

CS FOR HOUSE BILL NO. 329(FSH)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

Offered: 3/28/24

Referred: Resources, Finance

Sponsor(s): REPRESENTATIVE VANCE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to state tideland leases; relating to geoduck seed transfers; and relating**
2 **to aquatic farming or related hatchery operation site leases."**

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

4 *** Section 1.** AS 16.40.145 is amended to read:

5 **Sec. 16.40.145. Geoduck seed transfer between a certified hatchery and an**
6 **aquatic farm.** Consistent with AS 16.40.140(b) - (d), a hatchery certified under
7 AS 16.40.100 may transfer geoduck seed to an aquatic farm located in a fisheries
8 management area established under this title that is contiguous to **an island in the**
9 **Aleutian Chain or to** the Gulf of Alaska.

10 *** Sec. 2.** AS 38.05.070(e) is amended to read:

11 (e) The director may renew a lease issued under this section, AS 38.05.075,
12 38.05.083, or 38.05.810 upon its expiration if the lease is in good standing and the
13 lease renewal is determined to be in the best interests of the state. A renewal issued
14 under this subsection is not subject to AS 38.05.035(e). A lease under this section,

1 AS 38.05.075 [, 38.05.083,] or 38.05.810 may be renewed only once for a term not
 2 longer than the initial term of the lease. The director shall provide notice of the lease
 3 renewal decision.

4 * **Sec. 3.** AS 38.05.081(a) is amended to read:

5 (a) **Except as provided in (n) of this section, the** [THE] commissioner may
 6 lease state land for carbon management purposes. A lease agreement under this section
 7 must include land use restrictions and authorizations consistent with the carbon
 8 management purpose of the lease.

9 * **Sec. 4.** AS 38.05.081 is amended by adding a new subsection to read:

10 (n) The commissioner may not lease state tideland to a person solely for
 11 carbon management purposes.

12 * **Sec. 5.** AS 38.05.083(c) is amended to read:

13 (c) **An aquatic farming or related hatchery operation** [A] site [MAY BE]
 14 leased under this section **is subject to appraisal under AS 38.05.840 only if the**
 15 **commissioner determines in writing that the site is subject to appraisal under**
 16 **AS 38.05.840** [FOR NOT LESS THAN THE APPRAISED FAIR MARKET VALUE
 17 OF THE LEASE. THE VALUE OF THE LEASE SHALL BE REAPPRAISED
 18 EVERY FIVE YEARS].

19 * **Sec. 6.** AS 38.05.083(f) is amended to read:

20 (f) The commissioner shall adopt regulations establishing criteria for the
 21 approval or denial of leases under this section and for limiting the number of sites for
 22 which leases may be issued in an area in order to protect the environment and natural
 23 resources of the area. The regulations

24 **(1) must provide for the consideration of whether the proposed use of**
 25 **a site is compatible with the traditional and existing uses of the area in which the**
 26 **site is located; and**

27 **(2) may provide for the consideration of** upland management
 28 policies [AND WHETHER THE PROPOSED USE OF A SITE IS COMPATIBLE
 29 WITH THE TRADITIONAL AND EXISTING USES OF THE AREA IN WHICH
 30 THE SITE IS LOCATED].

31 * **Sec. 7.** AS 38.05.083 is amended by adding new subsections to read:

1 (j) The compensation to be paid to the state for a lease issued under this
2 section shall be in accordance with AS 38.05.073(m).

3 (k) A site leased under this section is subject to survey under AS 38.04.045
4 only if the commissioner determines in writing that the site is subject to survey under
5 AS 38.04.045.

6 (l) If the director finds that it is in the best interests of the state, the director
7 shall preference the lessee of a site leased under this section in renewing the lease for
8 the site or in issuing a new lease for the site. A lessee under this section is not eligible
9 for a preference to purchase the site under AS 38.05.102.

10 (m) Except for a site used as a hatchery for aquatic plants or shellfish, a site
11 leased under this section must be used for the commercial production of an aquatic
12 farm product. In this subsection, "aquatic farm product," "aquatic plant," "hatchery,"
13 and "shellfish" have the meanings given in AS 16.40.199.

14 (n) A lease issued under this section may be renewed for a period of up to 20
15 years.

16 * **Sec. 8.** AS 38.05.102 is amended to read:

17 **Sec. 38.05.102. Lessee preference.** Except for a lease under AS 38.05.081 **or**
18 **38.05.083**, if land within a leasehold created under AS 38.05.070 - 38.05.105 is
19 offered for sale or long-term lease at the termination of the existing leasehold, the
20 director may, upon a finding that it is in the best interest of the state, allow a holder in
21 good standing of the existing leasehold to purchase or lease the land for its appraised
22 fair market value at the time of the sale or long-term lease.

23 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
24 read:

25 **APPLICABILITY.** AS 38.05.081, as amended by sec. 3 of this Act, and
26 AS 38.05.081(n), added by sec. 4 of this Act, apply to a lease of state tideland for carbon
27 management purposes or a renewal of a lease of state tideland for carbon management
28 purposes entered into on or after the effective date of this Act.