



February 28, 2024

HB 282 and SB 199 – Municipal Impact Statement

Issue: Relating to the sale or lease of State lands.

Impact:

- This bill would result in the increased potential for private development of state lands, for residential and commercial purposes.
- There does not appear to be any conflict between this legislation and the role of local government authority.

Principle (adopted by AML members):

- Support continued partnership with the State, whereby statutory mandates of the State are funded fully and equitably, and in ways that preserve local government tax base and overall capacity.

Policy (adopted by AML members):

- Support efforts that appropriately account for the distribution of municipal lands and ensure the availability of lands for future use by boroughs that emerge to fulfill Constitutional obligation.
- Support efforts to sustain local economies, improve quality of life, and reduce regulatory burdens.

Position:

- Support as currently drafted.

Considerations:

- Local governments have platting, planning, and zoning authority that is important to align with if and as State agencies dispose of lands.
 - This bill appears to and should require new landowners or lessees to follow municipal code and processes, consistent with AS 29.40.200.
- It is likely important that both agencies will need the expanded capacity to conduct land transfers effectively, and resources available to do so.
- Suitable access roads and utilities are important features of property development and add value to both residential and commercial activities.
- Survey costs are one of the barriers to increased State land transfers to local governments. The State land disposal income fund may be an important vehicle by which the State could contribute to survey costs, thereby increasing the transfer of municipal entitlement lands and future development.

Proposed Changes:

- AML recommends that both DEED and DOT&PF consider and are encouraged to transfer lands to municipal governments, which can accelerate the development of subdivisions for residential property, or commercial development.
- In Section 3, Section 35.20.070 – recommend allowing the Department to consider a transfer request by a local government similar to that of DNR.
- In Section 15 – consider nomination of State land by a local government.