

# State of Alaska

## Minerals Development Policies

### Introduction

Policies on mining and mineral development are found in a number of sources that range from those outlined in Article VIII of the Constitution of the State of Alaska to a specific policy outlined in Statute (AS 44.99.110) to general policies in the Title 27 Mining Statutes and to clarifications provided in various regulations.

### The Alaska Constitution – Article VIII

Alaska is the only State that has a separate article in its constitution devoted exclusively to natural resources. The framers of the constitution stated “The future wealth of the State of Alaska will depend largely on how it administers the immense and the varied resources to which it will fall heir.” It was important enough that the framers felt it necessary to give constitutional recognition to the policies that would guide management of the states endowment. Statements in article 08 of the constitution related to mineral development include:

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

**Facilities and Improvements** -- The legislature may provide for facilities, improvements, and services to assure greater utilization, development, reclamation, and settlement of lands, and to assure fuller utilization and development of the fisheries, wildlife, and waters.

**Leases** – The legislature may provide for the leasing of, and the issuance of permits for exploration of, any part of the public domain or interest therein, subject to reasonable concurrent uses. Leases and permits shall provide, among other conditions, for payment by the party at fault for damage or injury arising from noncompliance with terms governing concurrent use, and for forfeiture in the event of breach of conditions.

**Mineral Rights** -- Discovery and appropriation shall be the basis for establishing a right in those minerals reserved to the State which, upon the date of ratification of this constitution by the people of Alaska, were subject to location under the federal mining laws. Prior discovery, location, and filing, as prescribed by law, shall establish a prior right to these minerals and also a prior right to permits, leases, and transferable licenses for their extraction. Continuation of these rights shall depend upon the performance of annual labor, or the payment of fees, rents, or royalties, or upon other requirements as may be prescribed by law. Surface uses of land by a mineral claimant shall be limited to those necessary for the extraction or basic processing of the mineral deposits, or for both. Discovery and appropriation shall initiate a right, subject to further requirements of law, to patent of mineral lands if authorized by the State and not prohibited by Congress. The provisions of this section shall apply to all other minerals reserved to the State which by law are declared subject to appropriation.

**Mineral Leases and Permits** -- The legislature shall provide for the issuance, types and terms of leases for coal, oil, gas, oil shale, sodium, phosphate, potash, sulfur, pumice, and other minerals as may be prescribed by law. Leases and permits giving the exclusive right of exploration for these minerals for specific periods and areas, subject to reasonable concurrent exploration as to different classes of minerals, may be authorized by law. Like leases and permits giving the exclusive right of prospecting by geophysical, geochemical, and similar methods for all minerals may also be authorized by law.

**Water Rights** -- All surface and subsurface waters reserved to the people for common use, except mineral and medicinal waters, are subject to appropriation. Priority of appropriation shall give prior right. Except for public water supply, an appropriation of water shall be limited to stated purposes and subject to preferences among beneficial uses, concurrent or otherwise, as prescribed by law, and to the general reservation of fish and wildlife.

**Access to Navigable Waters** -- Free access to the navigable or public waters of the State, as defined by the legislature, shall not be denied any citizen of the United States or resident of the State, except that the legislature may by general law regulate and limit such access for other beneficial uses or public purposes.

**Protection of Rights** -- No person shall be involuntarily divested of his right to the use of waters, his interests in lands, or improvements affecting either, except for a superior beneficial use or public purpose and then only with just compensation and by operation of law.

**Alaska Statute – Title 44. State Government. Chapter 99. Miscellaneous Provision and Policies. Article 2. General State Policies. Section 44.99.110. Declaration of state mineral policy.**

The legislature, acting under article VIII, section 1 of the Constitution of the State of Alaska, in an effort to further the economic development of the state, to maintain a sound economy and stable employment, and to encourage responsible economic development within the state for the benefit of present and future generations through the proper conservation and development of the abundant mineral resources within the state, including metals, industrial minerals, and coal, declares as the mineral policy of the state that

- (1) mineral exploration and development be given fair and equitable consideration with other resource uses in the multiple use management of state land;
- (2) mineral development be encouraged through reasonable and consistent nonduplicative regulations and administrative stipulations;
- (3) mineral development and the entry into the market place of mineral products be considered in developing a statewide transportation system;
- (4) mineral development be encouraged through appropriate public information and education, scientific research, technical studies, and University of Alaska program involvement;
- (5) economic development with respect to the state mineral industry be encouraged with Pacific Rim nations. (§ 1 ch 138 SLA 1988)

**Alaska Statute – Title 27. Mining. Chapter 05. Administration and Services. Article 1.  
Department of Natural Resources. Section 27.05.010. Department responsible for mineral  
resources.**

(a) The department has charge of all matters affecting exploration, development, and mining of the mineral resources of the state, the collection and dissemination of all official information relative to the mineral resources, and mines and mining projects of the state, and the administration of the laws with respect to all kinds of mining.

(b) The department is the lead agency for all matters relating to the exploration, development, and management of mining, and, in its capacity as lead agency, shall coordinate all regulatory matters concerning mineral resource exploration, development, mining, and associated activities. Before a state agency takes action that may directly or indirectly affect the exploration, development, or management of mineral resources, the agency shall consult with and draw upon the mining expertise of the department.