

Abandoned Mine Lands Reclamation Federal Program**FY2005 Request: \$1,500,000****Reference No: 6855****AP/AL:** Appropriation**Project Type:** Health and Safety**Category:** Public Protection**Location:** Statewide**Contact:** Bob Loeffler**House District:** Statewide (HD 1-40)**Contact Phone:** (907)269-8600**Estimated Project Dates:** 07/01/2004 - 06/30/2007**Brief Summary and Statement of Need:**

The Legislature enacted the Alaska Surface Coal Mining Control and Reclamation Act in 1983 (AS 27.21). 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. These mined areas endanger public health and safety, substantially degrade the environment and prevent the beneficial use of or cause damage to land and water resources. This program will employ up to 50 Alaskans in private sector jobs as part of the reclamation efforts. As a result of the reclamation effort, state lands that are currently not usable will be made available for development and use by Alaskans.

Funding:	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	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	
Totals:	0	0

Additional Information / Prior Funding History:

SLA03/CH82 - \$1,500,000
 SSLA02/CH1 - \$1,500,000
 SLA01/CH61 - \$1,500,000
 SLA00/CH135 - \$1,500,000
 SLA99/CH2 - \$1,500,000
 SLA98/CH139 - \$1,500,000
 SLA97/CH050 - \$800,000

Project Description/Justification:

Funds from the AML Trust Fund can only be spent for reclamation of AML sites (AS 27.21 and 11 AAC 90). The AML program has identified 16 coal sites and 124 non-coal sites requiring reclamation at a cost of \$36,000,000. It is estimated that Alaska will receive an additional \$6,000,000 to \$12,000,000 by the end of the program. The highest priority sites will be worked on first. The highest priority sites are those that are an extreme danger to public health and safety. The types of hazards are mine pit highwalls, open portals and shafts, dilapidated structures and equipment, dangerous impoundments, clogged streams, dangerous mine waste piles, surface coal fires, polluted water, and industrial and residential waste. AML sites occur on private, state, native and federal lands.

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The AML program will award 4-6 construction contracts annually totaling \$1,500,000 to Alaskan contractors. Seasonal employment will be provided for 50-100 Alaskans and many more indirectly in the adjacent communities. The benefit to Alaska is that public health and safety hazards on private, state, native and federal land will be reclaimed improving the quality of life in Alaska, save lives, reduce injuries and enhance land values and uses.

In addition to the federal grant the AML program receives small amounts of money from other federal agencies for cooperative projects. This funding is less than \$50,000 annually.

In addition to the CIP authorization the AML program receives \$300,000 for administrative costs in their annual federal grant. These funds are authorized in the operating budget. Administrative costs are 100% federally funded.

Why is this Project Needed Now:

Federal funding for the reclamation of AML sites is currently available to the State but will not continue much longer. Collection of the federal Abandoned Mined Land (AML) fee is scheduled to sunset in 2004. Federal legislation is being drafted to extend the program to 2007 or 2011. There is also \$1.3 billion in the trust account that would be distributed to the states if fee collection were not continued. Under this scenario Alaska would continue to receive \$1,500,000 until 2007. There are no other sources of funding for AML reclamation at this time.

Specific Spending Detail:Line Item Expenditures:

Personal Services \$252,000 - Costs are for project design, contract preparation and contract administration.

Travel \$20,000 - Cost of transportation, lodging and per diem for contract administration.

Contractual Services \$1,228,000 - Cost for 4-6 construction contracts per year.

Supplies \$-0-

Equipment \$-0-

Project Support:

Project support varies from project to project but is usually from the landowner/land manager, mineral owner, adjacent community, the 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. The program has substantial flexibility in its hazard abatement methods and concerns can generally be overcome.

State Match Required: No.