistics Based on Number of Loans														
% Delinquent ¹	5.6%	10.9%	11.3%	22.2%	28.5%	8.1%	-0-	39.1%	4.5%	7.0%	6.4%	-0-	-0-	7.8%
% in Default ²	1.4%	18.2%	2.9%	11.1%	4.0%	10.8%	-0-	28.2%	4.1%	2.4%	1.6%	-0-	-0-	3.5%

¹ Delinquent is defined as 60 days or more past due, not in litigation.

² Default is defined as in litigation.

³ Prequalifications NOT Included

MEMORANDUM

State of Alaska

TO: Martin J. Richard, Director
Division of Investments

DATE: March 24, 1987

FILE NO.:

THRU:

TELEPHONE NO.:

SUBJECT: Loan Fund Commitments

FROM: Mary Graham *mgd.*
Accounting Technician I
General Ledger Section

The following are loan commitment amounts through March 20, 1987 and the amount remaining available to lend.

<u>LOAN FUND</u>	<u>FY 87 AUTHORIZED</u>	<u>PRE-QUALIFICATION</u>	<u>LOAN COMMITMENTS</u>	<u>BALANCE AVAILABLE</u>
CF (1)	\$14,500,000.00	\$1,872,984.00	\$6,849,631.97	\$5,777,384.03
FE	3,102,000.00		1,846,277.00	1,255,723.00
CC	390,000.00		150,000.00	240,000.00
HD	260,000.00		250,000.00	10,000.00
Mining	325,000.00		-0-	325,000.00
AE	88,800.00		61,153.00	27,647.00
REC	8,600.00		8,550.00	50.00
BF	no restrictions		418,174.00	no restrictions

(1) Authorization to lend increased per Pete Jeans, Office of the Governor, March 13, 1987.

MG/wfs5382W
32487g

cc: Connie S. Green, Accounting Supervisor IV
Greg Winegar, Juneau Regional Loan Manager
Bob Richardson, Anchorage Regional Loan Manager
Willis E. Greimann, Fairbanks Regional Loan Manager

STEVE COWPER, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

POUCH M
JUNEAU, ALASKA 99811
PHONE:

February 23, 1987

The Honorable Bettye Fahrenkamp
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator Fahrenkamp:

As you are aware, there is increasing concern over the future of agriculture in Alaska. Farmers are unable to service the high debt loads incurred during development. This is further intensified by the lowest commodity prices the agricultural industry has experienced.

The Agricultural Revolving Loan Fund delinquency rates are a reflection of that economic condition, mirroring the decline of land prices, commodity prices, marketing and production problems.

The ARLF delinquency rate for 232 borrowers and 632 loans has been steadily increasing to the current level of 59.6%. Concurrently the State is facing severe economic problems and the legislature is in session today dealing with revenue shortfalls.

The Sheffield administration placed a 35% lending restriction on ARLF funding. ARLF had no appropriations into the fund for two years and budget discussions currently indicate that ARLF is facing a serious effort to remove a substantial portion of the remaining funds available. At a minimum, ARLF must immediately become self-sufficient in generating repayment to fund the total operating needs each year.

The ARLF Board has proposed such a debt restructuring program. An aggressive and realistic debt restructuring is necessary. This proposal is designed to assist producing farmers with their debt problems on an equal basis throughout the state. The plan emphasizes a postponement rather than a forgiveness of ARLF debt obligations in recognition of previous state investments in Alaskan agriculture.

The Hon. Bettye Fahrenkamp -2-

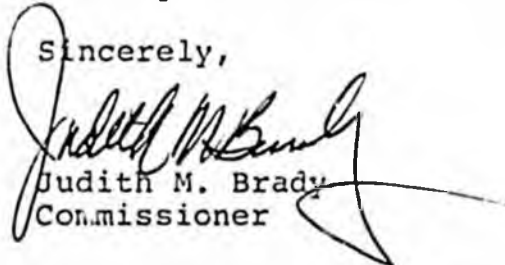
February 23, 1987

Farmer participation in the development of this proposed program is being obtained through teleconferencing, written comments and meetings.

We are bringing this proposal to key legislators for your additional perspective in reaching viable solutions to the debt problem. A briefing is being provided for legislators and their aides on Wednesday, February 25, at 3 p.m. in the Department of Natural Resources Conference Room on the 5th floor Willoughby Building.

If we can work jointly in developing a viable and equitable solution to agricultural debt we will maintain a core agricultural industry in the State as well as create a healthy loan fund.

Sincerely,



Judith M. Brady
Commissioner

cc: John Messenger, ARLF Chairman
Dean Brown, Acting Director
Hal Ward, ARLF Manager

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: **DRAFT**

Bill Version: CSSB 200 **PROPOSED**
Publish Date: _____

Revision Date: _____ Agency Affected: Comm. & Econ. Dev.
Title: An Act making changes to the mini BRU: Business Loans
loan fund and effective date.
Sponsor: Coghill, Fahrenkamp, Bennett Components: Investments and
Requestor: and Faiks Accounting and Collections

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
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	[385.0]	[350.0]	Unknown	Unknown	Unknown
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

See Attached

Prepared by: Martin J. Richard, Director Phone: 465-2555
Division: Division of Investments Date: April 16, 1987
Approved by Commissioner: J. Anthony Smith, Commissioner Date: April 16, 1987
Agency: Department of Commerce and Economic Development

Distribution (by preparer):

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

5791W41687a

ASSUMPTIONS:

1. There are currently 13 loans, \$3.9 million, in litigation. These files have been referred to the Department of Law for legal actions. All legal activity on these loans would continue upon enactment of this legislation.
2. This legislation would be enacted on the state's portion of participating loans only. The portfolio includes two bank participation loans with an outstanding balance of \$916.4.

The amount shown for the first year is approximately half the interest due on delinquent loans. This amount would be an estimated \$775.0 if all interest due is written off.

The same logic is assumed for the second year -- an estimated \$700.0 potentially could be written off. Impact to the loan fund after the first two years is difficult to analyze. Within this time frame borrowers could comply with regulation requirements and stabilize their mining operations.

This proposed legislation gives the department flexibility in assisting borrowers with repayment modifications.



McDONALD INDUSTRIES ALASKA, INC.

1 Mile Peger Road
Fairbanks, Alaska 99701
P.O. Box 60229
Fairbanks, Alaska 99706
(907) 452-4431

April 7, 1987

APR 10 1987

The Honorable Senator Coghill
Alaska State Legislature
Pouch X-MS 3100

SUBJECT: STATE MINING LOANS, SB 200

Dear Jack;

I am writing in reference to SB-200 which I support. This is very important to the local miners under State Mining Loans.

Due to the enforcement of unreasonable and some unattainable regulations being imposed on the mining industry, they need to get some relief immediately on their loans, in order to continue mining with the new restrictions.

SB-200 will have a dramatic influence on the future economy of the State of Alaska and its residents if it is not passed. Many of the miners will continue to default on their loans and leave the Mining Industry and the State of Alaska with their defaulted loans. This will result in a substantial loss of revenue both for the State of Alaska and private industry and a substantial lay off of personnel no longer required in the mining industry.

I am requesting that you support SB-200 to insure that the Mining Industry remains a healthy, sustained industry with a future for all of us.

Very truly yours,

McDONALD INDUSTRIES ALASKA INC.

Kenneth Dalve
Alaska Manager

CC: Senator Bettye Fahrenkamp
Senator Don Bennet
Senator Jan Falks

Steese Hwy. & Trainer Gate Rd.
P.O. Box 1539, Fairbanks, Alaska 99707
(907) 452-7251

 **N C MACHINERY CO.**

April 7, 1987

APR 13 1987

Senator Jack Coghill
Alaska State Legislature
P. O. Box V - MS3100
Juneau, Alaska 99811

RE: State Mining Loans, SB200

Dear Jack,

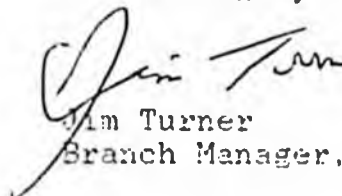
We at N C Machinery Co., Fairbanks, support your efforts to assist the mining industry and do support SB200.

Over the past few years gold mining has accounted for at least 15% to 25% of our total Fairbanks sales. We have already felt the effect of the mining slowdown in our sales department and in the total of personnel. Our personnel is down 30% from two years ago. Approximately half of this is from gold mining and the other half from the Prudhoe Bay slowdown.

The passing of this bill could allow us to start hiring again. Keep up the good work.

Sincerely,

N C Machinery Co.


Jim Turner
Branch Manager, Fairbanks



YOUR
CATERPILLAR
DEALER

Corporate Headquarters, P.O. Box 3562, Seattle, Wash. 98124 • Branches: Chehalis, Mt. Vernon, Seattle, Seattle (Lift Trucks), Tacoma (Lift Trucks), Anchorage, Fairbanks, Juneau, Ketchikan, N C Marine/Marine and Industrial Engine Center/2500 Westlake N., Seattle, Washington 98108.

COOPER & COOPER

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 73493 • Fairbanks, Alaska 99707 • (907) 457-5363

Gordon R. Cooper, C.P.A.

Dalonna L. Cooper, C.P.A.

APR 15 1987

April 10, 1987

Senator Jack Coghill
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, AK 99811

RE: Senate Bill 200

During my seven years accounting practice in Fairbanks, I have been associated with several miners and have become knowledgeable about their finances.

In light of the expected high cost of increasing regulatory pressures being placed upon them, miners will need additional flexibility and understanding by the state regarding repayment terms of their mining loans. At this point the mining industry in interior Alaska seems besieged with problems and its very survival threatened. It is in Alaska's interest to help miners survive both from the standpoint of the overall economy and also in the role of a lender. Enforcing mining loan repayment terms beyond the ability to repay can only result in default, in which case everybody loses.

Accordingly, I urge you to support SB200 as a modest but effective step towards the continued survival of the mining industry in Alaska.

Sincerely,



Gordon R. Cooper, CPA



ALASKA MINERS ASSOCIATION, INC.

501 W. Northern Lights Blvd., Suite 203, Anchorage, AK 99503 (907) 276-0347

April 10, 1987

APR 13 1987

Senator Jack Coghill
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill:

The Alaska Miners Association supports the referenced bill. Passage of this bill is justified because of the uncertainties caused by the Administrations new regulations and court suites. These uncertainties have effected many mine operators who have either shut down until rules, regulations and standards are established or have cut their operations back to reduce exposure to enforcement actions.

This moratorium will allow time for both Federal and State Government to clearly define requirements and convey this information to mine operators so they know how to respond to the regulations and standards.

The Alaska Miners Association recommends that SB 200 be enacted.

Sincerely,

ALASKA MINERS ASSOCIATION

Curtis V. McVee
Executive Director

Circle Mining & Recording District

BOX 1872
CENTRAL, ALASKA 99730

The Honorable Senator Coghill
Alaska State Legislature
Pouch V- MS 3100
Juneau, Alaska 99811

April 8, 1987

Re: State Mining Loans, SB 200

Dear Jack,

I am writing this letter on behalf of the members of the Circle Mining District. There are numerous miners in our District that operate their mines with monies borrowed from the State Mining Loan Program. It would be hard to imagine expanding their operations without such assistance from the State of Alaska.

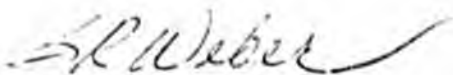
Even with this assistance tough times have hit all the miners. The State has helped to encourage mining through its loan program while at the same time enacting regulations that shut down the very industry it trying to support.

It is for this reason I am asking for passage of SB200. I feel that this moratorium is crucial to allow the miners the time necessary to upgrade their operations to meet the current water quality and reclamation regulations. Because the majority of these loans were secured before many of the regulations were on the books, the cost of compliance has added a considerable burden that was unforeseen at the time the monies were lent.

One of the main considerations of this bill is that by its passage it would at least provide some economic relieve for one of the industries that could very well assist in the overall economic betterment of the State of Alaska and its people.

In closing I would like to add that I wish I could personally discuss this matter with you. But hard times have hit my operation as well and I am forced in to keeping my mining business going and work at the same time to support my family.

Sincerely,



Stephen R. Weber
President
Circle Mining District

SRW:daw

cc: Senator Fahrenkamp
Senator Bennett
Senator Falks

April 14, 1987

Carlo & Sons Mining
2113 Southern
Fairbanks, Alaska 99701

APR 17 1987

Senator Jack Coghill
P.O. Box V
Juneau, Alaska 99811

Dear Senator Coghill:

This letter is written in support of S.B. 200 - An Act relating to a moratorium on mining loans.

The mining industry needs a financial boost to stimulate the industry and a moratorium on mining loans would be one effective method of doing so. Compare this legislation to the State assisted loans and other grants set aside for the development and production of the Red Dog mine. Red Dog is a good investment for the people of that region and for the State. It is a good example of the State's commitment to diversification of the Alaskan economy and to sound reasoning that the private sector cannot develop major industries by themselves. They need public and legislative support to develop regulations that enhance industry growth and development and through public funds that help miners meet Federal/State compliance costs.

This Bill will help an already depressed industry that by itself subsidizes 3,000 Alaskan jobs in mining and related industries. Already, miners are financially and adversely effected by Federal/State laws that require impossible water quality standards. These laws that miners must comply with cost much time and money. Preparatory work on building settling ponds and recycling systems also means loss of production time in an industry already squeezed into a few short months. These new costs to miners total millions of dollars taken out in non-productive work. This means fewer dollars to miners as well as to the whole industry.

This Bill would actually give us some breathing time. Also, you could seriously consider lengthening the time of the moratorium to six to ten years. Why? New methods of mining to meet these water quality standards will not be developed in two short years.

Sincerely,

CARLO & SONS MINING

William Carlo, Sr.
Owner/Operator

NUGGET ESTATE MINING COMPANY

TEL. 907-452-6000

POST OFFICE BOX 60430 - FAIRBANKS, ALASKA 99706

April 6, 1987

Senator Jack Coghill
PO Box V
Juneau, Alaska 99811

Re: Senate Bill No. 200

Dear Senator Coghill:

I am writing this letter in regards to Senate Bill No. 200, MORATORIUM ON MINING LOANS. I am very much in favor of this bill.

In 1981 my wife and I applied for and received a mining loan from the State of Alaska. The year previous to our application, we had been selling our gold for approximately \$640.00 per ounce. We then based our payback on gold holding at a price of at least \$500.00 an ounce (it specifically states this in our loan package). And, of course, one of the main problems has been that gold did not come close to staying at \$500 but went to \$300-\$400. This and the fact that the payback was predicated on a short-term (5 years) instead of the possible longer term (15 years), we have just not been able to service our loan in a timely manner. All of the new rules and regulations imposed by the State of Alaska and the Federal government relative to settling ponds, turbidity, flotulants, etc., have put a terrific burden on us to try to meet all the new standards, let alone try to keep up with the financial obligation to the State of Alaska. It now costs us about \$300.00 per ounce to mine.

All indications from media financial advisors in various newsletters is that the price of gold appears to finally be on a trend upwards. A two year moratorium would give us time to negotiate a sale and thus be able to pay our loan off. If the state decides to foreclose in the meantime, we will all lose.

I have been a resident of Fairbanks since 1943, my wife was born here.

We do need some help in the way of a moratorium or we are definitely going to go under, as will many other miners in the interior.

WE STRONGLY SUPPORT SENATE BILL 200.

Sincerely,

Ed. Montgomery
Ed Montgomery, Owner

1455 SKYLINE DR.
FAIRBANKS, AK. 99712

4-8-87

THE HONORABLE SENATOR Coghill
ALASKA STATE LEGISLATURE
POUCH V - MS 3100
JUNEAU, ALASKA 9.811

RE SB 200; STATE Mining Loans

DEAR JACK,

I am writing this letter in response to the aforementioned bill, and to thank you personally for getting the focus on the situation faced by the mining community in our great state.

As you are well aware, the very founding of our constitution was based on multiple land use, and that a prime priority of the state was to ensure a good climate for economic growth in our state. Therefore, any assistance that I can provide you with the bill will be a labor of love. I come from a mining family, and was born in Wiseman in 1933, ^{and} now mining claims that my ^{past} father started in 1926.

SB 200 will address the issue faced by the industry because of the

Lack of support to the miner in the
past ^{administration} BECAUSE the bill will allow both
the time necessary to sort out all
the legal issues, and to allow the miner
time to face the added cost of the
new regulations that have recently been
imposed by BLM.

Please feel free to use this letter in
any way you wish. Again thank you,

Sincerely,

Vernon F. Mills
Chief, Wiseman

CC SENATOR FAIRCENKAMP
SENATOR FAIRS
SENATOR BENNETT



Telegram

4-040314S103 04/13/87

1987 APR 13 21 46

ICS IPMRNCZ CSP

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FMS SENATOR JACK COGHILL

JUNEAU AK 99801

PLEASE SUPPORT SB200 MINING LOAN MORATORIUM.

JOHN A MISCOVICH

1093 NORTH GREENGROVE ST

ORANGE CA 92667

1928 EST

IPMAFUB AHG

April 10, 1987

APR 22 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Susan Eickermann
P.O. Box 10229
Fairbanks, Alaska 99710

April 10, 1987

APR 22 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Paul Eickermann

Paul Eickermann
P.O. Box 10229
Fairbanks, Alaska 99710

April 10, 1987

APR 21 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I am a resident of the state of Alaska, and have mined with my uncle, Dell Johnson, for many years. I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Cary Hudson

Cary Hudson
1435 Preston Trail
Harlingen, Texas 78552
PH: (512) 428-8877

April 10, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

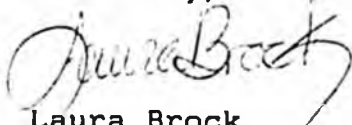
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I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Laura Brock
2294 Polar Bear Court
North Pole, Alaska 99705

April 10, 1987

APR 21 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Lenora M. Smith

Lenora Smith
1361 Ivy Circle
Wasilla, Alaska 99687
Ph: (907) 373-3055

April 10, 1987

APR 21 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

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Sincerely,



Roger D. Mechon
12830 Summer Drive
Anchorage, Alaska 99516
Ph: (907) 345-6608

April 10, 1987

APR 21 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

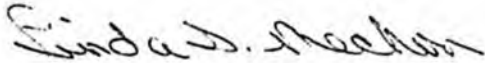
Dear Senator Coghill;

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Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Linda S. Mechon
12830 Summer Drive
Anchorage, Alaska 99516
Ph: (907) 345-6608

April 7, 1987

The Honorable Senator Jack Coghill
Alaska State Legislature
Pouch X-MS 3100
Juneau Alaska

SUBJECT: STATE MINING LOANS SB-200

Dear Senator Coghill:

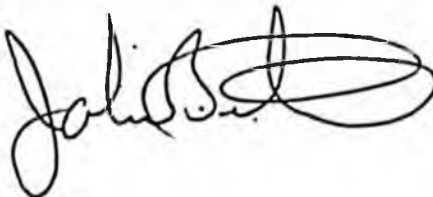
I am writing in reference to SB-200 which I support. This is very important to the local miners under State Mining Loans.

Due to the enforcement of unreasonable and some unattainable regulations being imposed on the mining industry, they need to get some relief immediately on their loans, in order to continue mining with the new restrictions.

SB-200 will have a dramatic influence on the future economy of the State of Alaska and its residents if it is not passed. Many of the miners will continue to default on their loans and leave the Mining Industry and the State of Alaska with their defaulted loans. This will result in a substantial loss of revenue both for the State of Alaska and private industry and a substantial lay off of personnel no longer required in the mining industry.

I am requesting that you support SB-200 to insure that the Mining Industry remains a healthy, sustained industry with a future for all of us..

Very truly yours,



CC: Senator Bettye Fahrenkamp
Senator Don Bennet
Senator Jan Falks

April 7, 1987

The Honorable Senator Jack Coghill
Alaska State Legislature
Pouch X-MS 3100
Juneau Alaska

SUBJECT: STATE MINING LOANS SB-200

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Very truly yours,

Mark C. Roper

CC: Senator Bettye Fahrenkamp
Senator Don Bennet
Senator Jan Falks

April 7, 1987

The Honorable Senator Jack Coghill
Alaska State Legislature
Pouch X-MS 3100
Juneau Alaska

SUBJECT: STATE MINING LOANS SB-200

Dear Senator Coghill:

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CC: Senator Bettye Fahrenkamp
Senator Don Bennet
Senator Jan Falks

April 7, 1987

The Honorable Senator Jack Coghill
Alaska State Legislature
Pouch X-MS 3100
Juneau Alaska

APR 10 1987

SUBJECT: STATE MINING LOANS SB-200

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Very truly yours,

Gwen Williamson
4010 #1 Pine St
J. Wainwright Ak 99703

CC: Senator Bettye Fahrenkamp
Senator Don Bennet
Senator Jan Falks

April 6, 1987

Senator Jack Coghill
PO Box "V"
Juneau, AK 99811

Senator Coghill:

Please support SB#200. My family has been involved in mining for years and even though we do not have a State mining loan; the two year moratorium on the mining loans would be a definite boon to those struggling miners now caught in the State and EPA's web of costly rules and regulations. Many regulations which were imposed after the loans were already finalized.

Minerals are a valuable resource of the State and Miners are the means to cheaply extract them; therefore we should protect and support them 100%.

With all the new regulations various agencies are imposing on the miners, wouldn't it be a gesture of good faith to give them a financial break that would better prepare them to meet those expensive new standards?

Please protect the State's oldest, most valuable way of life.

Sincerely,

Bretton J. Henning
461 Henning Rd.
Fairbanks
Alaska 99712

April 6, 1987

Senator Jack Coghill?
PO Box "V"
Juneau, AK 99811

Senator Coghill:

Please support SB#200. My family has been involved in mining for years and even though we do not have a State mining loan; the two year moratorium on the mining loans would be a definite boon to those struggling miners now caught in the State and EPA's web of costly rules and regulations. Many regulations which were imposed after the loans were already finalized.

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Please protect the State's oldest, most valuable way of life.

Sincerely,

Harold R. Herring
461 Herring Rd
Fairbanks Alaska

April 6, 1987

APR 13 1987

Senator Jack Coghill
PO Box "V"
Juneau, AK 99811

Senator Coghill:

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Please protect the State's oldest, most valuable way of life.

Sincerely,

Chris Rice
2037 Amy Dyan Rd.
FBIK 99712

April 6, 1987 PR 1 3 1987

Senator Jack Coghill
PO Box "V"
Juneau, AK 99811

Senator Coghill:

Please support SB#200. My family has been involved in mining for years and even though we do not have a State mining loan; the two year moratorium on the mining loans would be a definite boon to those struggling miners now caught in the State and EPA's web of costly rules and regulations. Many regulations which were imposed after the loans were already finalized.

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Please protect the State's oldest, most valuable way of life.

Sincerely,

Gregory Alan Dick

APR 13 1987

April 7, 1987

The Honorable Senator Jack Coghill
Alaska State Legislature
Pouch X-MS 3100
Juneau, Alaska 99802

SUBJECT: STATE MINING LOANS SB-200

Dear Senator Coghill:

I am writing in reference to SB-200 which I support. This is very important to the local miners under State Mining Loans.

Due to the enforcement of unreasonable and some unattainable regulations being imposed on the mining industry, they need to get some relief immediately on their loans, in order to continue mining with the new restrictions.

SB-200 will have a dramatic influence on the future economy of the State of Alaska and its residents if it is not passed. Many of the miners will continue to default on their loans and leave the Mining Industry and the State of Alaska with their defaulted loans. This will result in a substantial loss of revenue both for the State of Alaska and private industry and a substantial lay off of personnel no longer required in the Mining Industry.

I am requesting that you support SB-200 to insure that the Mining Industry remains a healthy, sustained industry with a future for all of us.

Thank you.

Sincerely yours,



Kay Harmsen
P.O. Box 58225
Fairbanks, Alaska 99711

CC: Senator Bettye Fahrenkamp
Senator Don Bennett
Senator Jan Falks

15 Glacier St.
Fairbanks, Alaska 99701
April 6, 1987

APR 13 1987

Senator Jack Coghill
PO Box V
Juneau, Alaska 99811

Dear Senator Coghill:

In my opinion the MORATORIUM ON MINING LOANS is very important to the State of Alaska, and well deserved by the miners. I pledge my support to this Bill No. 200!

This state was built on mining and it should certainly support the miners every way possible, and particularly by passing this bill as offering some relief to the burdens imposed on them daily by some new rule or regulation.

Please do what you can to get this bill passed. Thank you.

Sincerely,

Rory Cruikshank

Rory M. Cruikshank

PO Box 60437
Fairbanks, Alaska 99706
April 7, 1987

APR 13 1987

Senator Jack Coghill
Pouch V
Juneau, Alaska 99811

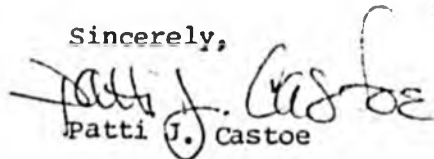
Re: SENATE BILL NUMBER 200

Dear Senator Coghill:

On behalf of my parents who are miners, as well as all miners in the State of Alaska, this is to stress how important I believe it is to pass Senate Bill No. 200 relating to a moratorium on mining loans.

If we lose placer miners, we lose a very big part of the history of Alaska.

Sincerely,


Patti J. Castoe

HEAVY METALS NORTH
LOYAL E. JORDAN
P.O. BOX 74410
FAIRBANKS, ALASKA 99707

APR 13 1987

April 7, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

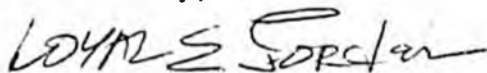
Re: Senate Bill 200

Dear Senator Coghill;

I have been mining in the state of Alaska for fifteen years. It has been my only income during those years. Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet. Therefore, I strongly urge the senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Loyal E. Jordan

Michael D. Balen
S.R. Box 8848
Indian, Alaska 99540

Senator Jack Coghill
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

APR 13 1987

Dear Senator Coghill,

I am writing to you to express my support for SB 200 - "Mining Loan Moratorium". I feel this will be of great assistance to the states miners who are under ever increacing financial stress due to the unfavorable regulatory climate with respect to mining in Alaska. I am not a miner myself, but I currently work directly in the minerals industry in Alaska, and have been a miner in the past. I urge support on any legislation favorable to mining in Alaska. I feel that a mineral rich state such as ours should be able to create a positive environment for the development of private industry in minerals exploration and mining.

I wish to extend my thanks for the support you have shown the mining industry in Alaska, and I hope through continued efforts such as yours, that Alaska will soon be a recognised world class minerals producer.

Sincerely,



Michael D. Balen
Mining Engineer
U.S. Bureau of Mines

APR 13 1987

April 7, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

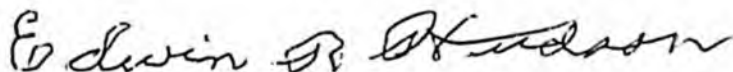
Dear Senator Coghill;

I would like you to know that I support Senate Bill 200 that calls for a two year moratorium on mining loans.

While I have retired and am no longer mining myself I still have family that are.

In view of the moratorium placed on farming and fishing loans I feel mining should be given the same consideration since the economy has affected the miners as well.

Sincerely,



Edwin R. Hudson
7224 Chilacot
Boise, Idaho 83709
PH: (208) 362-9366

April 7, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

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Sincerely,

Dorothea D. Hudson

Dorothea D. Hudson
7224 Chilacot
Boise, Idaho 83709
PH: (208) 362-9366

APR 13 1987

MARI E. JORDAN
P.O. BOX 74410
FAIRBANKS, ALASKA 99707

APR 13 1987

April 7, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

My husband and I have been mining in the state of Alaska for fifteen years. It has been our only income during those years. Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet. Therefore, I strongly urge the senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Mari E. Jordan

Mari E. Jordan

1616 S. Cushman St.
Fairbanks, Alaska 99701
Apr ' 7, 1987

APR 14 1987

Senator Jack Coghill
PO Box V
Juneau, Alaska 99811

Re: SENATE BILL NO. 200

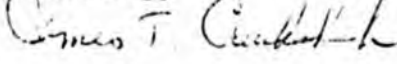
Dear Senator Coghill:

This is to offer my wholehearted support to Senate Bill 200,
a MORATORIUM ON MINING LOANS.

It is absolutely vital we try to keep the placer mining industry
going as it has been and will continue to be essential to the finan-
cial growth of Alaska.

In my opinion this bill is as necessary to the miners as the
moratoriums already in place for the fishing and farming industries.

Sincerely,



James T. Cruikshank

April 10, 1987

APR 15 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Cliff Hudson
322 Slater Drive W.
Fairbanks, Alaska 99701
Ph: (907) 456-6149

April 10, 1987

APR 15 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

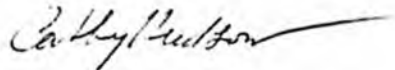
Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Cathy Hudson
322 Slater Drive W.
Fairbanks, Alaska 99701
Ph: (907) 456-6149

April 10, 1987

APR 15 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Sarah Y. Kignak

Sarah Kignak
P.O. Box 72888
Fairbanks, Alaska 99707
PH: (907) 488-1908

April 10, 1987

APR 15 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

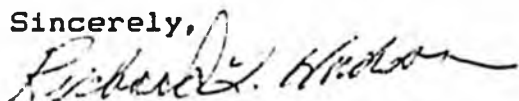
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I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Richard Hudson
P.O. Box 72888
Fairbanks, Alaska 99707
PH: (907) 488-1908

April 10, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

APR 15 1987

Re: Senate Bill 200

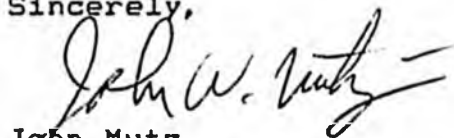
Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



John Mutz
P.O. Box 10207
Fairbanks, Alaska 99710

April 10, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Mark R. Montgomery
P.O. Box 1129
Fairbanks, Alaska 99701
Ph: (907) 474-0441

APR 15 1987

April 10, 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

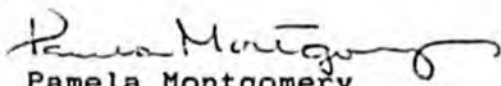
Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill. 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,


Pamela Montgomery
P.O. Box 1129
Fairbanks, Alaska 99701
Ph: (907) 474-0441

APR 17 1987

April 6, 1987
665 Farmers Loop
Fairbanks, AK. 99712

Senator Jack Conhill
Senate Resources Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Conhill,

We are writing to ask for your support of Senate Bill
No. 200.

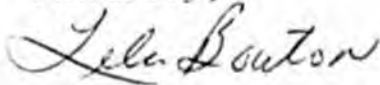
We obtained a State mining loan with an approved plan
of operation from the State. Since that time water
quality standards are such that we can not mine at our
full potential. It would be a financial disaster for
us to subject ourselves to fines of up to \$25,000.00
per day. We have worked very hard to try to meet water
quality standards and keep our loan current.

If we were to default on our loan not only would we
lose our equipment but also our home and land that
was used as collateral for this loan.

As you can see, we have been put in a very compromising
position with trying to mine to pay back our loan and
meet impossible water quality standards set by the State.

Thank you for your support.

Sincerely,



Glenn and Lela Bouton

April 10, 1987

APR 17 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200


Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



Helen Alm
P.O. Box 121
Homer, Alaska 99603
Ph: (907) 235-8825

April 7, 1987
509 Farmers Loop
Fairbanks, AK. 99712

Senator Jack CoPhill
Senate Resource Committee
Pouch V
Juneau, AK. 99811

Dear Senator CoPhill,

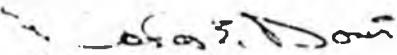
We ask for your support of Senate Bill No. 200.

Being from a family that mines we are familiar with the mining industry. Miners obtained loans and are now unable to mine to their full potential because of restrictive regulations. .

We feel the State of Alaska should work with the mining industry to promote the economy of Alaska.

Thank you for your support.

Sincerely,



Patricia Davis
Douglas and Patricia Davis

April 7, 1987
667 Farmers Loop
Fairbanks, AK, 99712

Senator Jack Coghill
Senate Resource Committee
Pouch V
Juneau, AK. 99811

Dear Senator Coghill,

We are writing to ask for your support of Senate Bill No. 200.

We feel the State of Alaska should work with the mining industry to promote the economy of our State.

Thank you for your support of this bill.

Sincerely,

Steve & Tanya Rickman

Steve and Tanya Rickman

April 7, 1987
665 Farmers Loop, #4
Fairbanks, AK. 99712

Senator Jack Coqhll
Senate Resource Committee
Pouch V
Juneau, AK. 99811

Dear Senator Coqhll,

I am writing for support of Senate Bill No. 200.

HAVING worked in the mining industry I am aware that many miners are having difficulty paying their State Mining Loans. The problem is that they can not mine at full capacity because of restrictive regulations.

Thank you.

Sincerely, *Bruce Whitebear*

Bruce Whitebear

April 6, 1987
790 Cessna Drive
Fairbanks, AK. 99712

Senator Jack Coghill
Senate Resource Committee
Pouch V
Juneau, AK. 99811

Dear Senator Coghill,

We are writing to ask for your support of Senate Bill No. 200.

We feel the State of Alaska should work with the mining industry to promote the economy of the State.

Being from a mining family we are familiar with the mining industry. Miners were given mining loans and are now unable to mine at their full potential because of restrictive regulations.

Thank you for your support.

Sincerely,

Sherri & Vern Bouton

Vern and Sherri Bouton

April 10, 1987

APR 17 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

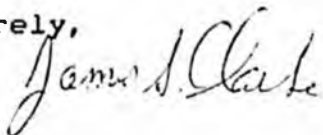
Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,



James Clarke
P.O. Box 10640
Fairbanks, Alaska 99710

April 10, 1987

APR 17 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Ty O. Montgomery
Ty O. Montgomery
P.O. Box 1129
Fairbanks, Alaska 99701
Ph: (907) 474-0441

April 10, 1987

APR 17 1987

Senator Jack Coghill
P. O. Box V
Juneau, Alaska 99811

Re: Senate Bill 200

Dear Senator Coghill;

I strongly urge the Senate to support Senate Bill 200 that calls for a two year moratorium on mining loans.

Lately with the economy being what it is, it seems harder and harder for the miners to make ends meet.

I also feel that since the farmers and the fishermen were given that option, that it is only fair that the miners be given the same consideration.

Sincerely,

Natalie Montgomery

Natalie Montgomery
P.O. Box 1129
Fairbanks, Alaska 99701
Ph: (907) 474-0441

DRAFT COMMITTEE SUBSITUTE FOR SB 200

THIS DRAFT INCLUDES LANGUAGE THAT DCED SUPPLIED IN ADDITION TO LANGUAGE OF THE SPONSOR (WHICH IS UNDERLINED),

FOR AN ACT ENTITLED: "AN ACT MAKING CHANGES TO THE MINING LOAN FUND AND PROVIDING FOR AN EFFECTIVE DATE."

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

SECTION 1. AS 27.09.040 (A) (2) IS AMENDED TO READ:

SEC. 27.09.040 (A)(2) MAY NOT EXCEED A TERM OF 15 YEARS EXCEPT FOR EXTENSIONS OR MODIFICATIONS UNDER AS 27.09.048.

SECTION 2. AS 27.09 IS AMENDED BY ADDING A NEW SECTION TO READ:

SEC. 27.09.048. EXTENSIONS AND MODIFICATIONS. THE DEPARTMENT MAY GRANT EXTENSIONS OR UTILIZE MAXIMUM FLEXIBILITY, INCLUDING INTEREST WRITE DOWNS OR INTEREST WRITE OFFS, WHEN MODIFYING EXISTING REPAYMENT PLANS TO ASSIST BORROWERS THAT:

- 1) HAVE EXPERIENCED POOR MINING SEASONS; OR
- 2) CAN SHOW THAT THE REGULATORY CONDITIONS AFFECTING MINING OPERATIONS UNDER WHICH THE LOAN WAS GPANTED, WERE CHANGED BY THE STATE IN A MANNER WHICH INHIBITS THE BORROWER FROM FULFILLING THE TERMS OF HIS LOAN.

RESOLUTION

WHEREAS the state water quality regulations have placed miners in a position of having to meet uneconomically attainable standards, and

WHEREAS miners therefore cannot economically operate and thus pay back their loans, and

THEREFORE BE IT RESOLVED THAT THE MINERS ADVOCACY COUNCIL UNANIMOUSLY SUPPORTS PASSAGE OF SENATE BILL 200.

Passed this 7th day of April 1987.

Signed

Josh Moore

Josh Moore
President

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF INVESTMENTS

STEVE COWPER, GOVERNOR

P. O. BOX D
JUNEAU, ALASKA 99811-0800
PHONE: (907) 465-2510

April 20, 1987

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

Dear Senator Coghill:

In response to the question raised by Senator Duncan during the April 16, 1987 Senate Resources Committee hearing, following is the information on the division's practices of recording liens on loan collateral.

Specifically, Senator Duncan questioned what types of property were recorded under the Uniform Commercial Code (UCC). We follow the UCC guidelines published by the Alaska Department of Natural Resources; generally the types of property registered under UCC include:

- | | |
|-----------------------|--|
| Mobile homes | Accounts receivable |
| Inventory | Chattel paper |
| Machinery | Certain types of vehicles |
| Equipment | General intangible personal property |
| Contract rights | Consumer goods for commercial purposes |
| AK-registered vessels | |

The division also registers property through other organizations:

- Vehicles and equipment for highway use - Division of Motor Vehicles
- Airplanes - Federal Aviation Administration
- Real property and certain types of consumer goods - District Recorder
- Limited entry fishing permits - Commercial Fisheries Entry Commission
- Documented vessels - U.S. Coast Guard

In every circumstance when collateral is taken on a loan, we secure that property through one of the avenues mentioned above, although this practice may not have been consistently followed in the past.

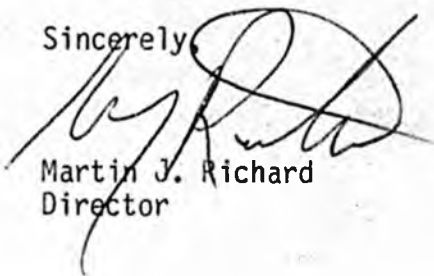
Honorable Jack Coghil

-2-

April 20, 1987

I hope this information is helpful. Please let us know if you have any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin J. Richard", written over the word "Sincerely,".

Martin J. Richard
Director

MJR/wfs0216Y
42087a

cc: Senator Jim Duncan

GOLD DUST MINES

POST OFFICE BOX 2151

FAIRBANKS, ALASKA 99707

4/5/87

The Honorable Senator Coghill
Alaska State Legislature
Pouch V- MS 3100
Juneau, Alaska 99811

APR 8 1987

RE: State Mining Loans, SB 200

Dear Jack,

I am writing this letter in support of SB 200 and why this bill is such an important matter for 39 mining Company's operating under State Mining Loans.

Because of the uncertainty in regulations and current pending Law suites, (Seirra vs. BLM) the added costs to our operation (Gold Dust Mines) has been financially devastating.

One of the requirements to qualify for a State Mining Loan was for the Miner or Mining Co. to have at least 5 years of mining experience showing a profit on the ground they have been mining. Of course 5 years of mining produces 5 years of tailing piles. Again in our case we have been mining at our present site for 20 years and have 20 years of tailing piles.

The agreements that came out of the Seirra Club vs. BLM suite last spring now make it mandatory for all operators to complete rectro active reclamation back to 1981. BLM was found to be at fault for no-enforcement of FLMPA laws by BLM.. The miners were caught in the middle.

The affect that this decision has had on our mining operation are two fold. First of all the reclamation from year to year has been worked into our plan of operation with only about a 10% added cost. But to go back into old tailings from past years, the cost has been staggering. In our case these old tailings are permanently frozen and requires much effort and equipment time to accomplish this. It took 346 hrs. of equipment time and 692 man hrs. at a cost of approx. \$250,000.00 to meet our rectro active requirements for last year before we were allowed to continue our operations. This also caused us to loose about 31 days of our mining season which was critical to us. This same process will continue for a least two to three more years for us until we reclaim all land disturbed since 1981.

If we had known that this would have been a requirement for us to accomplish this type of reclamation in the past years we could have made the changes in our operations at that time to accomplish this, but when the requirements change from year to year the extra cost has put our State Mining Loan in default because of the added cost to our operation. With the passage of SB 200 we could gain the vital needed time to divert the moneys to keep our operation going and meet the Sierra Club demands. Its a shame that the better operations with a history of mining was hardest hit with this law suite.

Best Regards,



D.M. Ackles
Gold Dust Mines

cc: Senator Fahrenkamp
Senator Bennett
Senator Falks

To senator Coshill, my name is
Jim Dale, attached are some letters
reflecting my situation. I have a State
Mining Loan # 40-200-406. any
questions you might have please contact
me or Debbie my wife at 488-1717 home
or 452-7111 at work.

Thank you
Jim Dale

December 1, 1986

To Whom it may concern:

In an attempt to obtain temporary relief from our debtors;; yet still continue any and all payments and/or obligations financially; we submit the following.

In reference to Loan # _____

We are placer miners in the Fairbanks Mining District and have been since spring 1982. We have placer mined in Alaska as a sole support for our family of 10, for the past 11 years. We have been able to make adequate funds to maintain our home and lifestyle until the Government and State Environmental Agencies began enforcing regulations "Reg's" invented by their offices, in order to prohibit mining in the State.

In 1983 and 1984, "they" (the said agencies) came on to our mining properties, "in coercion" and against our will, and took water samples from our waters at their selected places and times in an attempt to shut us down.

We were then given a fine of \$10,000. (exhibit 1) which we paid part on, but did not finish, because as the issues began coming into the courts, no-one knew what should be done, or what was fair and admissible. (exhibit 2)

Our case was two years in the court system before the Attorney Generals' Office began taking hold and lien on properties in the mining district in order to collect monies on all the water quality fines they had been issuing to miners.

Then in July 1986 the A.G.s' office issued an order to sieze property worth a great excess in the amount we owed, and most of it not even being owned by us, but only being used by our operation, or sitting on the sight. (exhibit 3) We answered to inform them of their mistake, and made several phone call attempts to work with the A.G.s' office on a payment plan, but were never answered or even allowed to talk to anyone. We then put in a written attempt which was registered and recieved, (exhibit 4) and asked for a payment plan.

The next thing that happened was we pulled into the scales with our tractor and semi, and while gone to obtain a travel permit, persons employed by EPA, DEC in co-execution with the A.G.s' office, broke into and hot-wired our tractor, and stole the tractor, lowboy.

and the loader we were hauling for someone else. We were then informed by phone, that "they" had our equipment and would be auctioning it to pay the fine, and the fact that it was three to four times over the value of the fine did not matter. We filed (exhibit 5) in the court and as yet do not know where our status is on the fine, or the auction.

As you can see, "they" have made it as hard as possible for miners to continue their livelihoods, in fact, many miners have just plain given up, feeling powerless against these persons, and situations.

We have not given up nor ever intend to. We enjoy our livelihood, and believe what they are doing is wrong, and eventually there will be relief or ways to work around them. But regardless, we are hard-working people, and intend to stay in business.

We leased another tractor in order to fulfill our obligations to contracts, or complete ones in progress, for hauling. We still have most of our equipment with which we try to put to work in snow-removal or such this winter in order to survive. Come next mining season we will be mining again, and have a lease on a piece of property with a long excellent track record for placer mining. (see said lease agreement attached)

We have not gotten any more water fines recently because now we re-cycle our operation in an attempt to maintain zero discharge into the stream. In order to set up our operation to do this, and meet their Regs', it has cost us approximately \$160,00. in the past two seasons. Total losses since 1982 due to environmental issues, has been \$687,000. We now operate this way and should be able to pay these debts of re-designing in one or two seasons.

We should be able to resume full payments, plus make-up payments in July 1987. We did similar this past spring when we had gotten behind on our payments by three months then did a payment in excess of \$5,000 to catch up.

We are willing to make $\frac{1}{2}$ payments and then resume full payment and a make-up one at that time, or possibly pay the entire behind amount with the first full payment. Preferably in July, as that is when we will be sure to be pulling money out of the operation.

Thank-you for your help and consideration.

Sincerely,

3

To. . .
Of The Great State of Alaska,

My name is Jimmie Dale. This letter is in reference to case.
#4FA-84-1920 Civil.

To get to the point, the State has adopted some water quality regulations for mining that are incredibly difficult to achieve. They are so difficult that even the State can't meet their own regulations in any of the state parks. (DEC, Fish and Game, etc.)

I have done everything that anyone has asked me to do, or required me to do, and all of this has been done at my own expense, and I will continue to improve on the water quality at my mine sight.

In the meantime, I need some relief from this horrible onslaught of persecution from the State Dept. of Environ. Conservation, and Fish and Game. They have fined me \$16,000. and have taken \$45,000. worth of equipment and are trying to get another \$200,000. worth of equipment for the one \$16,000. fine. Here are the facts on how they took my equipment. It was at the end of the mining season, 1986, and I was hauling in a 980 Cat Front-end Loader with my 1980 White Western Star Semi Truck, and a 1975 3-axle low-boy trailer. I had to cross the scales and get a permit for over-width. They would not give me a permit, so while I was in town getting a permit, persons from the said agencies in Co-execution with John McDonagh of the Attorney Generals' Office, broke the ignition switch out of the dash of said Semi Truck, and hot-wired the ignition and took said truck and trailer and loader to the Dept. of Transportation impound yard. I then recieved a phone call saying, we have your truck and load. The Attorney Generals' Office said it was legal because they had a writ of execution over water quality regulations. A point to note is, that even before this happened, I tried to work with the A.G.s' Office on some sort of payment plan, and they would not talk to me over the phone at several attempts, were not in when I went in person, and did not answer certified written attempt.

I read in the United States Constitution, in Amendment 14, that

(4)

"No State shall deprive any person of life, liberty or property, without due process of law." I have asked for a trial and have been denied. I have asked for a hearing and have been denied. I also read in the Constitution of Alaska, Article 1 Section 7, that; "No person shall be deprived of life liberty or property without due process of law. The right of all persons to fair and just treatment in the course of legislative and executive investigations shall not be infringed." Also, Judge VanHoomissen, once said, in State of Alaska vs Dale Order Denying Temporary Restraining Order, in his Conclusions of Law, that "The selective enforcement of the water quality standards in this case (4FA-84-1920 Civil) without clear and unequivocal standards for such enforcement violates the defendants' rights under Article I, Sec. 7 of the Constitution of the State of Alaska." and also that "If the water quality standards of the state are to be discretionaly enforced, clear and unequivocal guildlines must be established so that miners can know with some dgree of certainty how the law is to be applied."

I have never at any time given anyone permission to search or sieze my property, and have never been issued a warrant. The only thing that I ever signed, which led up to the judgement on the \$16,000. , I did not understand. I informed them of such. Plus, I have found some new evidence with a witness, that I think would prove my case.

I desperatly need some help, to get some relief. I need my equip-ment back so I can earn some money and support my family. I am married and have seven children at home. I have always done well, in the past 10 years of mining in Alaska, at supporting my family. But, the recent onslought of persecution by DEC, and Fishand Game have put us in extreme financial hardship.

The bottom line is, I have done everything possible to have the best water quality that I can. I am a very good miner with a lot of experience and a lot of high-teck ideas, that I will incorp-orate if given a chance. Please help me. I will work with you any way that I can. I have and will continue to support you.

Sincerely,

Jimmie Dale

DBA J&D Mining
3644 Eddie Road
North Pole, Ak (52)



POLAR AUTOMOTIVE

1/10th Mile Dennis Road
Telephone: 907-488-6818

S.R. Box 70652
Fairbanks, Alaska 99701

April 12, 1987

Senator Jack Coghill

In reference to Senate Bill 200 granting the miners a two year moratorium, we are all in favor of this for the miners to give them a chance to reorganize.

It is a too bad that due to the financial strain many of them have been forced out of business, and the stronger are now having to fight the environmentalists. Had we all known 25 years ago that Statehood would give us all these radical environmentalists we probably would never have voted on joining the Union.

These do gooders from the lower 48 should stay down there and keep their noses out of Alaskan affairs.

Lets get back to running Alaska for Alaskans' instead of for the benefit of all these people who can't do anything other than work for the Government harrassing people who are hard working and not sitting around smoking cigarets, drinking coffee and dreaming up more ways to make it rough on our truly Alaskan spirited people .

Yours truly,

Hardin & Joan

HARDIN AND JOAN TERREL

①

Valley Construction Inc.
2½ mile Badger Road
North Pole, Alaska

Senator Coghill,

The mining industry needs help! Senate Bill # 200 would give them the help they need so desperately.

The mining industry create a lot of jobs for many Alaskans.

I would like to bring to your attention the wide variety of business it takes for a mine to operate.

Bulk Plants, fuel, gas, diesel, propane, heavy equipment, steel machine shops, trucking company's, Insurance Agency's, Law Firm's to fight EPA, Parts Store's, The many state and federal officials, Surveyors, Engineers, Whole Sale Houses, Lumber and Building supplies, Grocery Stores, not to mention the direct employes.

The miner has a high overhead and the EPA is close financially breaking them.

Senate Bill#200 would be an answer to their problem. The miner puts more back into the state than any one business I know of.

Thank You,



Vern Still

Vally Construction Inc.

1366 Fickes Loop
Space 11
North Pole, Ak. 99705
April 9, 1987

Senator Coghill,

Subject: Senate Bill # 200

This should help a lot of miners that are on the verge of defaulting on their mining loans.

With a two year moratorium they will be able to get their mines back on a paying basis.

One other thing to help all Alaskans and small business is to cut the EPA's budget and put a stop to any further un-needed regulations.

Sincerely yours,

Dorothy H. Montgomery
Dorothy Montgomery

Boulder Creek Mining Co.
P.O. Box 2618
Fairbanks, Alaska 99707
April 10, 1987

Senator Coghill;

Bill # 200 concerning a two year moratorium on mining loans will help a large number of placer miners to reorganize their operations, and to meet increased environmental standards. It will also give them a chance to get their equipment in shape, and put their operations on a paying basis for future years.

We need more private business and less regulation to make Alaska prosper.

Sincerely,

Dorothy M. Fickes
Les Fickes

Les & Dorothy Fickes

Boulder Creek Mining Co.

April 13-1987

To Senator Coghill,

I am writing in concern to the
Senate Bill 200.

I am in favor of this instead
of the miners going out of business.
We can at least give them a chance
to reorganize. These are some hard
working people + I think they at
least deserve a chance.

Thank You

Mrs Carson Starkey

Mr. Cameron Starkey

(5)

Big State Equipment
Van Horn Road
Fairbanks, Alaska
April 10, 1987

Senator Coghill,

I support Senate Bill # 200 and think it is a step in the right direction to help private enterprise be successful in Alaska.

The mining industry is important to Alaska's future, and steps should be taken to stop the continued harrassment to the industry by the EPA.

Yours Truely,



Joe Gilbertson
DBA Big State Equipment
DBA Aurora Trucking

North Pole Taxi
2026 Kendall Ave.
North Pole, Ak. 99705
April 8, 1987

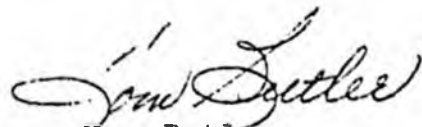
Senator Coghill,

I am in favor of Senate Bill - 200.

With all the regulations the EPA has put on the miners, it has caused a financial diffcultive for them. The two year moratorium would inable most miners to meet both the EPA standards, and start repaying their mining loans.

The miners create a lot of jobs for Alaskans, and for the most part this money stays in Alaska.

Sincerely Yours ,



Tom Butler

DEA North Pole Taxi

Dear Senator Coghill:

April 13, 1987

I am deeply concerned about Senate Bill #200. As you know, the economy of this great state is cause for concern by all its citizens now. I believe anything that can be done to help the miners at this time would be greatly appreciated. Let's give them a chance for survival! I urge you to vote yes on Senate Bill #200! Thank you for your concern and support.

Sincerely,
Pat + Carol Oganne

P.O. Box 58269
Fairbanks, Ak 99711
April 13, 1987

Senator Jack Coghill,

We have just heard of your Senate bill #200, and are in favor of it. It would give the miners an extension to get their finances in shape, after the hardship the EPA has put them through.

This state needs the mining industry for its economy, so lets give them some help.

Sincerely,

Dave Henry

April 7-87
Btl, ak
99726

Senator
Jack Coghill:

Perhaps never in the history of the union has a state done so little to help a group of business men and women, namely the Alaskan miners.

The State and the U.S. Congress pass laws to support fishing, Fisheries and major contribution to the fishing industry.

Agriculture and Forestry loans and regulations support these industries both state and federal agencies uphold the needs of agriculture.

The Alaska miner stands alone, blasted by state and federal water standards that increased the cost of mining, double & triple in the last 2-3 years.

Equipment and repair costs are up.
Mining loan interest is unnecessarily high.

The State has done nothing to aid miners access on 2477 or other trails and access corridors.

Federal actions have closed down thousands of acres of mineral land once open to miners.

Competition from ~~Canada~~^{Canada}, Russia, South Africa; Australia & South America and other countries where wages are cheap and Government support is high, compete against Alaska miners.

If Alaskan miners must compete alone with out State Aid, lower interest, longer

term mining loans and a 2 year moratorium
on payments, the future of mining and
mineral exploration and development may very
well collapse and ~~mining~~ mining by Alaska
long time experienced residence will
be a lost business.

Thank you
Mick & Cec Mann
& Family
Bethel, ak 99721

Alaska is a vast unexplored mineral Belt.

New technology to develop paying mines has not
been given the time to develop Alaskas mineral industry
Do not kill the goose that could lay Halden Eggs
for Alaskas ailing economy by financially
strangling Alaska mines. While they already
struggle on regulations will only drive Alaskas
economy deeper into a financial depression

Thank you for
your consideration



LIVENGOOD/TOLOVANA MINING DISTRICT

P. O. BOX 73069 - FAIRBANKS, ALASKA 99705

April 7, 1987

APR 9 1987

Senator Jack Coghill
Senate Resources Committee
Pouch V
Juneau, Ak 99811

Dear Senator Coghill;

I am writing on behalf of the Livengood/Tolovana Mining District to ask your support for SB 200.

There are several miners in our District that are having difficulty paying their state loans. The difficulty lies in their ability to mine at their full potential due to water quality problems.

It is ironic that the State of Alaska has instituted a mining loan program, and then has condoned the imposition of restrictive regulations that stifle mining. It has put those miners that have loans in a very compromising position.

Therefore, the Livengood/Tolovana Mining District would like to ask that the State put a moratorium on the mining loan program until such time as the regulations are compatible with good mining practices.

Thank you for your consideration.

Sincerely,

Rose Rybachek, President