

CS FOR SENATE BILL NO. 102(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/3/05

Referred: Today's Calendar

Sponsor(s): SENATORS GARY STEVENS, Olson, Wilken, Dyson, Wagoner

A BILL

FOR AN ACT ENTITLED

1 **"An Act repealing the Alaska coastal management program; relating to an extension for**
2 **review and approval of revisions to the Alaska coastal management program; relating to**
3 **reviews and modifications by the Department of Natural Resources; relating to coastal**
4 **resource district policies; providing for an effective date by amending the effective date**
5 **of sec. 45, ch. 24, SLA 2003; and providing for an effective date."**

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

7 *** Section 1.** AS 09.45.230(b) is amended to read:

8 (b) A person may not maintain an action under this section based upon an air
9 emission or water or solid waste discharge, other than the placement of nuclear waste,
10 where the emission or discharge was expressly authorized by and is not in violation of
11 a term or condition of

12 (1) a statute or regulation;

13 (2) a license, permit, or order that is

1 (A) issued after public hearing by the state or federal
2 government; and

3 (B) subject to

4 (i) continuing compliance monitoring;

5 (ii) periodic review by the issuing agency; **or**

6 (iii) renewal on a periodic basis; or

7 [(iv) AS 46.40; OR]

8 (3) a court order or judgment.

9 * **Sec. 2.** AS 16.43.160(e) is amended to read:

10 (e) For an entry permit or an interim-use permit issued for calendar year 2002
11 and following years, the annual base fee may not be less than \$10 or more than \$300.
12 The annual base fee must reasonably reflect the different rates of economic return for
13 different fisheries. The fee for a nonresident entry permit or a nonresident interim-use
14 permit shall be higher than the annual base fee by an amount, established by the
15 commission by regulation, that is as close as is practicable to the maximum allowed by
16 law. The amount of the fee for a nonresident entry permit or a nonresident interim-use
17 permit may reflect

18 (1) the costs incurred by the state that are directly attributable to
19 participation of nonresidents in the commercial fisheries of the state;

20 (2) the costs incurred by the state for

21 (A) direct operating expenditures for ongoing management,
22 support, and regulation of the commercial fishing industry, including relevant
23 expenditures of the

24 (i) Department of Environmental Conservation - air and
25 water quality permitting activities and seafood inspection activities;

26 (ii) Department of Commerce, Community, and
27 Economic Development - commercial fishing loan program, Alaska
28 Seafood Marketing Institute, regional seafood development program,
29 and community development quota program;

30 (iii) Department of Fish and Game - division of
31 commercial fisheries, board support section, division of administrative

1 services, division of sport fish, commissioner's office, and Alaska
2 Commercial Fisheries Entry Commission;

3 (iv) Department of Labor and Workforce Development
4 - wage and hour enforcement, mechanical inspections, occupational
5 safety and health activities, and fishermen's fund;

6 (v) Department of Law;

7 (vi) Department of Natural Resources, including [THE
8 ALASKA COASTAL MANAGEMENT PROGRAM AND] habitat
9 programs;

10 (vii) Department of Public Safety - commercial
11 fisheries enforcement;

12 (viii) Department of Revenue - fisheries business tax
13 program, fishery resource landing tax program, seafood development
14 tax program, salmon fishery assessment program, permit buy-back
15 assessment program, and dive fishery management assessment
16 program;

17 (ix) University of Alaska - Fisheries Industrial
18 Technology Center, Institute of Marine Science, Marine Advisory
19 Program, Sea Grant College Program, and School of Fisheries and
20 Ocean Sciences;

21 (x) Legislature;

22 (xi) Alaska Court System;

23 (B) indirect operating expenditures for general overhead
24 attributable to supporting the commercial fishing industry, including
25 expenditures for general overhead attributable to components of agencies that
26 have direct operating expenditures identified under (A) of this paragraph and to
27 components of agencies for which direct operating expenditures related to the
28 ongoing management, support, and regulation of the commercial fishing
29 industry cannot be readily determined;

30 (C) capital costs directly supporting the commercial fishing
31 industry; and

1 (D) expenditures to subsidize the construction and operation of
2 salmon hatcheries.

3 * **Sec. 3.** AS 37.10.058(2) is amended to read:

4 (2) "designated regulatory service" means a regulatory service
5 provided under the following regulatory programs:

6 (A) control of solid waste facilities under AS 46.03.020(10)(D)
7 and (E);

8 (B) regulation of the disposal of waste into waters of the state
9 under AS 46.03.100;

10 (C) certification of federal permits or authorizations under 33
11 U.S.C. 1341 (sec. 401, Clean Water Act);

12 (D) [A COASTAL MANAGEMENT CONSISTENCY
13 DETERMINATION RELATING TO A PERMIT OR AUTHORIZATION
14 ISSUED UNDER A PROGRAM LISTED IN (A) - (C) OF THIS
15 PARAGRAPH, IF THE DETERMINATION IS MADE BY THE AGENCY
16 ISSUING THE PERMIT OR AUTHORIZATION];

17 (E)] any authorization for the use or appropriation of water
18 under AS 46.15; and

19 **(E)** [(F)] administration of emission control permits for the air
20 quality control program under AS 46.14.

21 * **Sec. 4.** AS 37.10.058(7) is amended to read:

22 (7) "permit" means a permit, license, certificate, **or** approval [, OR
23 COASTAL MANAGEMENT CONSISTENCY DETERMINATION];

24 * **Sec. 5.** AS 38.05.035(e) is amended to read:

25 (e) Upon a written finding that the interests of the state will be best served, the
26 director may, with the consent of the commissioner, approve contracts for the sale,
27 lease, or other disposal of available land, resources, property, or interests in them. In
28 approving a contract under this subsection, the director need only prepare a single
29 written finding. In addition to the conditions and limitations imposed by law, the
30 director may impose additional conditions or limitations in the contracts as the director
31 determines, with the consent of the commissioner, will best serve the interests of the

1 state. The preparation and issuance of the written finding by the director are subject to
2 the following:

3 (1) with the consent of the commissioner and subject to the director's
4 discretion, for a specific proposed disposal of available land, resources, or property, or
5 of an interest in them, the director, in the written finding,

6 (A) shall establish the scope of the administrative review on
7 which the director's determination is based, and the scope of the written
8 finding supporting that determination; the scope of the administrative review
9 and finding may address only reasonably foreseeable, significant effects of the
10 uses proposed to be authorized by the disposal;

11 (B) may limit the scope of an administrative review and finding
12 for a proposed disposal to

13 (i) applicable statutes and regulations;

14 (ii) the facts pertaining to the land, resources, or
15 property, or interest in them, that the director finds are material to the
16 determination and that are known to the director or knowledge of which
17 is made available to the director during the administrative review; and

18 (iii) issues that, based on the statutes and regulations
19 referred to in (i) of this subparagraph, on the facts as described in (ii) of
20 this subparagraph, and on the nature of the uses sought to be authorized
21 by the disposal, the director finds are material to the determination of
22 whether the proposed disposal will best serve the interests of the state;
23 and

24 (C) may, if the project for which the proposed disposal is
25 sought is a multiphased development, limit the scope of an administrative
26 review and finding for the proposed disposal to the applicable statutes and
27 regulations, facts, and issues identified in (B)(i) - (iii) of this paragraph that
28 pertain solely to the disposal phase of the project when

29 (i) the only uses to be authorized by the proposed
30 disposal are part of that phase;

31 (ii) the disposal is a disposal of oil and gas, or of gas

1 only, and, before the next phase of the project may proceed, public
 2 notice and the opportunity to comment are provided under regulations
 3 adopted by the department [UNLESS THE PROJECT IS SUBJECT
 4 TO A CONSISTENCY REVIEW UNDER AS 46.40 AND PUBLIC
 5 NOTICE AND THE OPPORTUNITY TO COMMENT ARE
 6 PROVIDED UNDER AS 46.40.096(c)];

7 (iii) the department's approval is required before the
 8 next phase of the project may proceed; and

9 (iv) the department describes its reasons for a decision
 10 to phase;

11 (2) the director shall discuss in the written finding prepared and issued
 12 under this subsection the reasons that each of the following was not material to the
 13 director's determination that the interests of the state will be best served:

14 (A) facts pertaining to the land, resources, or property, or an
 15 interest in them other than those that the director finds material under (1)(B)(ii)
 16 of this subsection; and

17 (B) issues based on the statutes and regulations referred to in
 18 (1)(B)(i) of this subsection and on the facts described in (1)(B)(ii) of this
 19 subsection;

20 (3) a written finding for an oil and gas lease sale or gas only lease sale
 21 under AS 38.05.180 is subject to (g) of this section;

22 (4) a contract for the sale, lease, or other disposal of available land or
 23 an interest in land is not legally binding on the state until the commissioner approves
 24 the contract, but if the appraised value is not greater than \$50,000 in the case of the
 25 sale of land or an interest in land, or \$5,000 in the case of the annual rental of land or
 26 interest in land, the director may execute the contract without the approval of the
 27 commissioner;

28 (5) public notice requirements relating to the sale, lease, or other
 29 disposal of available land or an interest in land for oil and gas, or for gas only,
 30 proposed to be scheduled in the five-year oil and gas leasing program under
 31 AS 38.05.180(b), except for a sale under (6)(F) of this subsection, are as follows:

1 (A) before a public hearing, if held, or in any case not less than
 2 180 days before the sale, lease, or other disposal of available land or an interest
 3 in land, the director shall make available to the public a preliminary written
 4 finding that states the scope of the review established under (1)(A) of this
 5 subsection and includes the applicable statutes and regulations, the material
 6 facts and issues in accordance with (1)(B) of this subsection, and information
 7 required by (g) of this section, upon which the determination that the sale,
 8 lease, or other disposal will serve the best interests of the state will be based;
 9 the director shall provide opportunity for public comment on the preliminary
 10 written finding for a period of not less than 60 days;

11 (B) after the public comment period for the preliminary written
 12 finding and not less than 90 days before the sale, lease, or other disposal of
 13 available land or an interest in land for oil and gas or for gas only, the director
 14 shall make available to the public a final written finding that states the scope of
 15 the review established under (1)(A) of this subsection and includes the
 16 applicable statutes and regulations, the material facts and issues in accordance
 17 with (1) of this subsection, and information required by (g) of this section,
 18 upon which the determination that the sale, lease, or other disposal will serve
 19 the best interests of the state is based;

20 (6) before a public hearing, if held, or in any case not less than 21 days
 21 before the sale, lease, or other disposal of available land, property, resources, or
 22 interests in them other than a sale, lease, or other disposal of available land or an
 23 interest in land for oil and gas or for gas only under (5) of this subsection, the director
 24 shall make available to the public a written finding that, in accordance with (1) of this
 25 subsection, sets out the material facts and applicable statutes and regulations and any
 26 other information required by statute or regulation to be considered upon which the
 27 determination that the sale, lease, or other disposal will best serve the interests of the
 28 state was based; however, a written finding is not required before the approval of

29 (A) a contract for a negotiated sale authorized under
 30 AS 38.05.115;

31 (B) a lease of land for a shore fishery site under AS 38.05.082;

1 (C) a permit or other authorization revocable by the
2 commissioner;

3 (D) a mineral claim located under AS 38.05.195;

4 (E) a mineral lease issued under AS 38.05.205;

5 (F) an exempt oil and gas lease sale or gas only lease sale under
6 AS 38.05.180(d) of acreage subject to a best interest finding issued within the
7 previous 10 years or a reoffer oil and gas lease sale or gas only lease sale under
8 AS 38.05.180(w) of acreage subject to a best interest finding issued within the
9 previous 10 years, unless the commissioner determines that substantial new
10 information has become available that justifies a supplement to the most recent
11 best interest finding for the exempt oil and gas lease sale or gas only lease sale
12 acreage and for the reoffer oil and gas lease sale or gas only lease sale acreage;
13 however, for each oil and gas lease sale or gas only lease sale described in this
14 subparagraph, the director shall call for comments from the public; the
15 director's call for public comments must provide opportunity for public
16 comment for a period of not less than 30 days; if the director determines that a
17 supplement to the most recent best interest finding for the acreage is required
18 under this subparagraph,

19 (i) the director shall issue the supplement to the best
20 interest finding not later than 90 days before the sale;

21 (ii) not later than 45 days before the sale, the director
22 shall issue a notice describing the interests to be offered, the location
23 and time of the sale, and the terms and conditions of the sale; and

24 (iii) the supplement has the status of a final written best
25 interest finding for purposes of (i) and (l) of this section;

26 (G) a surface use lease under AS 38.05.255;

27 (H) a permit, right-of-way, or easement under AS 38.05.850;

28 (7) the director shall include in

29 (A) a preliminary written finding, if required, a summary of
30 agency and public comments, if any, obtained as a result of contacts with other
31 agencies concerning a proposed disposal or as a result of informal efforts

1 undertaken by the department to solicit public response to a proposed disposal,
2 and the department's preliminary responses to those comments; and

3 (B) the final written finding a summary of agency and public
4 comments received and the department's responses to those comments.

5 * **Sec. 6.** AS 38.05.945(d) is amended to read:

6 (d) Notice at least 30 days before action under (a)(5) of this section shall be
7 given to appropriate

8 [(1)] regional fish and game councils established under AS 16.05.260

9 [; AND

10 (2) COASTAL RESOURCE SERVICE AREAS ORGANIZED
11 UNDER AS 46.40.110 - 46.40.210].

12 * **Sec. 7.** AS 41.17.900(d) is amended to read:

13 (d) Notwithstanding any other provision of this chapter, the state forester and
14 the commissioner may not employ the authority vested by this chapter so as to
15 duplicate or preempt the statutory authority of other state agencies to adopt regulations
16 or undertake other administrative actions governing resources, values, or activities on
17 forest land except for

18 [(1) REGULATIONS UNDER THE COASTAL MANAGEMENT
19 ACT; AND

20 (2)] regulations, if authorized by the commissioner of environmental
21 conservation, relating to control of nonpoint source pollution.

22 * **Sec. 8.** AS 41.21.492(b) is amended to read:

23 (b) Nothing in AS 41.21.491 - 41.21.495 affects the responsibilities of

24 (1) the Department of Fish and Game, the Board of Fisheries, or the
25 Board of Game under AS 16 and AS 41.99.010; **or**

26 (2) the Department of Environmental Conservation under AS 46.03 [;
27 OR

28 (3) STATE AGENCIES AND MUNICIPALITIES UNDER
29 AS 46.39.010 AND AS 46.40.100].

30 * **Sec. 9.** AS 41.21.504(b) is amended to read:

31 (b) Nothing in AS 41.21.500 - 41.21.514 affects the applicability of

1 (1) AS 41.99.010 and AS 16 regarding the responsibilities of the
2 Department of Fish and Game or the Board of Fisheries or the Board of Game; **or**

3 (2) AS 46.03 regarding the responsibilities of the Department of
4 Environmental Conservation [; OR

5 (3) AS 46.39.010 AND AS 46.40.100 REGARDING THE
6 RESPONSIBILITIES OF STATE AGENCIES AND MUNICIPALITIES].

7 * **Sec. 10.** AS 41.23.420(d) is amended to read:

8 (d) The provisions of AS 41.23.400 - 41.23.510 do not affect the authority of

9 (1) the Department of Fish and Game, the Board of Fisheries, the
10 Board of Game, or the Department of Commerce, Community, and Economic
11 Development under AS 08.54, AS 16, or AS 41.99.010; **or**

12 (2) the Department of Environmental Conservation under AS 46.03 [;
13 OR

14 (3) STATE AGENCIES AND MUNICIPALITIES UNDER
15 AS 46.39.010 AND AS 46.40.100].

16 * **Sec. 11.** AS 44.33.788 is amended to read:

17 **Sec. 44.33.788. Other planning powers.** The department may accept and
18 expend grants from the federal government and other public or private sources, may
19 contract with reference to them, and may enter into contracts and exercise all other
20 powers necessary to carry out **44.33.782 - 44.33.788** [AS 44.33.781 - 44.33.788].

21 * **Sec. 12.** AS 44.33.790 is amended to read:

22 **Sec. 44.33.790. Definition.** In **AS 44.33.782 - 44.33.790** [AS 44.33.781 -
23 44.33.790], "department" means the Department of Commerce, Community, and
24 Economic Development.

25 * **Sec. 13.** AS 44.33.844 is amended to read:

26 **Sec. 44.33.844. Boundaries.** The boundaries of an area studied shall conform
27 to the boundaries indicated in the request for the study under AS 44.33.842 unless the
28 commissioner, after a public hearing held in the area of the proposed study, determines
29 that the boundaries should be altered. In determining the boundaries of an area to be
30 studied, the commissioner shall consider

31 (1) the standards applicable to the incorporation of boroughs under

1 AS 29.05.031;

2 (2) boundaries of regional corporations established under 43 U.S.C.
3 1606;

4 (3) census divisions of the state used for the 1980 census; **and**

5 (4) boundaries of the regional educational attendance areas established
6 under AS 14.08.031 [; AND

7 (5) BOUNDARIES OF COASTAL RESOURCE SERVICE AREAS
8 ORGANIZED UNDER AS 46.40.110 - 46.40.210].

9 * **Sec. 14.** AS 44.66.020(a) is amended to read:

10 (a) Agency programs and activities listed in this subsection that are
11 specifically designated as provided in AS 44.66.030 are subject to termination during
12 the regular legislative session convening in the month and year set out after each:

13 (1) programs in the budget categories of general government, public
14 protection, and administration of justice - January, 1980;

15 (2) programs in the budget categories of education and the University
16 of Alaska - January, 1981;

17 (3) programs in the budget categories of health and social services -
18 January, 1982;

19 (4) programs in the budget categories of natural resources
20 management, development, and transportation - January, 1983;

21 **(5) the Alaska coastal management program (AS 46.40) - January,**
22 **2011.**

23 * **Sec. 15.** AS 46.40.030(b) is amended to read:

24 (b) In developing enforceable policies in its coastal management plan under
25 (a) of this section, a coastal resource district shall meet the requirements of
26 AS 46.40.070 and **shall** [MAY] not duplicate, restate, or incorporate by reference
27 statutes and administrative regulations adopted by state or federal agencies.

28 * **Sec. 16.** The uncodified law of the State of Alaska enacted in sec. 46(c), ch. 24, SLA
29 2003, is amended to read:

30 (c) Notwithstanding any contrary provision of **ch. 24, SLA 2003** [THIS ACT],
31 the repeal of the Alaska Coastal Policy Council enacted by sec. 44, **ch. 24, SLA 2003**

1 [OF THIS ACT], and the repeal of the Alaska Coastal Policy Council's duties in
 2 AS 46.40.040, as amended by sec. 10, **ch. 24, SLA 2003** [OF THIS ACT], a district
 3 coastal management program, including its enforceable policies, approved by the
 4 former Alaska Coastal Policy Council remains in effect for purposes of AS 46.39 and
 5 AS 46.40 until **January 1, 2007** [JULY 1, 2006], unless the Department of Natural
 6 Resources disapproves or modifies all or part of the program before **January 1, 2007**
 7 [JULY 1, 2006].

8 * **Sec. 17.** The uncodified law of the State of Alaska enacted in sec. 47(a), ch. 24, SLA
 9 2003, is amended to read:

10 (a) Within **20 months** [ONE YEAR] after the effective date of regulations
 11 adopted by the department of natural resources implementing changes to
 12 AS 46.40.010 - 46.40.090, enacted by secs. 8 - 15 and 44, **ch. 24, SLA 2003** [OF
 13 THIS ACT], or by **March 1, 2006** [JULY 1, 2005], whichever is later, coastal
 14 resource districts shall review their existing district coastal management program and
 15 submit to the Department of Natural Resources for review and approval a revised
 16 district coastal management plan meeting the requirements of AS 46.40 [, AS
 17 AMENDED BY THIS ACT,] and the implementing regulations.

18 * **Sec. 18.** AS 41.17.900(e); AS 44.33.781; AS 46.39.010, 46.39.030, 46.39.040, 46.39.900;
 19 AS 46.40.010, 46.40.020, 46.40.030, 46.40.040, 46.40.050, 46.40.060, 46.40.070, 46.40.090,
 20 46.40.094, 46.40.096, 46.40.100, 46.40.110, 46.40.140, 46.40.150, 46.40.180, 46.40.190,
 21 46.40.195, 46.40.205, and 46.40.210 are repealed.

22 * **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to
 23 read:

24 DUTIES OF THE DEPARTMENT OF NATURAL RESOURCES; REPEAL OF
 25 CERTAIN COASTAL RESOURCE DISTRICT POLICIES. (a) Notwithstanding any
 26 contrary provision of law, enforceable coastal resource district policies in effect on the
 27 effective date of this section that conflict with AS 46.40.030(b), as amended in sec. 15 of this
 28 Act and as that subsection read on the effective date of this section, or address any matter
 29 regulated by the Department of Environmental Conservation are repealed and are declared
 30 null and void.

31 (b) Coastal resource district enforceable polices that conflict with or address any

1 matter contained in state standards approved under AS 46.40.040 are repealed and are null
2 and void as of January 1, 2006.

3 * **Sec. 20.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 EMERGENCY REGULATIONS. The need to adopt regulations consistent with this
6 Act is declared an emergency, and the Department of Natural Resources shall proceed to
7 adopt emergency conforming regulations to implement this Act.

8 * **Sec. 21.** The uncodified law of the State of Alaska enacted in sec. 49, ch. 24, SLA 2003,
9 is amended to read:

10 Sec. 49. Section 45, ch. 24, SLA 2003, [OF THIS ACT] takes effect

11 January 1, 2006 [JULY 1, 2005].

12 * **Sec. 22.** Sections 1 - 13 and sec. 18 of this Act take effect July 1, 2011.

13 * **Sec. 23.** Except as provided in sec. 22 of this Act, this Act takes effect immediately under
14 AS 01.10.070(c).