



Legislative Testimony

Senate Bill 155 Exploration/Mining Rights

February 14, 2020

Chairman Micciche & Members of the Senate Resources Committee,

Policies that promote greater economic freedom, reduce burdens in meeting legal and regulatory requirements, and those that allow a greater number of individuals to engage in economic activity are highly favored by the Alaska Policy Forum.

Testimony has been offered regarding the difficulty miners, both small and large, have had meeting requirements for reporting activity on their mining claims. I personally saw the confusion these rules can cause while assisting a former employer file his own reports. Even after multiple readings of the requirements and lengthy discussion, we were still not fully confident that the documents we filed were correct. Thankfully they were accepted. This is not an ideal way to regulate industry.

Laws and regulations need periodic review to determine whether they continue to fulfill their intended purpose or whether they have resulted in unintended consequences. The state clearly has an interest in ensuring that mining leases are actively being worked. The labor reporting requirement likewise imposes a responsibility upon miners to track and report the work performed. Loss of a mining claim due to inactivity allows transfer of valuable resources to those who are more able to utilize the resource which is also an important purpose.

Loss of a claim due to technical violations or clerical errors, however, seems in excess of the intentions of the labor reporting requirements. The ability to cure and correct technical errors as put forward in the legislation aligns the state's need for information and interest in claims being actively worked, and protects miners' interests in their labor without unduly penalizing them for otherwise minor technical deficiencies.

The fiscal note associated with the changes indicates no additional cost to the state nor additional duties to state employees; likewise, the changes also require no additional work from miners. From a policy standpoint, the changes put forward are the best of all worlds: they review and update existing law to meet the needs of the state and those directly affected by the legislation, make compliance less burdensome, and protect the economic interests of miners both large and small.

Larry Barsukoff, JD / MBA
Energy and Environmental Policy Fellow
Alaska Policy Forum