ALASKA MINERS ASSOCIATION

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Testimony of Deantha Crockett, Executive Director
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Senate Committee on Energy and Natural Resources and the
Senate Committee on Environment and Public Works; Subcommittee of Fisheries, Water, and Wildlife
"Federal Mitigation Requirements by BLM and USACE"

Thank you for the opportunity to testify at this field hearing on federal mitigation requirements by the Bureau of Land Management (BLM) and the U.S. Army Corps of Engineers (Corps), and interagency coordination related to economic development on federal, state, and private lands.

AMA is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. We are composed of more than 1,800 individuals and companies that come from seven geographically diverse statewide branches: Anchorage, Denali, Fairbanks, Juneau, Kenai, Ketchikan/Prince of Wales, and Nome. Our members include individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. AMA works closely with the Federal and State agencies in Alaska to assure that the resources of Alaska can be developed in an economic and environmentally manner. We look for and produce gold, silver, platinum, molybdenum, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials. These members are engaged in mineral development critical to the economies of local Alaskan communities, the State of Alaska, the United States of America, and the world.

To sum up federal policies, in the eyes of Alaska's miners, I'm sorry to say the word I must choose is uncertainty.

I will begin with the BLM. We are seeing multiple policies coming from multiple field offices through multiple levels of management: land planning, regulatory enforcement, permitting, and otherwise. These policies are introduced in draft form, to which the mining industry scrambles to digest the multiple volumes of thousands of pages of new policies governing our operations. Many times these policies do not come to fruition, or are not finalized, yet are used by the agency as legitimate land management tools.

To be specific, BLM recently reevaluated its implementation of the regulations (43 CFR 3809) in which mineral activity is permitted and managed. This policy change is essentially new regulation – regulation that does not add any additional environmental protection - that burdens Alaska's miners with increasing costs and delays, especially small placer mining operations. For many years, placer operations have applied for permits and been regulated under the Annual Placer Mining Application (APMA) process, managed by three State of Alaska agencies and BLM. Under the APMA program, placer mining in Alaska has garnered National BLM Reclamation Awards and no operation has ever drawn from the bonding pool. Despite resounding successes, BLM has proposed seven new supplemental documents, a requirement to gather new data, and a possible reclamation cost estimate to determine the cost of reclaiming an operation holding no past noncompliance issues and a proven track record of successful reclamation.

In addition to permitting, the agency has also released a number of land management plans as part of an overarching "landscape-level" planning process. These Resource Management Plans cover very large acreages of Alaska and often contain management prescriptions that guide policies of the land users in the area outside of regulation and/or statute. The RMPs contain provisions in which Areas of Critical Environmental Concern, or ACECs, can be nominated for special management protection, including two we saw recently which proposed closing over 700,000 acres of BLM land known to be highly mineralized to mineral entry, which we believe is a violation of the Alaska National Interest Lands Conservation Act (ANILCA). An additional component is a Rapid Ecological Assessment, or REA, in which BLM seeks to understand existing conditions and any factors

that may change a landscape. Frankly, I do not know what a REA does, or does not do. But they are just one more piece of what is a puzzle in trying to understand BLM's land management philosophy, and adds further confusion when mining on federally-owned land in Alaska.

When National BLM Director Neil Kornze visited Chicken, Alaska, earlier this month (which we profusely thank Senator Murkowski for helping to arrange), I had the opportunity to provide comments to him. I told him that I firmly believe there are good, intelligent, and hard-working staff within the BLM Alaska offices, and that they genuinely care about Alaskans in all sectors. I must commend them, before this committee today, for their outreach to AMA to foster a good working relationship and ensure two-way communication. I urged Director Kornze to provide the State Office with the resources and leeway it needs to continue what has been many years of successful mining operations that maintain the livelihood of hundreds of Alaskan families while still meeting the BLM mission to manage Alaska's federal lands for all users. Policies from BLM need to be reasonable and reflect the reality of Alaska's environment. Agency staff here on the ground are well-equipped to manage the land and enhance the industry simultaneously, if they are given the freedom to do so.

In terms of wetlands mitigation, Alaska's miners certainly have struggles with the U.S. Army Corps of Engineers' jurisdiction over the Clean Water Act Section 404 wetlands regulation. The reality is, a vast acreage of Alaska is wetlands, so developing nearly anywhere in the State will require a project to obtain some level of USACOE permitting. One thing that can be said at this time, is "kudos" to the agency for its recent internal review of how wetlands jurisdiction and regulation are conducted in Alaska, and how the 1994 Alaska Wetlands Initiative is being reevaluated as a tool for the agency to manage projects. The Alaska Division of USACOE has committed to reviewing whether its entire suite of tools is being utilized to regulate economic development in Alaska's wetlands. These words have been put into action, proven with the recently released General Permit for Placer Mining. The General Permit went through multiple stages of public involvement, revision, and adaptation to ensure it accomplishes the objectives of the Department while allowing for practical placer mining regulation. We commend this agency for its outreach to AMA as well, and are hopeful this approach can be extended for other types of resource development activity as well.

I'm hopeful that I haven't exceeded my time allotment today in attempting to summarize federal policies affecting Alaska's miners. We at AMA thank you for the opportunity to testify before this committee today.