

CORRESPONDENCE -- RESOURCES -- LANDS

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

ADDRESS REPLY TO
REGIONAL FORESTER
AND REFER TO

BOX 1831
JUNEAU, ALASKA

D
SUPERVISION
General

December 6, 1955

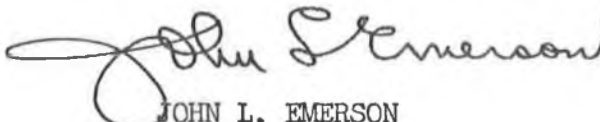
Mr. Burke Riley, Secretary
Committee on Resources
Alaska Constitutional Convention
College, Alaska

Dear Mr. Riley:

Reference is made to Mr. Greeley's wire of November 25 and your
reply of November 26.

Mr. Greeley was in Anchorage upon receipt of your letter. He
went directly from Anchorage to the States because of the death
of his father. He plans to return later this week. I have
informed him of your letter and he has asked me to write you that
the earliest he can appear before the Committee will be on
December 13 and undoubtedly he will get in touch with you late
the 12th or early the 13th.

Very truly yours,


JOHN L. EMERSON
Assistant Regional Forester



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ALASKA
SIGNAL CORPS, UNITED STATES ARMY
GENERAL MILITARY PARROT
1955 DEC 6 PM 3 35

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FM GREELEY REGIONAL FORESTER FOREST SVC JUNEAU ALASKA

TO BURKE RILEY ALASKA CONSTITUTIONAL CONVENTION UNIVERSITY OF ALASKA

COLLEGE ALASKA

666

INT GRNC

BT

RE MY APPEARANCE BEFORE NATURAL RESORCES COMMITTEE STOP BEST I CAN DO

IS DECEMBER. 13 STOP LETTER FOLLOWS

BT

CFN 13

07/0118Z

*Mrs Russell
7A - 345 P
12/6/55
med*

ALASKA CONSTITUTIONAL CONVENTION

UNIVERSITY OF ALASKA
College, Alaska

November 26, 1955

Arthur W. Greeley
Regional Forester
U. S. Forest Service
Juneau, Alaska

Dear Mr. Greeley:

Thank you for your wire indicating your availability December 13. The Committee will be pleased to confer with you at that time yet would prefer an earlier date if that should prove possible. Because Committee work will by the 13th be well along and resultant proposals then due for submission to the Convention, an earlier appearance would enable the Committee to give fuller consideration to your views before their presentation on the floor. In any event we will wish to see you at your convenience and appreciate your cooperation.

I enclose a staff paper which you may wish to scan for its bearing on your subject matter, and refer you to pages 73 and 80 specifically.

Sincerely yours,

Burke Riley
Secretary
Committee on Resources

BR:sh

FEDERAL BLDG., FAIRBANKS, ALASKA

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TO BURKE RILEY ALASKA CONSTITUTIONAL CONV COLLEGE ALASKA

AGL GRNC

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BT

GREATLY APPRECIATE INVITATION PRESENT VIEWS TO RESOURCE COMMITTEE

STOP THE FOUR DAYS STARTING DECEMBER 13 BEST TIME FOR ME

BT

CFN 13

25/2028Z

TERRITORY OF ALASKA
DEPARTMENT OF AGRICULTURE

BOX 1828
PALMER, ALASKA



JAMES W. WILSON
COMMISSIONER

December 6, 1955

Mr. Burke Riley, Secretary
Committee on Resources
Alaska Constitutional Convention
College, Alaska

Dear Mr. Riley:

Thank you for your recent invitation to appear before the Resource Committee. I have delayed answering your letter till I knew when I would be coming to Fairbanks. I will be in Fairbanks December 14, 15 and 16 and would like to meet with your Committee preferably on the 16th. The other days can be substituted, however, at your convenience.

I do not know in what detail the Constitution may spell out matters pertaining to resources but certainly broad policy will be stated and we might profit by the experience of others. My presentation will be short and I will do my best to answer any questions your group may have pertaining to agriculture.

Very truly yours,

James W. Wilson /s
James W. Wilson
Commissioner

JWW/s

Unalakleet, Alaska
Dec 12 1955

Dear Col Muktuk Marston

I have receive a letter on December 3rd which contains newspaper Clipping. Which I let our Mayor Henry Nashalook bring up during our Village meeting to the people. I hope each and everyone here have in their mind something to say that might be helpfull during Alaska Constitutional Convention at our University of Alaska. During Native land problems. I hope they send a written letter too.

I have some to bring up myself in conection with our land problems. Mostly of our fishing camps and our homes. Around here in Unalakleet also around outlaying Villages. We have fishing Camps from way back without anything to show in papers Claims or Clear titles. Only fish racks tent frames and cash stands to show. and these are particular places for fishing and camping wather they are in the beach on rivers. They are the main places we are to catch our winter needs each year. By what I have gone through I can say this much. Its pretty hard winter, when some outfit gets into fish camp and use it for nothing. I haven't fish at my camp site, **for three season's** because some out fit is working in it. I would sugast strongly we need to have our fishing camp rights and settle it. Settle to have any out fit or any orgainizations as grup to pay for using any camp sites. Instead of doing anything as they plase with any camp site. This part of Alaska is still hard living. It is not developed yet no roads build yet to go any place where we want to or to go nar our trap lines. We still use dogs to go places in winter. We need to have our seasonal lively hood to get by each year til something is done to this part of country.

COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY

Unalakleet, Alaska
Dec 12 1955

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Also our homes here in Unalakleet in other Villages too.
We dont own lots for our homes. We don't have any clear title for our homes. We have been under reservation too long most of us young people beginning to relise that. reservations are Just getting us behind on many ways of living as an average Americian Citizen live. We begin to relise that we have been put aside as Natives too long. We young people would like to see our Children grow up as any average American citizen live with equal rights as white man. We are Just as good human as any body from White to Black.

Heres Wishing you lots of luck.

Your frend

Mr George Lockwood

Unalakleet, Alaska

COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY _ COPY

December 6, 1955

RESOURCES COMMITTEE

Members of Committee on Natural Resources
Alaska Constitutional Convention;

SCHOOL LANDS

By Ernest N. Patty, President of the University of Alaska

In answer to the invitation to appear before your committee, I respectfully submit the following with regard to lands reserved for schools, both common schools and the University of Alaska.

1. In making future grants of school lands for education purposes, the old method of basing grants on township surveys should be avoided if possible.

a) Lack of unsurveyed lands in Alaska. Our great-grandchildren will face a similar problem.

b) University granted Section 33 in each surveyed township in the Tanana Valley. This brings, at present, very little income to the University.

Much of Tanana Valley unsurveyed.

Military reservations

Much of it at present time is "moose pasture".

2. In making grants of school lands, should specifically mention common schools and the University of Alaska.

3. Should permit sale of school lands at rate of not more than 100 sections in any one year; and under proper safeguard, should permit leasing up to 50 years.

Should permit schools to have mineral rights on school lands.

Income from tide lands and offshore lands should be for the use of common schools and the University (Believe set up this way in Federal Act). Division formula between common schools and the University could be determined by State Legislature.

CLASS OF SERVICE DESIRED

DOMESTIC		CABLE	
TELEGRAM		FULL RATE	
DAY LETTER		DEFERRED	
		NIGHT LETTER	
NIGHT LETTER	X	SHIP RADIOGRAM	

PATRONS SHOULD CHECK CLASS OF SERVICE DESIRED; OTHERWISE MESSAGE WILL BE TRANSMITTED AS A FULL RATE COMMUNICATION



ACCOUNTING DATA

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NUMBER	TIME FILED	CHECK
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SEND THE FOLLOWING MESSAGE, SUBJECT TO THE TERMS ON BACK HEREOF:

DELEGATE E. L. BARTLETT
HOUSE OF REPRESENTATIVES
WASHINGTON, D. C.

RESOURCES COMMITTEE WISHES CLARIFICATION OF THINKING BEHIND GRANTS OF 800,000 ACRES FOR COMMUNITY DEVELOPMENT PURPOSES. WAS IT INTENDED THAT THIS LAND BE IN TURN GRANTED TO COMMUNITIES FOR ACTUAL PHYSICAL EXPANSION AND DEVELOPMENT OR THAT THE REVENUES DERIVED FROM SUCH AN AMOUNT OF STATE LANDS BE MADE AVAILABLE TO THE COMMUNITIES TO FINANCE THESE PURPOSES?

BURKE RILEY, SECRETARY
RESOURCES COMMITTEE

ir: CONFIRMATION COPY



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

December 5, 1955

Mr. Burke Riley
Secretary, Committee on Resources
Alaska Constitutional Convention
University of Alaska
College, Alaska

Dear Burke:

Your letter of November 19 to Leo Saarela, the Survey's Regional Mining Supervisor in Anchorage, in which you ask for any thoughts that he may have relative to resources for the use of the Alaska Constitutional Convention, and Mr. Saarela's reply of November 22 have come to the attention of the Director's office.

You are well aware that the Geological Survey has been actively involved in the study of certain of Alaska's resources for a great many years. The Survey has issued numerous reports in its series of bulletins, professional papers, and circulars on various aspects of the mineral resources and the geography of the Territory. A smaller number of reports and a lesser amount of work has been done in regard to the water resources of Alaska. Some of the results of this latter work appear in bulletins and water supply papers of the Geological Survey and the results of some of the studies are contained in maps and reports having to do with the classification of the public lands for water power possibilities. The Survey has published also many topographic maps of Alaska and new maps are being produced at an increasing rate. In short, the Geological Survey has had a large hand in the study, investigation, and interpretation of a large segment of the resources of Alaska. The Survey wishes to be as helpful as it can to the Alaska Constitutional Convention in order that appropriate consideration can be given to fields in which the Survey is interested.

I feel that most of the information that you might want in the parts of the resources fields with which the Survey is concerned can be found in our regular reports and maps. These are available at the University of Alaska and I am sure that some of the Survey people in Fairbanks would be glad to help you in your reference to them. If the Survey can be of further assistance to you in this matter, please let me know.

Cordially yours,

John C. Reed
Staff Coordinator

December 1, 1955

Mr. J. M. Honeywell
U.S. Dept. of the Interior
Bureau of Land Management
Box 1181
Juneau, Alaska

Dear Mr. Honeywell:

On behalf of the Resources Committee of the Constitutional Convention this is to express appreciation for your letter of November 29 and its helpful enclosures.

We regret your inability to meet with the Committee but shall doubtless call upon other Bureau of Land Management personnel as you suggest.

Sincerely,

BR:ir

Burke Riley, Secretary
Resources, Committee



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Box 1481
Juneau, Alaska

November 29, 1955

Burke Riley, Secretary
Committee on Resources
Alaska Constitutional Convention
University of Alaska
College, Alaska

Dear Mr. Riley:

Reference is made to your letter of November 19, 1955 in which you inquire on behalf of the Committee on Resources of the Alaska Constitutional Convention whether this Committee may have the benefit of any views I might have in regard to constitutional provisions of the resources field.

I wish you to know that I appreciate the invitation to appear before your Committee. Having only recently arrived in Alaska, however, to assume my new duties as Area Administrator for the Bureau of Land Management and having therefore but cursory experience with the extent and quality of the resources of Alaska and the problems of their evaluation, management and development, I believe I would not personally be able to contribute substantially to the considerations of your Committee.

Mindful of the need of your Committee for current reference materials on the resources of Alaska and the problems involved in their management and development in the public interest, I am sending a statement of the Program, Objectives and Problems of the Bureau of Land Management as related to its administration of public domain resources in Alaska, which was recently presented to the Congressional Subcommittee on Territorial and Insular Affairs. I am also sending a copy of the Statistical Appendix of the Report of the Director of the Bureau of Land Management, 1954, which will afford your Committee a multitude of facts concerning public land administration in Alaska.

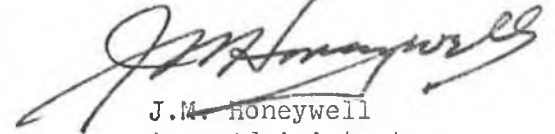
Page 2

Mr. Burke Riley

November 29, 1955

I regret that I find I cannot be more helpful to your Committee in dealing with the great task it has before it at this time. If during the course of your Committee deliberations, it has occasion to need published information in possession of the Bureau of Land Management concerning use, development, conservation or management of public domain lands in Alaska, feel free to call upon the Fairbanks Land Office, the Operations Supervisor in Anchorage, or my office in Juneau for such data. If you have occasion to be in Juneau during the Christmas Holiday recess of the Convention, I would appreciate a call at my office.

Very truly yours,



J.M. Honeywell
Area Administrator

ALASKA CONSTITUTIONAL CONVENTION
University of Alaska
College, Alaska

November 26, 1955

Mr. James Williams
Territorial Mining Engineer
Juneau, Alaska

Dear Jim:

The Committees wish to know the estimated acreage of all unpatented claims on which amendment work is apparently being done. *assessment*

The request came from the Committee on Resources, but I am not familiar with the exact use to be made of the information.

Very truly yours,

Thomas B. Stewart
Secretary
Alaska Constitutional
Convention

TBS:eh

CLASS OF SERVICE DESIRED

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LETTER		DEFERRED	
		NIGHT LETTER	
HT LETTER	X	SHIP RADIOGRAM	

ALASKA COMMUNICATION SYSTEM
 SIGNAL CORPS U. S. ARMY

 TELEGRAM

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TOTAL

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 DESIRED; OTHERWISE MESSAGE WILL BE
 ADMITTED AS A FULL RATE COMMUNICATION

NUMBER	TIME FILED	CHECK
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SEND THE FOLLOWING MESSAGE, SUBJECT TO THE TERMS ON BACK HEREOF:

Straight Wire

November 22, 1955

Mr. Philip Holsworth
 Commissioner of Mines
 Department of Mines
 Juneau, Alaska

CONVENTION RESOURCES COMMITTEE DESIRES ESTIMATED TOTAL ACREAGE
 ACTIVE UNPATENTED MINING CLAIMS STOP CAN YOU FURNISH AS SOON AS
 POSSIBLE STOP

Tom E. Stewart
 Secretary
 Alaska Constitutional Convention

ES/eh

Confirmation

classified ✓

TELEGRAM
ALASKA COMMUNICATION SYSTEM
SIGNAL CENTER UNITED STATES ARMY
FRESH KENAI ALASKA

KPA071KA012

FA JU037 31/30 TY NL PD JUNEAU ALASKA 23

TOM STEWART SECRETARY

ALASKA CONSTITUTIONAL CONVENTION FBK 3046

1955 NOV 23 PM 4 00

REURTEL BELIEVE CAN FURNISH ESTIMATED ACREAGE BUT FIRST NEED TO
KNOW COMMITTEES DEFINITION OF ACTIVE CLAIMS IS IT PRODUCERS ONLY
OR ALL ON WHICH ASSESSMENT WORK IS APPARENTLY BEING DONE

. JAMES A WILLIAMS TERRITORIAL MINING ENGINEER

REURTEL

James A. Williams

CLASS OF SERVICE DESIRED

DOMESTIC	CABLE	
TELEGRAM <input checked="" type="checkbox"/>	FULL RATE	
DAY LETTER	DEFERRED	
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NIGHT LETTER	SHIP RADIOGRAM	

PATRONS SHOULD CHECK CLASS OF SERVICE DESIRED; OTHERWISE MESSAGE WILL BE TRANSMITTED AS A FULL RATE COMMUNICATION



ACCOUNTING DATA

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NUMBER

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SEND THE FOLLOWING MESSAGE, SUBJECT TO THE TERMS ON BACK HEREOF:

W. A. CHIPPERFIELD
TERRITORIAL DEPARTMENT OF LANDS
326 I STREET
ANCHORAGE, ALASKA

CONSTITUTIONAL CONVENTION RESOURCES COMMITTEE DESIRES ESTIMATED TOTAL ACREAGE ACTIVE UNPATENTED MINING CLAIMS SOONEST. CAN YOU FURNISH?

THOMAS B. STEWART
SECRETARY

CC: CONFIRMATION
FILE

TELEGRAM

ALASKA COMMUNICATION SYSTEM
GENERAL BLDG., FAIRBANKS, ALASKA

1955 NOV 22 AM 11 30

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THOMAS B STEWART SECRETARY

2805

ALASKA CONSTITUTIONAL CONVENTION FBK

REURTEL 21 THIS DEPARTMENT HAS NO RECORD FROM WHICH TO BASE ESTIMATE
OF ACREAGE ACTIVE UNPATENTED MINING CLAIMS PD SUGGEST MIGHT OBTAIN
INFORMATION FROM HOLSWORTH DEPARTMENT OF MINES

W A CHIPPERFIELD LAND COMMISSIONER TERRITORIAL DEPT OF LANDS

326 I ANCHORAGE

21 326

(01)

C O P Y

Law Offices
of
WILLIAM E. COLBY GEORGE W. WILSON
1806 Mills Tower
San Francisco

February 5, 1956

Hon. Burke Riley
Secretary, Committee on Resources
Constitutional Convention
Constitutional Hall
College, Alaska

Dear Mr. Riley:

At the request of Mr. Vincent Ostrom, I am writing you regarding the proposed draft of policy with respect to Mineral Lands and other Resources. I regret not to have given this matter earlier attention. Last year at the age of 80 I retired from active practice of the law and only visit the San Francisco office occasionally, when a matter of urgency arises. My associate, Mr. George W. Wilson, continues handling my mining practice. Where I am now living at Big Sur, I have no stenographer or typist available, hence this delay until I have been called to my San Francisco office.

I have read Sec. 11 of the draft on "State Lands and Natural Resources". It is evident that you have given much thought to this subject. The statement expresses what, in my opinion, is a very comprehensive and flexible policy toward the mineral lands which the new state of Alaska will in all probability receive from the federal government.

California and most of the other early Western States "squandered their patrimony" by selling as fast as possible the lands embraced in the large grants they received from the federal government. Because of this undue haste, they received only a pittance of the values these lands were later shown to have. On the other hand, the States of Washington, Idaho, etc., which later entered the union of states, aware of the folly of this hasty disposition of lands at any price, reserved rights, especially to minerals, and subjected them to leasing, thus bringing in large continuous reserves, which have been applied to educational and other needs of these states. My advice would be strongly in favor of seeing that this wise policy of reserving title to the state to all lands that fiscal requirements did not demand be disposed of outright, in order to obtain some ready money for the multitude of purposes which a new state will certainly require money for, be followed.

Hon. Burke Riley

February 5, 1956

The laws of the states of California (which very late saw the wisdom of retaining title to and leasing some of its lands), Washington, Idaho, should be consulted and the best procedure for leasing etc., adopted.

With respect to reservation by the state of surface rights to mineral lands for uses other than those required by the mining operator, too great care cannot be taken in the formulation of a workable policy. You are doubtless aware of the long existence of the situation here in the Western States where, under the guise of acquisition for mineral purposes, claims were taken up under the federal mining laws and then the lands devoted to entirely foreign purposes, such as lumbering, recreation homes, motels, etc. As a result, the mining industry, the U. S. Forest Service, and conservationists got together and formulated a bill, enacted into law by last year's Congress, which defines these respective rights. "Heaven knows" that, representing the miner as I have for over half a century, I realize the hard lot of the miner should not be made harder by undue restrictions on the freedom of his operations, but it is possible "to strike a happy medium" and not hamper the bona fide miner. For this reason, a study of the Act I refer to, and the reports of the hearings leading up to its passage, will prove most beneficial. (Public Law No. 167, 84th Congress, H. R. 5891).

Too great care cannot be taken in reserving lands outstanding for recreation values. I was Chairman of the California State Park Commission for nine years and "know whereof I speak". Most of the 1000 miles of California's coast had passed into private ownership and California had to buy back beach and other lands at enormous prices in order to create an adequate park system. Someday Alaska will find itself in the same need for recreation and park areas, state owned, that California now finds itself. The revenue from these hordes of visitors to its state parks justifies a long look ahead in the case of Alaska and if it has not already done so, a committee of those who are sensitive to recreation needs should be appointed to canvass the situation and recommend reservations of outstanding beaches, forest land, mountain areas, lands possessing archeological or historical interest, etc.

I am sending you under separate cover some reprints of articles bearing on some of your problems. The project you are working on is most fascinating and I wish you all success in your all important work.

Very sincerely yours,

/s/ William E. Colby
(Associate Editor of "Lindley on
Mines" and outstanding authority
on mining and public lands law.)

LAND HELD IN ALASKA UNDER

	Acres
Mining patent	100,000
Homestead	260,000
Lands taken by scrip	9,500
Missions	2,500
Trade & Mfg.	1,900
Townsites	3,500
Town lots	1,900
Cemetery	400
Homesites	1,600
Small tracts	1,700
Territorial grants	4,200
Matanuska Valley sales	14,000
All others	2,200
Total	<u>401,000</u>

Bureau of Land Management figures based on 1953 records, latest available.

Territorial Mining Engineer reports records show 204,000 acres unpatented claims. Considerable more not recorded.

TERRITORIAL DEPARTMENT OF LANDS
TERRITORY OF ALASKA

January 16, 1956

Mr. W. O. Smith, Chairman,
Committee on Resources,
Constitutional Convention of Alaska
College, Alaska.

Dear Mr. Smith:

Speaking on behalf of Mr. W. A. Chipperfield, Commissioner, Territorial Department of Lands I wish to commend you and your committee for the splendid work accomplished on that section relating to lands and resources as reflected in your report under date of Dec. 16, 1955. Your efforts to stay close to the task of setting forth principles for the guidance of the new state in developing and implementing the machinery of government relating to resources is abundantly evident. You have done well to keep to your primary objectives even though possibly confronted with pressures to insert directional clauses on particular subjects or fields which should be left to later legislative action.

It is in the interest of lending support to your objectives that I bring the following brief commentary on some of the topics which you are covering:

Section 2. You have stated clearly the guiding principle for the administration of the "replenishable resources", of Alaska. Not only the Constitutional Convention but also all legislatures in the future should give the greatest devotion to this principle. Yet should the statement be left unqualified, an occasion may arise where some literalist may hold rigidly to the interpretation and thus block or delay the utilization of a resource in a situation where sustained yield would forever be impractical. In illustration we might take an isolated stand of a few hundred acres of birch timber in an area where potential agricultural development might be clearly established as the highest use of the land. In brief, should not economic feasibility be the criterion. Perhaps some such clause as the following might serve:

"...preservation of the forests, fisheries and wildlife resources of the state shall be a prime State objective, and that the commercial use of any such resource in a particular situation shall follow the principle of sustained yield in all cases in which the application of this principle is economically feasible."

Or perhaps your last paragraph in Sec. 7, is sufficiently broad to encompass the concept of sustained yield with reference to timber, water etc., without using the term; leaving it to the legislature to determine the conditions under which sustained yield may be practiced. If so, then the last phrase might be amplified to read: "in such manner as will give maximum use and the greatest public benefit for the longest period of time."

2. - W. O. Smith, Chairman

Within the same paragraph there is set forth provision for selection, classification etc., of lands granted to the State. The use of the term Classification without modification even though accredited to the Legislature, might conceivably become a cause for or result in a set of conditions which would materially retard Alaska's growth and its land resource development. For example it is possible that a future land administrator, acting under the section as written, might go so far as to set up regulations requiring classification of each and every parcel, even though isolated, before a small tract or homesite could be awarded.

Similarly, because of present Federal regulations involving water resources, substantial areas on small, economically insignificant streams - totally useless as sources for power or public consumption, still remain withdrawn because of classification. Contrari-wise it would be a grave mistake to permit private location on or adjacent to primary hydro-power or other water resources in a manner that might result in blocking or holding up a development for the public good.

No more than passing reference need be made to the general land classification and use policy operating in the Bureau of Land Management as evidenced by extensive and continuing withdrawals for classification; for one or another reasons. One might assume that such a program is motivated by the belief that the agency is in a better position to determine the best use of these lands for future generations than are current settlers. My point is simple: classification when applied in broad general terms to lands, timber and water, is essential to planning use and conservation. Yet too rigidly applied or exercised in minute detail it might easily become obstructive or a handicap to development.

Undoubtedly, even under a policy of broad classification there will come times when changes in the economy, advance in communications, or general, if not revolutionary changes in the whole cultural pattern of our life, there must follow changes in land and resources use. In some way the Constitution must guarantee that such changes are for the benefit of the State rather than in the interest of; some pressure group.

Section 8. The introductory paragraph of this section, it seems to me, would be quite adequate in itself to encompass the purpose if at the point of the comma a phrase such as the following were added "...under terms and conditions most advantageous and beneficial to the State." Such a clause, it seems to me, would render the longer statement of conditions unnecessary.

Section 11. Page 5, line 21. It might be advantageous to include under the subject of surface uses specific provision for "processing" and of course "domicile and management" facilities. Perhaps such an interpretation could be read into your wording but the question is whether or not a court would do so under some specific set of circumstances.

In conclusion, considering the over all question of the resources of this great new state, and in recognition of the many divergent interest in the various specific resources it might be worth while to consider a provision for an over-all Resources Conservation Commission to be established by the Legislature rather than attempt in the Constitution to implement one or more of the conservation programs by the establishment of a specific commission.

We will appreciate greatly your courtesy in considering the above observations.

Very sincerely yours,


Benj. F. Zulver
Territorial Department of Lands

F. L. BARTLETT
DELEGATE FROM ALASKA

SECRETARY
MISS MARY LEE COUNCIL

ASSISTANT SECRETARY
MRS. MARGERY SMITH

Congress of the United States
House of Representatives
Washington, D. C.

December 6, 1955

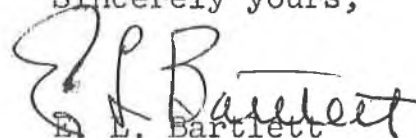
Mr. Burke Riley,
Secretary, Committee on Resources,
Alaska Constitutional Convention,
Convention Hall,
College, Alaska

Dear Mr. Riley:

During my appearance week before last before the Resources Committee a question was asked me regarding the deletion of certain language originally included in H. R. 2535, the Alaska statehood bill. I refer now to subsection (j) of Section 205 of the bill as reported. More specifically, the deletion occurs on page 40 of Union Calendar No. 30, lines 11 to 14 inclusive. The sentence stricken reads as follows: "For the purposes of this subsection the mineral character of lands granted to the State of Alaska shall be determined at the time patent issues and the patent shall be conclusive evidence thereof."

Governor Heintzleman brought this subject before the Alaska Statehood Committee when the committee met in Juneau in February 1955. Governor Heintzleman made the point that patent might be long delayed if the sentence remained in the bill; it may be that Land Commissioner Chipperfield first recommended to Governor Heintzleman that amendatory action be taken. I am not sure as to this. Subsequently and following my return to Washington Governor Heintzleman wired me about this. Copy of his wire, which was sent on February 9, 1955, is attached for your information. I thought that the objection to the sentence was a valid one for the reasons suggested by Governor Heintzleman. On February 15, 1955, I proposed an amendment before the House Committee on Interior and Insular Affairs to remove the sentence and the amendment was adopted without objection. The appropriate page from the hearings is enclosed.

Sincerely yours,


F. L. Bartlett

Mineral - lands -

COPY

E L BARTLETT DELEGATE FROM ALASKA
HOUSE OFFICE BLDG

RE LINE 25 PAGE 38 AND LINES 1 2 and 3 PAGE 39 of S 49
IT APPEARS TO ME THAT NECESSITY DETERMINING MINERAL
CHARACTER OF LANDS BEFORE GRANT MIGHT LONG DELAY
ACQUISITION OF SUCH LANDS BY STATE SUCH LANDS SELECTED
IN LARGE TRACTS MIGHT EASILY BE UNDERLAID BY OIL STRATA
OR DEEP LYING VEINS OR BODIES OF MINERALS WHICH MIGHT
NOT BE DETECTED FOR MANY YEARS IF THIS PROVISION
ELIMINATED I WOULD ASSUME THAT ANY CONVEYANCE OF LANDS
BY THE STATE WOULD INCLUDE PROVISION THAT ANY MINERALS
THEREAFTER DISCOVERED ON SUCH LANDS WOULD BE RESERVED TO
THE STATE AND THAT ANY VIOLATION OF THIS PROCEDURE WOULD
SUBJECT SUCH LANDS TO FORFEITURE WHICH YOU WOULD DISCUSS
THIS FURTHER WITH INTERIOR DEPARTMENT COUNSEL NOW HAVE
AMENDED SECTION 191 TITLE 30 U S CODE AND PRESENT
LANGUAGE OF BILL IS SATISFACTORY

GOVERNOR B FRANK HEINTZLEMAN
JUNEAU ALASKA

(10 copies soon - sent them 13 in the W. O. Smith's box

MR. L. BARTLETT
DELEGATE FROM ALASKA

SECRETARY
MISS MARY LEE COUNCIL

ASSISTANT SECRETARY
MRS. MARGERY SMITH

Congress of the United States
House of Representatives
Washington, D. C.

December 5, 1955

Mr. Burke Riley,
Secretary, Committee on Resources,
Alaska Constitutional Convention,
Convention Hall,
College, Alaska

Dear Mr. Riley:

This will acknowledge your radiogram to me dated December 2 and your letter of the previous day to Mrs. Smith, both having to do with that language in the statehood bills now before the Congress having for its purpose the transfer of 400,000 acres of land from the national forests to the new State and an identical amount from the public domain for the same purpose, namely, community development.

There is attached a memorandum giving a historical review of the development of this concept, which, to the best of my knowledge was never incorporated in the enabling acts of any territories which became states.

Unfortunately, available records do not tell us why the Senate committee in the 81st Congress decided to give Alaska 400,000 acres of land (since increased to 800,000 acres) for community development. The printed hearings are silent as to the reason or reasons and merely recite the fact. My own vague recollection is that I suggested that something of this nature be done following the return to the public domain for administration by the Bureau of Land Management of national forest land adjacent to Juneau. It is likely that this suggestion was discussed in executive session of the Senate committee; otherwise it is to be expected that the printed records of public hearings would be more revealing.

It can be said, however, after a reasonably complete check of the records of the House and Senate Interior and Insular Affairs Committees' proceedings in relation to statehood, that the 800,000 acre grant is intended to be made without any strings attached. There is no requirement anywhere that the proceeds from the sale, rental, or lease of these lands shall be dedicated to any special purpose

whatsoever. The only restriction which I discover is incorporated in a later subsection of Section 205 prohibiting the State of Alaska from disposing of minerals to any lands granted under the act except by lease. Otherwise, it would seem that the state legislature will have a free hand in respect to these community lands. As a personal opinion only I should add that logic would not be strained if the words first appearing in subsection (a) of Section 205, "For the purpose of furthering the development and expansion of communities," were to be interpreted as referring to the communities where the land had been withdrawn instead of to the state as a whole.

To sum it up, this was one of those added dividends incorporated in the statehood bill to enhance the financial stability of the State of Alaska without simultaneously attaching too many strings.

Sincerely yours,


E. L. Bartlett

Background of Sec. 205 (a) of H. R. 2535:

The first language of a similar nature to be included in an Alaska statehood bill appeared in Section 5 of H. R. 331 as that bill was reported out of the Senate Committee (81st Congress, 2d Session). This was the first bill to inaugurate the new land formula. The wording was not identical with that in H. R. 2535 but the principal difference was that the grant was for 400,000 acres instead of the 800,000 appearing in the present bill. The language in Section 5 of H. R. 331 as reported by the Senate Interior and Insular Affairs Committee was written into the bill in executive session. It was later included in S. 50 of the 82nd Congress and all House bills of the 82nd Congress.

Mr. Bartlett's bill, H. R. 2684 of the 83d Congress, 1st Session, was the first to carry the increased acreage, i.e., 800,000 acres, in Sec. 5 (a). Mr. Saylor's bill, H. R. 2982, introduced shortly after Mr. Bartlett's and the one considered by the committee, was identical with Mr. Bartlett's in Sec. 5 (a), as were S. 49 (Mr. Cordon's bill) and S. 50 (Mr. Murray's and others).

All subsequent statehood bills have carried this provision although the language in H. R. 2535 is not identical with that in H. R. 2982.

No explanation can be found for the Senate's inclusion of this provision in H. R. 331 as reported nor can any interpretation of the language with reference to physical transfer of the acreage be found in the reports or hearings.

House Report No. 88, 84th Congress, 1st Session (to accompany H. R. 2535) simply states:

"If Alaska is to be a State, it must be a full and equal State, not a puppet of the Federal Government. That is fundamental to the approach toward statehood of this bill.

"The land grants in the bill are divided into three categories:

"(1) Lands adjacent to the various Alaska communities, including lands in the national forests, which will be needed for the expansion of those communities or the creation of new ones. This land grant amounts to 400,000 acres in the national forests, and 400,000 acres in the public domain."



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Area 4
Anchorage, Alaska

November 30, 1955

Mr. Burke Riley, Secretary
Committee on Resources
Alaska Constitutional Convention
University of Alaska
College, Alaska

Dear Mr. Riley:

Mr. Harold Jorgenson and I have received your kind invitation to meet with the Resources Committee regarding constitutional coverage of Alaska's natural resources.

I am sorry that we shall be unable to attend your proposed hearings on this very important subject. Our current re-organization and inter-city movement of offices has the Bureau of Land Management personnel quite involved in problems of keeping public offices open while changes are being made.

Should you have specific inquiries for data or statistical information we shall be happy to give them immediate attention. We feel that Alaska's natural resources are of incalculable value to the future state. Their wise conservation, management, and use will be one of the most important responsibilities of the new state.

As to what constitutional coverage should be given --

Most resource management is regulatory in nature following the policy intent established at a higher level. Many resource uses vary in their relative importance as a region develops socially, politically, and economically. It follows that conservation and utilization policies must be flexible as to detail if policy responsive to changing state economy is to be achieved.


At first thought, it would seem advisable to have in the Constitution a simple statement recognizing the value of Alaska's resources and the desirability (necessity) of sound conservation policies coupled with management practices which will assure fullest use for the most people in the long

run. There might well be a simple statement instructing the first legislature under the new state to establish such executive departments as are necessary to properly manage, protect, and utilize in the best public interest the several natural resources.

It is my opinion that such a simple declatory statement in the Constitution would make wise resource management mandatory but would allow future legislatures to establish and develop the policies, plans, and procedures necessary to achieve the general constitutional mandate.

I am enclosing for your information a draft copy of the proposed water law for Alaska which was considered but not acted upon by the 1951 Legislature. While these provisions are of regulatory nature and not of particular interest in your Constitutional study, it is definitely true that the absence of a water law establishing policy on rights of use is becoming an increasing problem as Alaska develops.

Sincerely yours,


Roger R. Robinson
Territorial Supervisor

RHR:rep
Encl

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TELEGRAM		FULL RATE	
DAY LETTER		DEFERRED	
NIGHT LETTER		NIGHT LETTER	
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PATRONS SHOULD CHECK CLASS OF SERVICE DESIRED; OTHERWISE MESSAGE WILL BE TRANSMITTED AS A FULL RATE COMMUNICATION

ALASKA COMMUNICATION SYSTEM



SIGNAL CORPS U. S. ARMY

TELEGRAM

ACCOUNTING DATA

T/L
G/L
TAX
TOTAL

NUMBER

TIME FILED

CHECK

SEND THE FOLLOWING MESSAGE, SUBJECT TO THE TERMS ON BACK HEREOF:

November 28, 1955

**Thomas B. Stewart, Secretary
Alaska Constitutional Convention
College, Alaska**

**RECORDS SHOW 204,000 ACRES UNPATENTED CLAIMS CONSIDERABLE
MORE NOT RECORDED STOP EXPLANATION FOLLOWS STOP**

**James A. Williams
Territorial Mining Engineer
Juneau, Alaska**

cc: Reading
Classified file
Incoming time: 12:00 A.M.

C

C

CORRESPONDENCE -- RESOURCES -- MINERALS

C O P Y

Law Offices
of
WILLIAM E. COLBY GEORGE W. WILSON
1806 Mills Tower
San Francisco

February 15, 1956

Hon. Burke Riley
Secretary, Committee on Resources
Constitutional Convention
Constitutional Hall
College, Alaska

Dear Mr. Riley:

At the request of Mr. Vincent Ostrom, I am writing you regarding the proposed draft of policy with respect to Mineral Lands and other Resources. I regret not to have given this matter earlier attention. Last year at the age of 80 I retired from active practice of the law and only visit the San Francisco office occasionally, when a matter of urgency arises. My associate, Mr. George W. Wilson, continues handling my mining practice. Where I am now living at Big Sur, I have no stenographer or typist available, hence this delay until I have been called to my San Francisco office.

I have read Sec. 11 of the draft on "State Lands and Natural Resources". It is evident that you have given much thought to this subject. The statement expresses what, in my opinion, is a very comprehensive and flexible policy toward the mineral lands which the new state of Alaska will in all probability receive from the federal government.

California and most of the other early Western States "squandered their patrimony" by selling as fast as possible the lands embraced in the large grants they received from the federal government. Because of this undue haste, they received only a pittance of the values these lands were later shown to have. On the other hand, the States of Washington, Idaho, etc., which later entered the union of states, aware of the folly of this hasty disposition of lands at any price, reserved rights, especially to minerals, and subjected them to leasing, thus bringing in large continuous reserves, which have been applied to educational and other needs of these states. My advice would be strongly in favor of seeing that this wise policy of reserving title to the state to all lands that fiscal requirements did not demand be disposed of outright, in order to obtain some ready money for the multitude of purposes which a new state will certainly require money for, be followed.

Hon. Burke Riley

February 5, 1956

The laws of the states of California (which very late saw the wisdom of retaining title to and leasing some of its lands), Washington, Idaho, should be consulted and the best procedure for leasing etc., adopted.

With respect to reservation by the state of surface rights to mineral lands for uses other than those required by the mining operator, too great care cannot be taken in the formulation of a workable policy. You are doubtless aware of the long existence of the situation here in the Western States where, under the guise of acquisition for mineral purposes, claims were taken up under the federal mining laws and then the lands devoted to entirely foreign purposes, such as lumbering, recreation homes, motels, etc. As a result, the mining industry, the U. S. Forest Service, and conservationists got together and formulated a bill, enacted into law by last year's Congress, which defines these respective rights. "Heaven knows" that, representing the miner as I have for over half a century, I realize the hard lot of the miner should not be made harder by undue restrictions on the freedom of his operations, but it is possible "to strike a happy medium" and not hamper the bona fide miner. For this reason, a study of the Act I refer to, and the reports of the hearings leading up to its passage, will prove most beneficial. (Public Law No. 167, 84th Congress, H. R. 5891).

Too great care cannot be taken in reserving lands outstanding for recreation values. I was Chairman of the California State Park Commission for nine years and "know whereof I speak". Most of the 1000 miles of California's coast had passed into private ownership and California had to buy back beach and other lands at enormous prices in order to create an adequate park system. Someday Alaska will find itself in the same need for recreation and park areas, state owned, that California now finds itself. The revenue from these hordes of visitors to its state parks justifies a long look ahead in the case of Alaska and if it has not already done so, a committee of those who are sensitive to recreation needs should be appointed to canvass the situation and recommend reservations of outstanding beaches, forest land, mountain areas, lands possessing archeological or historical interest, etc.

I am sending you under separate cover some reprints of articles bearing on some of your problems. The project you are working on is most fascinating and I wish you all success in your all important work.

Very sincerely yours,

/s/ William E. Colby
(Associate Editor of "Lindley on
Mines" and outstanding authority
on mining and public lands law.)

January 19, 1956

Mr. R. B. Earling, President
Alaska Miners Association
Box 8
Port Blakely, Washington

Dear Mr. Earling:

Herewith is a marked copy of the resources article as it now stands in the second reading. We do not anticipate any substantial changes in further plenary session.

If you see any important changes that should be made, there will still be an opportunity in the third reading.

Please advise.

Sincerely,

J. C. BOSWELL

B/c
Enclosure

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ROY B. EARLING

VICE PRESIDENTS
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HAROLD STRANDBERG
GEORGE MISCOVICH
JAMES CRAWFORD
GLENN CARRINGTON

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Glenn Carrington & Co.
C. M. LATIMER
Seattle First National Bank
HENRY RODEN
Mining Attorney

ALASKA MINERS ASSOCIATION

January 3, 1956

Mr. W. O. Smith, Chairman
Committee on Resources
Alaska Constitutional Convention
College, Alaska

Dear Sir:

We received recently from Mr. J. C. Boswell a copy of your Committee's proposed "Article on Mineral Resources" and an invitation to submit our comments which we are doing herewith.

The sections which concern the mining industry most vitally are those having to do with the administration of mineral lands and water rights.

We strongly commend the action of your Committee in recognizing the desirability of a claim location system for metalliferous mineral deposits on State lands similar to that now in use on Federal lands, in providing that such a system may be adopted by the Legislature if desired, and in eliminating the limitation on acreage which may be held. We strongly oppose any limitation of mineral patents which would make them liable to cancellation if the ground is not put to "beneficial use".

The two important advantages of a claim location system are:

- (1) That the prospector who makes a discovery can establish a right of possession by his own acts (the erection of posts and posting of a location notice), and can start mining immediately without having to apply to a Government office for anything.
- (2) If the prospect develops into a mine, those who put up the money to equip it can, by obtaining a patent, assure themselves of undisturbed possession like any other fee simple land owner.

This is especially important to a mine operator because base metal prices fluctuate widely from month to month and year to year, and mines often have to shut down after they are equipped and in production because of a decline in metal prices or unfavorable economic conditions. That is a risk every mine operator takes and must be permitted to take if the mining industry is to flourish. If, when such a situation arises, he decides to hold on and wait for better conditions he should be assisted in doing so and not faced with the threat of having his property taken away from him or being saddled with unnecessary expenditures to maintain an appearance of "beneficial use".

The possibility of profitable mineral ground being deliberately withheld from production after patenting, which seems to be the motive for this proposal, is exceedingly small. The purpose of any business is to make money and it does not make common sense to suppose that any mineral deposit which can be operated profitably will be idle very long. If the owner cannot operate it himself, he will make a deal with someone else to do it.

To summarize our opinions on this subject briefly, we believe that the idea of a limited patent is completely unrealistic and that the inclusion of such a restrictive provision in the Constitution would be the most effective deterrent to the development and financing of metal mining properties that could be devised. To leave it to the Land Commissioner or the Legislature to decide when it should be enforced and what would constitute "beneficial use" might lessen the hardship it would cause but would provide a fertile field for charges of discrimination and we believe it would still be wrong in principle.

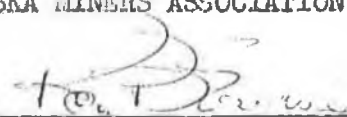
In conclusion, we continue to urge that the Constitution contain a minimum of restrictions regarding the administration of state lands, water and other resources, so as to leave the State Legislature free to make its own laws and regulations. Such laws and regulations will have to conform to the Enabling Act but we can see no purpose in attempting at this time to anticipate what its requirements will be.

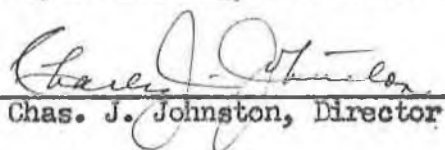
We appreciate this opportunity to submit our views.

Yours very truly,

ALASKA MINERS ASSOCIATION

By


Roy B. Earling, President


Chas. J. Johnston, Director

RBE:ams

December 20, 1955

Mr. John J. Curzon, Director Exploration and Development
Climax Molybdenum Co.
Mines Park
Golden, Colorado

Dear Mr. Curzon:

Reference is made to your letter of December 14, 1955
addressed to Mr. W. O. Smith, Chairman of the Resources Committee.

The proposed article to which you refer was prepared by the
Public Administration Service as a point of departure for the
Committee in undertaking a resources proposal for the Constitution.
I am happy to report that we have departed from it as far as
possible in some respects.

Enclosed herewith is a "tentative" Committee Proposal which
has been placed in first reading at the Convention. Following the
holiday recess for hearings, we expect to withdraw the proposal
for further revision. We would appreciate your comments on this
proposal and it will be necessary to have these comments by Jan-
uary 4, 1956, if they are to receive consideration.

Nothing in this proposal is intended to make operation on
State lands more difficult than on the Federal Public Domain and I
am certain that all the Committee realizes that we must keep our
State lands in a reasonably competitive position with the Federal
Public Domain if they are to receive attention and development. I
should add that the parts of the proposal that do appear restrictive
are patterned after the probable language that will be in the
Enabling Act. We have tried to avoid tying our hands to this
language any further than necessary and still have a Constitution
that would be acceptable to Congress. In other words, this proposal
must be read along with H. R. 2535 of the 84th Congress.

In regard to your specific question about Federal forest lands,
Sec. 205 (a) of H. R. 2535 reads as follows: " For the purpose of
furthering the development and expansion of communities, the State

Manuals

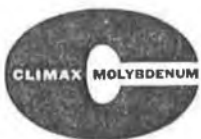
of Alaska is hereby granted and shall be entitled to select from lands within national forests in Alaska which are vacant and unappropriated at the time of their selection not to exceed four hundred thousand acres of land." It would appear that this would be land near established communities and other Federal forest lands would remain in the Federal public domain.

Insofar as a mineral leasing system is concerned, neither the Constitution nor the people of Alaska will be able to avoid this unless the language of proposed enabling legislation is changed. Anyone interested in the future of the Alaska mineral industry would do well to concentrate their effort toward a change in the enabling legislation.

Yours very truly,

J. C. Boswell

Encl.



CLIMAX MOLYBDENUM COMPANY
MINES PARK, GOLDEN, COLORADO • CRestview 9-2501

December 14, 1955

Answered 12/29/55
JOB

Mr. W. O. Smith
Resources Committee
Alaska Constitutional Convention
College, Alaska

Dear Mr. Smith:

After spending several interesting years of my early mining career on properties in southeastern Alaska and northern British Columbia, I have always felt a keen interest in the welfare of the North. This interest has been sharpened recently through articles in the press regarding the possibility of statehood for the Territory of Alaska. While discussing mining activities in the Territory with a friend a few days ago, a copy of "Text of a Proposed Lands and Resources Article, Appendix I", for the State of Alaska Constitution, was read with much interest and it is on this subject, particularly Section 2, that I would like to offer some personal observations.

Years ago, the words Alaska and mining were practically synonymous, but mining is in the doldrums in the Territory now, as all will agree. Alaska can again become a mining leader some day, in my opinion, as the natural resources are there. The problem is to determine the best way to interest individuals and organizations in the possibilities of Alaska so that these natural resources can be developed for the benefit of all concerned. Due to its location, climate and rugged terrain, Alaska can only be developed by attracting venture capital in sufficient amounts to sustain costly exploration and development programs under tough operating conditions. To attract men of vision with their venture capital, tangible evidence of encouragement will be needed with the least possible restrictive controls.

The wording of proposed Section 2 has been reviewed several times but I am somewhat confused over the intended meaning of several statements. If such doubts exist in my mind, similar thoughts must come to others interested in the welfare of Alaska. It would seem, therefore, that great care will have to be taken in the phrasing of all proposed regulations to achieve the result your committee members want, namely, the orderly development of Alaska's natural resources.

Minerals

According to our information, a provision is to be made for the State of Alaska to acquire certain public lands which may amount to some 27% of the total area of the Territory. Proposed Section 2 would provide that, although these lands may be sold, deeded, patented, or leased, all of the minerals shall be reserved for the State, together with the right to prospect for, mine and remove said minerals which shall be subject to lease by the State under such general laws as the legislature may enact.

This indicates that over a quarter of the entire Territory would be withdrawn from mineral entry. The question naturally arises as to how these areas would be chosen. Would the lands be chosen deliberately to include areas of the greatest mineral potentials, in order to obtain maximum income to the State, or would they be allotted on a catch-as-catch-can basis. If only the best mineral lands are included, the time tested system of prospecting, developing, and patenting mining claims on public domain will be pretty well out of the picture as far as Alaska is concerned. Also, if the areas are allotted on a hit or miss system of some sort, and patches of Federal and State land are intermingled, the prospector or exploration engineer in the rugged, unsurveyed mountainous regions of Alaska would never know for sure whether he was on public domain or trespassing on state lands. Incidentally, will Federal forest lands remain unchanged or will some of them become State lands? *no.*

From the mine owner or operator's point of view, the provision "mineral deposits shall be subject to lease by the State under such general laws as the legislature may enact", appears to be entirely too indefinite, as leasing requirements might easily become the subject of future political controversies and royalty payments raised to the point where industry would be driven away rather than encouraged to come in. In contemplating an operation in Alaska, where costs are naturally high, any mine operator would want to know just exactly what the added expense for state leasing would be.

When the last sentence of the first paragraph of Section 2 was read, it appeared to mean that no person or company could lease ground in amount greater than the acreage of one homestead, 160 acres, or the equivalent of eight mining claims. Further study indicated that the intended meaning was to limit the acreage of alienated mineral rights on homesteads or lesser tracts to an area not exceeding 160 acres. Thus, if a large mineralized area were to be found where several homesteads might happen to be, a company planning to develop the whole area would be unable to hold the mineral rights on more than 160 acres of homestead land.

Such a limitation might create unexpected results. According to the first part of the sentence, the state may alienate the State's right, title and interest to minerals in the case of homesteads or areas of lesser acreage. Presumably this means that all homesteads in any given area would be treated accordingly and the owners of the homesteads would retain title to the minerals. With the second part of the sentence limiting the acreage to the equivalent of one homestead that any one person or company could hold, who is going to decide which plot of ground the individual or company can deal for where several homesteads might be involved. Such a situation might have considerable political repercussions. Perhaps I've misunderstood entirely the intended meaning of this regulation, as I am a mining engineer and not an attorney, but some clarification of this proposed regulation is undoubtedly needed.

The prime object of any mining legislation in Alaska, in my opinion, should be to attract venture capital to open up the country and establish producing mines. Proponents of the leasing idea are probably motivated by either a desire to increase state income, a desire for more government power, or believe that a leasing system would actually open up the country.

Whether or not a leasing system would open up the country is debatable; but if it is adopted, it must be carefully written so that industry management will know precisely where it stands in regards to restrictions and royalty regulations. If restrictions are too rigid or royalty regulations subject to unexpected fluctuations through political pressures, then industry may shy away from Alaska, thereby defeating the purpose of the whole idea.

If increased revenue for the state is the underlying motive, it would seem that far greater benefits to the people as a whole would come through new payrolls and increased business activity created through properties actually coming into production, as a result of favorable legislation rather than attempting to realize substantial royalties from production that may not materialize if restrictions on new ventures become too tough.

As far as government control is concerned, the mining industry tends to favor strong States' rights as opposed to dictatorial Federal control, but the States' rights idea in Alaska should not be carried to the point where it could have an adverse effect upon the development of natural resources.

Mr. W. O. Smith
December 14, 1955

From a practical standpoint, Section 2, as proposed, leaves much to be desired and might result in someone deciding not to try mining in Alaska. As the type of legislation finally adopted can have such a far reaching effect upon the future of the mining industry, it would be my suggestion that some of your committee, if at all possible, should arrange to confer with the land committee of the American Mining Congress in Washington, D. C., and with land committees of such organizations as West Coast Mineral Association in Seattle, Northwest Mining Association in Spokane, Utah Mining Association in Salt Lake City, or Colorado Mining Association in Denver. These organizations, particularly the American Mining Congress, have been devoting much thought to mining legislation during recent years and should be in position to offer valuable suggestions based on experience, which should prove of great interest to you in planning legislation for Alaska.

Yours very truly

CLIMAX MOLYBDENUM COMPANY



John J. Curzon, Director
Exploration & Development

JJC:abs

December 20, 1955

Mr. Roy B. Earling, President
Alaska Miners Association
Box 8
Port Blakely, Washington

Dear Mr. Earling,

Enclosed herewith is the Committee Proposal to the Convention, which is presently labeled "tentative". It is expected that further revision will be made following the holiday recess for public hearings. We would appreciate any comments the Alaska Miners Association may have to make regarding this proposal and should have them by January 4, 1956, if they are to receive consideration.

The Committee has attempted to write a meaningful article on resources that takes into consideration the problems and establishes the broad principles that many Western states have had to develop the hard way over the past 45 years, since the last State Constitutions were drafted. Nothing in this proposal is intended to make operation on State lands more difficult than on the Federal public domain and I am certain that all the Committee realizes that we must keep our State lands in a reasonably competitive position with the Federal public domain if they are to receive attention and development.

In order to appreciate the problem of drafting this proposal it must be read along with H. R. 2535 of the 84th Congress. We have tried to avoid tying our hands to the language in the proposed enabling bill, as you will note in the last sentence of the first paragraph of Section 7. Also in Section 9 where we state "as are required by Congress," and again in Section 11, "or patents if authorized by the Congress."

In Section 11 we have established the principle of discovery and appropriation in establishing a prior right to the minerals

Minerals

in the land. This refers to the minerals that have been subject to location under the Federal mining laws as contrasted with the Mineral Leasing Act minerals.

Insofar as leasing of all minerals is concerned, this will be unavoidable unless the language of proposed enabling legislation is changed. Those interested in the future of the Alaska mineral industry would do well to concentrate their effort toward a change in the enabling legislation.

Yours very truly,

J. C. Boswell

JCB:EAK

encl.

ALASKA CONSTITUTIONAL CONVENTION

University of Alaska

1955

December 20, 1955

DELEGATES

Armstrong, R. Rolland
Aves, Dorothy J.
Barr, Frank
Boswell, John C.
Buckalew, Seaborn J., Jr.
Coghill, John B.
Collins, E. E.
Cooper, George D.
Cross, John M.
Davis, Edward V.
Doogan, James P.
Egan, William A.
Emberg, Truman C.
Fischer, Helen
Fischer, Victor
Gray, Douglas
Harris, Thomas C.
Hellenthal, John S.
Hermann, Mildred R.
Hilscher, Herb
Hinckel, Jack
Hurley, James
Johnson, Maurice T.
Kilcher, Yule F.
King, Leonard H.
Knight, William W.
Laws, W. W.
Lee, Eldor R.
Londborg, Maynard D.
McCutcheon, Steve
McLaughlin, George M.
McNealy, Robert J.
McNees, John A.
Marston, Col. M. R.
Metcalf, Irwin L.
Nerland, Leslie
Nolan, James
Nordale, Katherine D.
Peratrovich, Frank
Poulsen, Chris
Reader, Peter L.
Riley, Burke
Rivers, Ralph J.
Rivers, Victor C.
Robertson, R. E.
Rosswog, John H.
Stewart, B. D.
Smith, W. O.
Sundborg, George
Sweeney, Dora M.
Taylor, Warren A.
VanderLeest, H. R.
Walsh, M. J.
White, Barrie M.
Wien, Ada B.

Mr. H. Rea Beckwith
Box 119
Anchorage, Alaska

Dear Mr. Beckwith:

Reference is made to your letter of December 16, 1955, addressed to Mr. W. O. Smith, Chairman of the Resources Committee.

Enclosed herewith is the Committee Proposal to the Convention, which is presently labeled "tentative". It is expected that further revision will be made following the holiday recess for public hearings. Hearings are scheduled in Anchorage, which will be announced as soon as arrangements can be completed, and it would be helpful to the Resources Committee if you would state your views on the proposal at this hearing or if you wish to send them directly to the Committee, we would be glad to have them not later than January 4, 1956.

In order to understand the seemingly restrictive parts of the proposal it is necessary that it be read along with H.R. 2535 of the 84th Congress. The Committee has tried to avoid tying their hands to the language in the proposed enabling bill, as you will note in the last sentence of the first paragraph of Section 7. We have also established the principle in Section 11 that prior discovery and appropriation shall establish a right to those minerals that are not subject to leasing under the Federal laws.

Yours very truly,

RESOURCES COMMITTEE

By _____
J. C. Boswell

Encl.

OFFICERS

William A. Egan
President
Frank Peratrovich
1st Vice-President
Ralph J. Rivers
2nd Vice-President
Thomas B. Stewart
Secretary

Minerals

Decoursey Mt. Mining Co., Inc.

H. REA BECKWITH

REFERENCE:

P.O. Box 119,
Anchorage, Alaska

December 16, 1955

*Answered 12/20/55
JRB*

W.O. Smith, Esq.,
National Resources Committee,
Constitutional Convention,
College, Alaska

Dear Sir:

The writer has prospected, explored, and searched for various types of minerals for a number of years.

One of the fundamentals of man's instinctive nature is the acquisition and the ownership of something untouched by man. Natural resources are his unquestionable right of individual ownership - the results of his own efforts. It could be a contribution (to a small degree, or as it grows, to a very large degree) to the economic welfare of his community.

To deny man's basic right through restrictions - by regulations, or by discouraging the opening up of this country, would, in this modern age, be very detrimental to Alaska.

In the complexity of problems facing your Committee, sight must not be lost of fundamentals of man's natural characteristics. He must feel free to go forth and contribute (in his own unrestricted, or unhampered way) to the further development of Alaska.

It is my frank and personal opinion, that the present work which you are faithfully endeavouring to complete for the good of all should be covered by a brief statement, limited to basic facts, and submitted by your Committee to the Convention.

Virgin resources aroused the instinctive nature of the pioneer prospector. His individual desire contributed greatly to your personal welfare - his monumental contribution to your economy is unsurpassed - why hinder!

The Proposed Lands and Resources Article should contain Section 1 only, together with the first paragraph of Section 3. Allow the elected representatives, who are familiar with problems of this nature, determine in their own right the best legislative procedure to follow.

Yours very truly,

H. Rea Beckwith
H. Rea Beckwith

(Decoursey Mt. Mining Co.)

HRB:DF

December 19, 1955

Mr. W. A. Richelsen, Secretary
West Coast Mineral Association
709 Central Building
Seattle 4, Washington

Dear Mr. Richelsen:

Extract from minutes and copies of two resolutions, all dated December 5th, from the West Coast Mineral Association, were today received.

It would appear to me that each of these documents is aimed at portions of a Draft Article proposed to the Resources Committee of the Constitutional Convention early in its session.

For the information of your members, I should like to state that said proposed article was not the product of Committee thinking and that the Committee has never endorsed it. A tentative Committee proposal, still subject to change, is enclosed for such further expressions as may occur to your Association.

Thanking you for your interest I am

Sincerely yours,

Burke Riley, Secretary
Committee on Resources

BR:eh
Enclosure

December 19, 1955

Mr. J. O. Parr, Jr.
Consulting Geophysicist
202 Janis Rae
San Antonio 1, Texas

Dear Mr. Parr:

Reference is made to your letter of December 14, 1955 addressed to Delegate W. O. Smith. The quotation you refer to is from a proposed draft, prepared by the Public Administration Service, intended as a point of departure for consideration by the Resources Committee of the Constitutional Convention.

Attached is a draft of the Committee proposal which is labeled "tentative" at this time. We expect to make further changes following the holiday recess when hearings will be held throughout the Territory.

We believe this proposal covers the utilization, conservation and balanced development of the State resources in a manner seldom dealt with in older constitutions, due to the fact that many of the principles were unknown 45 years ago when the last State constitutions were drafted. The Western States have developed these principles the hard way and it has been our aim to incorporate them in a meaningful resources article.

We would appreciate your comments on this proposal and would ask that you have them in our hands by January 4, 1956. We would also appreciate any steps that you might be able to take to dispel the false impression among your associates, created by excerpts from the Public Administration Service paper.

Yours very truly,

J. C. Boswell, Sec.
Alaska Constitutional Convention
Resources Committee

JCB:ir
Encl. 2

202 Janis Kae,
San Antonio, Tex.
Dec. 14, 1955

Mr W.O. Smith,
College, Alaska.

Answered
12/19/55
J.B.

Dear Mr Smith,

There is serious concern here about an item in Dec. 12, 1955 Oil and Gas Journal. It is trusted that the wrong interpretation has been made concerning the plans of the constitutional convention in Alaska in regards to mineral resources.

In particular "... the state shall retain all minerals in the land it sells ----- . The State "(?)th also will reserve the right to prospect for, mine, and remove the minerals"

This appears to be absurd for two reasons

(1.) If Alaska is to be a state approved by the congress

of the other 48 states, & he must have laws and requirements similar to the other states. If economic conditions prevent Alaska from following procedures similar to the other states, then Alaska is not ready for statehood.

(2) The best approach to exploratory and development is private enterprise - It is the American way of life. In the United States proper certain procedures have been established whereby private companies can explore for oil and minerals including Uranium. Alaska has the possibility of attracting capital and exploration and development experience from the remainder

of the United States. A State monopoly would drive away legitimate business and leave things open for more Tea Pot Dome scandals etc.

If we have the wrong impression, it might be well to try to correct the impression because the bulk of us here would strongly oppose the formation of a state with state monopoly on all minerals.

Sincerely yours
J. H. H. H.

December 19, 1955

Mr. Phil R. Holdsworth
Commissioner of Mines
P. O. Box 1391
Juneau, Alaska

Dear Sir:

Enclosed you will find 30 copies of the tentative Committee Proposal covering State lands and natural resources. We expect to do further editing of this proposal and incorporate changes that may result from hearings to be held throughout the Territory during the holiday recess.

The Committee met today with Mr. C. W. Barnes of the Shell Oil Company and he did not find any serious defects in the proposal. I told Mr. Barnes that you intended to send the enclosed proposals on to the other major oil companies that are currently interested in exploration work in the Territory. It was his suggestion that you send two copies to each company to facilitate their handling. It will be necessary to have any comments or suggestions by January 4, 1956 if they are to receive consideration. It would probably be advisable to have any replies directed to me as I will be looking after the Committee mail during the recess.

We are not entirely satisfied with the first sentence in Section 11 and feel that some better terminology may be found to spell out the minerals that would fall under the discovery and appropriation rights.

Any suggestions you may have will be appreciated and if you agree with the substance and broad general principles of the proposal it would be helpful to have your endorsement when the proposal comes up for second reading.

Yours very truly,

J. C. Roswell
Resources Committee

JCB:ir
Encl. 30

December 19, 1955

Mr. C. W. Barnes
Shell Oil Company
1055 Dexter Horton Building
Seattle, Washington

Dear Mr. Barnes:

Jack Boswell tells me that he has forwarded copies of the completed tentative article. Should it be possible for your Legal Section to prepare a comment thereon as well as proposed language regarding our conversation on Section 11, I should appreciate its receipt either at College, Alaska by January 4th, or if available earlier, at P. O. Box 2688 in Juneau, Alaska.

Thanking you for your kindness I am

Sincerely yours,

Burke Riley, Secretary
Committee on Resources

ER:eh



SHELL OIL COMPANY

Suite 1055 Dexter Horton Building
Seattle, Washington

December 16, 1955

Mr. W. O. Smith
Chairman, Natural Resources Committee
Alaska Constitutional Convention
College, Alaska

Dear Mr. Smith:

In accordance with suggestion, we should like to avail ourselves of the opportunity to comment upon the Proposed Lands and Resources Article to be incorporated into the Alaska Constitution.

Generally we feel that while Section 1, the statement of constitutional purposes is admirable, subsequent Sections 2 and 4 proceed to severely limit the statement of constitutional policy in a most undesirable way. Sections 2 and 4 would appear to be an attempt to anticipate those details which are properly the purview of future legislatures. It is our feeling that the form of the conveyance, acreage quotas and restrictions on alienation have no place in the constitutional document itself. Accordingly, it is our thought that these two sections should be entirely eliminated.

In addition to these general objections, we should like to make specific comments on Section 2 and Section 4 which we understand to read as follows:

"Section 2. (Lands and Mineral Rights) The public lands of the State which are now or hereafter may be acquired may be sold, granted, deeded, patented, or leased under such general laws as may be established by the Legislature. Each sale, grant, deed, or patent shall be subject to and contain a reservation to the State of all of the minerals in the lands so sold, granted, deeded, or patented, together with the right to prospect for, mine, and remove the minerals. Mineral deposits shall be subject to lease by the State under such general laws as the Legislature may enact. Provided: that the Legislature may by general law alienate the State's right, title, and interest to minerals in the case of homesteads or areas of lesser acreage; and provided further, that no person, company, or corporation shall hold such alienated mineral rights in an amount greater than the acreage of one homestead.

"No person, company, or corporation shall deny a mineral lessee of the State access to such minerals; but such access shall be taken only upon payment of just compensation to the surface owner, grantor, or lessee.

"Section 4. (Forest Lands) Sales, grants, deeds or leases of forest lands of the State, where such lands are to be developed and utilized primarily for their forest resources, shall contain provisions binding the purchases, grantee, or lessee to adhere to the principles of sustained yield management of the forest areas so sold, granted, deeded, or leased."

Sentence 1 of Section 2 should be amplified to give to the State the broadest possible constitutional powers of alienation so that subsequent Legislatures may have full legislative powers. To accomplish this granting of an all inclusive dispositive power, it would seem advisable to delete the "or" preceding the word "leased", change "leased" to "lease" and add the language "or otherwise dispose of". To carry out this intent, Line 8 of Section 2 should then be amended to add following the word "lease" the language "or other disposal".

Line 12 in Section 2, being the proviso limiting the holding of alienated mineral rights under homesteads to an acreage no larger than one homestead is most objectionable. It is in direct conflict with Section 1 of the proposed text requiring resources be developed, utilized and conserved for the benefit of the whole people of the State. The proviso as it now reads would prohibit any unit development of homestead lands inasmuch as such development entails the unitization of these lands under one owner or operator. Present principles of sound conservation require such unit operation and development. And the limitation would have the practical effect of precluding oil and gas development of the homestead lands. Experience has shown that the federal acreage limitation of 25,360 acres for oil and gas leases seriously limited the exploration and development of federal lands in Alaska. The present limitation of 100,000 acres at this stage of development does not appear adequate. Accordingly, any possible acreage included in a homestead would be far less than the minimum required for development. It is suggested, therefore, that this proviso beginning with the language "and provided" be stricken in its entirety.

Section 4 presumably deals only with forest lands and the surface use of such lands. The intended construction of the sections, therefore, has leases of mineral deposits governed entirely by Section 2. Care should be taken to ensure that nothing contained in Section 4 can be construed so as to prevent multiple use of such lands. That is to say, the language "where such lands are to be developed and utilized primarily for their forest resources" should not result in the interpretation that forest lands are to be utilized exclusively for their forest resources. You may wish to consider the addition of a proviso to Section 4 that nothing shall prevent the concurrent development of these lands for their mineral resources.

Mr. W. O. Smith

3

We appreciate the opportunity to comment upon these matters and wish you all success in your great undertaking.

Very truly yours,

Original signed
G. W. BARNES

G. W. Barnes

CWB:AP

cc - Mr. William Egan
President, Constitutional Convention
College, Alaska

Mr. Birk Riley
Delegate, Constitutional Convention
College, Alaska

1206 PACIFIC MUTUAL BUILDING
523 WEST SIXTH STREET
LOS ANGELES 14, CALIFORNIA
TELEPHONE MADISON 6-3231

December 8, 1955

Mr. W. O. Smith, Chairman
Natural Resources Committee
Alaska Constitutional Convention
College, Alaska

Dear Mr. Smith:

Recently a copy of the text of "A Proposed Lands and Resources Article" for incorporation into the proposed Alaska Constitution was sent to me for comment and suggestion.

As a member of the mining industry and as a member of a mining corporation, I am deeply concerned with the implications and aspects of Section 2 of the Article. Its ideas are contrary to all that have made mining a great industry and which have materially aided the development of the western area of the United States. The incentives for accepting risks to life and capital, for the forethought and the hardships involved in the hunt for new mineral deposits are the possibilities of high rewards as well as a sense of accomplishment and the pride of ownership. When these incentives are removed there is nothing to attract the venturesome individual or the courageous capital to try to find or develop a mine.

The text as written reserves to the State all mineral deposits. It limits the fee ownership of minerals on patented land to the area of one homestead for any one entry whether by individual or corporation. The Article makes it illegal to enter or explore State owned land unless a permit is specifically obtained.

The effect of such a provision in a State constitution will be to hamper and discourage prospecting on State lands. There could be no development of major low-grade, metallic ore bodies, placer deposits, or coal or iron deposits which would require large surface areas. The Article entirely overlooks the fact that State revenues will benefit more from having strong and profitable mining operations with large payrolls and profits from the business concerns that accompany such prosperous conditions. A small mine, usually inadequately financed, is not the business that will stand the taxes needed to produce the revenues to sustain the State government, to keep its schools running and to build roads.

Mr. W. O. Smith
Dec. 8, 1955
Page 2

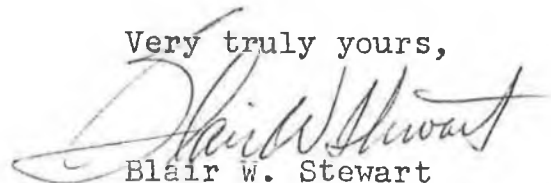
Alaska is an undeveloped region which presents many natural obstacles that must be overcome. Every encouragement and incentive possible should be given the prospector and investor to make it attractive to try to overcome the difficulties nature has placed in the way.

Parts of Section 2 have no place in a document such as a State constitution. It is regulatory in detail instead of being a statement of principle. The section should be based on broader principles of the Federal mining law and the right of individual private ownership of Federal lands. It should have an enabling clause permitting the legislature to regulate the ways of developing the lands within limits. It should emphasize the development of these lands could be to the benefit of all the people of the State but with due regard and care that the prospector and the investor may receive the rewards due him for his energy, foresight and courage.

Our company, for the past several years, has been and expects to continue to be searching Alaska for favorable mineral deposits which can be worked at a profit. Our interest in Alaska is twofold in that it offers a new practically untouched field and the incentive to acquire worthy mineral deposits for private ownership, together with some tax relief, is possible.

I solemnly urge you to reconsider this Section 2 by carefully reading between the lines the implications and discarding it entirely from the constitutional article.

Very truly yours,



Blair W. Stewart
CYPRUS MINES CORPORATION

BWS/a

WEST COAST MINERAL ASSOCIATION
Minutes - December 5, 1955

This meeting of the West Coast Mineral Association held Dec. 5, 1955 at the Seattle Chamber of Commerce. Pres. McMillan, presiding, Mr. Van Nuys acting as secretary in Mr. Richelsen's absence. 14 members present.

The minutes for Nov. 28, 1955 were read and approved.

The proposition submitted at the previous meeting, viz. matter of leasing by Alaska, if created into a State, of all public mineral lands, to be incorporated into the constitution of such new state, was then discussed. Mr. Ray Earling, mining executive, spoke at length. Mr. Earling pointed out that such leasing system would cover not only oil, gas and metallic and non metallic minerals; that 75 per cent of Alaska mines are metallic; that the U. S. Bureau of Land Management has always favored the leasing system; that the location system has proven satisfactory and has protected the prospector; that the leasing system is complicated and can be arbitrarily administered; that at least 75 per cent of all public lands in Alaska are unsurveyed, and that it may take 50 or more years before all the lands are surveyed; that unsurveyed public lands in Alaska belong to United States and not to Alaska, thus prohibiting any leasing system as to any unsurveyed lands. Mr. Earling recommended leaving to the new state legislature the control and disposition of all mineral lands.

Mr. Waterman called attention to the fact that in a leasing system the lessee forfeits his improvements if no renewal of the lease. Mr. Rose recommended against any leasing system. Finally it was moved by Mr. Earling, seconded by Mr. Spedden, that the control and disposition of the mineral lands in Alaska be left entirely to the legislature of Alaska if created into a state. Meeting adjourned.

W. H. Van Nuys

C O P Y

R E S O L U T I O N

To Hon. Burke Riley, Secretary,
Resources Committee for Alaska Constitutional Convention
College Post Office, Alaska

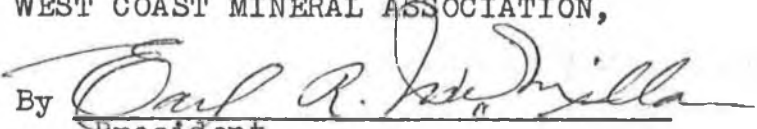
At a regular meeting held December 5, 1955, at Seattle,
Washington, the WEST COAST MINERAL ASSOCIATION, duly adopted
unanimously the following Resolution:

"BE IT RESOLVED, that the West Coast Mineral Association dis-
approves of the provision in Paragraph 2 of the Land and
Resources Article requiring the leasing of mineral depos-
its on lands belonging to the State of Alaska (if created
a state), and urges that the wording of said Paragraph be
so changes as to leave to the State legislature the decis-
ion regarding the disposition of mineral rights on State
lands."

Adopted, December 5, 1955.

WEST COAST MINERAL ASSOCIATION,

By


President

Secretary

December 4, 1955

Mr. Roy B. Earling, President
Alaska Miners Association
411 Central Building
Seattle 4, Washington

Dear Mr. Earling:

Thank you for your letter of December 2, 1955 wherein you mention Glen Franklin's arriving in Fairbanks on the 10th or 11th.

I am sure that it will be possible for him to meet with the committee and suggest that he get in touch with me upon arrival.

Very truly yours,

Burke Riley
Secretary, Committee on
Resources

BR:eh

PRESIDENT
ROY B. EARLING

VICE PRESIDENTS
RALPH LOMEN
HAROLD STRANDBERG
GEORGE MISCOVICH
JAMES CRAWFORD
GLENN CARRINGTON

DIRECTORS
ARCTIC CIRCLE AREA
WILLIAM RAMSTAD
Northern Tin Co.
RALPH LOMEN
Zenda Gold Mining Co.
DON STEWART
Casa Da Papa Gold Co.
RICHARD E. LEE
Lee Brothers Dredging Co.
GRANT JACKSON
Miners & Merchants Bank
of Alaska

ANCHORAGE AREA
WILLIAM DUNKLE
Mining Consultant
HAROLD STRANDBERG
Strandberg & Sons
HARRY HILL
Evan Jones Coal Co.
WILLIAM O'NEILL
Mining Consultant
L. MCGEE
Anchorage, Alaska

FLAT KUSKOKWIM AREA
CHARLES J. JOHNSTON
Goodnews Bay Mining Co.
ALEX MATHIESON
North American Dredging Co.
HARRY DONNELLEY
Donnelley & Acheson
JOHN FULLERTON
Colorado Creek Mining Co.
HUGH MATHESON JR.
Chandalax Mining Co.

FAIRBANKS AREA
GLEN FRANKLIN
Yukon Placer Mining Co.
JAMES CRAWFORD
United States Smelting Co.
JOHN MISCOVICH
Miscovich Brothers
BRUCE THOMAS
Mining Consultant
MANNIE OLSON
Wolf Creek Mining Co.

S. E. ALASKA AREA
ERNEST PATTY
President University of Alaska
H. L. FAULKNER
Attorney
ROY B. EARLING
Mining Consultant
GLENN CARRINGTON
Glenn Carrington & Co.
C. M. LATIMER
Seattle First National Bank
HENRY RODEN
Mining Attorney

ALASKA MINERS ASSOCIATION

411 Central Building
Seattle 4 Washington

December 2, 1955

Mr. Burke Riley
Secretary of Committee on Resources
Alaska Constitutional Convention
University of Alaska
College, Alaska

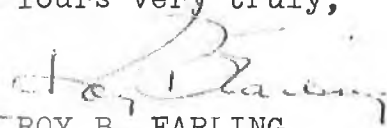
Dear Sir:

We have your letter of November 23rd and wish to thank you for your invitation to have a representative of this Association appear before your Committee.

Mr. Glen Franklin, a director of the Association, expects to arrive in Fairbanks December 10th or 11th, and we would appreciate it if you would set an hour and date for him to appear before your Committee, to present the views of the Association. He will contact you upon arrival in Fairbanks to find out when he is to appear.

If by any chance his arrival at Fairbanks will be too late for him to appear before your Committee, will you kindly let me know by wire so that we can make other arrangements.

Yours very truly,


ROY B. EARLING
President
Alaska Miners Association

RBE:ams

December 2, 1955

Phil Holdsworth
Department of Mines
Box 1391
Juneau, Alaska

Dear Mr. Holdsworth:

Thank you for your letter of November 26, wherein you indicate possibility of appearing before the Resources Committee soon after December 9th. The Committee will be pleased to meet with you at your earliest convenience, which it is hoped will be near the time stated.

Thanking you for your cooperation I am

Sincerely,

Burke Riley, Secretary
Resources Committee

BR:ir

December 1, 1955

James A. Williams
Department of Mines
Box 1391
Juneau, Alaska

Dear Jim:

Mary thanks for your letter of November 28 and the enclosures. I am enclosing a letter to Phil and will appreciate your calling it to his attention on his return to Juneau.

Sincerely,

Burke Riley, Secretary
Resources Committee

BR:ir

TERRITORY OF ALASKA
DEPARTMENT OF MINES

BOX 1391

JUNEAU, ALASKA

November 28, 1955

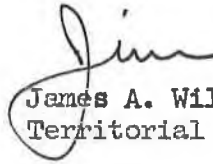
Mr. Thomas B. Stewart, Secretary
Alaska Constitutional Convention
University of Alaska
College, Alaska

Dear Tom:

Enclosed are three copies of a memo to the Resources Committee explaining how we arrived at the unpatented claim acreage figure, and giving further details, if they are interested.

Keep up the good work.

Sincerely,



James A. Williams
Territorial Mining Engineer

JAW:dls
Encl.

TERRITORY OF ALASKA
DEPARTMENT OF MINES
BOX 1391
JUNEAU, ALASKA

November 28, 1955

To: Resources Committee, Alaska Constitutional Convention
From: James A. Williams, Territorial Mining Engineer
Subject: ESTIMATED ACREAGE OF UNPATENTED MINING CLAIMS IN ALASKA

This is in explanation of the figure of 204,000 acres sent by wire of this date.

Our Central Recording records include copies of practically all claim location certificates and assessment work affidavits filed in the various recording precincts since April 1, 1953. A few U. S. Commissioners have failed to cooperate, chiefly in the Hyder Precinct. By carefully sampling a calculated percentage of these records, we find a total of approximately 12,750 unpatented claims are now on file which have been located and/or on which assessment work has been performed since April 1, 1953. Since many claims are undersized, we estimate a conservative average size of 16 acres per claim. This brings the estimated total acreage of which we have record to 204,000 acres.

However, since the recording of assessment work affidavits is not mandatory, there are numerous claims in existence on which none are filed. We have personal knowledge of several prospectors and miners holding large blocks of claims who never file affidavits. Therefore, there is a considerable acreage under this heading, the amount of which we have no way of estimating.

For the same reason of noncompulsory affidavits, we have no way of knowing which of the earlier claims in our records not followed up by affidavits in later years have actually been dropped. Probably not too many in the relatively short period we have been collecting these records.

JAW'dls

JAW

TERRITORY OF ALASKA
DEPARTMENT OF MINES

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JAW:dls

JW

TERRITORY OF ALASKA
DEPARTMENT OF MINES

BOX 1391
JUNEAU, ALASKA
November 26, 1955

Mr. Burke Riley, Secretary
Committee on Resources
Alaska Constitutional Convention
University of Alaska
College, Alaska

Dear Mr. Riley:

We are in receipt of your letter of November 19, 1955, requesting any views we might have on the proposed Constitutional provisions regarding natural resources. We will be very glad to offer our views on this subject as we feel it is one of the most important phases of the Convention and unless handled properly will do much to prevent exploration for and development of our resources.

It is necessary that I leave Juneau tomorrow to represent Alaska at the annual meeting of the Interstate Oil Compact Commission to be held at Santa Fe next week. I will be returning to Juneau by December 9, and will be glad to come to Fairbanks at that time to discuss the various phases of this subject with the Committee in person. That is, of course, the only satisfactory way to present the various problems involved and answer any questions which the individual Delegates might raise. We hope such a schedule meets with your approval but in lieu of discussion between now and then, we are attaching copies of some opinions which have been expressed up to this time. We agree that it would be very wise to get as wide-spread an opinion on this subject as possible before any final provision is submitted to the Convention as a whole for their action.

On resources other than mining, we assume that you will undoubtedly call on other Territorial officials involved in lands, water resources, forestry, and so forth.

Trusting the above meets with your approval.

Sincerely,



Phil R. Holdsworth
Commissioner of Mines

PRH'dls
Encl.

NATURAL RESOURCES AND THE PROPOSED ALASKA CONSTITUTION

Representatives of various segments of the mining industry have expressed concern over the proposed Lands and Resources Article for the Alaska Constitution now under consideration by the Constitutional Convention at College, Alaska. Should the presently proposed Enabling Act be adopted by Congress, approximately 27% of Alaska's land would be affected by the provisions of this Article. This area to be owned by the State would no longer be open to normal mineral entry or staking of mining claims by individuals. The remainder of the area within the State's boundaries would remain under Federal jurisdiction which does allow such mineral entry. The confusion of having to operate under two entirely different sets of mining laws in a large and unsurveyed State can easily be foreseen. Probably the best expression of the feeling of the mining industry as a whole is found in the Declaration of Policy by the American Mining Congress which was adopted at Las Vegas, Nevada, October 10 to 13, 1955. Very briefly, the policy statement in this regard is quoted as follows:

"We are opposed to any general cession to the various States of rights in public-domain lands within the several States that would interfere with mining locations under the General Mining Laws.

"We are opposed to extension of the Leasing Act system to minerals and metals locatable under the General Mining Laws".

Representatives of the oil industry, particularly those now active in Alaska, have also expressed concern over the wording of the Article. Such a tight control which would allow only leasing of State lands, and on a limited acreage basis, would be a very definite deterrent to exploration of our natural resources by private enterprise.

There is a general feeling on the part of many that the U.S. mining industry is being forced toward Alaska for the development of new mineral deposits as U. S. deposits dwindle. This actually is not the case. Any expansion by investment capital outside of the U.S. for the development of future ore deposits is, and will be, into those countries which offer the most satisfactory tax atmosphere. Under present conditions, Alaska does not fit into this category. U.S. investment capital by the billions of dollars has gone into Canada and other foreign countries where tax incentives are offered and where general economic conditions are more favorable.

For several years, a large part of the relatively small amount of venture capital spent in Alaska in looking for favorable mineral deposits other than oil has been spent in merely researching old reports and making casual geological investigations. We must either make it attractive for new mining industry, or there will not be any new mining industry.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

Revised/5

November 7, 1955

Hon. E. L. Bartlett
Delegate from Alaska
House Office Building
Washington 25, D. C.

My dear Mr. Bartlett:

Attention: Mrs. Margery Smith

The accompanying memorandum has been prepared in response to your request for information concerning the background of the mineral lands provision of the Alaska statehood bills.

While we are happy to perform this service for you, I am sure you will understand that the memorandum in no way represents an official opinion concerning the desirability of the provision in question.

Sincerely yours,

Herbert J. Slaughter

Herbert J. Slaughter
Chief, Branch of Reference
Division of Legislation

Enclosure

Memorandum

Re

The Mineral Lands Provision of the
Alaska Statehood Bills

The bills in the 84th Congress for the admission of Alaska into the Union contain a provision which affirmatively declares that the land grants made or confirmed by those bills shall include mineral deposits, and which then proceeds to impose certain express restrictions upon the manner in which Alaska may administer any mineral lands so obtained by it. This provision constitutes section 205(j) in H. R. 2535, as reported by the House Committee on Interior and Insular Affairs on March 3, 1955, and section 205(k) in S. 49, as introduced. The provision was initially drafted in February, 1954, during the consideration of Alaska statehood legislation by the Subcommittee on Territories and Insular Affairs of the Senate Committee on Interior and Insular Affairs. It appears as a part of section 5(j) in the version of S. 50, 83d Congress, reported by that Subcommittee (Committee Print No. 4, dated February 24, 1954), and as section 5(k) in the version of S. 50, 83d Congress, reported by the full Senate Committee on February 24, 1954. Parenthetically, it should be noted that H. R. 2535 makes the proposed restrictions upon administration applicable to all three of the major land grants contemplated, whereas S. 49 would - following the precedent of S. 50, 83d Congress - exempt from those restrictions the grant of 800,000 acres for community development and expansion.

The reasoning which prompted the adoption of the provision in question by the Senate Committee is understood to be (1) that mineral deposits must be expressly mentioned in order for mineral lands to be encompassed by a Congressional land grant to a State; and (2) that Alaska should not be accorded greater freedom in the administration of mineral lands than that accorded existing States having Congressional land grants.

(1) During the years when the public land States of the West were being admitted into the Union, it was the general policy of the Congress to include only nonmineral lands within the grants customarily made to new States. Thus the acts under which Colorado (Act of March 3, 1875, 18 Stat. 474, 476), North Dakota, South Dakota, Montana and Washington (Act of February 22, 1889, 25 Stat. 676, 681), Idaho (Act of July 3, 1890, 26 Stat. 215, 217), and Wyoming (Act of July 10, 1890, 26 Stat. 222, 224) were admitted specifically provide that "all mineral lands shall be exempted" from the grants made to those States. Language affirmatively excluding mineral lands also appears in the enabling legislation for New Mexico and Arizona (Act of June 20, 1910, 36 Stat. 557, 561, 565, 572, 575), and in the statute under which Nevada obtained a "right of selection" grant in lieu of its original school section grant (Act of June 16, 1880, 21 Stat. 287, 288). The enabling legislation for Oklahoma, on the other hand, expressly included mineral lands within the grants to that State, but prohibited the State from disposing of such lands, except by short-term leases, prior to a specified date (Act of June 16, 1906, 34 Stat. 267, 273).

With respect to those situations where, as was true of the Utah grants and the California school section grant, the law making the grant neither affirmatively included nor affirmatively excluded mineral lands, the Supreme Court has held that the failure to mention mineral lands was tantamount to an express exclusion of them from the grant. In United States v. Sweet, 245 U. S. 563 (1918) the Supreme Court, in deciding that the grants to Utah did not encompass mineral lands, summarized its previous decisions and its views on this subject in the following passages of its opinion:

In the legislation concerning the public lands it has been the practice of Congress to make a distinction between mineral lands and other lands, to deal with them along different lines, and to withhold mineral lands from disposal save under laws specially including them. This practice began with the ordinance of May 20, 1785, 10 Journals of Congress, Folwell's ed., 118, and was observed with such persistency in the early land laws as to lead this court to say in United States v. Gratiot, 14 Pet. 526, "It has been the policy of the government, at all times in disposition of the public lands, to reserve the mines for the use of the United States," and also to hold in United States v. Gear, 3 How. 120, that an act making no mention of lead-mine lands and providing generally for the sale of "all the lands" in certain new land districts, "reserving only" designated tracts, "any law of Congress heretofore existing to the contrary notwithstanding," could not be regarded as disclosing a purpose on the part of Congress to depart from "the policy which had governed its legislation in respect to lead-mine lands," and so did not embrace them.

By the Act of March 3, 1853, c. 145, 10 Stat. 244, Congress granted to the State of California sections 16 and 36 in each township for school purposes and large quantities of lands for other purposes. Mineral lands were neither expressly excepted from nor expressly included in the grant of the school sections, but were specially excepted from the other grants. This difference led to a controversy over the true meaning of the school grant, the state authorities taking the view that it did, and the land officers of the United States that it did not, include mineral lands. Ultimately the controversy came before this court in Mining Co. v. Consolidated Mining Co., 102 U. S. 167, and the position taken by the land officers

of the United States was sustained, the court saying, p. 174:

"Taking into consideration what is well known to have been the hesitation and difficulty in the minds of Congressmen in dealing with these mineral lands, the manner in which the question was suddenly forced upon them, the uniform reservation of them from survey, from sale, from preemption, and above all from grants, whether for railroads, public buildings, or other purposes, and looking to the fact that from all the grants made in this act they are reserved, one of which is for school purposes besides the sixteenth and thirty-sixth sections, we are forced to the conclusion that Congress did not intend to depart from its uniform policy in this respect in the grant of these sections to the State.

"It follows from the finding of the court and the undisputed facts of the case, that the land in controversy being mineral land, and well known to be so when the surveys of it were made, did not pass to the State under the school-section grant."

That ruling was reaffirmed and followed in Millan v. United States, 118 U. S. 271, where valuable coal lands, known to be such, were held not to be open to selection by the State as indemnity school lands.

The conditions ensuing from the discovery of gold and other minerals in the western States and Territories resulted in a general demand for a system of laws expressly opening the mineral lands to exploration, occupation and acquisition, and Congress, responding to this demand, adopted from 1864 to 1873 a series of acts dealing with practically every phase of the subject and covering all classes of mineral lands, including coal lands. These acts, with some before noticed, were carried into a chapter of the Revised Statutes entitled "Minerals Lands and Mining Resources." Taken collectively they constitute a special code upon that subject and show that they are intended not only to establish a particular mode of disposing of mineral lands, but also to except and reserve them from all other grants and modes of disposal where there is no express provision for their inclusion. Thus the policy of disposing of mineral lands only under laws specially including them became even more firmly established than before, and this is recognized in our decisions. Mining Co. v. Consolidated Mining Co., *supra*, 174; Deffeback v. Hawke, 115 U. S. 392, 402; Savls v. Waldbold, 139 U. S. 507, 516. And while

the mineral-land laws are not applicable to all the public land States, some being specially excepted, there has been no time since their enactment when they were not applicable to Utah.

Another statute indicative of the policy of Congress and pertinent to the present inquiry is the Act of February 28, 1891, c. 384, 26 Stat. 796, which defines the indemnity to which a State or Territory is entitled in respect of its school grant. In addition to dealing with deficiencies occurring in other ways, it provides, "And other lands of equal acreage are also hereby appropriated and granted, and may be selected by said State or Territory where sections sixteen or thirty-six are mineral land." In this there is a plain implication that where those sections are mineral—known to be so when the grant takes effect—they do not pass under the grant. And it does not militate against this implication that under another provision the State may surrender those sections and take other lands in lieu of them where, although not known to be mineral when the grant takes effect, they are afterwards discovered to be so. See California v. Deseret Water Co., 243 U. S. 415.

What has been said demonstrates that the school grant to Utah must be read in the light of the mining laws, the school land indemnity law and the settled public policy respecting mineral lands, and not as though it constituted the sole evidence of the legislative will. United States v. Barnes, 222 U. S. 513, 520. When it is so read it does not, in our opinion, disclose a purpose to include mineral lands. Although couched in general terms adequate to embrace such lands if there were no statute or settled policy to the contrary, it contains no language which explicitly or clearly withdraws the designated sections, where known to be mineral in character, from the operation of the mining laws, or which certainly shows that Congress intended to depart from its long prevailing policy of disposing of mineral lands only under laws specially including them. It therefore must be taken as neither curtailing those laws nor departing from that policy.

The members of the Senate Committee on Interior and Insular Affairs who took an active part in the study of S. 50, 83d Congress, considered that, in the light of the holdings of the Supreme Court, statutory language expressly including mineral deposits within the contemplated land grants to Alaska would probably be necessary in order for these grants to encompass mineral lands.

(2) A material change in the attitude of the Congress towards the granting of mineral lands to the States was evinced by legislation initially enacted in 1927 and amended (in particulars not here material) in 1932 and 1954 (Act of January 25, 1927, 44 Stat. 1026, as amended May 2, 1932, 47 Stat. 140, and April 22, 1954, 68 Stat. 57; 43 U. S. C., 1952 ed., sees. 870, 871, Supp. II, sec. 870). This legislation provides, in effect, that all grants to the States of numbered sections in place for the support of public schools shall encompass sections that are mineral in character equally with sections that are nonmineral in character. The legislation further expressly states that its provisions shall not be applicable to grants other than those of numbered school sections in place, nor to indemnity or lieu selection rights under school section grants. Its provisions, therefore, would not extend of their own force to any of the grants proposed to be made in the Alaska statehood bills here under consideration, since these would be "right of selection" grants rather than grants of numbered sections in place. Furthermore, the 1927 legislation states that "all lands in the Territory of Alaska" are excluded from its operation.

The act of 1927 sets forth, in addition to the provisions just mentioned, certain conditions which the States must observe in administering mineral lands obtained by them under that measure. Summarized in general terms, these conditions are: (1) that the States must reserve the mineral deposits from any disposition of title to the lands; (2) that the mineral deposits shall be subject to lease as the State legislatures may direct; and (3) that the income derived from leasing the mineral deposits is to be utilized for public school purposes by the States.

The incorporation in S. 50, 83d Congress, of the restrictions that now appear in sections 205(j) of H. R. 2535 and 205(k) of S. 49 presumably reflected a desire upon the part of the Senators concerned to achieve, so far as practicable, parity of treatment between Alaska and the existing States having Congressional land grants. In other words, the thought was that Alaska should be allowed to obtain mineral lands only if it would administer them in substantially the same manner that States now having mineral land grants are required to administer the lands obtained by them under those grants. This is evident from the close parallelism between the conditions proposed to be imposed upon Alaska and those contained in the 1927 act. Omission of the third of the conditions set forth in the latter may be attributed to the fact that S. 50, 83d Congress - unlike some of the earlier statehood bills - did not earmark for public school purposes any of the land grants proposed to be made by it, whereas the 1927 act applies to grants that were so earmarked at the time they were made.

The action taken with respect to S. 50, 83d Congress, was, however, not the first occasion upon which the Senate Committee on Interior and Insular Affairs has incorporated restrictions upon the

disposition of mineral lands in statehood bills for Alaska. The original proposal for the making to Alaska of a "right of selection" grant in lieu of a grant of numbered sections in place - as presented to the Committee in 1950 by Senators Anderson and O'Mahoney (section 5(b) of Committee Print A, dated May 23, 1950, of H. R. 331, 81st Congress) - read as follows:

"After five years from the admission of Alaska into the Union, the State, in addition to any other grants made in this section, shall be entitled to select not to exceed twenty million acres from the vacant, unappropriated, and unreserved public lands. Such selections shall be made in reasonable compact tracts. Where the lands desired are unsurveyed at the time of selection, the Secretary of the Interior shall survey the exterior boundaries of the area requested without any subdivision thereof and shall issue a patent for such selected area in terms of the exterior boundary survey. Such lands may be granted or sold by the State in tracts of not more than _____ acres for any purpose but with a reservation to the State of a royalty of not less than per centum on all minerals produced therefrom."
(Underlining supplied.)

Section 5(b) of H. R. 331, 81st Congress, in the form in which it was subsequently reported by the full Committee on June 29, 1950, read as follows:

"After five years from the admission of Alaska into the Union, the State, in addition to any other grants made in this section, shall be entitled to select not to exceed twenty million acres from the vacant, unappropriated, and unreserved public lands in the State. Such selections shall be made in reasonably compact tracts: Provided, That nothing herein contained shall affect any valid existing claim, location, or entry under the laws of the United States, whether for homestead, mineral, right-of-way, or other purpose whatsoever, or shall affect the rights of any such owner, claimant, locator, or entryman to the full use and enjoyment of the land so occupied. Where the lands desired are unsurveyed at the time of selection, the Secretary of the Interior shall survey the exterior boundaries of the area requested without any subdivision thereof and shall issue a patent for such selected area in terms of the exterior boundary survey. Such lands

may be granted or sold by the State in tracts of not more than 640 acres for any purpose, but with a reservation to the State of a royalty of not more than 12½ per centum on all minerals produced therefrom. The lands granted to the State of Alaska pursuant to this subsection, the income therefrom and the proceeds thereof when said lands are sold, shall be held by said State as a public trust for the support of the public schools and other public educational institutions." (Underlining supplied.)

Section 5(b) of S. 50, 82d Congress, as introduced and also in the form in which it was reported by the Senate Committee on May 8, 1951, contained language identical to that last above quoted.

These earlier proposals, it will be noted, differ in a number of respects from the restrictions contained in the bills now pending. In particular, the current language expressly calls upon Alaska to adopt a mineral leasing system, while the earlier versions permitted the mineral deposits to be disposed of along with the surface, provided a royalty interest was reserved by the State. On the other hand, the current language does not attempt to prescribe maximum or minimum rates of royalty as did the earlier versions, but appears to leave the terms of leasing wholly to the discretion of the State legislature. From a practical standpoint, this second difference may be more important than the first, since if the Alaska legislature is left, as H. R. 2535 and S. 49 now intend to provide, with the untrammelled right to frame its own mineral leasing laws, it can, if it so chooses, establish priorities that will tend to keep the surface and mineral rights in the same hands and can, in general, fit the provisions of its mineral leasing system to whatever may be its concepts of the public interest.



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Anchorage, Alaska
Box 259
November 22, 1955

Mr. Burke Riley
Secretary, Committee on Resources
Alaska Constitutional Convention
University of Alaska
College, Alaska

Dear Mr. Riley:

This will acknowledge your letter of November 19th regarding suggestions or a statement by me before your Committee on Resources. Due to a very heavy schedual this time of the year, it will not be possible for me to appear and any statement in my official capacity would of necessity have to be cleared by the Director, Geological Survey.

Should it be possible for me to appear before your group at a later date, I will advise you by wire or letter. Your courtesy in extending me this privilege is appreciated.

Very truly yours,

L.H. Saarela
Regional Mining Supervisor

UNIVERSITY of ALASKA
COLLEGE, ALASKA

November 22, 1955

OFFICE OF THE PRESIDENT

Mr. Burke Riley
Secretary, Committee on Resources
Alaska Constitutional Convention
Constitution Hall
College, Alaska

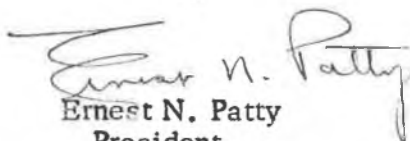
Dear Mr. Riley:

Before meeting with your committee as you suggest in your letter of the 19th, I would like to have a little time to sit down and organize my thinking.

This is a bad week for me to do that because I have the extra duties of getting ready for the big convocation on the 29th and also for a Board of Regents meeting which starts on November 30th. Would it be too late if we postponed this meeting until the week starting December 5th?

I hope this can be worked out; if not, let me know and I will push some other things aside so that I can comply with your request.

Sincerely,


Ernest N. Patty
President

ENP:mc

Please Reply by Air Mail