



Governor Mike Dunleavy
STATE OF ALASKA

February 26, 2021

The Honorable Peter Micciche
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Micciche:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill clarifying the role of the Department of Natural Resources (DNR) in managing state lands regardless of the location, allowing for leases of state lands for economic or industrial development, and repealing the recreation rivers and corridors statutes to allow for greater access to, and use of, lands by Alaskans

Alaska is blessed with an abundance of land, with the Statehood Act promising 105 million acres held in common for the benefit of the people. However, a lack of access to their land deprives the Alaskan people of the full benefit of their state's birthright. This bill affects a number of changes to encourage the use of state land for the public benefit.

The bill creates a new statute supporting commercial or industrial development of state land situated within federally designated Qualified Opportunity Zones or land nominated and assessed by the state as appropriate for commercial development. The statute includes a process for requesting proposals from prospective lessees, accepting bids, and then entering a contract to lease. This statute allows the lessee to apply to purchase the leased land at any time during the term of the lease if the department determines the lessee has used the land for commercial development consistent with their proposal. The bill further clarifies the process of selling state land by requiring bidders to submit an earnest money deposit and by increasing the maximum term of a land sales contract to 30 years.

The bill expands Department of Education and Early Development (DEED)'s authority to transfer its real property to broader group of entities, beyond just the federal agencies, state agencies or state political subdivisions allowed under current law. It also amends the Department of Transportation and Public Facilities' (DOTPF) land disposal authority, by allowing it to dispose of surplus land no longer needed for public works to the Department of Natural

The Honorable Peter Micciche
February 26, 2021
Page 2 of 2

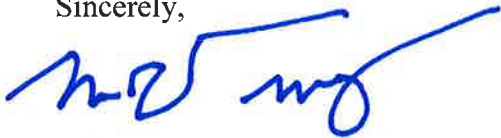
Resources, or according to terms, standards, and conditions established by the DOTPF Commissioner.

This bill repeals statutes establishing recreation rivers and corridors; statutes that have not achieved their intended goal of increasing recreational use of Alaska's waterways and proximal lands. It will resolve ongoing challenges in managing these resources, while maintaining and enhancing the public's ability to access and use them and allowing the state to consider disposal of some of them for more beneficial uses consistent with the public interest.

Without state laws providing Alaska residents with reasonable opportunities to access, use, or purchase state land for uses consistent with our constitution's mandate for settlement and development, the promise of statehood and sovereignty rings hollow. This bill is an important step forward in a broad effort to allow Alaskans greater access to their lands and to help the state meet its responsibility to connect Alaskans more fully with the blessings of their land.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Dunleavy", with a long, sweeping horizontal line extending to the right.

Mike Dunleavy
Governor

Enclosure