

CS FOR SENATE BILL NO. 70(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/13/15

Referred: Rules

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL**FOR AN ACT ENTITLED**

1 "An Act relating to exceptions from designation as a special purpose site under art.
2 VIII, sec. 7 of the Constitution of the State of Alaska for portions of Denali State Park,
3 Captain Cook State Recreation Area, Nancy Lake State Recreation Area, and Willow
4 Creek State Recreation Area to allow leasing a right-of-way for a natural gas pipeline."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** AS 41.21.150 is amended to read:

7 **Sec. 41.21.150. Purpose of AS 41.21.150 - 41.21.153** [AS 41.21.150 -
8 **41.21.152].** The purpose of **AS 41.21.150 - 41.21.153** [AS 41.21.150 - 41.21.152] is to
9 restrict state-owned land and water described in AS 41.21.151, **except as provided in**
10 **AS 41.21.153,** to use as a state park. Under AS 38.05.300, state land, water, or land
11 and water containing more than 640 acres may be closed to multiple use only by act of
12 the legislature. Because the area described in AS 41.21.151 exceeds 640 acres,
13 **AS 41.21.150 - 41.21.153** [AS 41.21.150 - 41.21.152] are intended to provide for the
14 closing of the **land and water** described **in AS 41.21.151, as that description is**

modified by AS 41.21.153, [LAND AND WATER] to multiple use in conformity with AS 38.05.300 and its designation as a special purpose area in accord with art. VIII, Sec. 7 of the Constitution of the State of Alaska.

* **Sec. 2.** AS 41.21 is amended by adding a new section to read:

Sec. 41.21.153. Certain land excepted. (a) Notwithstanding AS 41.21.020(a)(6), 41.21.150, or 41.21.151, state-owned land in the following described parcels may be leased in accordance with AS 38.35 (Right-of-Way Leasing Act) for the purpose of construction and operation of a natural gas pipeline from the North Slope:

(1) Township 29 North, Range 5 West, Seward Meridian

Section 4: N1/2, SW1/4

Section 7: E1/2, SW1/4

Section 8

Section 9: NW1/4

Section 18: E1/2

Section 19: E1/2

Section 30: E1/2

Section 31: E1/2

Section 32: W1/2;

(2) Township 30 North, Range 5 West, Seward Meridian

Section 2: NW1/4

Section 3

Section 8: E1/2

Section 9

Section 10: W1/2

Section 16: W1/2

Section 17: E1/2

Section 20: E1/2

Section 21: W1/2

Section 28

Section 33;

1 (3) Township 31 North, Range 4 West, Seward Meridian

2 Section 1: NW1/4, N1/2NE1/4

3 Section 2

4 Section 3: SE1/4

5 Section 9: SE1/4

6 Section 10

7 Section 11: W1/2

8 Section 14: NW1/4

9 Section 15: N1/2

10 Section 16

11 Section 17: S1/2

12 Section 19: NE1/4, S1/2

13 Section 20: N1/2, SW1/4

14 Section 30: N1/2;

15 (4) Township 31 North, Range 5 West, Seward Meridian

16 Section 24: SE1/4

17 Section 25

18 Section 26: E1/2

19 Section 34: SE1/4

20 Section 35

21 Section 36: NW1/4;

22 (5) Township 32 North, Range 2 West, Seward Meridian

23 Section 6: NW1/4;

24 (6) Township 32 North, Range 3 West, Seward Meridian

25 Section 1: N1/2, SW1/4

26 Section 2

27 Section 3: SE1/4

28 Section 8: SE1/4

29 Section 9: NE1/4, S1/2

30 Section 10: N1/2, SW1/4, N1/2SE1/4

31 Section 11: NW1/4

Section 16: N1/2

Section 17

Section 19: SE1/4

Section 20: N1/2, SW1/4, N1/2SE1/4

Section 29: NW1/4

Section 30

Section 31: N1/2, SW1/4;

(7) Township 32 North, Range 4 West, Seward Meridian

Section 35: SE1/4

Section 36;

(8) Township 33 North, Range 2 West, Seward Meridian

Section 16

Section 17: SE1/4

Section 20: NE1/4, S1/2, S1/2NW1/4

Section 21: W1/2

Section 29: N1/2, SW1/4

Section 30: S1/2, NE1/4

Section 31;

(9) Township 33 North, Range 3 West, Seward Meridian

Section 36: S1/2.

(b) A state or federal survey does not remove land from the parcels described in (a) of this section.

(c) The department shall manage any state-owned land described in this section and within the exterior boundaries of Denali State Park as part of Denali State Park until the land is leased under AS 38.35. State-owned land described in this section will revert to Denali State Park upon release of the land from a right-of-way through termination of the lease or otherwise and upon satisfaction of the lessee's obligations to restore and revegetate the land.

(d) Any right-of-way lease issued under AS 38.35 across land described in this section and within the exterior boundaries of Denali State Park must

(1) reserve to the state the interests necessary to provide for public

access by foot, snow machine, dog sled, and other traditional means of access along and across the leased corridor;

(2) preserve, to the maximum extent practicable, the recreational, scenic, cultural, historical, and habitat values consistent with the leasehold's location within the exterior boundaries of Denali State Park; and

(3) provide for termination of the lease if construction of the pipeline has not begun 10 years after the effective date of the lease.

(e) AS 38.35.130 does not apply to land within the exterior boundaries of Denali State Park.

(f) A natural gas pipeline right-of-way lease may not be issued across land described in this section unless the lease becomes effective before January 1, 2025.

* **Sec. 3.** AS 41.21.410 is amended to read:

Sec. 41.21.410. Purpose of AS 41.21.410 - 41.21.426 [AS 41.21.410 - 41.21.425]. The purpose of AS 41.21.410 - 41.21.426 [AS 41.21.410 - 41.21.425] is to empower the governor to restrict state owned land and water described in AS 41.21.415, **except as provided in AS 41.21.426**, to use as a public recreation area. Under AS 38.05.300, state land, water or land and water containing more than 640 acres may be closed to multiple purpose use only by act of the legislature. Because the area described in AS 41.21.415 exceeds 640 acres, **AS 41.21.410 - 41.21.426** [AS 41.21.410 - 41.21.425] are intended to provide for the closing of the **land and water** described **in AS 41.21.415, as that description is modified by AS 41.21.426**, [LAND AND WATER] to multiple purpose use in conformity with AS 38.05.300 and its subsequent designation as a special purpose site in accordance with article VIII, Sec. 7, of the Constitution of the State of Alaska.

* **Sec. 4.** AS 41.21 is amended by adding a new section to read:

Sec. 41.21.426. Certain land excepted. (a) Notwithstanding AS 41.21.020(a)(6), 41.21.410 - 41.21.425, or a regulation issued implementing AS 41.21.420, state-owned land in the following described parcels may be leased in accordance with AS 38.35 (Right-of-Way Leasing Act) for the purpose of construction and operation of a natural gas pipeline from the North Slope:

Township 8 North, Range 10 West, Seward Meridian

1 Section 3: SE1/4

2 Section 9: SE1/4

3 Section 10: N1/2, SW1/4, W1/2 SE1/4

4 Section 15: W1/2W1/2

5 Section 16

6 Section 17: S1/2, S1/2NE1/4.

7 (b) A state or federal survey does not remove land from the parcels described
8 in (a) of this section.

9 (c) The department shall manage any state-owned land described in this section
10 and within the exterior boundaries of Captain Cook State Recreation Area as part of
11 Captain Cook State Recreation Area until the land is leased under AS 38.35. State-
12 owned land described in this section will revert to Captain Cook State Recreation Area
13 upon release of the land from a right-of-way through termination of the lease or
14 otherwise and upon satisfaction of the lessee's obligations to restore and revegetate the
15 land.

16 (d) Any right-of-way lease issued under AS 38.35 across land described in this
17 section and within the exterior boundaries of Captain Cook State Recreation Area
18 must

19 (1) reserve to the state the interests necessary to provide for public
20 access by foot, snow machine, dog sled, and other traditional means of access along
21 and across the leased corridor;

22 (2) preserve, to the maximum extent practicable, the recreational,
23 scenic, cultural, historical, and habitat values consistent with the leasehold's location
24 within the exterior boundaries of Captain Cook State Recreation Area; and

25 (3) provide for termination of the lease if construction of the pipeline
26 has not begun 10 years after the effective date of the lease.

27 (e) AS 38.35.130 does not apply to land within the exterior boundaries of
28 Captain Cook State Recreation Area.

29 (f) A natural gas pipeline right-of-way lease may not be issued across land
30 described in this section unless the lease becomes effective before January 1, 2025.

31 * **Sec. 5.** AS 41.21.450 is amended to read:

1 **Sec. 41.21.450. Purpose of AS 41.21.450 - 41.21.466 [AS 41.21.450 -**
 2 **41.21.465].** The purpose of **AS 41.21.450 - 41.21.466** [AS 41.21.450 - 41.21.465] is to
 3 restrict state-owned land and water within the boundaries described in AS 41.21.455,
 4 **except as provided in AS 41.21.466,** to use as a public recreation area. Under the
 5 provisions of AS 38.05.300, state land, water, or land and water containing more than
 6 640 acres may be closed to multiple purpose use only by act of the legislature.
 7 Inasmuch as the area described in AS 41.21.455 exceeds 640 acres, **AS 41.21.450 -**
 8 **41.21.466** [AS 41.21.450 - 41.21.465] are intended to except the area described **in**
 9 **AS 41.21.465, as that description is modified by AS 41.21.153,** from the provisions
 10 of AS 38.05.300.

11 * **Sec. 6.** AS 41.21 is amended by adding a new section to read:

12 **Sec. 41.21.466. Certain land excepted.** (a) Notwithstanding
 13 AS 41.21.020(a)(6) or 41.21.450 - 41.21.465, state-owned land in the following
 14 described parcels may be leased in accordance with AS 38.35 (Right-of-Way Leasing
 15 Act) for the purpose of construction and operation of a natural gas pipeline from the
 16 North Slope:

17 (1) Township 18 North, Range 5 West, Seward Meridian

18 Section 10: E1/2

19 Section 11: NW1/4

20 Section 15: NW1/4

21 Section 16: SE1/4

22 Section 21: W1/2;

23 (2) Township 19 North, Range 5 West, Seward Meridian

24 Section 35: SW1/4.

25 (b) A state or federal survey does not remove land from the parcels described
 26 in (a) of this section.

27 (c) The department shall manage any state-owned land described in this section
 28 and within the exterior boundaries of Nancy Lake State Recreation Area as part of
 29 Nancy Lake State Recreation Area until the land is leased under AS 38.35. State-
 30 owned land described in this section will revert to Nancy Lake State Recreation Area
 31 upon release of the land from a right-of-way through termination of the lease or

otherwise and upon satisfaction of the lessee's obligations to restore and revegetate the land.

(d) Any right-of-way lease issued under AS 38.35 across land described in this section and within the exterior boundaries of Nancy Lake State Recreation Area must

(1) reserve to the state the interests necessary to provide for public access by foot, snow machine, dog sled, and other traditional means of access along and across the leased corridor;

(2) preserve, to the maximum extent practicable, the recreational, scenic, cultural, historical, and habitat values consistent with the leasehold's location within the exterior boundaries of Nancy Lake State Recreation Area; and

(3) provide for termination of the lease if construction of the pipeline has not begun 10 years after the effective date of the lease.

(e) AS 38.35.130 does not apply to land within the exterior boundaries of Nancy Lake State Recreation Area.

(f) A natural gas pipeline right-of-way lease may not be issued across land described in this section unless the lease becomes effective before January 1, 2025.

* **Sec. 7.** AS 41.21 is amended by adding a new section to article 4 to read:

Sec. 41.21.496. Certain lands excepted. (a) Notwithstanding AS 41.21.020(a)(6) or 41.21.491 - 41.21.495, state-owned land in the following described parcels may be leased in accordance with AS 38.35 (Right-of-Way Leasing Act) for the purpose of construction and operation of a natural gas pipeline from the North Slope: the East 1/2 of Section 2, Township 19 North, Range 5 West, Seward Meridian and the East 1/2 of Section 35, Township 20 North, Range 5 West, Seward Meridian.

(b) A state or federal survey does not remove land from the parcels described in (a) of this section.

(c) The department shall manage any state-owned land described in this section and within the exterior boundaries of Willow Creek State Recreation Area as part of Willow Creek State Recreation Area until the land is leased under AS 38.35. State-owned land described in this section will revert to Willow Creek State Recreation Area upon release of the land from a right-of-way through termination of the lease or

1 otherwise and upon satisfaction of the lessee's obligations to restore and revegetate the
2 land.

3 (d) Any right-of-way lease issued under AS 38.35 across land described in this
4 section and within the exterior boundaries of Willow Creek State Recreation Area
5 must

6 (1) reserve to the state the interests necessary to provide for public
7 access by foot, snow machine, dog sled, and other traditional means of access along
8 and across the leased corridor;

9 (2) preserve, to the maximum extent practicable, the recreational,
10 scenic, cultural, historical, and habitat values consistent with the leasehold's location
11 within the exterior boundaries of Willow Creek State Recreation Area; and

12 (3) provide for termination of the lease if construction of the pipeline
13 has not begun 10 years after the effective date of the lease.

14 (e) AS 38.35.130 does not apply to land within the exterior boundaries of
15 Willow Creek State Recreation Area.

16 (f) A natural gas pipeline right-of-way lease may not be issued across land
17 described in this section unless the lease becomes effective before January 1, 2025.