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Senate Unanimously Passes Bill Boosting Mining in SE Alaska

Senate Bill 99 allows for financing of REE and Multi-Mineral Mines near Ketchikan

JUNEAU—Today, the Alaska State Senate unanimously passed [Senate Bill 99](#), sponsored by Senator Lesil McGuire (R-Anchorage), which would give the Alaska Industrial Development and Export Authority (AIDEA) the ability to issue bonds for two multi-mineral mining projects in Southeast Alaska while also making technical amendments to the Sustainable Energy Transmission and Supply (SETS) Fund within AIDEA.

“This bill isn’t just about mining- It’s about giving a big boost to the economy of Southeast Alaska,” said Senator McGuire. “These two projects will give that much-needed economic injection into the Ketchikan area in the same way the SETs fund is helping Interior Alaska with the gas-trucking project the Legislature passed last year.”

Senator Bert Stedman (R-Sitka) introduced two amendments to SB99. The first amendment would allow AIDEA to issue bonds to finance the infrastructure and construction costs of the Bokan-Dotson Ridge rare earth element (REE) project located on Prince of Wales Island about 40 miles southwest of Ketchikan.

In April of last year, the Alaska State Legislature unanimously voted in favor of [Senate Joint Resolution 8](#), sponsored by Senate McGuire, stating the Legislature’s support for continued and increased exploration, extraction, processing and production of REEs in Alaska.

REEs are needed to make a wide-variety of items including high-tech military equipment, wind turbines, solar panels, advanced batteries, geothermal steam turbines, plus almost all high-tech consumer goods including flat screen TVs, computers, tablets and cell phones. China currently controls 95-percent of the world’s rare earth elements, but reduced the exports of those elements by 54-percent between 2005 to 2010, and then another by nearly 50-percent in from 2010 to 2011.

“The United States used to be almost self-sufficient in rare earth elements, but now we almost completely rely upon foreign sources for those important minerals,” said Senator McGuire. “We need to move now to become a dominant world player in the development of rare earth elements which are critical for military and economic security, as well as renewable energy systems.”

Senator Stedman’s second amendment to SB99 would allow AIDEA to issue bonds to finance the development of the Niblack mine project and the Gravina Island Industrial Complex (near Ketchikan) for an ore processing facility. Niblack is a gold, copper, zinc, and silver deposit also located on Prince of Wales Island. During mine operations, Niblack has the potential to provide 200 full-time jobs, with about two-thirds of workers at the mine site and one-third at the processing facility.

“Over the past 20 years, Southeast Alaska lost about 30-percent of its economy, which set off a ripple effect in our communities, hurting everything from schools to local businesses,” said Senator Stedman. “These two projects offer a very large employment opportunity for Southeast Alaska. It’s not a far-fetched dream to expand our economy beyond fishing, tourism and government, to add mining. This replicates what has already worked with places like the Red Dog Mine.”

SB99 now heads to the House for further consideration.

For more information, please contact [Jesse Logan](#) in Senator McGuire’s office at (907) 465-2995.

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