

certificates; providing for regulation by the Commissioner of Natural Resources; and providing for an effective date.

(H.B. 217)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. For the purpose of gaining access to subdivided Alaska lands which are programmed for surface disposal, and in order to provide such roads at the least possible expense, the Director of the Division of Lands is authorized to contract with private persons for the construction of roads to and on such lands lying not more than six (6) miles from existing roads or highways. Access roads constructed pursuant to this Act shall be of low standard, not necessarily suitable for all weather use, and the state shall be under no obligation to maintain such roads. All buildings shall be constructed at least one hundred and fifty (150) feet away from the center line of such roads. Contracts for the work shall be awarded to the lowest responsible bidder qualified to contract with the state.

Sec. 2. Payment for construction shall be made in the form of freely transferrable land credit certificates which may be ap-

plied toward the purchase or lease of any Alaska lands under the jurisdiction of the Division of Lands, except lands belonging to Alaska which have been obtained by escheat, purchase, or any means other than by general land grants including tide, submerged and shore lands. Such certificate shall be valid for a period of twenty (20) years after issue, and after the expiration of that period the holders thereof may commence no action against the state or any person based upon such certificates. The methods of and restrictions on disposal of lands and resources now or hereafter established by law or regulation shall in no way be affected by the use of credit certificates.

Sec. 3. The Commissioner of the Department of Natural Resources is authorized to promulgate reasonable rules and regulations necessary to carrying out the purposes of this Act.

Sec. 4. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 18, 1961

## CHAPTER 123

### AN ACT

**Relating to mining rights; repealing and re-enacting Art. IX, Ch. 169, SLA 1959, as amended by Sec. 19, Ch. 61, SLA 1960; providing for the acquisition, transfer, continuance and termination of rights to explore for, locate, and extract certain minerals on Alaska lands; providing qualifications of those entitled to mining rights; providing for certain uses of the surface; providing for the recognition of certain locations; and providing for an effective date.**

(H.B. 219)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. Art. IX, Ch. 169, SLA 1959, as amended by Sec. 19, Ch. 61, SLA 1960, is hereby repealed and re-enacted to read as follows:

#### Article IX

##### Mining Rights

Section 1. **General.** The acquisition and continuance of rights in and to deposits on Alaska lands of minerals which on January 3, 1959, were subject to loca-

tion under the mining laws of the United States shall be governed by this article. Nothing herein shall be construed to affect the law pertaining to the acquisition of rights to mineral deposits owned by any other person or government. The Director, with the approval of the Commissioner, shall determine those lands from which mineral deposits may be mined only under lease, and, subject to the limitations of Sec. 1, Art. III of this Act, those lands which shall be closed to mining.

The failure on the part of a mining lessee or a locator to comply strictly

with the provisions of this article and regulations promulgated hereunder shall not invalidate his rights if it appears to the satisfaction of the Commissioner that the locator complied as nearly as possible under the circumstances of the case, and that no conflicting rights are asserted by any other person. Unless otherwise provided herein, the usages and interpretations applicable to the mining laws of the United States as supplemented by state law shall be applicable to this article.

**Sec. 2. Qualifications.** The right to acquire exploration and mining rights under this article may be acquired or held only by:

1. Citizens of the United States at least 19 years of age;
2. Legal guardians or trustees of citizens of the United States under 19 years of age on behalf of such citizens;
3. Persons at least 19 years of age who have declared their intention to become citizens of the United States;
4. Aliens at least 19 years of age if the laws of their country grant like privileges to citizens of the United States;
5. Associations of such persons;
6. Corporations organized under the laws of the United States or of any State or Territory thereof and qualified to do business in Alaska, except that if more than 50% of the stock of a corporation is owned or controlled by aliens who are not qualified, the corporation is not qualified to acquire or hold such rights.

If an unqualified person acquires any interest in exploration or mining rights by operation of law, he shall be allowed two years in which to become qualified or to dispose of his interest to a qualified person.

**Sec. 3. Mining Claims.** Rights to deposits of minerals subject to this article, in or on Alaska lands which are open to claim staking, may be acquired by discovery, location and filing as prescribed in this article. The locator shall

have the exclusive right of possession and extraction of all such minerals lying within the boundaries of his claim. A location shall not exceed 1,320 feet in its longest dimension, and its boundaries shall run in the four cardinal directions. A location shall be distinctly marked on the ground in the manner prescribed by the Commissioner and a notice of location shall be posted on the claim in such manner and containing such information as may be required by the Commissioner. Within ninety (90) days after the date of posting the notice of location on the claim, the locator or locators shall file for record in the recording district where the claim is located, a certificate of location, which certificate shall contain such information as may be required by the Commissioner. Locations may be amended in the manner and with the effect prescribed in Section 47-3-34 ACLA 1949. Annual labor shall be performed and statements thereof recorded as prescribed in Sec. 5 of this article.

**Sec. 4. Mining Leasing.** Prior discovery, location and filing shall initiate prior rights to mineral deposits subject to this article in or on Alaska lands, other than submerged lands, which are open to mining leasing. Locations shall be made and certificates of location recorded in accordance with Sec. 3 of this article. If the located lands are available only for leasing, an application form for a mining lease shall be mailed to the locator by the Director upon request or upon receipt of notice that the location has been made on lands open only for leasing. A lease application shall be filed with the Director by the locator within ninety (90) days after receipt of the form. If the located lands are not available for leasing, notice shall be given the locator by the Director and his prior rights shall terminate. A mining lessee shall have the exclusive rights of possession and extraction of all minerals subject to this article lying within the boundaries of his lease. Mining leases may be issued for one location or for a group of contiguous locations held in common. Minerals shall not be mined and marketed or used until a lease is issued, except for limited amounts necessary for sampling or testing.

Commencing on the date established by the Commissioner pursuant to Sec.

5 of this article there shall accrue an annual rental for each leasehold location or portion thereof whether or not under lease, not less than the value of annual labor or improvements required for mining claims. The value of work done on, or for the benefit of, the lease hold in compliance with Sec. 5 of this article may be credited against the rental.

A mining lease shall be for any period up to fifty-five (55) years, and the lessee shall have a right to a new lease at the end of each such lease period. The Commissioner may make reasonable adjustments of the rental rate at the end of each twenty (20) year period, based upon changed conditions in production costs and markets. A valid mining claim located and held pursuant to Sec. 3 of this article may be converted to a lease at any time upon application by the owner or owners thereof, and issuance by the Director. No rights granted by any mining lease shall be exercised until the lease has been filed for record in the recording district where the land is located.

**Sec. 5. Annual Labor.** Labor shall be performed or improvements made annually on or for the benefit or development of each mining claim on Alaska lands except that where adjacent claims are held in common, such expenditure may be made on any one claim. The Commissioner shall, uniformly for all claims, establish the minimum value of such labor and improvements and establish the date of the commencement of the year during which they are to be performed. The provisions of Chapter 67, SLA 1960, shall be applicable to this section. During the year in which the performance of annual labor is required or within ninety (90) days after the close of such year, the owner of such mining claim or some other person having knowledge of the facts shall file for record with the recorder of the district in which the claim is located a signed statement setting forth such information concerning the annual labor of the preceding year as may be required by the Commissioner. Such statement, properly filed, shall be prima facie evidence of the performance of the annual labor. The failure of any one of several owners to contribute his portion of the expenditures required for annual labor shall be

treated in accordance with Section 47-3-56 through 47-3-60 ACLA 1949.

**Sec. 6. Prospecting Sites.** Prior to discovery of valuable minerals, an exclusive right to prospect by geophysical, geochemical and similar methods may be acquired by marking boundaries and posting a notice of location of a prospecting site in a manner and containing such information as the Commissioner may require. A prospecting site shall not exceed 2,640 feet in its longest dimension and its boundaries shall run in the four cardinal directions. A certificate of location shall be filed for record in the recording district where the prospecting site is located within ninety (90) days after posting the notice of location, and a copy of the certificate shall also be mailed to the Director within said ninety (90) day period. The locator of a prospecting site shall also have exclusive right to stake mining claims or leasehold locations within the boundaries of his site.

No prospecting site location shall include within its exterior boundaries, nor shall its boundaries be coincident with more than one boundary of any mining claim, mining leasehold location, or land under a mining lease, unless the locator of the prospecting site is also the owner, optionee or lessee of said mining property. If any such mining property or area is so included or bounded, the prospecting site shall be void.

No person may locate more than six prospecting sites in one calendar year in one recording district. A prospecting site shall remain in effect for one (1) year after the notice of location is posted and may, at the discretion of the Director, be extended for one year periods. During each such year, work of a type compatible with the purpose of this section and acceptable to the Director must be done. The minimum expenditure for such work shall be established by the Commissioner uniformly for all prospecting sites. Where adjacent prospecting sites are held in common such expenditure may be made on any one or more locations. If a prospecting site expires, neither the locator nor his successor in interest may again locate the same prospecting site or any portion thereof, as a prospecting site, for a period of two years following the date of expiration

or abandonment; nor may he, during said two years, either directly or indirectly, obtain a beneficial interest in the same prospecting site or a portion thereof.

**Sec. 7. Submerged Lands.** The exclusive right to prospect for deposits of minerals subject to this article in or on submerged Alaska lands may be granted by a permit issued by the Director. Such permits shall be granted to the first qualified applicant, provided, that immediately following the effective date of regulations promulgated under this article a forty-five (45) day period shall be set aside for receipt of applications for offshore prospecting permits, and the Director may offer tracts for which multiple applications were received by competitive bidding. No person may acquire or hold offshore prospecting permits on submerged lands exceeding the aggregate of 5,120 acres. Lands subject to a prospecting permit shall be as compact in form as possible taking into consideration the area involved. The term of the permit shall be two years and a single extension for not more than two years may be granted by the Director for good cause shown. No minerals from lands under prospecting permit shall be mined and marketed or used, except for limited amounts necessary for sampling or testing.

Upon discovery, the right to possess and extract such minerals may be acquired by noncompetitive lease. A noncompetitive lease shall be granted to a holder of a prospecting permit for so much of the land subject to the permit as is shown to the satisfaction of the Director to contain workable mineral deposits. Submerged lands containing known deposits of minerals subject to this article may, in the discretion of the Director, be offered by competitive bid. Such lands shall be leased to the responsible qualified person offering the highest amount of cash bonus.

Leases for submerged lands shall be conditioned upon payment of an annual rental of \$1.00 per acre, provided that expenditures on or for the benefit of the leasehold may be credited against the rental. Rent shall be paid or a statement of annual labor shall be filed within ninety (90) days after each anniversary date of the lease. All submerged land

mining leases shall be for a period of up to fifty-five (55) years, and the lessee shall have a right to a new lease at the end of each such lease period. The Commissioner may make reasonable adjustments of the rental rate at the end of each twenty (20) year period, based upon changed conditions in production costs and market.

**Sec. 8. Surface Use.** Surface uses of lands or waters included within mining properties by owners of such properties shall be limited to those necessary for the prospecting for, extraction of, or basic processing of mineral deposits and shall be subject to reasonable concurrent uses. Permits for millsites and tailings disposal may be granted by the Director. Such permits shall be conditioned upon payment of a reasonable charge for such use and continuance of such limited use. Timber from lands open to mining without lease, except timber lands, may be used by a mining claimant or prospecting site locator for the mining or development of his location or adjacent claims under common ownership. On other lands, timber may be acquired as provided elsewhere in this Act. Use of water shall be made in accordance with Sec. 47-3-35, ACLA 1949 and rules and regulations promulgated thereunder, or in accordance with any law amending or superseding said section.

**Sec. 9. Abandonment.** Failure to (1) properly file for record a certificate of location or a statement of annual labor, (2) file with the Director within the time prescribed a lease application or a copy of a prospecting site location certificate, or (3) pay rental or receive credit therefor, or (4) keep location boundaries clearly marked; all as required by this article and by regulations promulgated hereunder, shall constitute abandonment of all rights acquired under the mining lease, location, or site involved, and it shall then be subject to relocation by others; provided, that if a location has not been relocated by any other person within one year after such failure, or in the case of a prospecting site two years, the locator or claimant of such abandoned location, or his successor in interest, may return to relocate it as though it had never been located. A statement of annual labor which does not accurately

ly set forth the essential facts shall be void and of no effect.

**Sec. 10. Transfers.** The sale, lease or other transfer of any mining property or interest therein shall be recorded or shall be approved by the Director in compliance with such regulations as the Commissioner may promulgate. The heirs and assigns of mining properties or interests therein shall have the same rights and duties as their predecessors, unless otherwise provided by law.

**Sec. 11. Recognition of Locations.** Locations made on lands which have been selected from federal lands and

which were made in accordance with this article will constitute valid mining claims, mining leasehold locations, or prospecting site locations at the time Alaska receives tentative approval of its selection. Such locations shall be subject to the provisions of said tentative approval and to land classification by the state after such tentative approval. Extraction of minerals prior to classification of the land and receipt of patent by the State shall be at the risk of the locator.

**Sec. 2.** This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 18, 1961

## CHAPTER 124

### AN ACT

**Relating to office-holding by corporators of mutual banks; repealing Subsec. b, Sec. 5, Ch. 132, SLA 1960.**

(C.S.H.B. 228)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. Subsec. b, Sec. 5, Ch. 132, SLA 1960 is repealed.

Approved April 18, 1961

## CHAPTER 125

### AN ACT

**Regarding special education for exceptional children in Alaska; amending Ch. 120, SLA 1959.**

(H.B. 262)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. Sec. 3, Ch. 120, SLA 1959 is amended to read as follows:

**Sec. 3. Eligibility.** The School Board of any school district or administrator of a state school may establish and maintain special classes for five (5) or more exceptional children who are residents of such district and/or such exceptional children who are residents of other areas, which cannot meet the requirements for establishing and maintaining special classes. In any school district where the parents of five (5) or more of any single type of exceptional children, or types which may be taught to-

gether, petition the Board of Education of that district or administrator of a state school for a special class, it shall be the duty of the school authorities to request the State Department of Education and the State Department of Health and Welfare to cooperate in the establishment of such class or classes under rules and regulations established for this purpose by the State Department of Education and the State Department of Health and Welfare; provided also, that two (2) or more adjacent school districts may join together and contract to establish a special class or classes. In such case the various districts are to be reimbursed 100 per cent of the salary of the teacher of the special education.