

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: C5HB 40(RES)
 (H) Publish Date: 2/7/07

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Public access to fishing streams RDU Natural Resources
 Component Resource Development
 Sponsor Rep. Gara Title Acquisition and Defense
 Requester (H) RES Component No. 2459

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	48.0	48.0	48.0	48.0	48.0	48.0
Travel	2.0	2.0	2.0	2.0	2.0	2.0
Contractual	7.2	7.2	7.2	7.2	7.2	7.2
Supplies	1.0	1.0	1.0	1.0	1.0	1.0
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	58.2	58.2	58.2	58.2	58.2	58.2

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	58.2	58.2	58.2	58.2	58.2	58.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	58.2	58.2	58.2	58.2	58.2	58.2

Estimate of any current year (FY2007) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill requires DNR, working with the Alaska Department of Fish and Game (ADF&G), to identify private lands that the state should acquire to provide public access to and along popular fishing streams, and then directs DNR to pursue acquisition through purchase of easements, land exchanges, and or fee simple purchase.

This bill also requires ADF&G to identify undeveloped land along popular fishing streams for possible acquisition. The bill identifies two areas where this process will look at first, but envisions an ongoing, statewide process. ADF&G then submits the list of parcels to DNR to acquire the land.

Prepared by: Dick Mylius, Acting Director Phone 269-8625
 Division: Mining, Land & Water Date/Time 1/30/2007
 Approved by: Marty Rutherford, Acting Commissioner Date 1/30/2007
 Agency: Natural Resources

FISCAL NOTE #2

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. CSHB 40(RES)

ANALYSIS CONTINUATION

This fiscal note does not include the actual cost to negotiate and appraise individual acquisitions, and does not include funding to pay the purchase price for acquisitions.

This fiscal note assumes that ADF&G will provide DNR with a list of parcels, maps of the parcels, names and addresses of property owners, and other information about the parcels. ADF&G will be responsible for these costs.

Section 2 of the bill allows DNR to acquire the lands identified by ADF&G. This fiscal note only includes DNR's costs to conduct initial land title work, field inspections of parcels to be acquired, preliminary land cost estimates and preliminary discussions with the owners of parcels that the state desires to acquire.

After these preliminary discussions, DNR would then request appropriations from the legislature to fund work on each parcel or group of parcels, including costs for negotiation, appraisals, surveys, complete land title reviews, and purchase of the land. If the specific acquisitions are not funded, DNR would not be able to pursue the acquisitions further.

DNR's initial costs that are included in this Fiscal Note are:

PERSONAL SERVICES - \$48.0

Natural Resource Specialist (NRS) III (1 month) and Land Appraiser II (1 month) (each range 18s) - total 2 months @ \$7.2/month = \$14.4 - to discuss acquisitions with property owners and estimate costs associated with individual parcel acquisitions.

Natural Resource Specialist (NRS) I (range 14) - 6 months @ \$5.6/month = \$33.6 - to conduct initial land title, preliminary valuation, and other research for all parcels.

TRAVEL, CONTRACTUAL, SUPPLIES - total \$10.2 - includes travel to sites (initial areas are all road accessible), research of municipal title records, office supplies, and mandatory position costs which include lease space, phone services, computer services, DOA core services charges.

LONG TERM COSTS ASSOCIATED WITH ACTUAL ACQUISITIONS - Not included in Fiscal Note.

This fiscal note does not include the cost associated with negotiating the land purchase or exchanges, land appraisals, preparing a full title report, preparing and recording title documents, any necessary survey costs, and other related costs. DNR's experience with recent land acquisitions indicates that one NRS III position can negotiate and coordinate about four acquisitions per year. Some support staff time is also needed for document preparation, record keeping, additional title research, etc. Based on this, the estimated cost for each purchase is \$50.0 (\$35.0 for personal services and \$15.0 for contractual services including appraisal, survey and environmental audit).

Land exchanges are significantly more labor intensive, based on recent experience the cost for land exchanges is \$50.0 to \$100.0 per parcel.

Actual acquisition costs will vary by area and size of parcels. DNR estimates that parcels that provide access to Montana and Willow Creeks along the Parks Highway will cost about \$7,500 per acre for 5-10 acre parcels (\$37.5 - \$75.0 per parcel). Recent ADF&G purchases of parcels for access along the Anchor River and Deep Creek on the Kenai Peninsula were higher, averaging about \$100.0 per parcel.