

Abandoned Mine Lands Reclamation Federal Program**FY2001 Request: \$1,500,000****Reference No: 6855****AP/AL:** Appropriation**Project Type:** Health and Safety**Category:** Development**Location:** Statewide**Contact:** Nico Bus**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-2406**Estimated Project Dates:** 07/01/2000 - 06/30/2005**Brief Summary and Statement of Need:**

The Legislature enacted the Alaska Surface Coal Mining Control and Reclamation Act in 1983 (AS 27.21 and 11 AAC 90). One of the main purposes of the act was to promote the reclamation of areas mined and left without adequate reclamation before enactment of the federal Surface Mining Control and Reclamation Act of 1977, that endanger the health and safety of the public and that substantially degrade the quality of the environment and prevent the beneficial use of or cause damage to land and water resources. The project is 100% federally funded.

| Funding: | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | Total |
|-----------------|-------------|-------------|-------------|-------------|--------|--------|-------------|
| Fed Rcpts | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,500,000 | | | \$6,000,000 |
| Total: | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$0 | \$0 | \$6,000,000 |

| | | | | |
|---|---|---------------------------------------|---|--|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new | <input type="checkbox"/> Phased - underway | <input checked="" type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required | | <input type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill | |

Operating & Maintenance Costs:

| | <u>Amount</u> | <u>Staff</u> |
|----------------------|---------------|--------------|
| Project Development: | 0 | 0 |
| Ongoing Operating: | 0 | 0 |
| One-Time Startup: | 0 | 0 |
| Totals: | 0 | 0 |

Additional Information / Prior Funding History:

The State of Alaska has received \$ 10,300,000 for reclamation of abandoned mine land sites since 1983. The AML program currently has \$2,500,000 available in three active 3-year grants and is eligible to receive another \$6,000,000 by FY2004.

Project Description/Justification:

Description of Work to be done: The scope of work will consist of awarding 4-7 contracts totaling \$1,500,000 to Alaskan contractors annually for the reclamation of public health and safety hazards caused by historic mining methods. The types of hazards are dangerous mine pit highwalls, open mine portals and vertical shafts, delapidated structures and equipment, dangerous impoundment, clogged streams, dangerous mine waste spoil piles, fires, polluted water, and industrial and residential waste.

Project Benefits: Public health and safety hazards on private, state, native and federal lands will be reclaimed improving the quality of life in Alaska, save lives, reduce injuries and increase the value and use of the land.

Economic Development: Provide seasonal employment for 100-150 people a year directly and provide many more service jobs in the adjacent local communities.

Projected Revenue to the State: \$1,500,000 of federal funding awarded to Alaskan contractors annually plus multipliers of these funds spent in the local communities.

Project Support: Project support varies from project to project but is usually from the landowner/land manager, mineral

owner, adjacent community, construction industry and special interest groups such as environmental and historical groups.

Project Opposition: There is no opposition to the stated objectives of the program. In some cases there is opposition to the specific method of hazard abatement being proposed but the program is flexible and these concerns can generally be overcome. Right of entry is required for all projects from the landowner before the work can commence. This provides an opportunity to resolve differences and obtain support prior to project commencement.

Specific Spending Detail: Construction and professional service contracts will be awarded to Alaskan contractors in the amount of \$1,500,000. Administration of the program is 100% federally funded. The operating budget holds the federally funded administrative cost necessary to design and administer these contracts. The relevant operating budget project is Mining, Geological, Water Development. Mining Development Component, Coal Surface Mining: AML Project.

Does this project leverage other funding for the state? 100% federally funded. In the next year we hope to receive additional funding and donated staff time from the federal land management agencies in the state. This effort is under way but it is premature to measure the actual benefits that will be derived. In FY 2000 the Bureau of Land Management contributed \$60,000 for AML site reclamation.

Alternative Approaches/Financing Considered: Funding is from a single source and for the single purpose of reclaiming abandoned mines. The State is shifting its priority from coal sites to non-coal sites because they are the most hazardous sites found in Alaska. Funding for non-coal sites is limited and it is our intent to use the maximum amount of funds allowed by federal law on the most hazardous non-coal sites. No other sources of funding are available for the reclamation of abandoned mine sites at this time but federal legislation has been proposed to increase funding for the reclamation of hardrock and placer mine sites.

Additional Information:

The AML program has identified 16 coal sites and 124 non-coal sites requiring reclamation at an estimated cost of \$39,700,000. The highest priority sites will be identified and the limited funds spent to reclaim the most hazardous sites on private, state, native, and federal lands.