

Abandoned Mine Lands Reclamation Federal Program**FY2002 Request: \$1,500,000****Reference No: 6855****AP/AL:** Appropriation**Project Type:** Health and Safety**Category:** Health/Human Services**Location:** Statewide**Contact:** Bob Loeffler**House District:** Statewide (HD 1-40)**Contact Phone:** (907)269-8600**Estimated Project Dates:** 07/01/2001 - 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.

Funding:	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	Total
Fed Rcpts	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$9,000,000
Total:	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$9,000,000

<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:

SLA00/CH135 - \$1,500.0

SLA99/CH2 - \$1,500.0

SLA98/CH139 - \$1,500.0

SLA97/CH050 - \$800.0

Project Description/Justification:

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:

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\$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: None.

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 Minerals, Land and Water Development BRU; Claims, Permits and Leases Component.

Does this project leverage other funding for the state?

100% federally funded. In the next year we hope to generate additional funding and donated staff time from the federal land management agencies in the state. This effort is underway but it is premature to measure the actual benefits that will be derived. In FY2001 the Bureau of Land Management may contribute \$300,000 for AML site reclamation. The Forest Service and National Park Service will continue to contribute staff time and travel costs. A joint project with Canada is also being considered.

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.

Project History:

The State of Alaska has received \$ 11,800,000 for reclamation of abandoned mine land sites since 1983. The AML program currently has \$1,800,000 available in three active 3-year grants and is eligible to receive another \$4,500,000 by FY2004. The AML program has identified 16 coal sites and 124 non-coal sites requiring reclamation at an estimated cost of \$38,400,000. 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.