

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

February 2, 2005

3:34 p.m.

MEMBERS PRESENT

Senator Thomas Wagoner, Chair
Senator Ralph Seekins, Vice Chair
Senator Ben Stevens
Senator Fred Dyson
Senator Kim Elton

MEMBERS ABSENT

Senator Bert Stedman
Senator Gretchen Guess

COMMITTEE CALENDAR

SENATE BILL NO. 69

"An Act making special appropriations to promote the opening of the Arctic National Wildlife Refuge for oil and gas exploration and development; and providing for an effective date."

MOVED SB 69 OUT OF COMMITTEE

SENATE BILL NO. 55

"An Act instructing the commissioner of natural resources to issue a patent for the remaining interest in certain state land to the owner of the agricultural rights to that land."

MOVED SB 55 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 69

SHORT TITLE: APPROP: GRANT TO ARCTIC POWER FOR ANWR

SPONSOR(s): RESOURCES

01/21/05	(S)	READ THE FIRST TIME - REFERRALS
01/21/05	(S)	RES, FIN
01/26/05	(S)	RES AT 3:30 PM BUTROVICH 205
01/26/05	(S)	Heard & Held
01/26/05	(S)	MINUTE(RES)
01/31/05	(S)	RES AT 3:30 PM BUTROVICH 205
01/31/05	(S)	<Bill Hearing Postponed to 02/02/05>

02/02/05 (S) RES AT 3:30 PM BUTROVICH 205

BILL: SB 55

SHORT TITLE: AGRICULTURAL LAND

SPONSOR(S): SENATOR(S) WAGONER

01/14/05 (S) READ THE FIRST TIME - REFERRALS

01/14/05 (S) RES, FIN

02/02/05 (S) RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

Ms. Amy Seitz

Staff to Senator Wagoner

Alaska State Capitol

Juneau, AK 99801-1182

POSITION STATEMENT: Commented on SB 55 for the sponsor.

Mr. Frank Miller

Ninilchik AK

POSITION STATEMENT: Supports SB 55.

Mr. Chuck Graham

Hope AK

POSITION STATEMENT: Supports SB 55.

Ms. Erica Miller

Hope AK

POSITION STATEMENT: Supports SB 55.

Ms. Roswitha Miller

Ninilchik AK

POSITION STATEMENT: Supports SB 55.

Mr. Donald Lintleman

Delta Junction AK

POSITION STATEMENT: Supports SB 55.

Ms. Janet Burleson Baxter, Legislative Liaison

Department of Natural Resources

400 Willoughby Ave.

Juneau, AK 99801-1724

POSITION STATEMENT: No position on SB 55.

ACTION NARRATIVE

CHAIR THOMAS WAGONER called the Senate Resources Standing Committee meeting to order at [3:34:09 PM](#). Present were Senators Seekins, Stevens, Dyson, Elton and Chair Wagoner.

SB 69-APPROP: GRANT TO ARCTIC POWER FOR ANWR

CHAIR WAGONER announced SB 69 to be up for consideration.

SENATOR DYSON moved to pass SB 69. Elton objected. Senator Elton voted nay; Senators Seekins, Dyson, Stevens and Chair Wagoner voted yea; SB 69 moved from committee.

[3:37:03 PM](#) - [3:37:44 PM](#) - Recess

SB 55-AGRICULTURAL LAND

CHAIR WAGONER announced SB 55 to be up for consideration.

MS. AMY SEITZ, staff to Senator Wagoner, sponsor of SB 55, said the reason it was introduced is to resolve a problem that dates back to the 1964 earthquake and involves the Ross Miller family who has property in Hope. They owned a 27-acre homestead and were also leasing 15 acres of Forest Service land, which they were using as pastureland. In the '64 earthquake they lost 18 of their 27 acres and were compensated through the Earthquake Exchange Program by receiving only one acre of land. The state determined that that wasn't really fair and decided to turn over the agricultural rights to the 15 acres that the Millers were leasing. At that time, the fee simple title probably should have been turned over to them, but it wasn't. The Department of Natural Resources (DNR) is not interested in the remaining rights to the property and is in favor of selling it to the Millers. However, without SB 55 that can't be done.

SB 55 makes a small statutory change allowing the Department of Natural Resources to turn over the remaining rights to certain state-owned lands. There are three requirements the land has to meet. It can't be more than 15 acres and has to be used for agricultural purposes. Secondly, the state has to have originally acquired the land from the National Forest under Section 6(a) of the Alaska Statehood Act. Thirdly, the owner would have to pay the fair market value for the remaining rights to the land. The statutory change would be repealed in December 2006.

[3:40:46 PM](#)

MR. FRANK MILLER thanked Senator Wagoner for sponsoring the bill for his family saying it would bring closure to a long-standing problem. He thought it was fair to pay the state for full title to the land.

MR. CHUCK GRAHAM, husband of Linda Graham, said he is speaking on her behalf. She is a principal in the 15 acres and supports SB 55 as a solution to a very long-standing dilemma.

[3:41:46 PM](#)

MS. ERICA MILLER, Frank Miller's daughter, said she currently lives on the Hope property and supports SB 55.

[3:42:13 PM](#)

MS. ROSWITHA MILLER supported SB 55.

[3:42:38 PM](#)

MR. DONALD LINTLEMAN, Delta Junction, supported SB 55.

[3:43:22 PM](#)

SENATOR SEEKINS said he had no objection, but if the land should originally have been transferred at the time of the earthquake, for justice's sake, it should be sold to them at the value it was then.

[3:44:12 PM](#)

CHAIR WAGONER said that the Division of Lands believes it should be reimbursed at fair market value today.

[3:44:42 PM](#)

MS. JANET BURLESON BAXTER, Legislative Liaison, Department of Natural Resources (DNR), said the department doesn't have a statutory mechanism to offer that kind of opportunity absent a legislative fix, which it doesn't object to.

[3:45:14 PM](#)

SENATOR BEN STEVENS said the Millers had been involved with this property for a number of years, but Section 2 allows only 24

months for other people to qualify. He asked if that is enough time.

[3:46:01 PM](#)

MS. BAXTER replied that a similar bill was researched a few years ago to see if other people might qualify and the department doesn't anticipate others. She would have to get back to him with the reasoning behind the effective date.

[3:46:35 PM](#)

SENATOR STEVENS said he didn't want to change the bill, but on page 1, line 12, he asked what the impact would be of raising the amount of land to 50 acres.

[3:46:58 PM](#)

MS. BAXTER said she didn't know, but the bill is designed to address the Miller family's concern specifically. It is a very small area of land and the appraisal for the agriculture interest would not be too much relatively speaking.

[3:47:54 PM](#)

SENATOR SEEKINS brought up the question that the Millers would have to get an appraisal for the fee simple rights separate from the agricultural rights and finding a comparable would be very difficult. "I'm just thinking that justice is best served when we do what we should do, not what is necessarily the most expedient thing."

[3:48:54 PM](#)

CHAIR WAGNER said the Millers started this process some time ago and just want to get it done and over with so the property can be divided among members of the family.

[3:49:28 PM](#)

SENATOR STEVENS moved to pass SB 55 from committee with individual recommendations. There were no objections and it was so ordered. There being no further business to come before the committee, Chair Wagoner adjourned the meeting at [3:50:08 PM](#).