

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	SB 133
Fiscal Note Number:	1
(S) Publish Date:	4/28/2021

Identifier: LL0026-DNR-DMLW-4-27-21
 Title: REMOTE RECREATIONAL SITES; SALES;
 PERMITS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Natural Resources
 Appropriation: Fire Suppression, 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)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	531.9		531.9	531.9	531.9	531.9	531.9
Travel							
Services	50.0		50.0	50.0	50.0	50.0	50.0
Commodities	15.0		15.0	15.0	15.0	15.0	15.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	596.9	0.0	596.9	596.9	596.9	596.9	596.9

Fund Source (Operating Only)

1153 State Land (DGF)	596.9		596.9	596.9	596.9	596.9	596.9
Total	596.9	0.0	596.9	596.9	596.9	596.9	596.9

Positions

Full-time	5.0		5.0	5.0	5.0	5.0	5.0
Part-time							
Temporary							

Change in Revenues

1004 Gen Fund (UGF)			750.0	750.0	750.0	750.0	750.0
Total	0.0	0.0	750.0	750.0	750.0	750.0	750.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? no
(Supplemental/Capital/New Fund - 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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/22

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Mining, Land and Water	Date:	04/26/2021 12:00 PM
Approved By:	Cheri Lowenstein, Administrative Services Director	Date:	04/26/21
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This legislation allows Alaskans to lease or purchase 10 acres of vacant, unappropriated, or unreserved state land for recreational purposes. The Division of Mining, Land, and Water (DMLW) anticipates this program will be very popular in its current form with the addition of the ability to permit remote recreational cabin sites and the option to lease and purchase the site.

The Division estimates approximately 50-parcels per offering that are successful in completion of sale annually; however, increased interest in the new program may increase participation. Remote parcel values vary substantially from approximately \$650-\$10,000 per acre based on multiple factors such as location, amenities, size, access, water-frontage, etc. Assuming 10-acres each (500-acres annually) at an average sale price of \$1,500-\$5,000 per acre, the department estimates a yield of \$750,000 to \$2,500,000 of annual sales. Assuming increased participation and potential for nominated lands to have increased value per acre with an increased success to sale rate, revenue could be increased. This revenue is land value that could be received incrementally over time through sale contracts or through a lump sum payment.

Estimating revenue from permitting remote recreational sites is difficult as the department does not have regulations developed for this program. This bill requires the department to develop regulations implementing statutes under AS 38.05.630. Until such time as the regulations are developed any estimate of potential revenue related to permitting remote recreational sites is too speculative.

DMLW assumes high interest in this program. To fully implement this program, DMLW anticipates a total of five positions will be needed. Two positions will be located within Land Sales, one in the Survey Section, one within Resources Assessment and Development Section, and one within the Appraisal Unit.

DMLW positions

- One Permanent Full-Time Land Surveyor I, range 21
- One Permanent Full-Time Natural Resource Manager I, range 18
- One Permanent Full-Time Natural Resource Specialist III, range 18
- One Permanent Full-Time Natural Resource Specialist II, range 16
- One Permanent Full-Time Appraiser II, range 16