

SB

213



ALASKA MINERS ASSOCIATION, INC.

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February 13, 2006

Honorable Tom Wagoner
Chairman, Senate Resources Committee
Alaska State Senate
Capitol Building
Juneau, AK 99801

RE: Senate Bill 213, Airborne Geophysical Mapping

Dear Senator Wagoner,

Thank you for the opportunity to comment on Senate Bill 213 which would provide funding for airborne geophysical surveys. **We support this bill and urge its passage at the earliest possible time to allow the planning and actual surveys to begin as early this summer.**

The State of Alaska is now in, as I recall, the 13th consecutive year of airborne geophysical surveys. This program has been a resounding success. The DNR Division of Geophysical & Geophysical Surveys (DGGs) has done an excellent job of maximizing the benefit of past funding. DGGs has focused on small areas with the highest probability of success for promoting exploration investment in the State. In many instances, DGGs has been able to obtain data from private companies and then incorporate it with the State's new geophysical data. This has resulted in both electronic and hard copies of maps that maximize the benefit of the State investment.

Airborne geophysical surveys are an ideal tool for use in Alaska. Such surveys do not disturb the surface of the ground but rather indicate locations where samples should be taken, ridge tops where fault lines can be confirmed, locations where alteration may be identified, etc. This program has resulted in significant investments in Alaska and the surveys already completed continue to be used whenever companies begin looking for minerals.

Funding in the past has varied from a low of about \$250,000 in some years to a high, if my memory serves me, of about \$800,000. At that rate it will require many decades to cover the entire state. SB-213 will provide \$5,000,000 and this will greatly increase the amount of land that can be surveyed in the near term.

I would reiterate that we support this bill and urge passage at the earliest possible time.

Sincerely,

Steven C. Borell, P.E.
Executive Director

cc: Senator Gene Therriault

SENATE RESOURCES PACKET

FEB. 13, 2006

SB 213 Packet[†] –Sponsor Materials

- Cover Sheet _____ 1 page
- Fact Sheet _____ 1 page
- SB 213 _____ 1 page
- Alaska Minerals Commission Findings _____ 1 page

NOTE: this is an appropriations bill.

- Total Pages _____ 4 pages



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Gene Theriault
Current Version: SB 213
Contact: Joe Balash, 465-4797

Fact Sheet for: Senate Bill 213

Short Title: APPROPRIATION FOR MINERAL INVENTORY

Summary:

- Appropriates \$5 million to the Department of Natural Resources for an airborne geological and geophysical mineral inventory.
- Appropriation lapses June 30, 2011.

Benefits:

- Encourages exploration and investment in Alaska's mineral industry.
- Provides vital information for State management of mineral and other natural resources.
- Helps attract mineral resource companies to Alaska and steer them toward areas of high potential.

Background:

- According to the 2006 Report of the Alaska Minerals Commission, Alaska is one of the most poorly mapped regions of the world and ranks far behind many third world countries in spending for geologic data acquisition. Alaska loses many potential investors who choose to invest in areas with more public data. In addition, companies that have actually identified worthy prospects discover they are expected to fully define the baseline data of the whole area surrounding their find because no such database exists. Since 1993, Alaska has spent an average of \$400,000 per year on airborne surveys and "ground truth" geologic mapping necessary for interpretation. As of 2005, less than 6 percent of the State's land entitlement has been mapped. The Minerals Commission recommends increasing the annual rate of investment in geophysical surveys at a level greater than \$1 million per year.