

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SB 105
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB105-DNR-MLW-2-22-14
Title: QUITCLAIM LAND TO UNITED STATES
Sponsor: COGHILL
Requester: Senate Resources

Department: Department of Natural Resources
Appropriation: Land & Water Resources
Allocation: Mining, Land & Water
OMB Component Number: 3002

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	***		***	***	***	***	***
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 (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If yes, by what date are the regulations to be adopted, amended or repealed?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

Why this fiscal note differs from previous version:

Initial Version

Prepared By: Wyn Menefee, Chief of Operations
Division: Mining, Land and Water
Approved By: Joe Balash, Commissioner
Agency: Department of Natural Resources

Phone: (907)269-8501
Date: 02/22/2014 12:00 PM
Date: 02/22/14

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SB105

Analysis

SB 105 makes the provision mandatory for the state to quitclaim land or an interest in land to the federal government after a determination that the land or the interest in the land was wrongfully or erroneously conveyed by the federal government to the state by repealing AS 38.05.035(b)(9) in Section 4 and adding the provision under AS 38.05.035(a)(14) in Section 1.

Section 2 removes the ability for the state to put any standard reservation language found in AS 38.05.125(a) on reconveyances under AS 38.05.035(a)(14). The state will not be able to reserve any of the mineral estate, including hydrocarbons, or any rights to reach the mineral estate through the surface estate.

Section 3 removes the ability for the state to put any agricultural covenants on these reconveyances under AS 38.05.035(a)(14).

The Department of Natural Resources (DNR) does not anticipate needing additional resources to make the required conveyances. However, there may be indeterminate costs associated with defending any breach of contract claims the state has to defend in situations where the state may have encumbered the land with leases, easements or contracts but the federal government does not accept those encumbrances. There may be an indeterminate potential revenue loss where the state may have leased the mineral estate, including hydrocarbons, or collects fees from authorized improvements on these lands, because at reconveyance the state can not reserve out those rights.