FISCAL NOTE

STATE OF ALASKA
2014 LEGISLATIVE SESSION

Bill Version **HB371**
Fiscal Note Number
() Publish Date

Identifier (file name) HB371-DNR-MLW-3-10-14
Title STATE LAND AND MATERIALS
Sponsor House Transportation
Requester HTRA

Dept. Affected Natural Resources
Appropriation Land & Water Resources
Allocation Mining, Land and Water
OMB Component Number 3002

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY15 Appropriation Requested	Included in Governor's FY15 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY15**	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**	**FY20**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1007	I/A Rcpts (Other)							
1156	Rcpt Svcs (DGF)							
		0.0	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY14) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY15) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended, or repealed? N/A Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by Brent Goodrum, Director Phone 269-8600
Division Mining, Land and Water Date/Time 3/10/14 12:00 PM
Approved by Joe Balash, Commissioner Date 3/10/2014
Division Department of Natural Resources

(Revised 8/16/2013 OMB)

FISCAL NOTE ANALYSIS

STATE OF ALASKA **BILL NO.** HB371
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Analysis

HB 371 confers upon the Department of Transportation & Public Facilities (DOT&PF) rather than the Department of Natural Resources (DNR) the primary authority to manage the surface estate of land and property interests acquired or held by the state for airports, highways and public facilities.

The bill clarifies that DNR retains existing authority to administer its authorities and responsibilities under relevant statutes to administer the state program for the conservation and development of natural resources, subject to terms and conditions required by DOT&PF that are applicable to the proposed use of the surface estate.

DOT&PF will have to file with DNR a written determination and preliminary property plans identifying the portion of the public domain or interest therein that DOT&PF finds necessary for airports, highways and public facilities, or as a material source for the construction or maintenance of airports, highways and public facilities. DNR would then be required to transfer fee title to the surface estate, subject to valid existing rights, to DOT&PF within four months from the request to DNR. The section specifies that transfer is not a disposal of state land and presumed to be in the public interest and therefore DNR will not be required to issue decision under AS 38.05.035 or public notice under AS 38.05.945. DNR would retain its ability under its statutory authorities to issue authorizations on, and manage some interests on, lands conveyed to DOTPF.

The bill also gives DOT&PF the authority to sell or otherwise dispose of lands held by DOT&PF by sale, lease, vacation or exchange when it determines the lands are no longer necessary to its needs. The bill gives DOT&PF authority to transfer the lands to DNR for state management or disposal.

DNR may not charge DOT&PF for material, set time limitations, or otherwise restrict DOT&PF from access to material sources and sites owned by the state.

This bill stipulates that the surface estate to the access roads, camps, and airstrips at Franklin Bluffs and Happy Valley on the James Dalton Highway are transferred by DNR to DOT&PF. The bill stipulates that the transfer of those properties to DOT&PF does not affect or otherwise alter current licenses and permits issued by the DNR for use of those properties. The bill further stipulates that after January 1, 2015, the DOT&PF shall accept and begin to process permit and license applications through its rural airport permitting program for an activity currently authorized by permit or license by the DNR and normally permitted through rural airport permitting authorities.

Lastly**,** the bill authorizes the commissioner of DNR to determine the length of term of the easements granted to the USFS for longer than 55 years if determined to be in the best interest of the state. It also states that easements over submerged lands shown on map 92337 as part of the reciprocal exchange of rights of way in federal law 119 Stat. 117 are granted to the USFS.

DNR believes that the requirements of this bill can be accommodated under the state's existing budget allocations.