

HB

296

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HB 296

Revision Date (Note if correction) _____ Dept. Affected DCED
 Title Extend the Alaska Minerals Commission BRU Trade & Development
 Component Trade & Development
 Sponsor Rep. Brice
 Requester House Resources Component Serial No. 2277

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Alaska Minerals Commission has annual expenditures of \$6,700 for ongoing administrative costs, based on funds spent in FY97. The expenditures include travel, per diem, meeting expenses, preparation and printing of the annual report. Projected expenses are contained in DCED's proposed FY99 operating budget.

Prepared by Karl Ohls Phone 465-5467
 Division Trade & Development Date Jan. 29, 1998
 Approved by Commissioner Deborah B. Sedwick Date 1/29/98
 Agency House Resources

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Representative Tom Brice

ALASKA STATE LEGISLATURE

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While in Juneau
State Capitol
Juneau, AK 99801-1182
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Memorandum

To: Representative Bill Hudson
Co-Chairman, Alaska State Legislature

From: Representative Tom Brice 

Date: January 12, 1998

RE: HB 296 "An act extending the termination date of the Alaska Minerals Commission."

I respectfully request that this bill is scheduled for a hearing in your committee.



Representative Tom Brice

ALASKA STATE LEGISLATURE

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REPRESENTATIVE TOM BRICE SPONSOR STATEMENT for HB 296

The State of Alaska has an enormous wealth of mineral deposits and mines within its borders. The total value of the minerals industry increased 23 percent in 1996 alone to a record \$1,029.0 million, the first time that the industry has exceeded the one-billion dollar mark in a single year. Estimates say that the total value of the industry will continue to grow with proper management.

The Alaska Minerals Commission is composed of 11 members who are experts in the various aspects of the minerals industry. The Governor appoints five members and the President of the Senate and the Speaker of the House each appoint three members to the commission to serve at their pleasure.

The Alaska Minerals Commission, established under the Department of Commerce and Economic Development, makes recommendations to the Governor and the Legislature concerning appropriate mineral development within the state. The Commission also makes recommendations on ways to mitigate governmental constraints on development of minerals.

The Alaska Minerals Commission is of obvious necessity to the continuing prosperity of the minerals industry in the state. Presently, the Alaska Minerals Commission will be dissolved in January 1999. HB 296 extends the termination date of the Commission to February 1, 2004.

Thank you for your support.





ALASKA MINERS ASSOCIATION, INC.

801 W. Northern Lights Blvd., Suite 203, Anchorage, Alaska 99503 FAX: (907) 275-7897 Telephone: (907) 276-0347

January 16, 1998

Honorable ~~Bill Hudson~~
Honorable Scott Ogan
Co-Chairmen, House Resources Committee
Capitol Building
Juneau, AK 99801

RE: House Bill 296, Extending the Alaska Minerals Commission

Dear Representatives Hudson and Ogan,

The Alaska Miners Association supports extending the termination date of the Alaska Minerals Commission as proposed in House Bill 296. The establishment of the Alaska Minerals Commission in 1986 and the work that the Commission has accomplished since that time can be credited as significant factors that have helped advance the mining industry during the past few years.

The Alaska Minerals Commission provides a venue for review and evaluation of issues affecting the minerals industry in an objective and non-partisan manner. The value of this Commission has been recognized by other states and countries and although I do not know if any similar legislation has been passed, I do know that some other jurisdictions have worked on such legislation.

We urge passage of House Bill 296. If we can be of further assistance in this manner please contact me.

Sincerely,

Steven C. Borell, P.E.
Executive Director

cc: Representative Tom Brice
Representative Gene Therriault
Representative John Davies

ALASKA EARTH SCIENCES
11341 Olive Lane
Anchorage, Alaska 99515
Phone: (907) 522-4664 Fax: 349-3557
E-Mail: AKrocks@alaska.net

DATE: January 12, 1998

TO: Representative Tom Brice

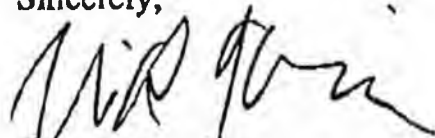
ATTN: Scott

NUMBER OF PAGES: 1
(including this page)

FROM: T. K. Hinderman

I would like to express support for continued funding for the Alaska Minerals commission as addressed in HB 296. The commission has been a very functional voice for the mineral industry in the past, and we would like to see the support continue. The overall cost is a very minor line in the overall budget, and the mineral industry as a whole is poised to make a significant contribution to the state economy for the first time since the second world war.

Sincerely,



Toni K. Hinderman
Consulting Exploration Geologist
General Partner, Alaska Earth Sciences

JAN 20 1998

Newmont Alaska Limited

1818 Old Steese Highway North

Fairbanks, Alaska 99712

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FAX 457-1801

January 17, 1998

Rep Tom Brice

FAX: 465-2937

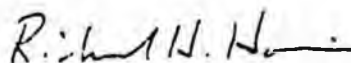
Re: HB 296 - Minerals Commission

Dear Rep Brice:

I understand you are introducing a bill which extends the Minerals Commission for another five years. We strongly support the efforts of the commission and the intent of your bill. The work of the commission in promoting mineral development in Alaska, particularly by Dick Swainbank here in Fairbanks, is important to the state and we hope it continues.

Thank you for introducing the bill and good luck with its passage.

Sincerely,



Rich Harris
Regional Geologist

Kvaerner Environmental

15 January, 1998

Representative Tom Brice
Alaska State Legislature
State Capitol
Juneau, Alaska
99801- 1182

Dear Representative Brice,

I am writing this letter in support of HB 296 of which you are the main sponsor. This bill extends the termination date for the Alaska Minerals Commission until 2004.

The Alaska Minerals Commission, through its meetings and annual report to the Alaska Legislature and Governor has proven itself to be a very effective factor in the advancement of the Alaska Minerals Industry. Recent successes in Alaska mining, such as the Fort Knox Mine near Fairbanks and the Interior Alaska exploration boom, owe much to the past and ongoing efforts of the Minerals Commission.

The Minerals Commission has sparked meaningful changes beneficial to Alaska Mining (with the jobs and revenues for Alaska communities and the state) in such broad ranging issues as; settlement of the mental health lawsuit, municipal taxation of resources in place, diminutive discharges, exploration incentive program, and the very successful statewide airborne geophysical program.

The Commissions modest budget and staff support through the Department of Commerce and Economic Development is a model of how public- private partnerships can work effectively.

I fully support extension of the Commission as spelled out in HB 296. Please call if I may be of any assistance in moving this important bill through the legislative process.

Thanks for your efforts.

Sincerely,



Albert H. Clough, P. Geol.

KVÆRNER

STATE OF ALASKA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

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January 20, 1998

Representative Tom Brice
State Capitol, Room 426
Juneau, Alaska 99801-1182

Representative Brice,

The Department of Commerce and Economic Development supports HB 296, which extends the life of the Alaska Minerals Commission. The Alaska Minerals Commission is a formal link between industry representatives and state government, bringing varied and in-depth minerals experience to topics being considered by state government.

The Commission presents and supports governmental actions, that assist and promote resource exploration, facilitate mineral and coal development, and improve the regulatory environment for production of mineral products. For example, the DGGs airborne geophysical survey program has attracted more than \$10,000,000 in exploration funds to the Fairbanks District, along with substantial increased exploration activity as the geophysics program expands to other areas. Exemption of natural resources from municipal taxation, advancing RS2477 access through State lands, limiting administrative closure of State land, and opening closed State land to mineral entry have further established Alaska's standing as a premier mining region. Continuing support and vigilance from the Minerals Commission ensures progress in these and other issues of interest to the industry.

Sincerely,

Jeffrey W. Bush
Deputy Commissioner

cc: Pat Pourchot, Legislative Director