

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8166 HOUSE STATE AFFAIRS

431

HCR

8

Alaska State Legislature

House of Representatives

3111 C STREET
ANCHORAGE, ALASKA 99503-3957
561-7007

WHILE IN SESSION:
ALASKA STATE CAPITOL
JUNEAU, ALASKA 99801-1182
465-1968



DISTRICT 11:
SAND LAKE
SPENARD
TAKU-CAMPBELL

Representative Jim Nordlund

HCR 8

Amending the Uniform Rules Relating to Committee Processes

Sponsor Statement

The purpose of HCR 8 is to clarify the processes by which bills are heard in, and reported from, committees. My intent is to standardize and simplify committee notice procedures and to assure that committee actions demonstrate the will of the majority of the committee.

Many of these proposed rules are already being followed, but there has been inconsistent application. HCR 8 will codify the following changes:

- * Rule 23(a) is modified so that the confusion between the five-day notice and the Thursday rule is resolved by replacing those two requirements with a single Wednesday afternoon deadline. Also, notice requirements for subsequent hearings will be spelled out. Such amendments will make it easier for the citizens of Alaska to participate in the legislative process.
- * Rule 24(a) is amended to make it clear that a vote of a majority of the members of a committee is required before reporting any measure from the committee (as opposed to a majority of a quorum). In order to improve their access to hearings, legislators will be allowed to vote by teleconference. Also, members will be given the opportunity to sign the committee report regardless of whether or not they participated in the vote to report the measure out.
- * Rule 37(a) is modified to require a vote of a majority of the committee members in order to introduce a committee bill or resolution.

It is my belief that these proposed changes will result in standardized, democratic committee procedures.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO: HCR 8

Revision Date: _____
Title: Proposing amendments to the Uniform Rules....relating to notice of committee meetings....
Sponsor: Representative Nordlund
Requestor: Representative Nordlund

Department Affected: Legislative Affairs Agency
BRU: Legislative Council
Component: Session Expenses. Council and Subcommittees

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE FUND SOURCE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Zero fiscal impact.

Prepared By: Pamela A. Stoops, Director
Division: Administrative Services

Pamela A. Stoops

Phone: 465-3850
Date: 2/26/93

Approved By: Warren W. Endicott, Executive Director
Agency: Legislative Affairs Agency

Warren W. Endicott

Date: 2/26/93

Distribution (by preparer): Leg. Finance, Legislative Sponsor, Requestor, OMB, Gov. , & Impacted Agency(ies).

3111 C STREET
ANCHORAGE, ALASKA 99503-3957
561-7007

WHILE IN SESSION:
ALASKA STATE CAPITOL
JUNEAU, ALASKA 99801-1182
465-4968

Alaska State Legislature
House of Representatives



DISTRICT 11:
SAND LAKE
SPENARD
TAKU-CAMPBELL

Representative Jim Nordlund

HCR 8

Amending the Uniform Rules Relating to Committee Processes

Sectional Analysis

Sec. 1 replaces both the Thursday deadline and the 5-day notice requirement with a single Wednesday afternoon deadline. It requires the chief clerk or secretary to publish and distribute copies of the weekly schedule of committee meetings by 8:00 a.m. the following morning, Thursday. After a committee has had a first hearing on a measure, this notice requirement for subsequent hearings is not necessary as long as the measure was further scheduled for a certain date and time at the previous hearing.

Sec. 2 states that 1) a vote of a majority of the committee is required in order to move a measure from the committee; 2) committee members may vote by teleconference; and 3) every committee member may sign the report and make a recommendation even if he or she was not in attendance for the vote to move the measure from committee.

Sec. 3 requires a vote of a majority of a committee in order to introduce a committee bill or resolution.

HCR

10

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO: HCR 10

Revision Date: _____ Dept. Affected: Public Safety
 Title: "Relating to suspension of driver's license
for drug offenses" BRU: Motor Vehicles
 Component: Driver Services
 Sponsor: House Transportation
 Requestor: House State Affairs COMPONENT SERIAL NO. 500

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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-
REVENUE FUND SOURCE:	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

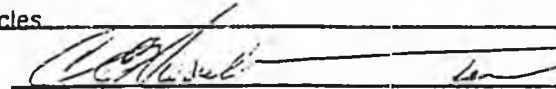
POSITIONS:

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

Estimate of current year (FY 93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact upon the Division of Motor Vehicles is anticipated.

Prepared By: Juanita Hensley Phone: 465-4361
 Division: Motor Vehicles Date: 3/15/93
 Approved by Commissioner:  Date: 3/15/93
 Agency: Richard L. Burton, Dept. of Public Safety

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FISCAL NOTE

Revision Date:
Title: Federal-Aid Hy Funding/Drug
Enforcement
Sponsor: Transportation
Requestor:

Department Affected: DOT&PF
BRU:

Component:
Component Serial Number:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

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

1002 FEDERAL RECEIPTS **	-9,615,346	-9,615,346	-19,230,692	-19,230,692	-19,230,692	-19,230,692
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	-9,615,346	-9,615,346	-19,230,692	-19,230,692	-19,230,692	-19,230,692

POSITIONS

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

Estimate of current year (FY93) impact: \$0

ANALYSIS: (Attach a separate page if necessary)

** Failure to pass legislation will result in the loss of federal ISTEA funds.

Prepared by: Katy McHugh

Phone: 465-3902

Division: Office of the Commissioner

Date: March 12, 1993

Approved by Commissioner: 

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: March 12, 1993

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Alaska State Legislature

HOUSE OF REPRESENTATIVES

Official Business

State Capitol
Juneau, AK 99801-1182

MEMORANDUM

MARCH 17, 1993

TO: REPRESENTATIVE AL VEZEY, CHAIR
HOUSE STATE AFFAIRS COMMITTEE

FROM: REPRESENTATIVE RICHARD FOSTER, CHAIR
HOUSE TRANSPORTATION COMMITTEE

SUBJECT: SCHEDULE REQUEST - HCR 10 - RELATING TO CERTIFICATION OF THE ALASKA STATE LEGISLATURE'S OPPOSITION TO REQUIRING SUSPENSION OF A DRIVER'S LICENSE FOR DRUG OFFENSES.

I would like to request your consideration in scheduling HCR 10 in your committee next week.

PL 101-516 Department of Transportation and Related Agencies Appropriations Act, Sec. 333 requires withholding of certain Federal-Aid highways funds from states that do not enact legislation requiring revocation of driver licenses for drug offenses. AS YOU CAN SEE BY THE ATTACHED FISCAL NOTE FROM THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, failure to act on a bill or a resolution by APRIL 1, 1993 (BY FEDERAL REGULATION TO ALLOW TIME FOR CERTIFICATION) will result in the withholding of federal-aid funds in the amount of \$9,615,346 for FFY 94. The penalty remains the same for FFY 95 and increases to \$19,230,692 for each FFY thereafter.

Many states have opted for the resolution compliance method contained in HCR 10 in meeting these federal requirements; these states have indicated a strong resentment toward the bill option compliance method. Once a state has passed the resolution and the resolution has been determined to be in compliance, the Governor is required to send a letter each year, the legislature is not required to pass a resolution. The Hickel Administration will support the resolution compliance method.

Attached, for your review, is a brief explanation regarding compliance options.

BILL COMPLIANCE:

States must have enacted, and be enforcing a law that provides for a 6-month revocation or suspension of drivers' licenses upon any conviction of the Controlled Substances Act, or any drug offense. This law requires driver licensing actions against violators of drug offenses not limited to moving violations, not necessarily involving a motor vehicle at all.

RESOLUTION COMPLIANCE: (ACCOMPLISHED THROUGH HCR 10)

The state shall submit to the Secretary of Transportation a certification stating that the Governor is opposed to the enactment or enforcement of such a law (as outlined briefly above), and the legislature has adopted a resolution (HCR 10) expressing its opposition to such a law. As indicated previously in this memo, the Hickel Administration will support this approach.



*Department of Transportation
and Public Facilities*

POSITIC PAPER

BILL NO: HCR 10

APPROVED: _____

A handwritten signature in cursive, appearing to read "Randy J. Fisher", written over a horizontal line.

TITLE: Federal-Aid Hy Funding/Drug
Enforcement

DATE: March 12, 1993

This bill fulfills an urgent federal mandate, that, if ignored, will result in the loss of millions of dollars in federal highway funding. It is based on Public Law 101-516, Nov. 5, 1990, which directs each state to enact a law which requires the revocation of driving privileges of those persons convicted of any type of drug offense, or alternatively, the state must indicate formal opposition to such a law in a manner defined below.

In responding to this federal mandate (some would say blackmail) the state has three options. First, on or before April 1, 1993, the state may enact legislation requiring the revocation of a person's driving privileges upon conviction for a drug offense. Enactment must be accompanied by enforcement, provided there have been circumstances calling for the law's penalties to be imposed. That is the intent of this bill.

Alternatively, on or before April 1, 1993, if the Governor and both houses of the Legislature indicate by certification and resolutions respectively, that they are opposed to the enactment or enforcement of such a law, then the fiscal sanctions will not be imposed on the state. Several other states have selected this option, in most instances as a symbolic act against federal intrusion into states' sovereignty.

Finally, in the absence of the state taking positive, timely action to either enact and enforce the mandatory license revocation law, or indicating formal opposition, a 5% withholding of highway federal-aid funds will begin in Federal Fiscal Year 1994. The penalty would remain the same in FFY '95. Further, funds withheld in these two years would be returned to the state if prior to September 30, 1995 the state achieves compliance with the federal act.

In subsequent federal fiscal years, the penalty rises to 10% and there is no further restoration provision for withheld funding. The approximate magnitude of these penalties is significant, and would be on the order of \$9.6 million in FFYs '95 & '96, and \$19.2 million thereafter. I would therefore urge favorable action on either approach to comply with Public Law 101-516.

For Further Information contact Katy McHugh at 465-3900.

BILL NO: HCR 10

DATE: March 15, 1993

TITLE: "Relating to certification of the Alaska State Legislature's opposition to requiring suspension of a driver's license for drug offenses"

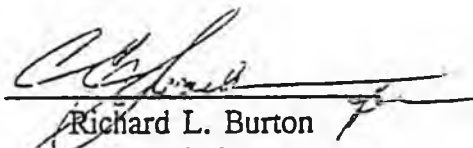
CONTACT: C.E. Swackhammer
Deputy Commissioner
465-4322

HCR 10 fulfills an urgent federal mandate that, if ignored, will result in the loss of millions of dollars in Federal Highway funding.

This bill ensures that the Department of Transportation and Public Facilities avoids federal penalty of the loss of highway funds in Federal Fiscal Years 1994 and 1995 of five percent, and ten percent in Federal Fiscal Years 1996 and beyond.

Federal law requires submission of laws requiring license revocation of drug offenders or a resolution stating they are opposed to the program by April 1, 1993, to avoid imposition of the penalty on October 1, 1993. Many of the states submitting laws are not meeting the requirements specified in the final Federal Rule published in August 1992.

The Department of Public Safety recommends the passage of any legislation which will ensure that the Department of Transportation funds are not penalized.


Richard L. Burton
Commissioner

request comments on the proposed regulation discussed in this notice.

DATES: Comments must be received by November 21, 1991.

ADDRESS: Written comments should refer to the docket number and the number of this notice and be submitted (preferably in ten copies) to: Docket Section, National Highway Traffic Safety Administration, room 5109, Nassif Building, 400 Seventh Street, SW, Washington, DC 20590. (Docket hours are from 8 a.m. to 4 p.m.)

FOR FURTHER INFORMATION CONTACT: In NHTSA: Mr. William Holden, Office of Alcohol and State Programs, Traffic Safety Programs, room 5120, National Highway Traffic Safety Administration, 400 Seventh Street, SW, Washington, DC 20590, telephone (202) 366-2722; or Ms. Heidi L. Coleman, Office of Chief Counsel, room 5219, National Highway Traffic Safety Administration, 400 Seventh Street, SW, Washington, DC 20590, telephone (202) 366-1834.

In FHWA: Mr. Warren Harper, Office of Highway Safety, Room 3407, Federal Highway Administration, 400 Seventh Street, SW, Washington, DC 20590, telephone (202) 366-2172; or Mr. Wilbert Baccus, Office of Chief Counsel, room 4230, Federal Highway Administration, 400 Seventh Street, SW, Washington, DC 20590, telephone (202) 366-0780.

SUPPLEMENTARY INFORMATION: The Department of Transportation and Related Agencies Appropriations Act for FY 1991, Public Law 101-518, was signed into law on November 5, 1990. Section 333 of the Act requires the withholding of certain Federal-aid highway funds from States that do not enact legislation requiring the revocation or suspension of an individual's driver's license upon conviction for any violation of the Controlled Substances Act (Pub.L. 91-513, as amended) or any drug offense. If a State decides not to enact such legislation, the section stipulates a procedure by which the state can avoid the withholding of funds.

This notice proposes the manner in which States would certify that they are not subject to this withholding and the disposition of funds that are withheld.

Adoption of Drug Offender's Driver's License Suspension

The legislation specifically provides that the Secretary must withhold a portion of Federal-aid highway funds from any State that does not meet certain statutory requirements. To avoid such withholding, a State must have enacted and be enforcing a law that provides for the revocation or suspension of the driver's license of any

individual who is convicted for any violation of the Controlled Substances Act or any drug offense. Alternatively, a State can avoid the withholding by submitting to the Secretary a written certification stating that the Governor is opposed to the enactment or enforcement of such a law and that the legislature has adopted a resolution expressing its opposition to such a law.

The requirements of the Commercial Motor Vehicle Safety Act of 1986 would remain unaffected by any such resolution. Specifically, a State may not waive the requirement of 49 CFR 383.51 that a person who is convicted of either driving a commercial motor vehicle (CMV) while under the influence of a controlled substance, or using a CMV in the commission of a controlled substance-related felony, be disqualified from operating a CMV for a period of from one year to life, depending on the specific offense(s), without facing a reduction in Federal-aid highway funds.

Any State that does not enact and enforce a law that provides for the revocation or suspension of the driver's license of drug offenders or submit to the Secretary written certification from the Governor that he or she is opposed to the enactment or enforcement of such a law in the State will be subject to withholding of a portion of its Federal-aid highway funds. In accordance with the statute, if a State does not meet the statutory requirements by October 1, 1993, five percent of its FY 1994 Federal-aid highway apportionment under 23 U.S.C. 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) shall be withheld. These sections relate to the apportionments for the primary, secondary, interstate (including interstate construction and interstate resurfacing, restoration, rehabilitation and reconstruction (4R) funds) and urban highway systems. Five percent will be withheld also in FY 1995 if the State does not meet the requirements by October 1, 1994. If the State does not meet the statutory requirements by October 1 of any subsequent fiscal year (beginning with FY 1996), ten percent of its Federal-aid highway apportionments under these sections will be withheld.

Compliance Criteria

To avoid the withholding of Federal-aid highway funds, a State has two alternatives, the first of which is to enact and enforce a law that meets the statutory criteria. Section 333 provides that:

A State meets the requirements of this paragraph if—

(a) The State has enacted and is enforcing a law that requires in all circumstances, or requires in the

absence of compelling circumstances warranting an exception—

(I) The revocation, or suspension for at least 6 months, of the driver's license of any individual who is convicted, after the enactment of such law, of—

(I) Any violation of the Controlled Substances Act, or

(II) Any drug offense, and

(II) A delay in the issuance or reinstatement of a driver's license to such an individual for at least 6 months after the individual applies for the issuance or reinstatement of a driver's license if the individual does not have a driver's license, or the driver's license of the individual is suspended, at the time the individual is so convicted.

1. Statutory Definitions

The statute defines several terms, and the agencies are proposing to adopt these definitions. Section 333 defines the term "driver's license" to mean "a license issued by a State to any individual that authorizes the individual to operate a motor vehicle on highways." This definition would encompass licenses that permit individuals to operate any type of motor vehicle, including motorcycles and commercial motor vehicles.

The term "drug offense" is also defined in the statute. The term, as defined in the statute, would cover any criminal drug offense including "the possession, distribution, manufacture, cultivation, sale, transfer, or the attempt or conspiracy to possess, distribute, manufacture, cultivate, sell, or transfer any substance the possession of which is prohibited under the Controlled Substances Act, or . . . the operation of a motor vehicle under the influence of such a substance." It should be noted that, while Section 333 requires that States take a driver's licensing action against violators of these drug offenses, the offenses covered by this definition are not limited to moving violations. In fact, to be covered, these offenses need not be motor vehicle-related at all.

The agencies do not believe that the Act requires a State to enact any particular drug offense law. The Act requires only that if a drug offense is proscribed and an individual is convicted for a violation of the offense that the State suspend, revoke or delay that individual's driver's license.

Since the statutory definition of "drug offense" includes manufacturing among the activities that are unlawful, the agencies believe this term should cover not only controlled and counterfeit substances but also listed chemicals, the possession of which was made unlawful by the Chemical Diversion and

proposed to be made. That the institution-affiliated party has violated or is considered to violate section 22, 22A, 22B, 1002, 1003, 1007, 1014, 1032, or 1344 of title 18 of the United States Code, or section 1341 or 1343 of such title affecting a federally insured financial institution as defined in title 18 of the United States Code.

(c) In making a determination under paragraph (b) of this section, the appropriate federal banking agency and the Corporation may consider:

(1) Whether, and to what degree, the institution-affiliated party was in a position of managerial or fiduciary responsibility;

(2) The length of time the institution-affiliated party was affiliated with the insured depository institution or depository institution holding company, and the degree to which the proposed payment represents a reasonable payment for services rendered over the period of employment; and

(3) Any other factors or circumstances which would indicate that the proposed payment would be contrary to the intent of section 18(k) of the Act or this part.

(d) Notwithstanding paragraphs (a) and (b) of this section, a depository institution holding company that is a diversified holding company as defined in section 10(a)(1)(F) of the Home Owner's Loan Act (12 U.S.C. 1461 et seq.) may make a golden parachute payment if, and to the extent that, such depository institution holding company determines and can demonstrate that:

(1) The conditions delineated in paragraphs (b) (1), (2), (3) and (4) of this section have been satisfied; and

(2) The institution-affiliated party falls within the definition of "institution-affiliated party" solely because such person is a director, officer, employee or controlling stockholder of a diversified holding company.

§ 359.3 Indemnification payments prohibited.

No insured depository institution or depository institution holding company shall make or agree to make any indemnification payment, except as provided in § 359.5 of this part.

§ 359.4 Permissible golden parachute payments.

An insured depository institution or depository institution holding company may agree to make a golden parachute payment if:

(a) Such an agreement is made with respect to an institution-affiliated party who was hired by an insured depository institution or depository institution holding company at a time when that institution or holding company satisfied

any of the criteria set forth in § 359.2(c)(1)(i) of this part and the institution's appropriate federal banking agency and the Corporation consented in writing to the amount and terms of the golden parachute payment; and

(b) At the time the payment is made, the factors delineated in § 359.2(b) (1), (2), (3), or (4) of this part have been satisfied, and the factors delineated in § 359.2(c)(3) of this part are not present.

§ 359.5 Permissible indemnification payments.

(a) An insured depository institution or depository institution holding company may make or agree to make reasonable indemnification payments to an institution-affiliated party if:

(1) The institution's or holding company's board of directors, in good faith, determines in writing that the institution-affiliated party has a substantial likelihood of prevailing on the merits;

(2) The institution's or holding company's board of directors, in good faith, determines in writing that the payment of such expenses will not adversely affect the institution's safety and soundness;

(3) At any time the institution's or holding company's board of directors believes, or should reasonably believe, that the conditions of paragraphs (a) (1) and (2) of this section are no longer being met, it ceases making or authorizing such payments;

(4) The indemnification payments are limited to the payment or reimbursement of reasonable legal or other professional expenses incurred in connection with an institution-affiliated party's involvement in an administrative proceeding or civil action instituted by the appropriate federal banking agency; but in no event shall such indemnification pay or reimburse an institution-affiliated party for the amount of, or any cost incurred in connection with, any settlement of any such claim, proceeding or action or any judgment or penalty imposed with respect to any such claim, proceeding or action;

(5) The institution-affiliated party agrees in writing to reimburse the institution for such indemnification payments in the event that the proceeding results in a final order under which the institution-affiliated party:

(i) Is assessed a civil money penalty;

(ii) Is removed from office or prohibited from participating in the conduct of the affairs of the insured depository institution; or

(iii) Is required to cease and desist from or take any affirmative action described in section 8(b) of the Act with respect to such institution; and

(6) The institution or holding company provides the appropriate federal banking agency and the FDIC with prior written notice of its board of directors' authorization of such indemnification.

(b) An institution-affiliated party requesting indemnification payments shall not participate in any way in the board's discussion and approval of such payments; provided, however, that such institution-affiliated party may present his/her request to the board and respond to any inquiries from the board concerning his/her involvement in the circumstances giving rise to the administrative proceeding or civil action.

By order of the Board of Directors, dated at Washington, DC, this 24th day of September, 1991.

Federal Deposit Insurance Corporation
Robert E. Feldman,

Deputy Executive Secretary.

[FR Doc. 91-23747 Filed 10-7-91; 8:45 am]

BILLING CODE 6716-01-0

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Federal Highway Administration

23 CFR Part 1212

[NHTSA Docket No. 91-17; Notice 1]

RIN 2127-AE10

Drug Offender's Driver's License Suspension

AGENCY: National Highway Traffic Safety Administration (NHTSA) and Federal Highway Administration (FHWA), Department of Transportation (DOT).

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This Notice of Proposed Rulemaking (NPRM) contains a proposal for implementing a new program enacted by the Department of Transportation and Related Agencies Appropriations Act for FY 1991. Section 333 of the Act requires the withholding of certain Federal-aid highway funds from States that do not enact legislation requiring the revocation or suspension of an individual's driver's license upon conviction for any violation of the Controlled Substances Act or any drug offense. This notice proposes the manner in which States would certify that they are not subject to this withholding, and the disposition of funds that are withheld. The agencies

These sections are virtually identical to those found in the National Minimum Drinking Age Act, as amended, 23 U.S.C. 158. For a full discussion of how these provisions have been applied in practice, interested parties are encouraged to read the agencies' joint final rule published in the Federal Register on August 18, 1988 (53 FR 31313).

Comments

Interested persons are invited to comment on this proposal. All comments must be limited to 15 pages in length. Necessary attachments may be appended to those submissions without regard to the 15-page limit. This limitation is intended to encourage commenters to detail their primary arguments in a concise fashion.

Written comments to the public docket must be received by November 21, 1991. The agencies have not provided a longer comment period in order to provide States with sufficient time to prepare their agendas for their upcoming legislative sessions. To expedite the submission of comments, simultaneous with the issuance of this notice, NHTSA and FHWA will mail copies to all Governors, Governors' Representatives for Highway Safety and State highway agencies.

All comments received before the close of business on the comment closing date will be considered and will be available for examination in the docket at the above address before and after that date. To the extent possible, comments filed after the closing date will also be considered. However, the rulemaking action may proceed at any time after that date. The agencies will continue to file relevant material in the docket as it becomes available after the closing date, and it is recommended that interested persons continue to examine the docket for new material.

Those persons who wish to be notified upon receipt of their comments in the docket should enclose, in the envelope with their comments, a self-addressed stamped postcard. Upon receiving the comments, the docket supervisor will return the postcard by mail.

Copies of all comments will be placed in Docket 91-17; Notice 1 of the NHTSA Docket Section in room 5109, Nassif Building, 400 Seventh Street, SW., Washington, DC 20590.

On April 23, 1991, the State of Alaska submitted some questions to FHWA regarding the agency's interpretation of section 333. FHWA acknowledged receipt of these questions, but declined to answer them since the agencies were in the process of developing this

proposed regulation. We believe the questions raised in Alaska's inquiry have all been addressed in this NPRM. The questions have been placed in the public docket for his rulemaking action, and are available for public examination.

Federalism Assessment

This rulemaking action has been analyzed in accordance with the principles and criteria contained in Executive Order 12812, and it has been determined that it would have no federalism implication that warrants the preparation of a federalism assessment. States can choose to enact and enforce a law that requires the suspension or revocation of driver's licenses for drug offenders in conformance with Public Law 101-518, and thereby avoid the withholding of Federal-aid highway funds. Alternatively, States can choose not to enact and enforce this type of law, and still avoid such withholding. To avoid the withholding of funds in such cases, the Governor would submit a certification that he or she is opposed to the enactment or enforcement in the State of such a law and that the State legislature has adopted a resolution expressing its opposition to such a law. While specific criteria that State laws must meet have been proposed in this NPRM, they are mandated by Public Law 101-518.

Economic and Other Effects

NHTSA has analyzed the effect of this action and has determined that it is not "major" within the meaning of Executive Order 12291, but that it is "significant" within the meaning of Department of Transportation regulatory policies and procedures. A preliminary regulatory evaluation of the impacts of this proposal has been prepared and placed in Docket 91-17; Notice 1. This preliminary evaluation provides information regarding the expected costs and benefits of the agencies' proposal and requests information demonstrating that license suspensions or revocations for drugged driving or illegal possession convictions deter drug use or reduce driver's future involvement in crashes. It also requests comments on methods that States could use and the costs to develop systems for providing Federal, out-of-State and juvenile records to State Departments of Motor Vehicles. Any interested person may obtain a copy of this preliminary evaluation by writing to NHTSA's Docket Section, room 5109, 400 Seventh Street, SW., Washington, DC 20590, or by calling the Docket Section at (202) 368-4949. Comments should be submitted to the NHTSA Docket, in

accordance with the procedures described earlier in this notice.

In compliance with the Regulatory Flexibility Act, the agency has evaluated the effects of this proposed rule on small entities. Based on the evaluation, we certify that this rule would not have a significant economic impact on a substantial number of small entities. Any withholding of funds under the regulation would be from States. Accordingly, the preparation of an Initial Regulatory Flexibility Analysis is unnecessary.

The requirements in this proposal that States certify that they conform to the statutory requirements to avoid the withholding of Federal-aid highway funds are considered to be information collection requirements as that term is defined by the Office of Management and Budget (OMB) in 5 CFR part 1320. Accordingly, the reporting and recordkeeping requirement associated with this rule is being submitted to the Office of Management and Budget for approval in accordance with 44 U.S.C. chapter 35 under DOT No. 3517; OMB No. New Administration; NHTSA. **NEED FOR INFORMATION:** To encourage States to enact and enforce drug offender's driver's license suspension; **PROPOSED USE OF INFORMATION:** To provide procedures to State highway construction grant recipients on how to certify compliance with the provision of Public Law 101-518. The law requires a driver's license suspension, or revocation, for individuals convicted of any drug-related offense; **FREQUENCY:** Annual; **BURDEN ESTIMATE:** 250 hours; **RESPONDENTS:** State/local government; **FORM(S):** None, but Forms HS-62, HS-62A and HS-217 may be used. OMB No. 2127-0003; **AVERAGE BURDEN HOURS PER RESPONDENT:** 5 hours. For further information contact: The Information Requirements Division, M-34, Office of the Secretary of Transportation, 400 Seventh Street, SW., Washington, DC 20590, (202) 368-4735, or Edward Clarke or Wayne Brough, Office of Management and Budget, New Executive Office Building, room 3223, Washington, DC 20503, (202) 395-7340.

Comments on the proposed information collection requirements should be submitted to: Office of Management and Budget, Office of Information and Regulatory Affairs, Washington, DC 20503, Attention: Desk Officer for NHTSA. It is requested that comments sent to OMB also be sent to the NHTSA rulemaking docket for this proposed action.

The agencies have also analyzed this proposed action for the purpose of the

National Environmental Policy Act. The agencies have determined that this action would not have any effect on the human environment.

List of Subjects in 23 CFR Part 1212

Driver licensing, Drugs, Highway safety.

In accordance with the foregoing, the agencies propose to add a new part 1212 to title 23 of the Code of Federal Regulations to read as follows:

PART 1212—DRUG OFFENDER'S DRIVER'S LICENSE SUSPENSION

- Sec.
- 1212.1 Scope.
- 1212.2 Purpose.
- 1212.3 Definitions.
- 1212.4 Adoption of Drug Offender's Driver's License Suspension.
- 1212.5 Certification Requirements.
- 1212.6 Period of Availability of Withheld Funds.
- 1212.7 Apportionment of Withheld Funds After Compliance.
- 1212.8 Period of Availability of Subsequently Apportioned Funds.
- 1212.9 Effect of Noncompliance.
- 1212.10 Procedures Affecting States in Noncompliance.

Authority: Public Law 101-516; delegation of authority at 49 CFR 1.48 and 1.50.

§ 1212.1 Scope.

This part prescribes the requirements necessary to implement section 333 of Public Law 101-516, which encourages States to enact and enforce Drug Offender's Driver's License Suspensions.

§ 1212.2 Purpose.

The purpose of this part is to specify the steps that States must take in order to avoid the withholding of Federal-aid highway funds for noncompliance with section 333 of Public Law 101-516.

§ 1212.3 Definitions.

As used in this part:

- (a) Convicted includes adjudicated under juvenile proceedings.
- (b) *Driver's license* means a license issued by a State to any individual that authorizes the individual to operate a motor vehicle on highways.
- (c) *Drug offense* means:
- (1) The possession, distribution, manufacture, cultivation, sale, transfer, or the attempt or conspiracy to possess, distribute, manufacture, cultivate, sell, or transfer any substance the possession of which is prohibited under the Controlled Substances Act, or
 - (2) The operation of a motor vehicle under the influence of such a substance.
- (d) *Substance the possession of which is prohibited under the Controlled Substances Act or substance* means a controlled or counterfeit substance or a

listed chemical, as those terms are defined in subsections 102 (6), (7) & (33) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802 (6), (7) & (33)) and listed in 21 CFR 1308.11-15 and 1310.02.

§ 1212.4 Adoption of Drug Offender's Driver's License Suspension.

(a) The Secretary shall withhold five percent of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) of title 23 of the United States Code on the first day of fiscal years 1994 and 1995 if the State does not meet the requirements of this section on that date.

(b) The Secretary shall withhold ten percent of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) of title 23 of the United States Code on the first day of fiscal year 1998 and any subsequent fiscal year if the State does not meet the requirements of this section on that date.

(c) A State meets the requirements of this section if:

(1) The State has enacted and is enforcing a law that requires in all circumstances, or requires in the absence of compelling circumstances warranting an exception:

(i) The revocation, or suspension for at least 6 months, of the driver's license of any individual who is convicted, after the enactment of such law, of

(A) Any violation of the Controlled Substances Act, or

(B) Any drug offense, and

(ii) A delay in the issuance or reinstatement of a driver's license to such an individual for at least 6 months after the individual applies for the issuance or reinstatement of a driver's license if the individual does not have a driver's license, or the driver's license of the individual is suspended, at the time the individual is so convicted, or

(2) The Governor of the State:

(i) Submits to the Secretary no earlier than the adjournment sine die of the first regularly scheduled session of the State's legislature which begins after November 5, 1990, a written certification stating that he or she is opposed to the enactment or enforcement in the State of a law described in paragraph (c)(1) of this section relating to the revocation, suspension, issuance, or reinstatement of driver's licenses to convicted drug offenders; and

(ii) Submits to the Secretary a written certification that the legislature (including both Houses where applicable) has adopted a resolution expressing its opposition to a law

described in paragraph (c)(1) of this section.

§ 1212.5 Certification requirements.

(a) Each State shall certify to the Secretary of Transportation by April 1, 1993 and by January 1 of each subsequent year that it meets the requirements of section 333, Public Law 101-516 and this regulation.

(b) If the State believes it meets the requirements of section 333 of Public Law 101-516 and this regulation on the basis that it has enacted and is enforcing a law that suspends or revokes the driver's license of drug offenders, the certification shall contain:

(1)(i) A statement by the Governor of the State, or an official designated by the Governor, that the State has enacted and is enforcing a Drug Offender's Driver's License Suspension law. The certifying statement shall be worded as follows:

(Name of certifying official), (position title), of the (State or Commonwealth) of _____ do hereby certify that the (State or Commonwealth) of _____ has enacted and is enforcing a Drug Offender's Driver's License Suspension law.

(ii) If the statement is made by an official other than the Governor, a copy of the document designating the official, signed by the Governor.

(2) Until a State has been determined to be in compliance with the requirements of section 333 of Public Law 101-516 and this regulation, the certification shall include also:

(i) A copy of the State law, regulation, or binding policy directive implementing or interpreting such law or regulation relating to the suspension, revocation, issuance or reinstatement of driver's licenses of drug offenders, and

(ii) A statement describing the steps the State is taking to enforce its law with regard to within State convictions, out-of-State convictions, Federal convictions and juvenile adjudications.

(c) If the State believes it meets the requirements of section 333 of Public Law 101-516 on the basis that it opposes a law that requires the suspension, revocation or delay in issuance or reinstatement of the driver's license of drug offenders, the certification shall contain:

(1)(i) A statement by the Governor of the State, or an official designated by the Governor, that he or she is opposed to the enactment or enforcement of such a law and that the State legislature has adopted a resolution expressing its opposition to such a law. The certifying statement shall be worded as follows:

(Name of certifying official), (position title), of the (State or Commonwealth) of _____ do

hereby certify that I am opposed to the enactment or enforcement of such a law and that the legislature of the (State or Commonwealth) of _____ has adopted a resolution expressing its opposition to such a law.

(ii) If the statement is made by an official other than the Governor, a copy of the document designating the official, signed by the Governor.

(2) Until a State has been determined to be in compliance with the requirements of section 333 of Public Law 101-516 and this regulation, the certification shall include also a copy of the resolution.

(d) The Governor, or an official designated by the Governor, each year shall submit the original and four copies of the certification to the local FHWA Division Administrator. The FHWA Division Administrator shall retain the original and forward two copies each to the Regional Administrator of NHTSA and FHWA. The Regional Administrators shall each retain one copy and forward one copy of the submission, with any pertinent comments, to their respective Washington Headquarters, attention of the Chief Counsel.

(e) Any changes to the original certification or supplemental information necessitated by the review of the certifications as they are forwarded, State legislative changes or changes in State enforcement activity shall be submitted in the same manner as the original.

§ 1212.3 Period of availability of withheld funds.

(a) Funds withheld under § 1212.4 from apportionment to any State on or before September 30, 1995, will remain available for apportionment as follows:

(1) If the funds would have been apportioned under 23 U.S.C. 104(b)(5)(A) but for this section, the funds will remain available until the end of the fiscal year for which the funds are authorized to be appropriated.

(2) If the funds would have been apportioned under 23 U.S.C. 104(b)(5)(B) but for this section, the funds will remain available until the end of the second fiscal year following the fiscal year for which the funds are authorized to be appropriated.

(3) If the funds would have been apportioned under 23 U.S.C. 104(b)(1), 104(b)(2) or 104(b)(6) but for this section, the funds will remain available until the end of the third fiscal year following the fiscal year for which the funds are authorized to be appropriated.

(b) Funds withheld under § 1212.4 from apportionment to any State after

September 30, 1995 will not be available for apportionment to the State.

§ 1212.7 Apportionment of withheld funds after compliance.

Funds withheld under § 1212.4 from apportionment, which remain available for apportionment under § 1212.5(a), will be made available to any State that conforms to the requirements of § 1212.4 before the last day of the period of availability as defined in § 1212.5(a).

§ 1212.8 Period of availability of subsequently apportioned funds.

(a) Funds apportioned pursuant to § 1212.7 will remain available for expenditure as follows:

(1) Funds originally apportioned under 23 U.S.C. 104(b)(5)(A) will remain available until the end of the fiscal year succeeding the fiscal year in which the funds are apportioned.

(2) Funds originally apportioned under 23 U.S.C. 104(b)(1), 104(b)(2), 104(b)(5)(B), or 104(b)(6) will remain available until the end of the third fiscal year succeeding the fiscal year in which the funds are apportioned.

(b) Sums apportioned to a State pursuant to § 1212.7 and not obligated at the end of the periods defined in § 1212.8(a), shall lapse or, in the case of funds apportioned under 23 U.S.C. 104(b)(5), shall lapse and be made available by the Secretary for projects in accordance with 23 U.S.C. 118(b).

§ 1212.9 Effect of noncompliance.

If a State has not met the requirements of section 333 of Public Law 101-516 at the end of the period for which funds withheld under § 1212.4 are available for apportionment to a State under § 1212.8, then such funds shall lapse or, in the case of funds withheld from apportionment under 23 U.S.C. 104(b)(5), shall lapse and be made available by the Secretary for projects in accordance with 23 U.S.C. 118(b).

§ 1212.10 Procedures affecting states in noncompliance.

(a) Every fiscal year, each State determined to be in noncompliance with section 333 of Public Law 101-516, based on NHTSA's and FHWA's preliminary review of its statutes, will be advised of the funds expected to be withheld under § 1212.4 from apportionment, as part of the advance notice of apportionments required under 23 U.S.C. 104(e), normally not later than ninety days prior to final apportionment.

(b) If NHTSA and FHWA determine that the State is not in compliance with section 333 of Public Law 101-516 based on the agencies' preliminary review, the State may, within 30 days of its receipt of the advance notice of

apportionments, submit documentation showing why it is in compliance. Documentation shall be submitted to the National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590.

(c) Every fiscal year, each State determined not to be in compliance with section 333 of Public Law 101-516, based on NHTSA's and FHWA's final determination, will receive notice of the funds being withheld under § 1212.4 from apportionment, as part of the certification of apportionments required under 23 U.S.C. 104(e), which normally occurs on October 1 of each fiscal year.

Issued on: October 1, 1991.

Jerry Ralph Curry,

Administrator, National Highway Traffic Safety Administration.

Thomas D. Larson,

Administrator, Federal Highway Administration.

[FR Doc. 91-23991 Filed 10-7-91; 8:45am]

BILLING CODE 4810-59-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

42 CFR Part 409

[BPO-626-P]

RIN: 0933-AE34

Medicare Program; "Confined to the Home" Requirements for Home Health Services

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Proposed rule.

SUMMARY: This proposed rule would revise the current Medicare rules to clarify when a home health patient would be considered "confined to the home" in order to receive home health benefits. It would conform our regulations to changes made by section 4024 of the Omnibus Budget Reconciliation Act of 1987.

DATES: Comments will be considered if we receive them at the appropriate address, as provided below, no later than 5 p.m. on December 6, 1991.

ADDRESSES: Mail comments to the following address:

Health Care Financing Administration,
Department of Health and Human Services, Attention: BPO-626-P, P.O. Box 26678, Baltimore, Maryland 21227

If you prefer, you may deliver your comments to one of the following addresses:

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HOUSE JOINT RESOLUTION //

40TH LEGISLATURE - STATE OF NEW MEXICO - SECCND SESSION, 199

INTRODUCED BY

Handwritten signature: Daniel B. Silva

A JOINT RESOLUTION

CERTIFYING THE NEW MEXICO LEGISLATURE'S OPPOSITION TO SECTION 333 OF THE FEDERAL DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1991.

WHEREAS, Section 333 of the federal Department of Transportation and Related Agencies Appropriations Act for Fiscal Year 1991 mandates the withholding of certain federal-aid highway funds from states that by October 31, 1993, fail to either:

A. enact legislation requiring suspension of an individual's driver's license upon conviction of any violation of the federal Controlled Substances Act or any drug offense; or

B. certify that the governor is opposed to the enactment of such a law and that the legislature has adopted written certification expressing its opposition to such a law; and

WHEREAS, failure of this legislature to take either mandated

underscored material = new
~~bracketed material~~ = deletion

HJR 11

1 action will result in the withholding of federal-aid highway funds;
2 and

3 WHEREAS, the state of New Mexico is concerned with drug abuse by
4 its citizens and has enacted numerous laws and initiated programs
5 aimed at reducing both the demand for and supply of illegal drugs;
6 and

7 WHEREAS, the state of New Mexico currently revokes the driver's
8 licenses of persons convicted of driving a motor vehicle under the
9 influence of drugs; and

10 WHEREAS, the revocation of a drug offender's driver's license
11 has not been shown to deter drug use; and

12 WHEREAS, congress' actions to coerce states into passing
13 ineffective laws is inappropriate; and

14 WHEREAS, the New Mexico legislature has and will continue to
15 address illegal drugs in effective and cost beneficial ways;

16 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE
17 OF NEW MEXICO that the New Mexico legislature certifies that it is
18 opposed to revoking the driver's license of any person convicted of a
19 drug offense if that person is not operating a motor vehicle; and

20 BE IT FURTHER RESOLVED that the New Mexico legislature will
21 continue its efforts in drug abuse education and enforcement programs
22 and will commit its limited resources to programs that, based on New
23 Mexico's experience, have a reasonable chance of reducing drug abuse.

underscored material = new
[bracketed material] = deletion

25

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 24, 1993

FURTHER REFERRALS:

HESS
Judiciary

Date of Committee Action: 3-23-93

The STATE AFFAIRS Committee considered:

HCR 10

HOUSE CONCURRENT RESOLUTION NO. 10 FEDERAL-AID HY FUNDING/DRUG ENFORCEMENT

Relating to certification of the Alaska State Legislature's opposition to requiring suspension of a driver's license for drug offenses.

- RECOMMENDATIONS:] the same title
 be replaced with _____] a new title
-] have attached amendments(s)
-] do pass
-] do not pass
-] no recommendations
-] individual recommendations
-] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

] fiscal impact _____

] fiscal note(s) _____

] zero fiscal note _____

] zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>M. Vehey</i>	X	<i>Jerry Sanders</i>	✓		
<i>[Signature]</i>	X				
<i>B. Davis</i>	X				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				

M. Vehey

 CHAIRMAN'S SIGNATURE

HCR

11

HOUSE COMMITTEE REPORT

(7)

Date Referred: March 1, 1993

FURTHER REFERRALS:

Date of Committee Action: 3-30-93

The STATE AFFAIRS Committee considered:

HCR 11

HOUSE CONCURRENT RESOLUTION NO. 11

WOMEN'S HISTORY MONTH

Designating the month of March as "Women's History Month."

RECOMMENDATIONS:

be replaced with _____ the same title
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>Betty Davis</i>	✓				
<i>Harley Olberg</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				

[Signature]
 CHAIRMAN'S SIGNATURE

ALASKA STATE LEGISLATURE

3111 C STREET
ANCHORAGE, ALASKA 99503
(907) 561-2039
FAX: (907) 561-1691

STATE CAPITOL
JUNEAU, ALASKA 99801-1182
(907) 465-3875
FAX: 907-465-2294

MINORITY WHIP
CHAIR
CHILDREN'S CAUCUS
HEALTH, EDUCATION
& SOCIAL SERVICES
STATE AFFAIRS
ECONOMIC TASK
FORCE

REPRESENTATIVE BETTYE DAVIS
DISTRICT 21

MEMORANDUM

TO: REP. AL VEZEY, CHAIR
HOUSE STATE AFFAIRS COMMITTEE

FR: REP. BETTYE DAVIS *BD*

DT: MARCH 12, 1993

RE: SCHEDULING OF HCR 11

I respectfully request that HCR 11, "Establishing March as Women's History Month" be scheduled at your earliest convenience. I have attached a copy of the bill, sponsor statement and pertinent background information for your review.

If you have any questions, please feel free to contact me or Renee Chatman of my staff at x3875. Thank you.



ALASKA STATE LEGISLATURE

3111 C STREET
ANCHORAGE, ALASKA 99503
(907) 561-2039
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MINORITY WHIP
CHAIR
CHILDREN'S CAUCUS
HEALTH, EDUCATION
& SOCIAL SERVICES
STATE AFFAIRS
ECONOMIC TASK
FORCE

REPRESENTATIVE BETTYE DAVIS DISTRICT 21

SPONSOR STATEMENT

HCR 11 - Establishing March as Women's History Month

HCR 11 is intended to bring to the forefront the contributions of women in our nation and in Alaska.

The designation of March as "Women's History Month" is in response to the nationally recognized lack of published material on the role of women in history, literature and academia in general. Traditional history concentrates on economic political and military events which tend to omit the recognition of women in such activities as social change crusades, charitable and philanthropic activities and in the labor force.

Women's History Month was first designated by Congress in 1987 after five years of hard work by the National Women's History Project located in California. Every year since, Congress has passed a bi-partisan resolution selecting March as "Women's History Month." The idea of celebrating the unique, multicultural history of women has captured the attention of teachers, librarians, community groups, schools and individuals across the nation. "Women's Hall of Fame" institutions have been established in many cities and more and more published material is available. The efforts of many communities has turned national Women's History month into a major celebration and a spring-board to celebrating women's history all year round.

This resolution will not only bring about a heightened awareness of the contributions of women in Alaska's history, but nationally as well. Please join me in supporting HCR 11.



Congressional Resolution Designating the Month of March as "Women's History Month"



Whereas American women of every race, class, and ethnic background have made historic contributions to the growth and strength of our Nation in countless recorded and unrecorded ways;

Whereas American women have played and continue to play a critical economic, cultural, and social role in every sphere of the life of the Nation by constituting a significant portion of the labor force working inside and outside of the home;

Whereas American women have played a unique role throughout the history of the Nation by providing the majority of the volunteer labor force of the Nation;

Whereas American women were particularly important in the establishment of early charitable, philanthropic, and cultural institutions in our Nation;

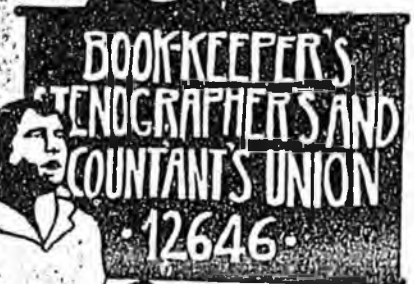
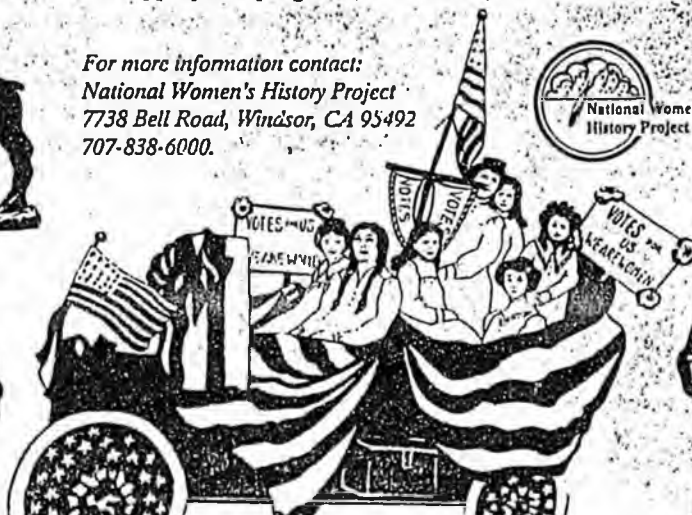
Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement;

Whereas American women have been leaders, not only in securing their own rights of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor movement, the civil rights movement, and other movements, especially the peace movement, which create a more fair and just society for all; and

Whereas despite these contributions, the role of American women in history has been consistently overlooked and undervalued, in the literature, teaching and study of American history:

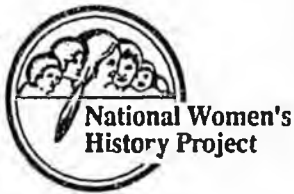
Now, therefore, be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that March is designated as "Women's History Month." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this month with appropriate programs, ceremonies, and activities.

For more information contact:
National Women's History Project
7738 Bell Road, Windsor, CA 95492
707-838-6000.



Illustrations by
Janis Dean





NATIONAL WOMEN'S HISTORY PROJECT

January, 1993

OUR FOUNDING MOTHERS

By Sally Roesch Wagner

National Women's History Month is one of those holidays like Mother's Day, which it seems has always been with us. But Mother's Day, herstorians have recently "discovered," was created by feminists only 100 years ago as an International Women's Peace Festival. And National Women's History Week (now Month) was created by feminists in Santa Rosa, California fourteen short years ago. I envy the future herstorians who "discover" the women and men of the National Women's History Project who have made a place on the national calendar for the business of repopulating our past.

The story the herstorians unravel will begin in 1977 with a handful of Santa Rosa feminists poring over history texts, looking for women. Growing frustrated, they experience exactly what suffragist Matilda Joslyn Gage had found 100 years before: that women have been denied "...the right to do, and when she has done, denied...the credit of doing." In the time-honored tradition of dedicated activists, these second-wave feminists organize, do their homework, and then change the world.

Their first victory comes when they convince the Sonoma County school board to designate a "Women's History Week" on the school calendar. The

Continued on p.3

History of National Women's History Month Celebrations

As recently as 1977, women's history was virtually unknown as a topic of study in the K-12 curriculum. To address this omission, the Education Task Force of the Sonoma County Commission on the Status of Women initiated a "Women's History Week" for local schools. We chose the week of March 8 to make International Women's Day the focal point of the celebration. The celebration met with enthusiastic support, and within a few years, dozens of schools planned special programs for Women's History Week, close to a hundred community women participated in the Community Resource Women Project, the annual "Real Women" essay contest drew hundreds of entries, and we were staging a marvelous annual parade and program in downtown Santa Rosa.

Local Celebrations

In 1979, Molly MacGregor, then the director of the Sonoma County CSW, was invited to participate in the Women's History Institute at Sarah Lawrence College, sponsored by the Women's Action Alliance and the Lilly Foundation. The institute was attended by the national leadership of a wide variety of organizations for women and girls. When she told the other participants about our countywide

Women's History Week celebration, they liked the idea so much they decided to encourage their own organizations and school districts to initiate similar celebrations. The group also agreed to support our efforts to



Joaquin Miller Elementary School (Oakland, CA) was one of the first to celebrate Women's History Week.

secure an official Congressional Resolution to declare "National Women's History Week." Together we achieved success! In 1981, Sen. Orrin Hatch (R-Ut) and Rep. Barbara Mikulski (D-Md) co-sponsored the first Joint Congressional Resolution for National Women's History Week.

Overwhelming Response...

As the word spread across the nation equity specialists in many state departments of education encouraged celebrations of National Women's History Week as a practical means to

Continued on p.6

The NATIONAL WOMEN'S HISTORY PROJECT

The National Women's History Project, now a thriving organization employing eleven women year 'round, as well as many volunteers and seasonal workers, had humble beginnings as a women's history class project at Sonoma State University in the early 1970s.

With photographs taken from history books, magazines and posters, we put together a slide show called "We the Women: Advocates for Social Change." We showed it in our class, and then to the Commission on the Status of Women and other local women's groups. The response was always the same: utter surprise and a tremendous emotional outpouring as women came face to face with a history that had been totally unknown to them.

In 1977 we started working with the Sonoma County Commission on the Status of Women, and, after traveling throughout the state, and sometimes beyond, with the slide show for a number of years, we began to focus our efforts on organizing a Women's History Week celebration for our local school districts and community. By various means, word of our local programs began to travel across the country, and inquiries about materials and program ideas began to be received from educators as far away

as Maryland and New York. It soon became obvious that a separate organization was needed to respond to the rapidly developing interest in women's history.

In 1981, we established the National Women's History Project as an educational, nonprofit organization, to promote the multi-cultural study of women's history in the K-12 classroom. A 60-page *Women's History Curriculum Guide* and a *Community Organizing Guide* were our first publications. Gradually teachers contributed materials they had developed, and we obtained grants from the Women's Educational Equity Act Programs to develop curriculum materials and videos on women's history. The National Women's History Project Catalog was initiated in

1981, with a simple two-page flyer. Then books were added, more posters were printed and more curriculum materials located. Each year the offerings have expanded; the 1993 edition of the Catalog now contains more than 325 items!

From our office and warehouse in rural

northern California, the Project staff organizes conferences and work-shops for state departments of education, and school districts throughout the country, provides technical assistance to program planners, coordinates the Women's History Network, publishes a quarterly newsletter, researches and writes curriculum materials for elementary and secondary classroom use, designs posters and display materials, produces videos on women's history, maintains information and photo archives on notable women, and reviews hundreds of publications for possible inclusion in the NWHP Catalog.

In the past few years we have been reaching out more actively to



educators through exhibit booths at social studies and curriculum conferences throughout the country. We are also encouraging those of you who have been celebrating National Women's History Month, and/or using our materials in your classroom, to assist our efforts to reach a wider audience. We produced the "History Revisited" and "Activities to Celebrate Women's History" videos to make it easy for anyone to give a presentation on National Women's History Month to a faculty, school board or PTA meeting. And, we'll be happy to supply you with multiple copies of the NWHP Catalog for distribution to your colleagues. Please contact us to find out how you can bring National Women's history Month to your community.

National Women's History Project Staff

Executive Director:	Molly Murphy MacGregor
Projects Director:	Mary Ruthsdotter
Business Manager:	Maria Cuevas
Publications Director:	Bonnie Eisenberg
Computer Services:	Sharron Rose, Donna Kuhn and Denise Hawe
Administrative Assistants:	Susanne Otteman, and Lisl Smith
Shipping Department:	Kathryn Rankin, Jeanne Thomas, and Bobbi Hanibler
Archive Librarian:	Sunny Bristol

Why Women's History?

The primary goal of the National Women's History Project is to promote a more equitable portrayal of women in United States history for elementary and secondary students. During the fourteen years that our staff has been working with classroom teachers, we have seen how learning about the role of women in our nation's past helps young girls and women feel more self-assured, more willing to take responsibility for planning their futures, and more optimistic about the control an individual can have over her own life. Self-esteem is key to learning. Therefore, it is essential that the representations of women in all areas of the curriculum be historically accurate and presently realistic. Only then will the expectations of students, female and male alike, match the realities of the world they will face as adults.

Celebrating National Women's History Month sets aside a special time

each March for schools and communities to recognize and celebrate the lives of countless women of all races, ages, cultures, ethnic traditions and ways of life. Women are honored who have participated in history by living out their lives, whether in ways grandly eloquent or steadfastly ordinary, and by so doing have contributed to our shared history.

This year's theme, "Discover A New World: Women's History" invites you to discover not only the world of people and events that has been neglected in the traditional telling of history, but also the "new world" of your own life, once you are touched by the knowledge of women's history.



Our Founding Mothers

Continued from p. 1

women enter an historical tradition by choosing the week of March 8, International Women's Day, which originated 69 years before with a strike of working women in New York City. The observance then spread to Europe, and became an international event in 1945 with a World Congress of Women held in Paris.

They have constructed the frame; now comes the tedious job of quilting the past. Scraps of the lives of women are carefully woven into a multi-colored fabric strong enough to support our dreams of the future. Three years of stitching and the fabric covers the nation.

Women in Congress pick up the thread. The White House calls. President Carter has issued a Message encouraging all Americans to celebrate National Women's History Week, March 2-8, 1980. Women's History Week spreads like a good recipe, as friends share with friends and the pattern of women's lives is sewn in more and more towns and states across the nation. Fourteen years old and it has outgrown its week-long covering; a month can barely contain it. And it is growing...

"One Generation sows and another reaps, often forgetting what has gone before," Olympia Brown, the first regularly ordained woman minister in the U.S., wrote in her autobiography. Our granddaughters sitting in their classrooms, looked down upon by the faces of their kind through the ages, may never know the names of the women who made that knowledge possible. But we do. And today we celebrate the back-breaking, eye-straining, absolutely triumphant work of the National Women's History Project.

Written by Dr. Sally Roesch Wagner, on the occasion of the anniversary of the National Women's History Project.

What is Women's History?

Multicultural women's history tells the story of our nation's past from an expanded perspective. It does not rewrite history; but it does make very different judgements about what is important.

Traditionally history has focused on political, military, and economic leaders and events. This approach has virtually excluded women, people of color, and the mass of America's ordinary citizens. What the children of those ignored groups learn from such history is that they, and people like themselves, are unimportant, and have contributed little to our society. By expanding the focus of history to include the activities and contributions of women from all walks of life, we give all children an opportunity to see themselves as active participants in the

life of the nation, capable of making important contributions to the future.

Women's history approaches the past with a wide-angle lens, taking in a much wider vision of what was going on in any given time period. In addition to the activities of the government and military in the public sphere, we also look at the private sphere, at the everyday life experiences of people from all walks of life, people just like ourselves and our own families. Women's history also provides a wealth of new role models for today's young people and for adults as well. The courageous women of the past who have dared to forge new roads join women living quietly at their families' center to create a world where future possibilities are limitless. Their stories are an inspiration for us all.

The National Women's History Project originated and is now the primary promoter of National Women's History Month as a coast-to-coast focal celebration each March. National Women's History Month sets aside a time for honoring the contributions of the women who have come before us and those who are creating the historical legacy of future generations.

In thousands of schools, communities and worksites around the country, special programs, displays and events are planned that combine the theme and materials developed by our staff with the talent and creativity of local planners. Reports of these programs are exciting and heartwarming, and their numbers are increasing every year!

Beginning each fall, we conduct a national media campaign, calling attention to the fact that March is National Women's History Month.

Our staff provides short articles, feature stories, photos, quizzes, research assistance, and inspiration to hundreds of newspapers, magazines, radio and television stations. The response has been tremendous! In the past few years, publications as diverse as "Seventeen" magazine, the United Postal Workers Union newsletter, USA Today, the Houston "Chronicle," and the Prodigy Computer Network have publicized National Women's History Month to their constituencies.

Each year we work with teachers and artists to develop the national theme and commemorative poster for National Women's History Month, words and pictures that will adorn the walls in thousands of schools and offices throughout the country each March. But our work goes on every day, year 'round. Preparing for March is only one aspect of what we do.

● Because of our efforts over the past twelve years, children from New York City to San Ysidro, California, from Bayonet Point, Florida to Sitka, Alaska are being introduced to women's history in their daily classroom lessons. Today's students are learning about strong women from the past who have made important contributions to the life of our nation. Young girls are expanding the possibilities for their own futures, and boys are learning that the girls beside them are important people, too.

● In addition to developing materials for classroom use, the NWHP provides information and referrals, without charge, for hundreds of workplace, school, and community people seeking multicultural women's history information.

● Equity officials look to our Project for innovative strategies and materials to use to improve the school or workplace environments for which they're responsible.

● Organizations, libraries and museums turn to us for informative, multicultural videos and display materials.

● Since 1978, we have made the search for quality, multicultural films, books, posters, games and celebration items a lot easier. The National Women's History Project has become "the source," inventorying over 300 items for quick delivery. With the direct help of our supporters, we now distribute 220,000 Women's History catalogs each year, and hundreds of thousands of focused promotional brochures on topics like Women's Equality Day and Black History Month.

In addition to our work with schools and workplace program planners, we have become a valuable resource for the media.

National

History

STA

REP

Fall

● Journalists, authors, and radio and television representatives rely on our office as a source for information about women from the past.

● We react quickly to popular media events. "The Civil War" series was a public sensation — but viewers were left wondering what women did during those tumultuous times. Our widely published "Letter to the Editor" filled in the blanks for teachers and writers alike. And our popular "Women and The Civil War" poster tells the story concisely and colorfully!

● We also furnish the media with information about women for special features throughout the year: Black History Month (February), Susan B. Anthony's birthday (February 15), Mother's Day (May), for sports and athletics in the spring, Women's Equality Day (August 26), Veteran's Day (November), and other days as we are asked.

Women's Project

CATALOG

REPORT

1992

Our office has been instrumental in linking women's history enthusiasts nationwide.

● We founded The Women's History Network in 1984. It's now nationwide, and 700 members strong. The Network connects representatives of federal workplaces and local libraries with parents and historians, teachers and performers.

● Our staff coordinates activities with Network members and provides consultation for their projects and programs.

● We issue an eight-page, quarterly newsletter of current developments and topical background information. The articles we run frequently reappear in women's newspapers and magazines, and in other organizations' newsletters, too. We also compose an annotated

directory of the membership to facilitate networking.

● We respond to requests from people who need specific women's history information, or women's history in a different format.

Responding to teacher requests, we continue to develop new curriculum materials where gaps are most apparent.

● Very young children were being overlooked by curriculum publishers — so we developed a number of multicultural biography units for early elementary use.

● No comprehensive, multicultural films or videos existed to quickly introduce women's history — until we produced "Women in American Life," a five-part video documentary series.

● Little information was available about the history of Mexican-American women, either in print or video. We filled this need with a biographical pamphlet, "Las Mujeres" and a 30 minute video, "Adelante Mujeres."

● Our curriculum unit on Women and the Constitution was released just in time for the bicentennial celebration in 1987.

● Efforts to increase girls' interest in math and science careers have been strengthened by the development of display materials featuring prominent women scientists: "Outstanding Women in Math and Science" display kit and a new "Women in Science and Mathematics" poster.

Every year our catalog contains hundreds of women's history books, posters and classroom materials.

● Many of these items have been created by our staff, with the help of classroom teachers, artists, and other content experts.

● Dozens of publications from publishers across the country are reviewed each year, and the best are selected for inclusion in the National Women's History Project Catalog.

Teacher training workshops, in California and throughout the country are enthusiastically received by teachers and administrators alike.

● State departments of education, school districts and regional centers across the country have requested our trainers to conduct workshops, from one to four full days.

● Hundreds of teachers, curriculum specialists, equity specialists, librarians and administrators have been introduced to strategies and resources for integrating multicultural women's history into all areas of the K-12 curriculum.

The current economic recession and the funding crisis being faced by many school districts throughout the country has caused a noticeable reduction in the sales of women's history materials for a while. But our staff has undertaken an aggressive marketing campaign which has enabled us to reach a larger audience nationwide. Response to our services and materials remains strong, and we are confident that we will continue to provide quality materials to schools, workplace program planners, community groups and parents for many years to come.

The National Women's History Project is a nonprofit educational organization 501 (c) (3), located at 7738 Bell Road, Windsor, CA 95492. Phone 707-838-6000. FAX 707-838-0478.

National Women's History Month

Continued from p. 1

achieving equity goals within the classroom. Maryland, Pennsylvania, New York, Oregon and other states developed and distributed women's history curriculum materials and program ideas to thousands of schools in their respective states. NOW and AAUW chapters sponsored women's history essay contests and other special programs in their local areas. Within a few years, thousands of schools and communities were celebrating National Women's History Week, supported and encouraged by NWHW resolutions from governors, city councils, school boards and the U.S. Congress!

The Entire Month of March

For 1987, at the request of many school districts, museums and libraries throughout the country, we decided to expand the national celebration to the entire month of March, to allow more time to explore the increasingly accessible field of women's history. Since then, the National Women's History Month Resolution has been approved with broad-based, bipartisan support in both the House and Senate.

The idea of celebrating the unique, multicultural history of women in the U.S. has captured the imaginations of teachers, librarians, community groups, women's organizations, and thousands of individuals throughout the nation. Each year programs and activities in schools and communities have become more extensive as information and program ideas have been developed and shared.

Growing Interest in Women's History

The popularity of women's history celebrations has sparked a new interest in uncovering women's forgotten heritage. A number of states and cities have instituted a "Women's Hall of Fame," or have published biographical materials on prominent women in the history of their particular locale. In

many areas, state historical societies, women's organizations, and groups such as the Girl Scouts have become involved in planning Women's History Month programs. The efforts of educators, workplace program planners, parents, and community

organizations in thousands of communities across the country have turned National Women's History Month into a major focal celebration, and a spring-board for celebrating women's history all year 'round.

Congressional Resolution

Designating the Month of March as

"Women's History Month"

Whereas American women of every race, class, and ethnic background have made historic contributions to the growth and strength of our Nation in countless recorded and unrecorded ways;

Whereas American women have played and continue to play a critical economic, cultural, and social role in every sphere of the life of the Nation by constituting a significant portion of the labor force working inside and outside of the home;

Whereas American women have played a unique role throughout the history of the Nation by providing the majority of the volunteer labor force of the Nation;

Whereas American women were particularly important in the establishment of early charitable, philanthropic, and cultural institutions in our Nation;

Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement;

Whereas American women have been leaders, not only in securing their own rights of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor movement, the civil rights movement, and other movements, especially the peace movement, which create a more fair and just society for all; and

Whereas despite these contributions, the role of American women in history has been consistently overlooked and undervalued, in the literature, teaching and study of American history:

Now, therefore, be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that March is designated as "Women's History Month." The President is authorized and requested to issue a proclamation for each of these months, calling upon the people of the United States to observe those months with appropriate programs, ceremonies, and activities.

Since 1987, this resolution, or a version similar, has been passed by Congress to designate the month of March each year as "Women's History Month."

SUBSCRIBE TO THE WOMEN'S HISTORY NETWORK

THE WOMEN'S HISTORY NETWORK offers you up-to-the-minute information about resources: books, movies and videos, historic sites, archives, exhibits, and individuals in the rapidly expanding field of women's history. Nowhere else is this information available from a single source. As a Network member you will also be supporting the vital work of the NWHP: to document and disseminate information about multicultural women's history, and to provide technical assistance to researchers, librarians, and teachers throughout the country.

As a subscriber you will receive:

- "NETWORK NEWS," the quarterly, 8-page newsletter of information for educators, researchers, program planners and general women's history enthusiasts;
- TECHNICAL ASSISTANCE from the staff of the National Women's History Project for your research or program planning;
- REFERRALS to excellent women's history performers, films, exhibits, classroom activities and the like;
- THE NETWORK DIRECTORY, listing members, and detailing their interests and experience;
- 5% DISCOUNT on purchases from the NWHP Resource Catalog

*Subscribe to the Women's History Network.
Write to the NWHP office for a sample copy of
"Network News."*

Annual Fees:

\$25 individual
\$50 institutional or group membership
\$50 supporting member
\$100 sustaining member

ADOPT - A - SCHOOL

Do you belong to a social or service organization, like Soroptomists, Kiwanis, AAUW, NOW, or BPW? Are you looking for a project that will have a positive impact on the lives of hundreds of children? Your club or organization can "Adopt a School" in your community to introduce the students and teachers to fascinating women from U.S. history. Adopt-a-School projects can include purchasing books for the library, sponsoring special NWHM programs, and other projects to improve the quality of education in your community. Request a free copy of our *Adopt-A-School* pamphlet (item # 7903) of strategies and ideas. Call or write:

National Women's History Project
7738 Bell Road, Windsor, CA 95492 707-838-6000

Putting Women Back Into History

Women's History project helps fill in the blanks

*(This article was reprinted with permission
from the Healdsburg (CA) Tribune.)*

When the University of Pennsylvania wanted to know who was the first woman to earn a doctorate in Mathematics from its institution, the school placed a call to Windsor.

When the National Bar Association wanted to know the name of the first Hispanic individual to pass the bar, members called Windsor.

Need information on the Salem witch hunts? The first woman to play pro baseball? The first American female aviator?

Mary Ruthsdotter of the National Women's History Project, located in Windsor, has the answer. "We can answer any question you have, or find the answer by the end of the day," she said. When it comes to women's history, that is.

Biographies and information about American women, from authors to service women to the ladies who worked on the California railroads, can also be found among the copious files of the National Women's History Project.

The non-profit agency is the major supplier of women's history information and curriculum in the United States.

"I know," says Ruthsdotter, co-founder of the History Project which was established in 1978 in Santa Rosa. "you'd expect a national project like this to be in New York or some big city. But Sonoma County is where we live."

The agency, which relocated from Santa Rosa to Windsor in 1989, has been especially busy gearing up for the

Continued on page 8

Writing Women Back Into History

Continued from page 7

month of March, National Women's History Month, but the resource center keeps up with a barrage of informational requests, material compilation, curriculum planning and public appearances all year round.

Ruthsdotter points to rows of file cabinets containing information on women's contributions to this country's evolving history, and then to the never ending bookshelves full of literary resources, which continue to grow and take over the office space on Bell Road.

The amount of information available on U.S. women shouldn't be a big surprise. "Women have always been half of the population," Ruthsdotter says. "And after wars, we've been more than half the population...but where are our stories?"

Where they're not, to a great extent, is in the text books and curriculum materials of the nation's public schools. In a 1982 study of state-recommended high school history books, the lack of significant reference to women in U.S. history was depressing to Women's History Project organizers.

"Countless hours were spent laboriously going through those books and counting how many times women were mentioned by name or pictured with names," says Ruthsdotter. "The result was so discouraging that we went back through and counted the women pictured, even if they weren't mentioned by name." At the time, women figured in only 11 percent of the texts' historical references.

Since then, Ruthsdotter acknowledges, more recent curriculum and texts show a greater awareness of women's roles in U.S. history and current events, but the progress is slow. Ruthsdotter has estimated that less than one in six of America's 105,000 public and private schools purchase materials to teach women's history and that, "even if the growth of the past five

National Women's History Project
7738 Bell Road
Windsor, Ca 95492



Mary Ruthsdotter and Sunny Bristol

years continues through 1997, the cumulative total spent for women's history materials for all American schools will add up to less than \$80 per school site."

The Women's History Project strives to compile the information to fill in the "big blanks," as Ruthsdotter refers to them, that exist in school history and social studies programs.

Picking up a video cassette from her desk top, she says, "This is a tape about Margaret Chase Smith, the only

senator to call Joe McCarthy on his investigation of communist affiliations. She was challenging someone in her own party. This was an incredible woman."

Women's History Project archivist Sunny Bristol has just returned to work from a vacation in Florida and reports to Ruthsdotter, "I heard two references to Women's History Month on the radio there. But there was no follow-up information...just the two references."

Replies Ruthsdotter, "Well, that's something. It's a start. Two references are better than nothing at all."

Bristol was excited to have found some information and a poster on Bessie Coleman, the first Black female aviator. "She had to go to France to learn how to fly," says Bristol. "They wouldn't teach her here."

The Women's History Project is working at full steam to bring these stories into American schools. Catalogs full of literary resources are made available to schools by the History Project, which also sends staff to lead workshops and to give presentations to schools and community groups across the country.

THE ALASKA LEGISLATURE



* HONORING *

* WOMEN'S HISTORY MONTH *

It is with great pleasure that the Eighteenth Alaska State Legislature acknowledges March as Women's History Month to honor the inspiration, achievement, and contribution women have made throughout history.

The theme of Women's History Month in 1993 is "Discover a New World: Women's History." Women are honored who have participated in history by living out their lives, whether in ways grandly eloquent or steadfastly ordinary, and by doing so have contributed to our shared history.

American women of every race, class, and ethnic background have been leaders, not only in securing their own rights of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor movement, the civil rights movement, and especially the peace movement. Despite these contributions, the role of American women in history has been traditionally overlooked and undervalued in the literature, teaching and study of American history.

Women's History Month invites you to discover not only the world of people and events that have been neglected in the traditional telling of history, but also the "new world" of your own life, once you are touched by the knowledge of women's history.

We, the members of the Eighteenth Alaska State Legislature, take this opportunity to participate in celebrating Women's History Month for the continuing role women play in every sphere of the life of our nation.



Democrat Barnes
SPEAKER OF THE HOUSE

Rick Halford
PRESIDENT OF THE SENATE

Date: February 24, 1993

Requested by: Representatives B. Davis, Barnes, Brown, Davies, Davidson, G. Davis, Hoffman, Menard, Navarre, Nordlund, Phillips, Sitton, Toohey, Ulmer, Willis; Senators Eills, Kerttula, Pearce, Donley, Lincoln, Duncan, Little, Zharoff, Phillips, Frank, Salo

HCR

16

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. HCR 16

Revision Date: _____
Title: Establishing an Alaska coal policy
Sponsor: House Economic Task Force
Requestor: House State Affairs

Department Affected: Commerce and Economic Development
BRU: _____
Component: _____
COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year (FY 93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Wendy Mulder, Legislative Liaison
Division: Office of the Commissioner

Phone: 465-2500
Date: _____

Approved by Commissioner: Paul Fuhs
Agency: Commerce and Economic Development

Date: 3-9-93

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
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House Economic Task Force

Chair:
Rep. Eileen Panigeo MacLean
Vice-Chair:
Rep. Jeannette James



State Capitol, Room 507
Juneau, AK 99801
Phone: (907) 465-4833
Fax: (907) 465-2278

Members:
Rep. Bettye Davis
Rep. Joe Green

Rep. Bill Hudson
Rep. Jerry Mackie

Rep. Carl Moses
Rep. Al Vezey
Rep. Bill Williams

Sponsor Statement

HCR 16 - Establishing the coal policy of the state. By the House Economic Task Force

The coal industry in Alaska suffers from a number of problems that we in the Legislature can help to solve. One of them is the image of the state as hostile territory for coal development. The Mental Health Lands issue has created the perception among foreign buyers that Alaska is not a coal state and that Alaska's coal resources will never reach market.

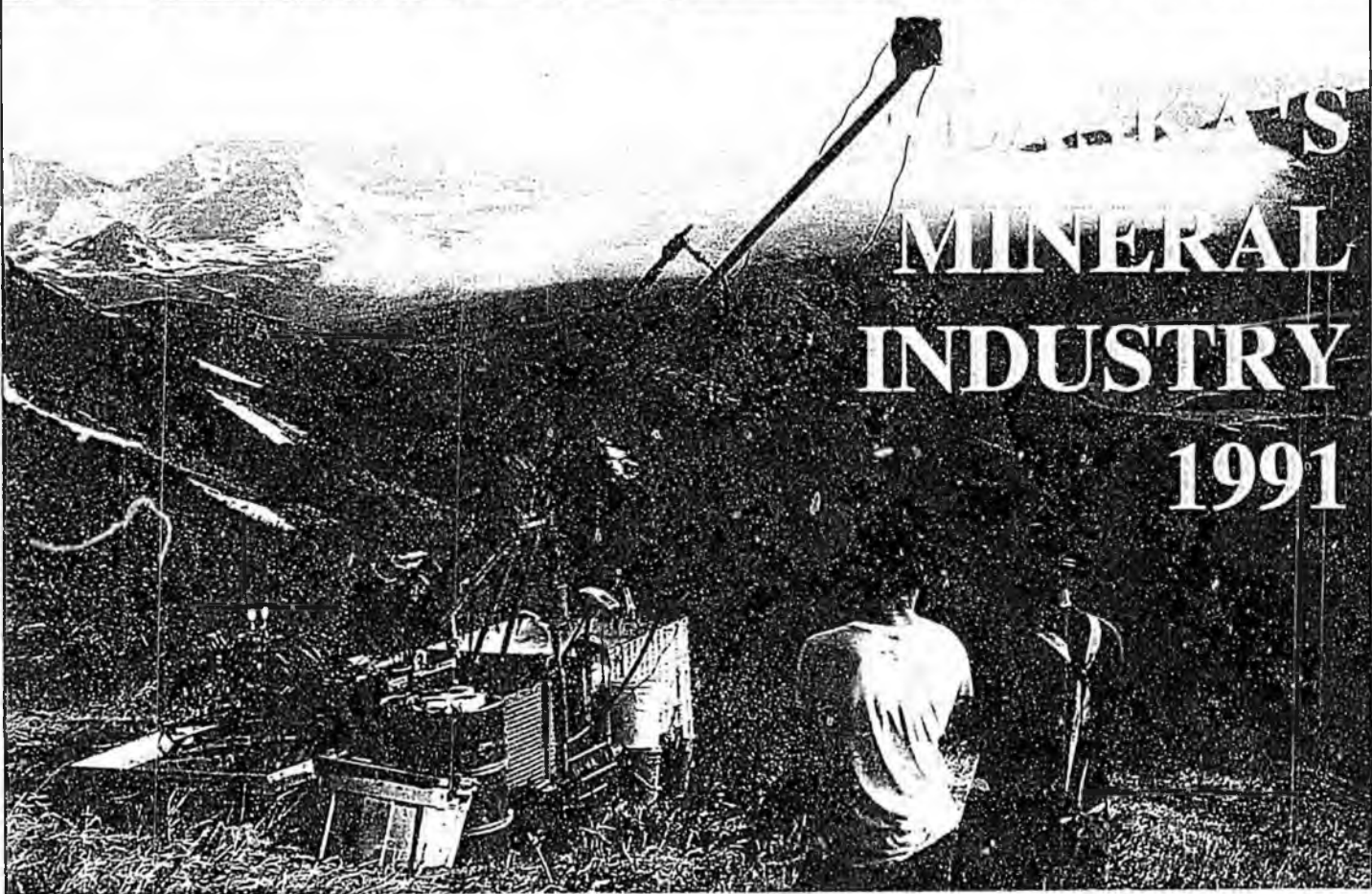
If we want the Alaskan coal industry to have a future, the state needs to begin to project a positive attitude. HCR 16 is a small but meaningful step the Legislature can take to establish Alaska's desire to promote coal development.

The House Economic Task Force drafted this resolution based on a coal policy that was recently passed by the Alaska Coal Association. If HCR 16 is approved by the Legislature, the Coal Association plans to publicize the state's support in industry journals throughout the world.

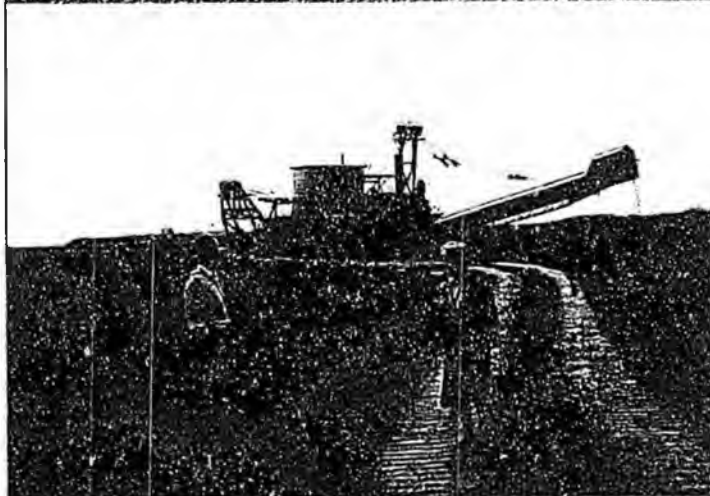
Division of Economic Development
Division of Geological & Geophysical Surveys
Division of Mining



SPECIAL REPORT 46



ALASKA'S MINERAL INDUSTRY 1991



Alaska's Mineral Industry 1992: A Summary

by R.C. Swainbank, T.K. Bundtzen, A.H. Clough, and E.W. Hansen

•**PRODUCTION**—Metals, industrial minerals, and coal, with an estimated value of \$561 million, was steady with 1991 value. Low commodity prices reduced profitability for most Alaska mines.

•**EMPLOYMENT**—3,492 full-time-equivalent jobs, about the same as 1991.

•**EXPLORATION**—Expenditures decline to \$30.4 million.

•**DEVELOPMENT**—\$29.6 million, up from 1991 expenditures.

•**HEALY CLEAN COAL TECHNOLOGY PROJECT**—Advanced during 1992.

•**LAND SELECTION**—State proceeded with applications for final selections and access provisions from federal government according to the provisions of the 1959 Alaska Statehood Act.

•**RENTS**—New federal rules require rents on federal mining claims.



DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS
INFORMATION CIRCULAR 36
March 1993

 Alaska Department of
**NATURAL
RESOURCES**

Alaska's Mineral Industry 1992: A Summary

by

R.C. Swainbank,¹ T.K. Bundtzen,² A.H. Clough,³ and E.W. Hansen⁴

This summary is a preliminary review of mineral industry activity in Alaska during 1992. Much of the information it contains is based on partial returns of a Division of Geological & Geophysical Surveys (DGGs) questionnaire circulated in late 1992. The purpose of the summary is to provide timely information, pending publication of the complete annual report later this year.

Table 1 summarizes the value of mineral production and reported expenditures for exploration and development during the last four years.

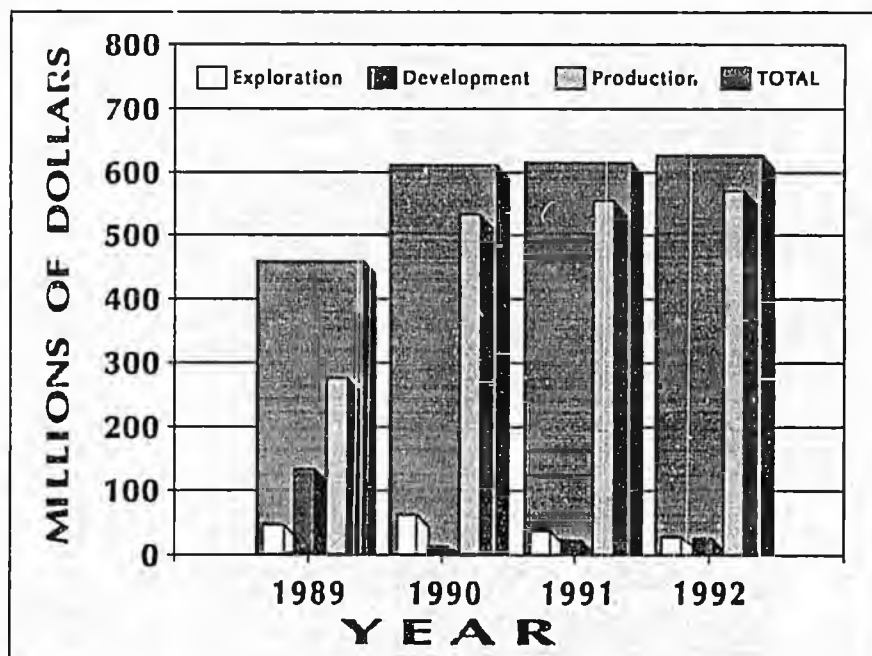
Although production from individual mines varied somewhat from the previous year, the total value of mineral production for 1992 is estimated at \$560.8 million, up 3 percent from 1991. Production of placer gold at Cambior Alaska Inc.'s Valdez Creek Mine was 2,676 kg (86,052 oz) refined gold, the largest production year thus far during the eight-year mine development. In the third quarter of 1992 Cominco Alaska Inc. reported substantial improvement in zinc recovery at the Red Dog Mine.

Development projects at Greens Creek Mine in 1992 resulted in more effective separation of mineral concentrates. (However, at this writing, Kennecott Greens Creek Mining Company has announced that the mine will close in April 1993 because of depressed

metal prices and will reopen only when metal prices improve substantially. During this shutdown, limited underground exploration and development will be ongoing to facilitate reopening of the mine.)

Other noteworthy mineral development projects in 1992 were reported at the Fort Knox gold deposit near Fairbanks, at the Valdez Creek gold placer mine, and at Idemitsu-Alaska Inc.'s Wishbone Hill coal property. Total expenditures on mineral development in 1992 were \$29.6 million, up from \$25.6 million reported in 1991.

Reported exploration expenditures were \$30.4 million, down from \$39.9 million reported in 1991. Hence, the



Alaska Mineral Industry Activity, 1988-1991.

¹Department of Commerce & Economic Development, Division of Economic Development, 1001 Noble Street, Suite 360, Fairbanks, AK 99701.

²Department of Natural Resources, Division of Geological & Geophysical Surveys, 794 University Avenue, Suite 200, Fairbanks, AK 99709.

³Department of Commerce & Economic Development, P.O. Box 110804, Juneau, AK 99811-0804.

⁴Department of Natural Resources, Division of Mining, 3700 Airport Way, Fairbanks, AK 99709.

total preproduction investments reported in 1992 were \$60.0 million, compared with \$65.5 million reported for 1991.

Exploration highlights include significant expansion of reserves or resources at Illinois Creek, at the Ryan Lode, and at Johnson River. New projects were reported in the Rampart, Upper Salcha, and Ladue River areas.

State estimates show that 3,494 people were employed in all aspects of the mineral industry during 1992, compared with about 3,646 employed in 1991. The 4 percent decrease was caused mainly by lower exploration levels (table 2).

Notable federal government actions in 1992 included drastic increases in filing fees and holding fees for federal claims and renewed congressional initiatives to implement large royalties on minerals extracted from these claims. At the state level, following a two-year review of the mineral potential of available federal lands, the state began to make its final selections in late 1992 pursuant to its land entitlement. The state also defined a procedure to nominate rights-of-way under the Revised Statute 2477 (RS2477) provision to allow access across federal lands. The Alaska legislature provided a permanent exemption of in-place natural resources from municipal taxation.

Division of Mining preliminary estimates for 1992 show that 2,501 new state claims and 679 new federal claims were recorded compared with 3,391 and 1,299, respectively, in 1991. Preliminary estimate of the total active claims for 1992 is 50,049, compared with 57,666 in 1991; of these 29,116 are state, and 20,933 are federal.

Table 1. Total value of mineral industry in Alaska, 1989-92

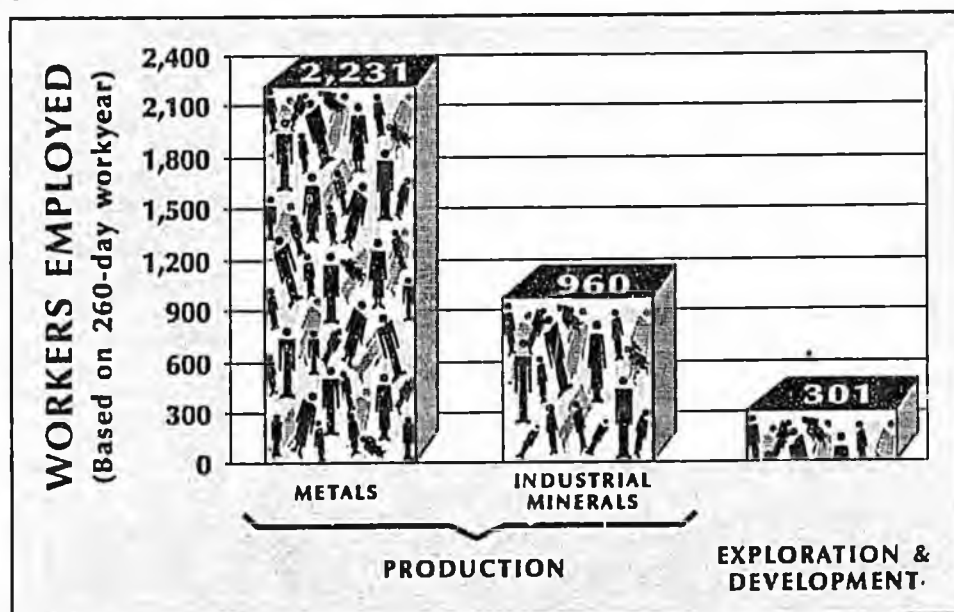
	1989	1990	1991	1992
Exploration	\$ 47,762,596	\$ 63,255,594	\$ 39,908,539	\$ 30,400,000
Development	134,272,350	14,326,500	25,574,350	29,590,300
Production	276,983,741	533,024,500	546,468,907	560,826,400
TOTAL	\$459,018,687	\$610,606,594	\$611,951,796	\$620,816,700

Table 2. Alaskan mine employment, 1989-92^a

	1989	1990	1991	1992
Gold/silver/mining				
Placer	1,316	1,151	1,240	1,251
Lode	161	265	235	240
Base metals	407	425	415	415
Recreational	325	315	320	325
Sand & gravel	625	645	685	640
Building stone	148	160	165	145
Coal	120	115	115	115
Peat	--	--	45	40
Tin, jade, soap-stone, ceramics, platinum	40	40	25	20
Mineral development	785	95	133	164
Mineral exploration	350	374	268	137
TOTAL	4,277	3,585	3,646	3,492

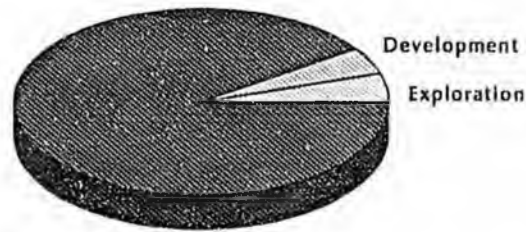
-- = Information not available.

^aCalculated on a 260-day work year.



Mineral industry jobs, by category, 1991.

Production



Production of six metals—zinc, gold, silver, lead, tin, and platinum—accounted for 81 percent of total Alaskan mineral production during 1992, an increase of 4 percent from the 1991 level (table 3). However, low metal commodity prices continued to reduce the profitability of most Alaska mines. The average 1992 price for zinc increased 8 percent from 1991 levels; however, the prices of silver, lead and gold dropped 6, 4, and 7 percent, respectively. The value of zinc (\$302 million) accounted for 54 percent of Alaska mineral production.

In northwestern Alaska, Cominco Alaska, operator of the NANA Corporation-owned Red Dog deposit, shipped 429,901 tonnes (473,000 tons) of zinc, lead, and ISF composite metal concentrate in 1992. This amount is close to the concentrate tonnage shipped in 1991. As in previous years, the concentrates were trucked from mine site to the Kivalina Port, where they were transported during the August to October shipping season to the Cominco smelter at Trail, British Columbia and overseas locations. By implementing technology that selectively processes individual ore types separately, Cominco improved the quality of zinc concentrates at Red Dog, North America's largest producer of zinc. The company reported that overall mill head grades during 1992 were 19.9 percent zinc, 6.0 percent lead, and 99 g/tonne (2.9 oz/ton) silver.

Kennecott Greens Creek Mining Company produced 103,241 tonnes (113,827 tons) sulfide concentrates that contained 36,733 tonnes (40,500 tons) zinc, 14,966 tonnes (16,500 tons) lead, 217,700 kg (7,000,000 oz) silver, and 1,008 kg (32,400 oz) gold. Despite another high yield production year, Kennecott reported another loss for the 1992 calendar year.

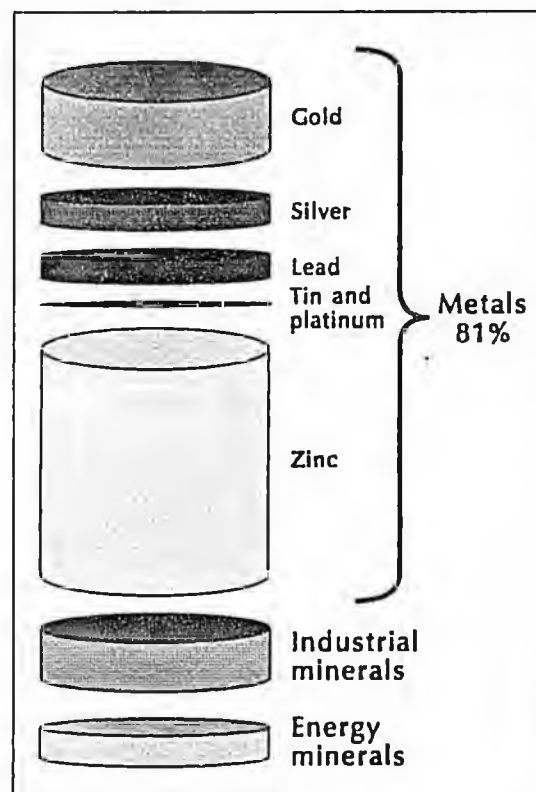
Despite difficult economic conditions at both mines, the Greens Creek and Red Dog operations produced about half of the U.S. domestic mine production of zinc, 12 percent of the lead, and 17 percent of the silver for the 1992 calendar year.

Zinc was the most valuable commodity produced in Alaska, followed by gold. Gold production in 1992 is estimated at 8,163 kg (262,500 oz) compared with 7,585 kg (243,800 oz) in 1991, a weight increase of 7 percent. Lower gold prices in 1992 resulted in nearly the same estimated value (\$88 million) for the two

reporting years. Production came from 197 placer and two lode mines, compared with 202 placer and two lode mines that reported production in 1991.

Cambior Alaska's Valdez Creek mine east of Cantwell produced an estimated 2,676 kg (86,052 oz) of refined gold making it Alaska's largest gold mine for seven of the last eight years. Rounding out the top ten producers (not necessarily in order) were: Greens Creek Mine, southeast Alaska; Polar Mining, Fairbanks; the Dredges of Alaska Gold Company, Nome; Alaska Placer Development, Livengood; Taiga Mining, Hogatza; NYAC Mining, Aniak; Cooks Mining, Fairbanks; Sphinx America, Ruby; and Paul and Company, Circle.

A late spring and early winter in Alaska's interior caused many seasonal placer mining firms to lose up to 25 percent of seasonal annual production. Nevertheless, reported unit-cost performance improved from



Estimated Alaskan mineral production in 1992 totaled \$560.8 million.

Table 3. *Estimated mineral production in Alaska, 1990-92**

Metals	Quantity			Estimated values ^b		
	1990	1991	1992	1990	1991	1992
Gold (ounces)	231,700	243,900	262,500	\$ 89,204,000	\$ 88,291,800	\$ 88,463,000
(kilograms)	7,206	7,585	8,163			
Silver (ounces)	10,135,000	9,076,854	9,115,755	50,675,000	39,114,490	34,913,341
(kilograms)	315,199	281,382	283,500			
Platinum (ounces)	--	15	W	--	5,325	W
(grams)	--	465	W	--	--	W
Lead (tons)	44,220	69,591	68,664	30,954,000	33,403,680	31,585,440
(tonnes)	40,106	63,119	62,278			
Zinc (tons)	181,200	278,221	274,507	253,680,000	278,221,000	301,957,700
(tonnes)	164,350	252,346	248,978			
Tin (pounds)	57,000	6,800	1,500	200,000	22,100	5,910
(kilograms)	25,855	3,084	680			
Subtotal				\$424,713,000	\$439,058,395	\$456,925,391
Industrial minerals						
Jade and soapstone (tons)	W	16.0	1.5	\$ W	\$ 12,000	\$ 30,000
(tonnes)	W	14.5	1.4			
Sand and gravel (million tons)	15.0	14.2	14.6	40,821,500	45,448,512	42,200,000
(million tonnes)	13.6	12.8	13.2			
Building stone (million tons)	3.2	3.0	2.9	22,100,000	22,500,000	22,971,000
(million tonnes)	2.9	2.7	2.6			
Subtotal				\$ 62,921,500	\$ 67,960,512	\$ 65,201,000
Energy minerals						
Coal (tons)	1,576,000	1,540,000	1,531,000	\$ 44,990,000	\$ 39,000,000	\$ 38,300,000
(tonnes)	1,429,000	1,396,780	1,388,620			
Peat (cubic yards)	65,000	75,000	70,000	400,000	450,000	400,000
(cubic meters)	49,699	57,345	53,552			
Subtotal				\$ 45,024,500	\$ 39,450,000	\$ 38,700,000
TOTAL				\$533,024,500	\$546,468,907	\$560,826,391

*Production data from DGGs questionnaires, USBM file data, phone interviews with mine operators, Alaska Department of Transportation and Public Facilities, and other sources.

^bValues calculated from 1992 average prices of gold (\$337/oz), zinc (\$0.55/lb), lead (\$0.23/lb), silver, (\$3.83/oz), and tin (\$3.94/lb); all other values provided by mine operators.

-- = Not reported.

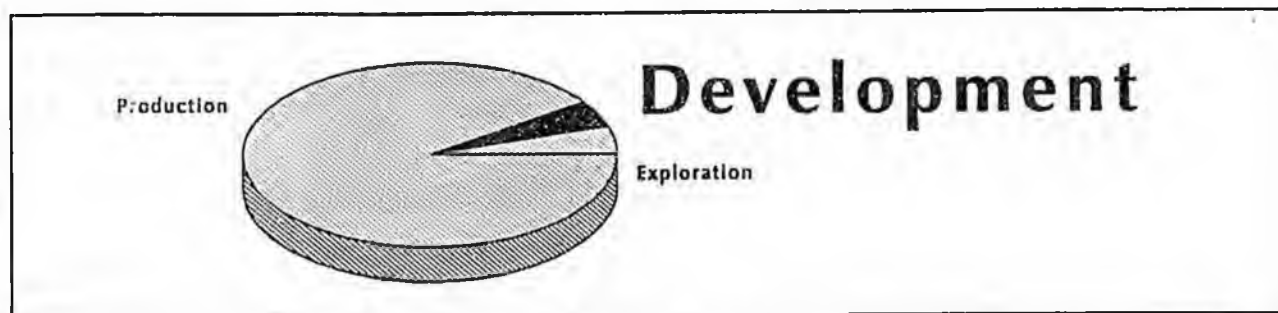
W = Withheld.

10 to 25 percent from 1991. The 1992 unit-cost improvement suggests that placer miners may be increasing their overall productivity.

The Alaska sand and gravel industry quarried an estimated 13.2 million tonnes (14.6 million tons), worth \$42.2 million for Native, state, and federal road construction projects in all regions of Alaska.

Coal production remained about the same as in 1991—an estimated 1,388,600 tonnes (1,531,000 tons) worth \$38.3 million. Most of the production came from the Usibelli Coal mine at Healy where roughly half the coal fuels six interior power plants, and the other half is

exported to South Korea. Arctic Slope Consulting Group mined about 680 tonnes (750 tons) of coal for testing in village stoves and for metallurgical programs. Price reductions in the international coal markets resulted in more difficult contract negotiations between KEPCO, the South Korean export coal buyer, the Usibelli Coal Mine Inc., the Alaska Railroad, and Sun Eel Shipping Company.



Mineral development expenditures increased 16 percent from \$25.5 million in 1991 to \$29.6 million in 1992 (table 4). Most of the increase can be attributed to mine-site work by Fairbanks Gold Mining Inc. at the Fort Knox deposit near Fairbanks and geotechnical improvements at Greens Creek mine near Juneau.

Fairbanks Gold Mining Inc., an operating subsidiary of AMAX Gold Inc., continued to develop the Fort Knox gold deposit, which is situated almost entirely on lands owned by the State of Alaska. The company completed 20,420 m (67,000 ft) of reverse circulation drilling, conducted geotechnical and hydrologic studies, and completed an on-site condemnation program that identified nonmineralized areas for mill-site design. A comprehensive environmental assessment prepared by CH₂M Hill for Fairbanks Gold Mining was publicly reviewed throughout the fall of 1992. The Fort Knox mine is expected to cost \$220 million to develop, produce about 9,330 kg (300,000 oz) of gold

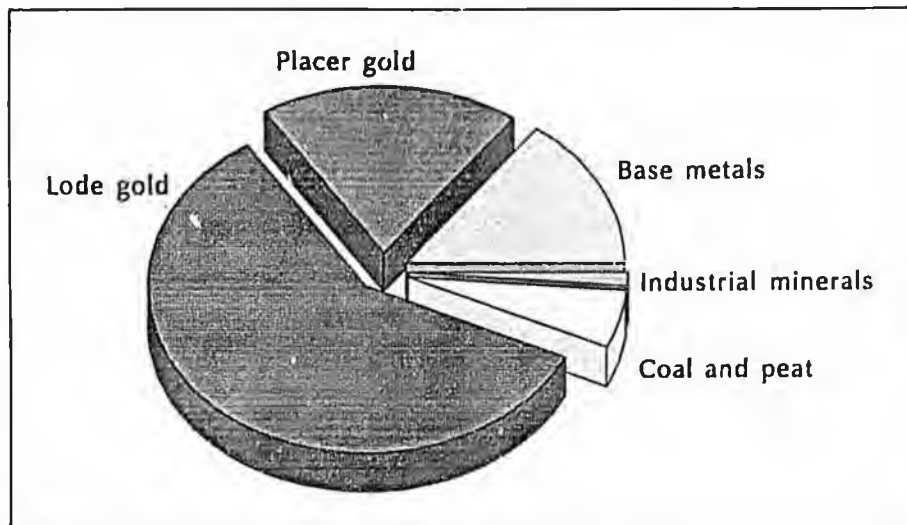
annually—which will roughly double current Alaskan gold production—and employ 250 workers for 16 years. Fairbanks Gold Mining has a projected 1995 startup date.

Kennecott-Greens Creek Mining Company enhanced and modified its water quality containment facility, completed a regrind-flotation expansion project, installed a state-of-the-art waste water treatment facility, and built two tower mills and three additional column-flotation cells. Kennecott carried out this extensive development improvement program despite substantial financial losses.

Idemitsu Alaska Inc. continued development of the Wishbone Hill coal project near Palmer, despite continued uncertainty of the Alaska Mental Health injunction and declining international coal prices. The 1992 work included drilling, engineering studies, ongoing environmental monitoring, and reserve evaluation. To date, Idemitsu has spent \$10 million to define the coal reserve and complete permitting and engineering studies

Table 4. Reported mineral development expenditures and employment in Alaska, 1992

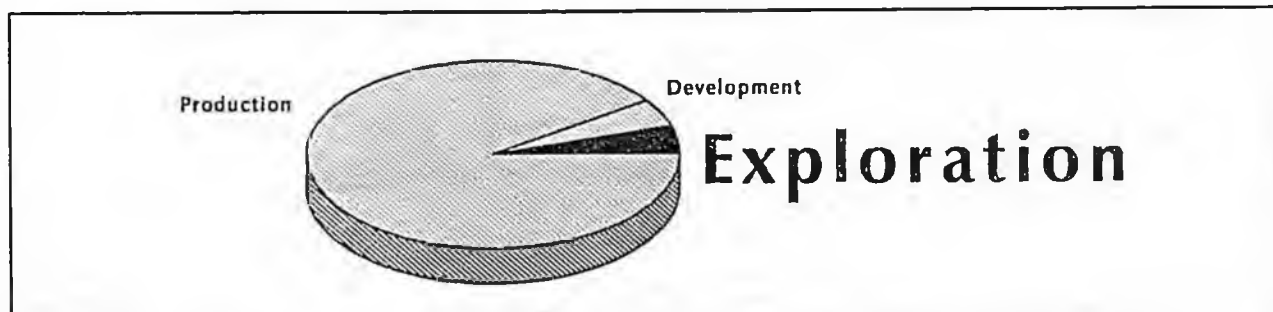
	Northern	Western	Eastern interior	South-central	Alaska Peninsula	South-western	South-eastern	TOTAL
Exploration expenditures								
Base metals	--	--	--	\$ 75,000	--	\$ 5,000	\$ 4,300,000	\$ 4,380,000
Precious metals								
Placer	\$ 63,000	\$2,230,000	\$ 1,634,300	1,464,000	--	30,000	300,000	5,721,300
Lode	--	--	11,000,000	--	--	--	6,430,000	17,430,000
Coal and peat	400,000	--	--	1,255,000	--	--	--	1,655,000
Industrial minerals	--	--	--	70,000	--	--	334,000	404,000
TOTAL	\$463,000	\$2,230,000	\$12,634,300	\$2,864,000	--	\$35,000	\$11,364,000	\$29,590,300
Exploration employment								
Exploration employment								
Workdays	1,780	2,341	12,748	5,904	--	480	19,241	42,494
Workyears ^a	7	9	49	23	--	2	74	164
Number of companies reporting ^b	5	4	12	11	--	3	6	41
-- = No expenditures reported.								
^a Based on a 260-day workyear.								
^b Some companies were active in several areas.								



Estimated Alaskan development expenditures for 1992 totaled \$29.6 million.

for production. Because steam-coal prices have declined, projected costs for the proposed Wishbone Hill mine have been reduced through mine redesign. Idemitsu is evaluating transportation and options of the

project to further reduce cost. In production, the mine would export 680,250 tonnes (750,000 tons) to Japan and provide 150 to 200 jobs annually.



Estimated exploration expenditures for 1992 are \$30.4 million down substantially from the \$39.9 million reported in 1991. As was noted earlier in this report, there was an increase in development expenditure as some large projects changed from exploration to development. The exploration estimates are based on responses from 80 mining companies and consultants, the same number of companies that reported back to DGGS in 1991. Table 5 shows the regional distribution of these exploration expenditures.

Although Battle Mountain Exploration Co. had no activity in Alaska in 1992, all of the other companies active in 1991 had significant projects in 1992. Companies which have not been active in Alaska recently, but had large programs in 1992, include Newmont Exploration Ltd. and Noranda Exploration Inc.

Northern Alaska

Reported exploration expenditures in northern Alaska were up 24 percent in 1992 over those in 1991. As in past years, Arctic Slope Consulting Group had a large drilling program to increase reserves at the Dead-

fall Syncline and extracted 680 tonnes (750 tons) of the high rank coal for village testing and consumption. Earth scientists from the U.S. Bureau of Mines, the U.S. Geological Survey, and the State Division of Geological & Geophysical Surveys continued a multi-year assessment of the north flank of the Brooks Range along the extension of the rock package which hosts the Red Dog Mine. Silverado Mines Ltd. started a drilling project on its Nolan Creek bench property near Wiseman and confirmed the expected grade.

Western Alaska

Expenditures in western Alaska were down 20 percent from 1991. The Bering Straits Native Corporation (BSNC) had programs in joint venture with Newmont Exploration Ltd. around the Rock Creek prospect and with Kennecott Exploration north of Nome. BSNC also reported work at Mt. Distin and other areas of the Seward Peninsula. North Pacific Mining Co. (NPMC), a subsidiary of the Cook Inlet Regional Corporation (CIRI), was also active on the Seward Peninsula. CIRI is one of the 12 regional Native corporations formed by

the Alaska Native Claims Settlement Act (ANCSA). The 12 Native corporations hold mineral rights to almost 44 million acres.

NPMC had a large program at the Illinois Creek gold-silver deposit, with 1,530 m (5,020 ft) of trenching and 1,529 m (5,016 ft) of diamond drilling completed in 1992. Near-surface geologic resources at Illinois Creek are reported to be 3.7 million tonnes (4.1 million tons) at 2.4 g/tonne (0.071 oz/ton) gold and 50 g/tonne (1.47 oz/ton) silver.

NANA Corporation had a modest geochemical and geophysical exploration program on the Seward Peninsula in 1992, and plans further work next year.

Eastern Interior

Reported expenditures were up 53 percent from 1991 in the eastern interior of Alaska. Several exploration projects in the Fairbanks, Circle, Livengood, and Richardson mining districts concentrated on the search for bulk mineable gold deposits. At the Ryan Lode on Ester Dome west of Fairbanks, La Teko Resources Ltd. continued a major drilling project, and at the end of 1992 announced a proven and probable resource base of 32,375 kg (1,041,000 oz) of gold, with a geologic resource of 62,200 kg (2 million oz) in extensions of the identified shear zones in a quartz porphyry pluton and surrounding schist. American Copper and Nickel Co. continued an aggressive exploration program on the remaining 36 sq km (14 sq mi) of Ester Dome and at the

nearby Eagle Creek prospect, where gold is also spatially related to intrusive rocks, similar to deposits on Ester Dome. Freegold Recovery Ltd. continued its exploration of a series of prospects within a large landholding at Cleary Summit in the eastern part of the district, and reached an agreement-in-principle with AMAX Gold Inc. early in 1993 for further exploration. AMAX also continued exploration at the Liberty Bell Mine in the Bonfield district and west of Pedro Dome in the Fairbanks district.

Tri-Valley Corporation, in joint venture with the Russian TsNIGRI group, continued evaluation of its 179 sq km (70 sq mi) land base in the Richardson District, about 113 km (70 mi) east of Fairbanks.

In the Circle mining district, about 160 km (100 mi) north of Fairbanks, several groups are prospecting high-grade gold veins and an igneous-hosted gold prospect in the Portage Creek drainage. At the end of 1992, Verdstone Gold Corp. optioned claims near Crooked Creek where three diamonds were recovered from placer gold mines in the mid-1980s.

Montague Gold NL, in a joint venture with ASA Inc., an Alaskan company with Australian and Scottish involvement, has been exploring several blocks of land owned by Doyon Inc., a Fairbanks-based Native corporation. Late in 1992, the joint venture acquired some state land at Sawtooth Mountain west of Livengood, where vein samples with 51 g/tonne (1.49 oz/ton) gold occur, and where a veined pyrite-bearing monzonite crops

Table 5. Reported exploration expenditures and employment in Alaska by commodity and region, 1992

	Northern	Western	Eastern interior	South-western	South central	Alaska Peninsula	South-eastern	TOTAL
Exploration expenditures								
Base metals	\$ 80,000	\$ 125,000	--	\$2,600,000	\$ 18,000	--	\$ 893,000	\$ 3,716,000
Precious metals								
Placer	105,000	128,000	\$ 78,000	34,500	363,500	--	25,000	734,000
Lode	--	1,610,000	8,208,350	175,000	978,000	\$ 8,650	13,945,000	24,925,000
Coal and peat	1,000,000	--	--	--	--	--	--	1,000,000
Industrial minerals	--	25,000	--	--	--	--	--	25,000
Other	--	--	--	--	--	--	--	--
TOTAL	\$1,185,000	\$1,888,000	\$8,286,350	\$2,809,500	\$1,359,500	\$8,650	\$14,863,000	\$30,400,000
Exploration employment								
Employment								
Workdays	2,120	3,393	12,836	5,206	2,180	270	9,472	35,477
Workyears	8	18	50	20	8	1	36	137
Number of companies reporting	8	8	23	11	18	2	10	80
-- = No expenditures reported.								

out with gold values up to 13.0 g/tonne (0.38 oz/ton). Placer Dome US Inc. has an adjacent land holding. ASA Inc. was also active in the Kuskokwim River area near McGrath. The company found gold in stream sediments in the same belt as the 31,300 kg (1 million oz) Vinasale Mountain gold deposit, which is hosted in quartz monzonite and the 10,885 kg (350,000 oz) Nixon Fork gold skarn deposit.

Recent activity at the Casino porphyry copper-gold deposit in the Yukon Territory created new interest in several similar targets in Alaska. Noranda Exploration Inc., operating on behalf of Hemlo Gold Mines Inc., commissioned a 460-line-km (300-line-mi) airborne magnetic-electromagnetic-radiometric and VLF-EM geophysical survey on the Taurus property in 1992. The survey identified several "blind" targets beneath the extensive overburden, one of which was being drilled (February 1993), and added a new south zone to the east and west Taurus zones which were the focus of exploration during the early 1970s.

Noranda/Hemlo is also a partner in a joint venture with Watts, Griffis and McQuat Inc. (WGM), Conroy Petroleum and Natural Resources Plc. of Ireland, and the American subsidiary of Sumitomo Metal Mining of Japan. This joint venture, announced late 1992, is to explore a large area around WGM's Stone Boy Creek Project about 160 km (100 mi) east of Fairbanks. Following 4,000 line km (2,500 line mi) of airborne magnetic/EM survey flown in 1991 and 1992, several igneous-hosted gold and sedimentary-exhalative targets have been identified for further evaluation, mainly on state-owned lands.

Southwestern Alaska

There were ten small placer exploration projects and two large hard-rock gold exploration programs throughout southwestern Alaska in 1992. Placer Dome U.S. Inc. continued exploration in the Flat area with geological investigations and trenching. At its Pebble Copper deposit near Lake Iliamna, Cominco Alaska Exploration Inc. drilled 2,000 m (6,606 ft) to further evaluate this large copper-gold porphyry system. Reported reserves are 450 million tonnes (500 million tons) grading 0.35 percent copper and 0.012 oz/ton (0.41 g/tonne) gold, with a higher-grade 50-million-ton core grading 0.4 percent copper with 0.015 oz/ton (0.51 g/tonne) gold. Molybdenum occurs with grades in the 0.03 to 0.04 percent range.

Southcentral Alaska

Ten small placer exploration programs were reported throughout southcentral Alaska in 1992. Rowallen Mine Partnership collected a bulk sample upstream of the Valdez Creek placer mine. In the same

area Canalaska Resources USA Ltd. continued mapping and sampling at its Rainbow Hill hard-rock prospect.

Modest programs were reported in the Willow district at the Gold Cord Mine, in the Upper Chulitna district at the Golden Zone Mine, and in the Yentna district at the Blue Ribbon Mine. The largest exploration program in this area was at the Johnson River prospect where a 460-line-km (300-line-mi) geophysical survey and a 2,652 m (8,700 ft) drill program was designed to explore extensions of the existing reserve of 126,980 tonnes (140,000 tons) of zinc and 16,800 kg (540,000 oz) of gold.

North Pacific Mining Co. had a small exploration project on the Toklat polymetallic prospect in the Talkeetna Mountains. The company also collected a bulk sample from the Red Mountain chromite deposit near Seldovia for metallurgical testing.

The Australian exploration firm Paraclete Resources explored gold-magnetite-ilmenite strandline deposits near Cape Yakataga. The objective is to delineate a resource of placer gold with byproduct industrial minerals such as ilmenite and magnetite.

Alaska Peninsula

Except for claim assessment, no exploration activity was reported on the Alaska Peninsula in 1992.

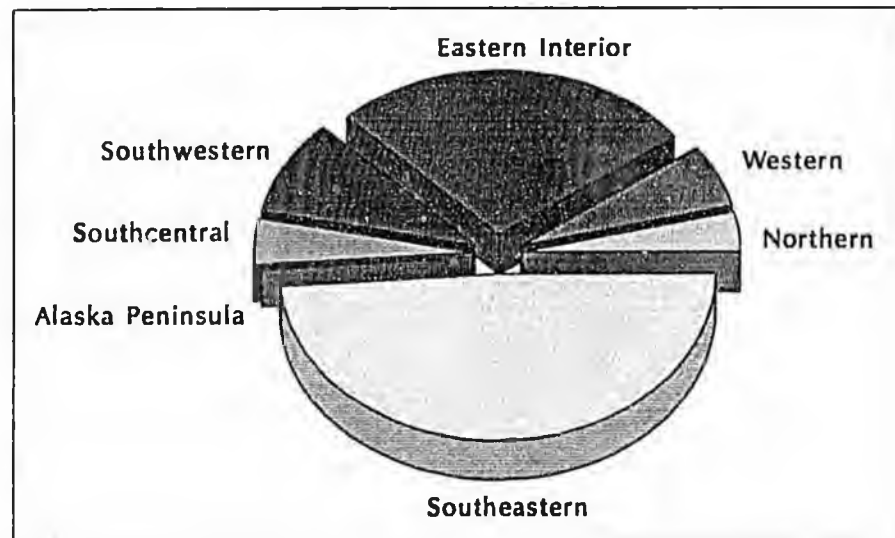
Southeastern Alaska

In southeastern Alaska, Curator International conducted target evaluation at its Jualin prospect, about 80 m (50 mi) north of Juneau, adjacent to Echo Bay's Kensington Mine.

Work continued at Kensington, a joint venture of Echo Bay and Coeur d'Alene Mines, with Echo Bay acting as operator. The joint venture has spent over \$80 million on the project through 1992. Reserves for the Kensington through 1991 are 10.4 million tonnes (11.5 million tons) at 4.9 g/tonne (0.143 oz) gold. The Horrible Vein mineralized zone which is intersected by Kensington main adit contains an additional 3.56 million tonnes (3.9 million tons) of 3.8 g/tonne (0.11 oz/ton) gold.

The final environmental impact statement (EIS) for the project was released in the spring of 1992. The document estimates a \$205 million capital cost with a production cash-cost of \$213/oz gold. The mine would be a rotational camp operation staged from Juneau. Since the mine is in the Greater Juneau Borough the mine operation falls under the City and Borough Mining Ordinance. In October 1992, the City and Borough of Juneau (CBJ) Planning Commission approved the conditional use permit (equivalent to a final EIS) for the project. The joint venture continues to move forward with permitting details of the project and will undertake

Distribution of exploration expenditures by areas of the state. Exploration expenditure for 1992 totaled \$30.4 million.



additional underground exploration in 1993 in an effort to expand the ore reserve.

Echo Bay continues its six-year effort to reopen the Alaska-Juneau (A-J) mine, one of Alaska's premier gold producers. Between 1886 and mine closure in 1944, the mine produced 105,740 kg (3.4 million oz) of gold, 68,420 kg (2.2 million oz) of silver, and 19.95 million kg (44 million lbs) of lead. The mine closed because of wartime shortages in labor and material and not due to ore depletion.

Reserves in all categories for the A-J mine approach 90.7 million tonnes (100 million tons) grading about 1.75 g/tonne (0.05 oz/ton) gold. These reserves exceed

the production threshold of Echo Bay, therefore only limited underground work was conducted in 1992.

During 1992, the final EIS was released for the A-J mine project. In addition, Echo Bay purchased the 15 percent interest in the project which was held by WGM Inc. Thus, Echo Bay now has complete interest in both the A-J and Treadwell gold deposits, although CBJ retains a royalty interest. As with the Kensington mine, the A-J mine must obtain a conditional-use permit under the Juneau Mining Ordinance. The CBJ Planning Commission has recently begun deliberations on the A-J mine and the process should be completed by April 1993.

Drilling

Total drilling in Alaska in 1992 was 135,468 m (444,449 ft), compared with 157,909 m (514,796 ft) reported in 1991. Total reported hard-rock diamond-drilling and reverse-circulation drilling, at 109,677 m (359,834 ft), was up substantially from the 1991 level of 96,516 m (316,655 ft).

Projects reporting major drilling programs include the Rock Creek area north of Nome; Illinois Creek in the Kaltag area; the Pebble Copper and Johnson River programs near Cook Inlet; the Ryan Lode, Ester Dome,

Pedro Dome, and Fort Knox programs in the Fairbanks area; and the Kensington and Greens Creek Mines in Southeast Alaska.

Although total drilling was down from 1991, most of the difference was in thaw-field drilling at Nome by Alaska Gold Co. Because the company is converting from dredging to open-pit operations, thaw-field drilling is no longer necessary.

Government Action

For several years the state has been compiling a register of the trails that may qualify as access corridors under the Revised Statute 2477 (RS2477). During 1992, the state defined a procedure whereby an individual can nominate to the state a trail for consideration as an RS2477 route.

Municipal taxation of in-place mineral resources within municipality borders in Alaska has been possible since statehood. In May 1992, the Alaska Legislature passed SB330, which provides a permanent exemption from municipal taxation of in-place mineral resources.

In 1992 there was no resolution to the problem of recreating the Mental Health Land Trust, but an escrow mechanism was designed so that no project was unduly delayed by the lawsuit between the state and the Mental Health Trust plaintiffs.

After two seasons of field-checking the mineral resources of available federal land, in late 1992 the state submitted land selections of the remaining statehood land entitlement of about 5.7 million hectares (20 million acres). When finally transferred, the state will own about 42.1 million hectares (104 million acres), administered by the Department of Natural Resources.

Because the State of Alaska intends to complete its land selection by January 1994, those individuals or companies holding federal claims wanting to convert to state ownership should do so as soon as possible. ("How to Convert Federal Mining Claims to State Claims," page 11 of this report.)

NEW RENTAL FEE ON FEDERAL MINING CLAIMS

On October 5, 1992, the Department of the Interior Appropriation Act for Fiscal Year 1993 was signed into law. This new law pertains to federal mining claims only, and does not affect state mining claims in any way. Following are the highlights of the act:

New Mining Claims

- (a) Owners of new mining claims located on or after October 6, 1992, will be charged a new rental fee of \$100 in addition to the existing service charge of \$10. This payment must be made

when filing the mining claim notice with Bureau of Land Management (BLM) within 90 days of staking the new claim. The rental payment is for the assessment year ending September 1, 1993.

- (b) A rental payment of \$100 for the 1994 assessment year (beginning September 1, 1993) must be paid to BLM no later than August 31, 1993. Assessment work is not required to be performed for the 1993 and 1994 assessment years.

Claimants with more than ten claims

Owners of more than ten federal mining claims located on or before October 5, 1992, must pay BLM a rental of \$200 per claim no later than August 31, 1993. These are the rental payments for the 1993 and 1994 assessment years. Assessment work is not required to be performed for the 1993 and 1994 assessment years.

Claimants with ten claims or fewer

The "Small Miner Exemption" of the Act provides two choices for claim owners of ten claims or less.

CHOICE 1: The owner of mining claims located on or before October 5, 1992, can pay BLM a rental of \$200 per claim no later than August 31, 1993. These are the rental payments for the 1993 and 1994 assessment years. If the payment is made, assessment work is not required to be performed for the 1993 and 1994 assessment years.

CHOICE 2: The owner of mining claims located on or before October 5, 1992 is exempt from paying the \$200 rental fee for any of the following reasons:

- (a) The claimant is mining under a valid notice or plan of operations and producing not less than \$1,500 and not more than \$800,000 in gross revenues per year.
- (b) The claimant is exploring the claims under a valid notice or plan of operation.
- (c) The claimant must have less than ten acres of unreclaimed surface disturbance from such mining activity or exploration work.
- (d) In addition, all claimants exempted from paying

the \$200 rental fee must file two newly-required certifications by August 31, 1993. (1) A certificate showing that the claimant qualifies for the exemption. (2) A certificate stating that performance of the 1993 assessment work has been done and that the 1994 assessment work will be performed between September 1, 1993, and September 1, 1994.

Please note: At the time of this writing, BLM has not yet issued its final ruling. Interested miners are urged to contact BLM for further details regarding the Interior Appropriations Act.

HOW TO CONVERT FEDERAL MINING CLAIMS TO STATE CLAIMS

With the Interior Appropriations Act recently signed into law, several owners of federal mining claims have inquired about the possibility and procedure for converting a federal mining claim to a state mining claim. In some cases it is possible to do this, but only if a number of land status conditions are met.

CHECK THE LAND STATUS

The following checklist is for owners of unsurveyed federal mining claims who are considering converting their claims to state claims:

- (1) Are your federal claims surrounded by land already conveyed to the state? If not, keep your federal claims.
- (2) Is mining permitted on the state land surrounding your claims? If not, keep your federal claims.
- (3) Are there state or federal claims located in conflict with your federal claims? If yes, you should resolve those conflicts before you proceed.

HOW TO CONVERT UNSURVEYED FEDERAL CLAIMS

If your answers for questions (1) and (2) are yes, and your answer to question (3) is no, then this is what you have to do:

- (a) Record a Notice of Abandonment with the appropriate District Recorder and deliver a copy to the Bureau of Land Management (BLM).

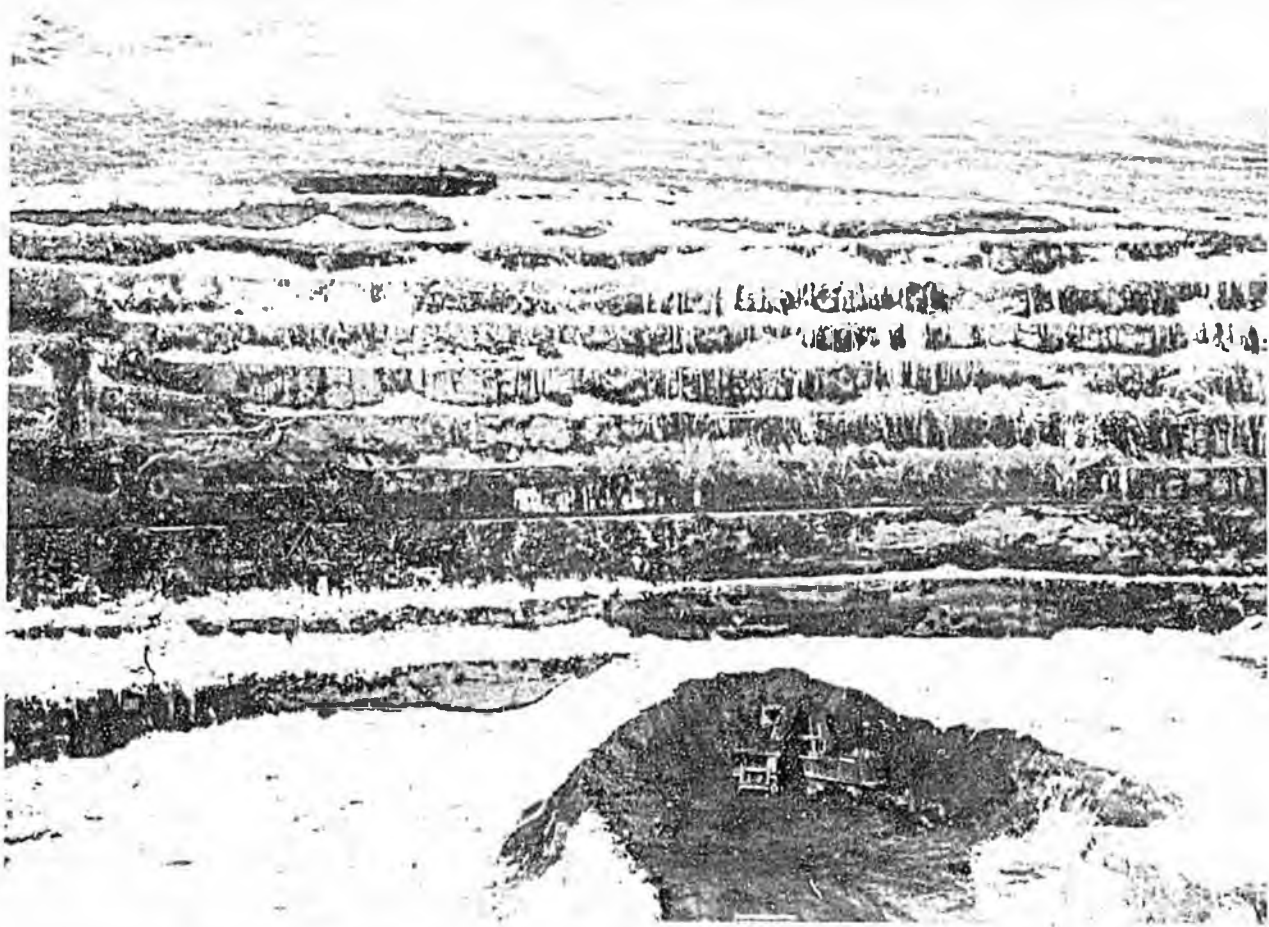
- (b) Immediately locate and record state mining claims to cover the abandoned claims.
- (c) Since your new claims are on state-selected land, you are not required to make the \$20-claim-rental payment to the state. However, you must make this payment within 90 days of the date the land is conveyed to state ownership. Therefore, you are well advised to make a \$20 rental deposit now. This nonrefundable deposit will be applied to the first rental year once the land is conveyed to the state.
- (d) Submit a Priority Tentative Approval (T.A.) request to the State Division of Mining. This will notify the state of your need to have the land conveyed as soon as possible.
- (e) There is no way of knowing how long it will take BLM to process a specific Priority T.A. request. If the abandonment of the federal claims is made near the end of the mining season, the government will have all winter to process the conveyance to the state.
- (f) The miner should be aware that there is no guarantee that the land will be conveyed to the state by the beginning of the following mining season, nor can the state guarantee the claim owner that the land eventually will be conveyed.

Changing the underlying ownership of mining ground from the federal to the state government is not a simple process nor without risk. It involves abandoning the federal mining claim with its grandfather rights and patent rights and locating new state mining claims in place of the federal claim.

Further information can be obtained at the following offices:

Alaska Division of Mining
Frontier Building
36 C Street, Suite 880
Anchorage, AK 99503
(907) 762-2518
1-800-478-2154

Alaska Division of Mining
3700 Airport Way
Fairbanks, AK 99709
(907) 451-2788



The Valdez Creek Mine, 80 km (50 mi) east of Cantwell, Alaska, has been the state's largest gold producer for seven of the last eight years. Cambior Alaska Inc. operates the mine, which produced 2,676 kg (86,052 oz) refined gold and provided 155 full-time equivalent jobs in 1992. The photo of pit A-7-IX of the mine looks north to the diversionary-ditch road. Photo courtesy of Cambior Alaska Inc.

Front cover: Processing mill of the Golden Zone Mine in the Chulitna-Cache Creek District northwest of Talkeema, southcentral Alaska. Prior to World War II, the mine produced copper, gold, and silver from underground working. Recent mineral exploration has proved up an estimated 7,153 kg (230,000 oz) gold in about 1.9 million tonnes (2 million tons) of ore. Photo courtesy of Mr. Richard Hughes.

DEPARTMENT OF NATURAL RESOURCES

**Division of Geological & Geophysical Surveys
Division of Mining**

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

Division of Economic Development

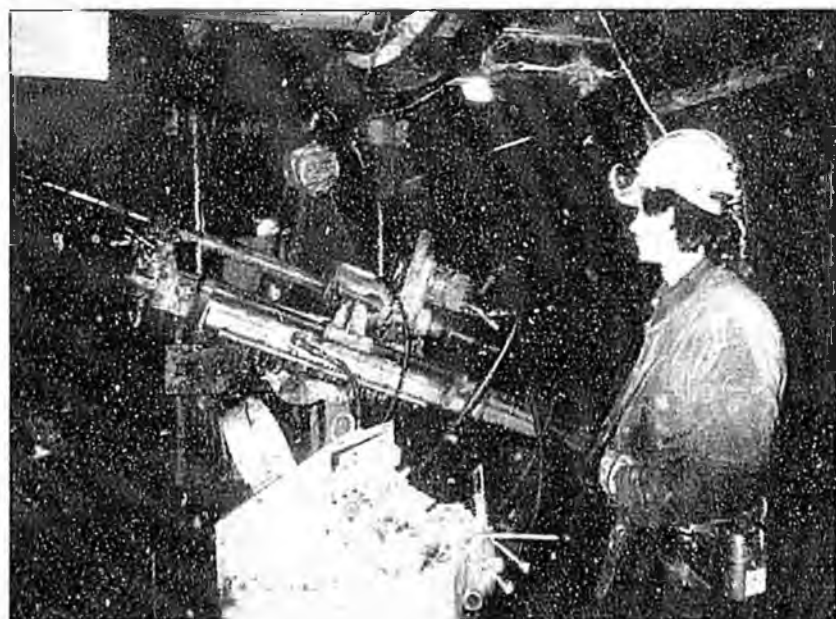




Report of the
**ALASKA
MINERALS
COMMISSION**



JANUARY 1993



ALASKA MINERALS COMMISSION

January 1993

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FOREWORD

The Alaska Minerals Commission was created by the 14th Legislature and signed into law on June 6, 1986. The enabling legislation instructs the Commission to make recommendations to the Governor and Legislature on ways to mitigate the constraints, including governmental constraints, on the development of minerals, including coal, in the state. The Commission's Statement of Purpose can be found in Appendix A.

The Commission presented its initial report to the Governor and the Legislature in January 1987, presented an interim report in January 1988, and was charged with making a final report to the first session of the 16th Legislature in January 1989 after which the Commission was to expire. However, during the second session of the 15th Legislature, legislation was enacted extending the Commission's charter through January 1994. Reports were issued in 1990, 1991, and 1992, and will be issued annually through 1994.

Commission members are appointed by the Governor, the President of the Senate, and the Speaker of the House. The current members include representatives of the placer, hard rock, and coal mining industries and come from diverse areas of the state. Administrative and staff support to the Commission is provided by the Division of Economic Development, Department of Commerce and Economic Development.

During 1992, the Commission held meetings in Juneau, Fairbanks and Anchorage, including a meeting with the Lt. Governor and Commissioners of several Departments. The recommendations in this report are the result of input at these meetings. All Commission meetings are open to the public, and members encourage comments from all interested parties at any time.

Following the list of recommendations in the executive summary, the report contains background information or findings on each issue, followed by the related recommendation. These have been grouped into a Part A which deals with issues that are mainly state issues, and a Part B which are federal issues which affect the state and can be influenced by state participation. Legislation referenced in the report is contained in the appendices.

On behalf of the members of the Commission, I would like to express our appreciation to those members of the public, to the Alaska Miners Association, the Resource Development Council, and to the many government agencies and private organizations that contributed to the preparation of the report. We especially wish to thank Acting Commissioner Paul Fuhs of the Department of Commerce and Economic Development and, Diane Mayer, Dick Swainbank, Al Clough and Nancy Long of the Division of Economic Development who have provided excellent administrative and professional support to the Commission.

We sincerely regret the passing of former Commission member Frederick O. Eastaugh during 1992, and will miss the benefits of his insights and institutional memory. We also welcome John Schnabel who was appointed by the Speaker of the House to replace Fred as a member of the Commission.

Earl H. Beistline
Chairman

ALASKA MINERALS COMMISSION 1993 Report to the Governor and Alaska State Legislature

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EXECUTIVE SUMMARY

Despite the downturn in metal prices, the Alaska mineral industry remained healthy in 1992. The industry value for the year is expected to be similar to 1991 levels of \$612 million; providing over 3,600 direct jobs to the state. Alaska has several world-class mines and advanced exploration projects, however the state needs to address its competitiveness if it is to continue to attract capital investment in its mineral resources.

Exploration is the forerunner to development and production. Worldwide about \$2 to \$2.5 billion is spent on exploration, increasingly in countries which offer incentives such as detailed geologic and geophysical maps, tax and royalty considerations, and simplified permitting.

Many of the issues in this year's report suggest ways that Alaska can increase its share of the global exploration capital.

RECOMMENDATIONS

PART A: ISSUES REQUIRING STATE ACTION

INCENTIVES

1. The Governor and Legislature should create economic incentives that will provide financial encouragement and help offset some of the real and perceived problems facing exploration and development in Alaska. Possible incentives that should be considered include credits for expenditures on exploration drilling and geophysics that can be deducted from claim rents, the mining license tax, production royalties, and income taxes.

GEOPHYSICAL & GEOLOGIC MAPPING

- 2a. The Governor and Legislature should invest \$50 million over the next 8 - 10 years in airborne geophysical mapping, along with geological and geochemical surveys of known and potentially mineralized lands of state interest, and the timely publication of the resulting data.
- b. The Governor should work with the Congressional Delegation to secure full funding for the National Geologic Mapping Act of 1992.

MENTAL HEALTH LANDS

3. The Governor and the Legislature should amend Chapter 66 to expedite final resolution of the Mental Health Trust Land lawsuit so the State of Alaska's lands will have an important impediment removed.

WATER QUALITY

4. The Governor should direct the Department of Environmental Conservation (DEC) to take a strong stand against the water quality standards being promoted by the U.S. Environmental Protection Agency (EPA) and should direct the DEC to require that all regulations adopted for Alaska are based on valid scientific principles and data which allow for Alaskan conditions.

5. The Governor should direct the DEC to implement a policy that allows mixing zones for placer mining discharge to extend downstream to the point of the next nearest water supply or water recreational use.
6. The Governor should ensure that any waterbody listings developed pursuant to Section 303(d) are justified. The DEC and the Department of Natural Resources should be directed to ensure that the Total Maximum Daily Load (TMDL) assessments are based on the data and not unduly influenced by EPA or environmental plaintiffs.

AIR QUALITY

7. The Legislature should enact a State air quality statute that will not impose additional regulatory burdens, and will be as close as possible to Federal clean air standards.

ACCESS

- 8a. The state should aggressively assert all identified RS2477 Rights-of-Way.
- b. The state should assert an access route pursuant to Title XI of the Alaska National Interest Lands Conservation Act to test the process and develop precedent-setting guidelines.

STATE LAND SELECTIONS

9. The Governor should direct the Selection Steering Committee to select lands with development potential for minerals, fossil fuels, transportation and infrastructure, even if some of the parcels are restricted and remote from contiguous state lands.

STATE MINERAL POLICIES

- 10a. The Governor should establish, consistent with Section 1 of Article 8 of the State Constitution, that mineral development is in the public interest of the State and should be recognized in State land management plans.
- b. The Governor should direct that all agencies which take actions that impact the availability of mineral lands should report those actions to the Commissioner of the Department of Natural Resources by October of each year as proposed in Senate Bill 126 during the 17th Legislature. [Appendix B of this report.]

STATE LAND WITHDRAWALS AND MANAGEMENT

11. The Legislature should amend AS 38.05.300(a) as follows:

“(a)...uses are compatible. An area of state land, water, or land and water may not, except by act of the state legislature, be closed to mineral location or mineral leasing [multiple use] if the area involved contains more than 640 acres. This limit does not apply where mineral closures are made for land disposal or infrastructure to include but not limited to airports, ports, roads, railroads, pipelines, and powerlines.” (Underline indicates new language, with deletions in brackets.)

STATE REGULATORY REFORM

12. The Legislature should require agencies proposing regulations to describe the probable effects of the proposed regulations including the economic impacts, and the short and long-term costs and benefits.
13. The Governor should designate and fund the Department of Natural Resources (DNR) as the lead agency in all regulatory matters concerning mining, and should direct other agencies with regulatory authority over mining, such as the Departments of Fish and Game and Environmental Conservation, to coordinate their regulatory programs through DNR.
14. The Governor should direct the Commissioner of the Department of Natural Resources to take the necessary steps to allow Miscellaneous Land Use Permits to be issued for periods of up to 5 years.
15. The Governor should direct the Commissioner of the Department of Natural Resources to revise regulations governing offshore prospecting permits such that they not be required to be subject to best interest findings, being exempted in a manner similar to leases of land for onshore fishery sites, mineral claims, or upland mining leases. A.S.38.05.035(e) should be changed by adding "(6) an offshore prospecting permit or lease issued under A.S.38.05.250."
16. The Legislature should enact legislation creating an automatic extension of permits foreshortened by court proceedings.

CITIZEN'S ADVISORY COMMISSION ON FEDERAL AREAS

17. The Governor and Legislature should provide expanded budgetary and programmatic support to the Citizens Advisory Commission on Federal Areas.

COASTAL ZONE MANAGEMENT

- 18a. The Legislature should amend AS 46.40.100 (b) to allow coastal zone applicants to petition for hearings.
- b. The Governor should set up a task force to evaluate all district plans to ensure that the "uses of state concern" have been incorporated in district plans, recognizing resource development as an acceptable land use option.
- c. The Governor should identify the roles and scope of authority of the coastal resource management boards and determine if periodic reviews of existing district plans should be legislatively mandated.

COAL ISSUES

19. The Governor should direct the Department of Natural Resources to create an advisory board consisting of coal industry representatives, Division of Mining personnel involved in permitting coal mining activities, and representatives of the office of Surface Mining-Reclamation and Enforcement group. This board shall meet periodically to review the Alaska Surface Coal Mining Control and Reclamation program and make changes needed to account for Alaska's diverse conditions and for changing technologies.

EDUCATION AND RESEARCH

20. The Governor and the Legislature should continue to support the Department of Education for its partial funding of a Minerals Specialist at the present or an increased level, commensurate with increased contributions from the industry-supported Alaska Mineral and Energy Resource Education Fund (AMEREF).

USER FEES

21. The Governor and the Legislature should establish policy guidelines for the implementation of user fees and should establish a procedure requiring legislative and public review of all proposed user fees.

PART B: FEDERAL ISSUES OF STATE CONCERN

MINING LAW OF 1872

22. The Governor and the Legislature should continue to support the Alaska Congressional Delegation in upholding the existing Mining Law of 1872.

WETLANDS

23. The Governor should continue to seek exemption from strict implementation of a national "no net loss" policy for Alaska.

ANILCA PROVISIONS

24. The Governor and Legislature, through the Attorney General's office, the State's Washington office and the Congressional Delegation, should insist that the federal administration:
 - a. provide access across Conservation System Units (CSU) as required by Title XI of the Alaska National Interest lands Conservation Act (ANILCA),
 - b. prohibit the creation of additional CSU lands in Alaska as required by Sections 101d and 1326b of ANILCA, and
 - c. exchange mineralized areas from existing CSU under the authority of Sections 103b and 1302h of ANILCA.

FEDERAL LAND MANAGEMENT PLANNING

25. The Governor and Legislature, through the State's Washington office and the Congressional Delegation, should introduce and support implementation of "zero based land planning" in which the agencies plan for the entire land base available BEFORE restrictive land use designations are in place, not the land base available AFTER restrictive land use designations have been enacted.

BERINGIAN HERITAGE INTERNATIONAL PARK

- 26.** The Governor and the Legislature, through the Congressional Delegation, the State's Washington Office, and by letter to the Secretary of the Interior, should oppose the creation of the Beringian Heritage International Park, the World Heritage Site designation and the Beringia International Marine Biosphere Reserve.

U.S. - CANADA ACCESS AGREEMENTS

- 27.** The Governor should review the 1825 Treaty between Russia and Great Britain and support the provisions in Article VI of the Treaty, and all other agreements, protocols and understandings between the two countries to enhance the use of Alaskan towns as supply and transportation centers.

FINDINGS AND RECOMMENDATIONS

PART A: ISSUES REQUIRING STATE ACTION

INCENTIVES

FINDING: The Alaskan minerals industry is in competition with a global market for mineral exploration and development dollars. Although Alaska is blessed with an abundance of geologically favorable terrain, it has suffered because of its remoteness, the lack of transportation infrastructure and seasonal constraints. Equally important is the industry's perception that State and Federal agencies are not supportive of mineral development in Alaska.

Throughout the world there are countries actively seeking exploration and development investment by providing economic incentives for resource industries. Incentive programs have been successful in Chile and Mexico where privatization and tax incentives have revitalized their mining industries. Appropriate incentives could be especially effective in drawing industry attention to Alaska because many companies currently consider the "lower 48" to be over-explored and are looking elsewhere for new exploration opportunities.

THE COMMISSION RECOMMENDS THAT:

1. *The Governor and Legislature should create economic incentives that will provide financial encouragement and help offset some of the real and perceived problems facing exploration and development in Alaska. Possible incentives that should be considered include credits for expenditures on exploration drilling and geophysics that can be deducted from claim rents, the mining license tax, production royalties, and income taxes.*

GEOPHYSICAL & GEOLOGIC MAPPING

FINDING: Many major mines were first discovered by individuals or small exploration companies. These groups, and even major mining companies, cannot afford the expensive regional airborne geophysical surveys needed to discover ore deposits which have no surficial expression, and are often referred to as "blind" deposits. For every ore body exposed at the surface, there are many more covered by vegetation, soil, or hundreds of feet of rock.

Many countries such as Mexico and Russia consider acquisition of this basic data a necessary and proper function of government, recognizing that investment in detailed regional airborne geophysical surveys, and geochemical and geologic mapping is repaid many-fold by revenues and jobs from producing mines. For example, the Red Dog Mine is expected to inject \$5 billion into the State over the life of the mine.

Exploration capital is the seed for future mineral development, and it is attracted to those areas with the most geologic data because of the greater chance for successful programs.

In a few years, if the National Geologic Mapping Act of 1992 is fully funded, federal matching funds may become available for at least the geologic mapping portion of a proposed Alaskan program.

THE COMMISSION RECOMMENDS THAT:

- 2a. *The Governor and Legislature should invest \$50 million over the next 8 - 10 years in airborne geophysical mapping, along with geological and geochemical surveys of known and potentially mineralized lands of state interest, and the timely publication of the resulting data.*
- b. *The Governor should work with the Congressional Delegation to secure full funding for the National Geologic Mapping Act of 1992.*

MENTAL HEALTH LANDS

FINDING: In 1956, federal legislation created a Mental Health Trust in Alaska. One million acres of Alaska lands were deeded to the State. Revenues from those lands were first to be applied toward providing mental health services for Alaska residents, while any remaining revenues could be used for other purposes.

In May of 1991 the Alaska State Legislature passed a new mental health statute, SLA Chapter 66, which was intended to resolve litigation over the handling of the Mental Health Trust Lands after Statehood. A settlement agreement between the State and the settling plaintiffs to implement Chapter 66 is pending before the Superior Court of Judge Mary Greene.

The implementation of the settlement agreement has expanded the scope of the problem such that the Alaska Department of Natural Resources is currently restricted from taking routine management actions, including the issuance of permits and transfers of title, not only on Mental Health Lands, but also on additional millions of acres of state land. This gridlock has resulted in extreme hardships for innocent third parties, including mining companies, businesses and individuals. It would be in the best interest of the state and all its residents to resolve the lawsuit as quickly as possible.

THE COMMISSION RECOMMENDS THAT:

- 3. The Governor and the Legislature should amend Chapter 66 to expedite final resolution of the Mental Health Trust Lands lawsuit so the State of Alaska's lands will have an important impediment removed.*

WATER QUALITY

FINDING: During July of 1992, the Department of Environmental Conservation (DEC) issued a Public Review Draft containing some significant proposed revisions to state water quality regulations. As outlined in the issue papers and fact sheets accompanying the draft, DEC attempted to base these changes on scientific evaluation of the standards based on local experience and conditions. Several of the proposed regulations, including provisions related to natural characteristics of water, arsenic, groundwater, and mixing zones, are crucial to the future viability of the mining industry in Alaska. The Environmental Protection Agency (EPA) has indicated that it disagrees with some of the proposed changes, and has advised DEC that other data, some without scientific support or local input, should be used to justify much more stringent standards than proposed by DEC in July.

THE COMMISSION RECOMMENDS THAT:

- 4. The Governor should direct the Department of Environmental Conservation (DEC) to take a strong stand against the water quality standards being promoted by the Environmental Protection Agency (EPA) and should direct the DEC to require that all regulations adopted for Alaska are based on valid scientific principles and data which allow for Alaskan conditions.*

FINDING: The mixing zone concept has long been identified as one of the few regulatory tools available that could allow placer miners utilizing the best of current technology a means to operate legally, while still protecting downstream uses. In the July 1992 Public Review Draft, DEC made several proposed changes to the mixing zone regulations. Unfortunately, the DEC has still not realized that the key element toward utilizing the maximum flexibility allowed under the Clean Water Act is to extend the mixing zone downstream to the point of the next use, while at the same time ensuring that the water quality standards for that next use, at the point of use, shall be met.

THE COMMISSION RECOMMENDS THAT:

- 5. The Governor should direct the DEC to implement a policy that allows mixing zones for placer mining discharge to extend downstream to the point of the nearest water supply or water recreation use.*

FINDING: Section 303(d) of the Clean Water Act (CWA) directs the State and the EPA to develop a list of waterbodies that will not meet water quality standards even after all individual sources are in compliance with NPDES permits. Total Maximum Daily Load (TMDL) assessments must be completed for these waterbodies and wasteload allocations made. During 1992, data to support a TMDL assessment was collected on the upper reaches of Birch Creek. This data shows that during normal flows, Birch Creek was in compliance with the 5 NTU (Nephelometric Turbidity Units) standard much of the time. However, with the meager budget allocated to data collection and the large drainage being sampled with many unidentified or unquantifiable sources, extreme prudence will be required to make an accurate assessment that is based on data and not preconceived notions.

THE COMMISSION RECOMMENDS THAT:

- 6. The Governor should ensure that any waterbody listings developed pursuant to Section 303(d) are justified. The Department of Environmental Conservation and the Department of Natural Resources should be directed to ensure that the Total Maximum Daily Load (TMDL) assessments are based on data and not unduly influenced by the Environmental Protection Agency or environmental plaintiffs.*

AIR QUALITY

FINDING: As a federal requirement for the implementation of the Clean Air Act, the State is currently preparing legislation that would modify air quality statutes:

THE COMMISSION RECOMMENDS THAT:

- 7. The Legislature should enact a State air quality statute that will not impose additional regulatory burdens and will be as close as possible to federal clean air standards.*

ACCESS

FINDING: The State has identified hundreds of potential Revised Statute 2477 Rights-of-Way (RS2477), and is in the process of asserting title on a selected few. However, only the Bureau of Land Management (BLM) currently has a policy for accepting state nominations and assertions.

Proposed changes to the Federal Land Policy and Management Act of 1976 (FLPMA) will require all assertions to pre-1976 rights-of-way be made before January 1, 1994, less than one year away.

RS2477 access corridors may provide the only assured access across and within the vast interlocked system of Conservation Systems Units in Alaska, other than the untested Title XI access provided for by the 1980 Alaska National Interest Lands Conservation Act (ANILCA).

THE COMMISSION RECOMMENDS THAT:

- 8a. The state should aggressively assert all identified RS2477 Rights-of-Way.*
- b. The state should assert an access route pursuant to Title XI of the Alaska National Interest Lands Conservation Act to test the process and develop precedent-setting guidelines.*

STATE LAND SELECTIONS

FINDING: The State is preparing to submit to the Federal Bureau of Land Management (BLM) the final selections for its land entitlement. A Department Order, (101), dated December 13, 1991, from the Commissioner of the Department of Natural Resources provided background and guidelines for the selections, identifying high mineral value as one of the preferred criteria for land selection.

Because deposits such as Red Dog and Fort Knox can provide enormous economic benefits even though they may only occupy a few Townships, the state should consider selecting small or remote parcels with high mineral potential.

THE COMMISSION RECOMMENDS THAT:

- 9. The Governor should direct the Selection Steering Committee to select lands with development potential for minerals, fossil fuels, transportation and infrastructure, even if some of the parcels are restricted and remote from contiguous state lands.*

STATE MINERAL POLICIES

FINDING: In recent years, state policy decisions have subordinated the activities of the resource industries to aesthetic, recreational or wildlife concerns. Numerous agencies, whose actions can be detrimental to orderly mineral development, promulgate rules and regulations without coordination, resulting in overlapping and sometimes conflicting state policies.

THE COMMISSION RECOMMENDS THAT:

- 10a. The Governor should establish, consistent with Section 1 of Article 8 of the State Constitution, that mineral development is in the public interest of the State and should be recognized in State land management plans.*
- b. The Governor should direct that all agencies which take actions that impact the availability of mineral lands should report those actions to the Commissioner of the Department of Natural Resources by October of each year as proposed in Senate Bill 126 during the 17th Legislature. [Appendix B of this report.]*

STATE LAND WITHDRAWALS AND MANAGEMENT

FINDING: Presently, the Commissioner of the Department of Natural Resources, (DNR), may close land to mineral entry for almost any reason deemed appropriate. Mineral closures are often made as a part of area plans with little justification and no knowledge of the mineral resources in the lands closed. In many cases the closures have covered lands that were selected by the state for their mineral potential.

Statute already requires that only the Legislature can close an area of more than 640 acres to "multiple use". However, the DNR has argued that land is still open to "multiple use" if any two uses, such as wildlife habitat and recreation, are allowed. This abuse of the intent of the statute needs to be corrected.

While there is a legitimate need for the Commissioner of Natural Resources to be able to make discretionary mineral closures on small acreages to accommodate land disposals and infrastructure such as airports, ports, and roads, the closure of large acreages should be limited to the legislature. To accomplish this, amendments should be made to Title 38 of the Alaska Statutes which deals with Public Lands.

THE COMMISSION RECOMMENDS THAT:

11. *The Legislature should amend AS 38.05.300(a) as follows:*

"(a)...uses are compatible. An area of state land, water, or land and water may not, except by act of the state legislature, be closed to mineral location or mineral leasing [multiple use] if the area involved contains more than 640 acres. This limit does not apply where mineral closures are made for land disposal or infrastructure to include but not limited to airports, ports, roads, railroads, pipelines, and powerlines." (Underline indicates new language, with deletions in brackets.)

STATE REGULATORY REFORM

FINDING: Alaska mineral producers often face higher costs due to a harsher climate, higher labor costs, higher capital costs for transportation and infrastructure, and other reasons. To remain competitive, unjustified or unnecessary indirect costs must not be allowed to price Alaska producers out of the market place. Estimating the costs of proposed regulations and comparing them to the expected benefits is a prudent function of responsible government.

THE COMMISSION RECOMMENDS THAT:

12. *The Legislature should require agencies proposing regulations to describe the probable effects of the proposed regulations including the economic impacts, and the short and long-term costs and benefits.*

FINDING: Presently, several state agencies claim management authority over state lands. The Administration has become a complex bureaucracy with multiple agencies vying for regulatory management of mineral development. The number of permits, the time required to secure permits, the number of agencies and the costs related to obtaining permits is becoming excessive.

THE COMMISSION RECOMMENDS THAT:

13. *The Governor should designate and find the Department of Natural Resources (DNR) as the lead agency in all regulatory matters concerning mining, and should direct other agencies with regulatory authority over mining, such as the Departments of Fish and Game and Environmental Conservation, to coordinate their regulatory programs through DNR.*

FINDING: Authority for the issuance of Alaska Placer Mining Permits comes through the Miscellaneous Land Use Permit process. As the regulations are currently written, a permit under this section can be issued for only one year. Allowing longer permit periods would create a more stable environment for planning and financing mining projects while significantly reducing the workload of the Division of Mining.

THE COMMISSION RECOMMENDS THAT:

14. *The Governor should direct the Commissioner of the Department of Natural Resources to take the necessary steps to allow Miscellaneous Land Use Permits to be issued for periods of up to 5 years.*

FINDING: There is currently a requirement that a best interest finding be made before an offshore prospecting permit (OPP) can be issued by the DNR. The process of generating a best interest finding is being used to restrict DNR from normal issuance of OPPs.

THE COMMISSION RECOMMENDS THAT:

15. *The Governor should direct the Commissioner of the Department of Natural Resources to review regulations governing offshore prospecting permits such that they not be required to be subject to best interest findings, being exempted in a manner similar to leases of land for onshore fishery sites, mineral claims or upland mining leases. A.S.38.05.035(e) should be changed by adding "(6) an offshore prospecting permit or lease issued under A.S.38.05.250."*

FINDING: The usable term of a permit may be reduced or eliminated when a permittee is prohibited from operating under their permit due to third party litigation challenging the issuance, validity, completeness or other aspects of the permit. Though the litigation may not be successful, the permittee has still been damaged. Statutory action should be taken to remedy this situation.

THE COMMISSION RECOMMENDS THAT:

16. *The Legislature should enact legislation creating an automatic extension of permits foreshortened by court proceedings.*

CITIZEN'S ADVISORY COMMISSION ON FEDERAL AREAS

FINDING: The Citizens Advisory Commission on Federal Areas was established by the Alaska Legislature in 1981 shortly after the enactment of the Alaska National Interest Lands Conservation Act. The Commission is composed of 16 members, half of whom are appointed by the Governor and half by the Legislature, including four sitting legislators. The Commission analyzes federal legislation, regulations and management decisions, determines the impact of these actions on Alaska's citizens, and makes recommendations to both State and Federal agencies for corrective actions to problems identified.

Development of Federal lands and regulations for access across them is important to the State's economy. The Commission provides a valuable and cost-effective mechanism through which State concerns regarding management of all Federal lands can be expressed.

THE COMMISSION RECOMMENDS THAT:

17. *The Governor and Legislature should provide expanded budgetary and programmatic support to the Citizen's Advisory Commission on Federal Areas.*

COASTAL ZONE MANAGEMENT

FINDING: Alaska Statute, Sec. 46.40.100 (b) does not allow applicants to petition the Coastal Policy Council when relief is sought on decisions made by the coastal resource district or state agency. The State administration is evaluating the role and functions of the Coastal Policy Council in relation to the power it has over decisions

made by state agencies. Council implementation of AS 46.40.060, which requires screening of local district plans for arbitrary or unreasonable restriction or exclusion of "uses of state concern," has been inconsistently implemented, particularly with respect to large-scale industrial and commercial developments identified in AS 46.40.210 (6) (c). The role of the coastal resource service area boards is unclear, and the boards and district are not required to modernize district plans.

THE COMMISSION RECOMMENDS THAT:

- 18a. The Legislature should amend AS 46.40.100 (b) to allow coastal zone applicants to petition for hearings.*
- b. The Governor should set up a task force to evaluate all district plans to ensure that the "uses of state concern" have been incorporated in district plans, recognizing resource development as an acceptable land use option.*
- c. The Governor should identify the roles and scope of authority of the coastal resource management boards and determine if periodic reviews of existing district plans should be legislatively mandated.*

COAL ISSUES

FINDING: The Alaska Surface Coal Mining Control and Reclamation program is constantly being reviewed for possible change in response to changes in the federal program. To ensure that these oversight reviews and any resulting changes to the State's program reflect Alaska's diverse conditions, there needs to be close communication and cooperation between Alaska's coal industry and State and federal agencies involved in program administration.

THE COMMISSION RECOMMENDS THAT:

- 19. The Governor should direct the Department of Natural Resources to create an advisory board consisting of coal industry representatives, Division of Mining personnel involved in permitting coal mining activities, and representatives of the office of Surface Mining-Reclamation and Enforcement group. This board shall meet periodically to review the Alaska Surface Coal Mining Control and Reclamation program and make changes needed to account for Alaska's diverse conditions and for changing technologies.*

EDUCATION AND RESEARCH

FINDING: The "Alaska Resource Kit: Minerals," which is being used in the statewide public school system, is an excellent program for educating Alaska's students in the issues and fundamentals of resource development. The program is a cooperative effort between the Department of Education, which developed the curriculum and is responsible for its implementation, and the Alaska Mineral and Energy Resource Education Fund (AMEREF). AMEREF is an industry-supported organization which annually funds the production and replacement of the teaching materials, and which partially funds the salary of a Mineral Specialist in the Department of Education who is responsible for providing teacher training and for implementing the program into the school system. This program has proven to be a success and reflects the cooperation that has existed during the 10 years of the program's existence.

THE COMMISSION RECOMMENDS THAT:

- 20. The Governor and the Legislature should continue to support the Department of Education for its partial funding of a Minerals Specialist at the present or an increased level, commensurate with increased contributions from the industry-supported Alaskan Mineral and Energy Resource Education Fund (AMEREF).*

USER FEES

FINDING: Increased user fees have been suggested as a means of offsetting the cost of providing government service as the state faces declining revenues. However, allowing state agencies to unilaterally implement user fees could result in uncontrolled increases in the cost of basic services required by citizens and businesses, and allow state agencies to operate outside the legislature's budgetary process. Additionally, the implementation of user fees should carefully balance the need to generate revenues against the increased cost to citizens and businesses for necessary services and required permits.

In addition to these general concerns, the mineral industry is concerned about fee schedules and access restrictions for technical resource and land information from state databases. Onerous fees and restrictive use agreements for this information will discourage investment in mineral exploration and development.

THE COMMISSION RECOMMENDS THAT:

21. *The Governor and Legislature should establish policy guidelines for the implementation of user fees and should establish a procedure requiring legislative and public review of all proposed user fees.*

PART B: FEDERAL ISSUES OF STATE CONCERN

MINING LAW OF 1872

FINDING: The 1872 Mining Law was modified in 1992 in regard to patenting rules, and particularly in regard to a temporary annual rental fee of \$100 per claim. This fee, which has minor exemptions, will be onerous to the small company, and will result in the loss of many claims. It is expected that further assaults will be made on the integrity of the Law in 1993.

THE COMMISSION RECOMMENDS THAT:

22. *The Governor and Legislature should continue to support the Alaska Congressional Delegation in upholding the existing Mining Law of 1872.*

WETLANDS

FINDING: An Administration proposal to exempt from wetlands regulations those states where less than 1% of the wetlands has been disturbed was published in the Federal Register on November 4, 1992.

THE COMMISSION RECOMMENDS THAT:

23. *The Governor should continue to seek exemption for Alaska from strict implementation of a national "no net loss" policy.*

ANILCA PROVISIONS

FINDING: In order to assure passage of the Alaska National Interest Lands Conservation Act (ANILCA) in 1980, there were several sections included to protect pre-existing rights. Several provisions would allow mineral development on or near otherwise withdrawn land. Title XI addressed access across the Conservation System Units (CSU). Sections 101d and 1326b assured that no more land in Alaska would be considered for new CSU or similar designations. Sections 103b and 1302h provided mechanisms for the Secretary of the Interior to adjust the boundaries of CSU or to exchange lands within them to exclude mineralized areas.

THE COMMISSION RECOMMENDS THAT:

24. *The Governor and Legislature, through the Attorney General's office, the State's Washington office and the Congressional Delegation, should insist that the federal administration:*
 - a. *provide access across Conservation System Units (CSU) as required by Title XI of the Alaska National Interest Lands Conservation Act (ANILCA),*
 - b. *prohibit the creation of additional CSU lands in Alaska as required by Sections 101d and 1326b of ANILCA, and*
 - c. *exchange mineralized areas from existing CSU under the authority of Sections 103b and 1302h of ANILCA.*

FEDERAL LAND MANAGEMENT PLANNING

FINDING: During each cycle of federal land management planning, the acreage available for multiple use is incrementally reduced by the creation of wilderness or similarly restrictive land use designations. This one-way process continually removes public lands from multiple-use categories with no consideration for the cumulative impact on the availability and national need for natural resources.

THE COMMISSION RECOMMENDS THAT:

25. *The Governor and Legislature, through the State's Washington office and the Congressional Delegation, should introduce and support implementation of 'zero based land planning' in which the agencies plan for the entire land base available BEFORE restrictive land use designations are in place, not the land base available AFTER restrictive land use designations have been enacted.*

BERINGIAN HERITAGE INTERNATIONAL PARK

FINDING: A federal bill entitled "Beringian Heritage International Park Act of 1991," proposes a joint Russian and American park on both sides of the Bering Straits. The creation of an international park could negatively impact neighboring lands, access, and resource development in northwest Alaska. In addition to support of the International Park, the National Audubon Society recommends the creation of a "Beringia International Marine Biosphere Reserve" and a "World Heritage Site."

THE COMMISSION RECOMMENDS THAT:

26. *The Governor and the Legislature, through the Congressional Delegation, the State's Washington Office, and by letter to the Secretary of the Interior, should oppose the creation of the Beringian Heritage International Park, the World Heritage Site designation and the Beringia International Marine Biosphere Reserve.*

U.S. - CANADA ACCESS AGREEMENTS

FINDING: Mineral development on adjacent Canadian lands can have a very positive impact on those nearby Alaskan towns such as Skagway, Haines, Juneau and Wrangell which are used as supply and transportation bases.

In the 1825 agreement between Britain and Russia, the boundary between the Crown Lands, (Canada), and the Russian possession (Alaska) was drawn essentially as it is today, with the exception that the border should never exceed a distance of 10 marine leagues, (about 30 miles), from the coast. In the 1867 purchase agreement between the United States and Russia, all of the 1825 agreements between Russia and Great Britain were to be honored. Article VI of the 1825 agreement states,

"It is understood that the subjects of his Britannic Majesty, from whatever quarter they may arrive, whether from the ocean or from the interior of the continent, shall forever enjoy the right of navigating freely, and without any hinderance whatever, all the rivers and streams which in their course to the Pacific Ocean may cross the line of demarcation upon the line of coast described in Article III of the present Convention".

THE COMMISSION RECOMMENDS THAT:

27. *The Governor should review the 1825 Treaty between Russia and Great Britain and support the provisions in Article VI of the Treaty, and all other agreements, protocols and understandings between the two countries to enhance the use of Alaskan towns as supply and transportation centers.*

APPENDICES

A. **Alaska Minerals Commission Statement of Purpose and Statute Authorizing Commission**

B. **Legislation Referenced in This Report**

SB 126 - An Act relating to the Review and Reporting Requirement of Agencies of the State Relating to the State Mineral Policy; and Providing for an Effective Date.

APPENDIX A

ALASKA MINERALS COMMISSION STATEMENT OF PURPOSE AND STATUTE AUTHORIZING COMMISSION

The Alaska Minerals Commission was created by the 14th Legislature in Chapter 98 of the Session Laws of 1986 and was established to make recommendations to the Governor and to the Legislature on ways to mitigate constraints on the development of minerals in the State.

The minerals industry offers the greatest potential of any Alaska industry for expanding and diversifying the State's economic base; for increasing Statewide employment; and for generating new wealth to create businesses and provide revenues for State and local governments.

However, Alaska has a complex pattern of land ownership and management; has overlapping and uncertain regulatory requirements; has unique geographic, geologic and climatic conditions; and has an underdeveloped transportation system.

To attract the capital necessary for the exploration and development of new mines; to ensure that mines can be developed feasibly and in timely fashion; and to ensure that producing mines remain viable—constraints on the industry must be mitigated.

The Alaska Minerals Commission will prepare reports for the First and Second Sessions of the 15th Legislature, and the First Session of the 16th Legislature, recommending to the Governor and to the Legislature the adoption of legislation and the implementation of administrative policy that will best accomplish the statement of policy found in Article VIII, of the Constitution of Alaska:

"It is the policy of the State to encourage the settlement of its land and development of its resources by making them available for maximum use consistent with the public interest."

and the statement of policy found in the President's National Materials and Minerals Report to Congress of April 5, 1982:

"It is the policy of this administration to decrease America's mineral vulnerability by taking positive action that will promote our national security, help ensure a healthy and vigorous economy, create American jobs, and protect America's national resources and environment."

The goals of the recommendations of the Alaska Minerals Commission are to assure that the Legislature and the State administration endorse and promote development of a viable mining industry in the State.

Chapter 98
Session Laws of Alaska, 1986
As Amended by
Chapter 71
Session Laws of Alaska, 1988

AN ACT

Relating to the Alaska Minerals Commission; and providing for an effective date.

Section 1. (a) The legislature finds that the minerals industries, including metallic minerals, industrial minerals, and hydrocarbons, have been traditionally and continue to be the major source of wealth and income in the state.

(b) The legislature further finds that there are major constraints on the continued development of a diverse mineral industry in the state, including the Environmental Protection Agency's effluent guidelines, state water quality standards and improperly classified streams and rivers, restriction on surface access, complex and numerous permitting requirements, and limited access to minerals through mineral closing orders and restrictions on multiple use through state and federal land use plans.

Section 2. ALASKA MINERALS COMMISSION ESTABLISHED. (a) The Alaska Minerals Commission is established in the Department of Commerce and Economic Development.

(b) The Commission is composed of 11 members. The Commission shall be composed of individuals who have at least five years' experience in the various aspects of the minerals industries in the state. The Governor shall appoint five members of the Commission, one of whom must reside in a rural community. The President of the Senate shall appoint three members of the Commission. The Speaker of the House of Representatives shall appoint three members of the Commission. Each member serves at the pleasure of the appointing authority.

(c) The Commission shall make recommendations to the Governor and to the Legislature on ways to mitigate the constraints, including governmental constraints, on development of minerals, including coal, in the State.

(d) The Commission shall report its recommendations each year to the Governor and the Legislature during the first 10 days of the regular session of the Legislature.

Sec. 3. This Act is repealed February 1, 1994.

Sec. 4. This Act takes effect immediately in accordance with AS 01.10.070(c).

APPENDIX B

LEGISLATION REFERENCED IN REPORT

SB 126 An Act Relating to Review and Reporting Requirement of Agencies of the State Relating to the State Mineral Policy; and Providing for and Effective Date.

CS FOR SENATE BILL NO. 126 (RESOURCES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 4/14/92
Referred: Finance

Sponsor(s): SENATORS FRANK, Sturgulewski, Pearce, Uehling, Jones

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the review and reporting requirements of agencies of the state relating
 2 to the state mineral policy; and providing for an effective date."

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

4 * **Section 1.** AS 44.99.110 is amended by adding new subsections to read:

5 (b) Each agency listed in (g) of this section shall review its statutory authority, its
 6 administrative regulations, and its procedures applicable to mineral exploration and development
 7 to determine whether there are deficiencies or inconsistencies that must be addressed in order to
 8 comply with the policy established in (a) of this section.

9 (c) Each agency listed in (g) of this section shall forward to the commissioner of natural
 10 resources on October 1 of each year its previously unreported

11 (1) comments and recommendations on the resolution of the deficiencies and
 12 inconsistencies in its statutory authority, its administrative regulations, and its procedures
 13 applicable to mineral exploration and development;

14 (2) progress that it has made on the resolution of the deficiencies and

1 inconsistencies that were identified in earlier reports.

2 (d) Notwithstanding (c) of this section, every four years each agency listed in (g) of this
3 section shall compile and forward to the commissioner of natural resources its unreported and
4 previously reported comments and recommendations under (c)(1) of this section and progress
5 under (c)(2) of this section.

6 (e) The commissioner shall assemble the comments, recommendations, and reports
7 received under (c) or (d) of this section and forward them, unedited, to the governor and the
8 legislature within the first 10 days of each regular session of the legislature.

9 (f) Each agency listed in (g) of this section shall work with mining interests, coastal
10 resource service areas, the public, and other resource users to propose solutions to inconsistencies
11 and deficiencies identified.

12 (g) The requirements of (b) - (f) of this section apply to

13 (1) the Department of Commerce and Economic Development;

14 (2) the Department of Environmental Conservation;

15 (3) the Department of Fish and Game;

16 (4) the Department of Natural Resources;

17 (5) the Department of Revenue;

18 (6) the office of management and budget;

19 (7) the Alaska Railroad Corporation;

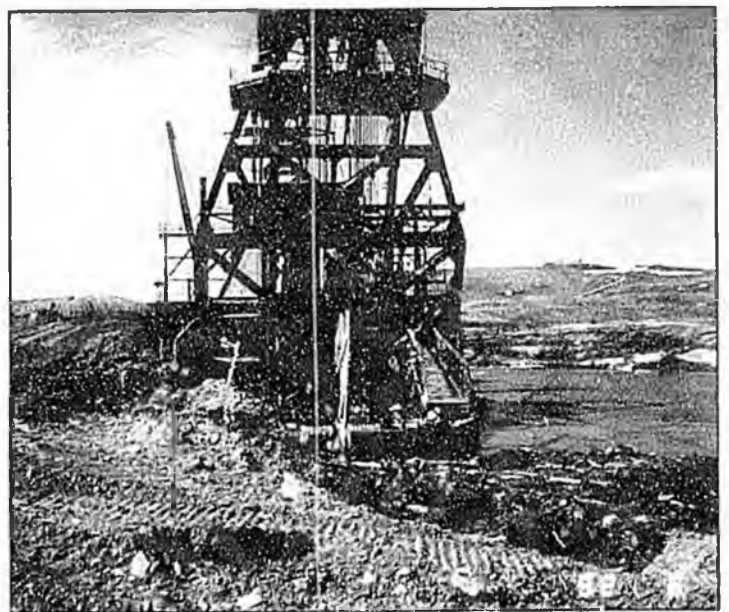
20 (8) the University of Alaska; and

21 (9) any other agency of the state designated by the Alaska Minerals Commission.

22 * Sec. 2. INITIAL REPORT. In making the initial report required under AS 44.99.110, as amended
23 by sec. 1, of this Act, the agencies listed in AS 44.99.110(g), as added by sec. 1 of this Act, shall report
24 as required under AS 44.99.110(d), as added by sec. 1 of this Act.

25 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

This publication was released by the Department of Commerce and Economic Development. Its purpose is to report the findings and recommendations of the Alaska Minerals Commission to the Governor and to the Legislature of Alaska. It was produced at a cost of \$1.67 per copy and printed in Juneau, Alaska. This publication is required by Chapter 98, Session Laws of Alaska, as amended by Chapter 71, Session Laws of Alaska, 1988.



HOUSE COMMITTEE REPORT

(7)

Date Referred: March 15, 1993

FURTHER REFERRALS:

Date of Committee Action: 3-20-93

The STATE AFFAIRS Committee considered:

HCR 16

HOUSE CONCURRENT RESOLUTION NO. 16

ESTABLISH STATE COAL POLICY

Relating to establishing the coal policy of the state.

RECOMMENDATIONS:

be replaced with _____ [] the same title

[] a new title

[] have attached amendments(s)

do pass

[] do not pass

[] no recommendations

[] individual recommendations

[] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

[] fiscal impact _____

[] fiscal note(s) _____

[] zero fiscal note _____

[] zero fiscal note(s) _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Al Vezev</i>	X	<i>Jerry Sanders</i>		✓	
<i>Bill [unclear]</i>	X				
<i>Harley Allberg</i>	✓				
<i>[unclear]</i>	✓				
<i>Pete Kout</i>	X				

Al Vezev

CHAIRMAN'S SIGNATURE