

# Fiscal Note

State of Alaska  
2021 Legislative Session

Bill Version:	SB 85
Fiscal Note Number:	1
(S) Publish Date:	2/12/2021

Identifier: 0607-DNR-DOF-2-10-2021  
 Title: FOREST LAND USE PLANS; TIMBER SALES  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Governor

Department: Department of Natural Resources  
 Appropriation: Fire Suppression, Land & Water Resources  
 Allocation: Forest Management & Development  
 OMB Component Number: 435

### Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

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

### Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Positions

Full-time							
Part-time							
Temporary							

### Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**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 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/21

### Why this fiscal note differs from previous version/comments:

Not applicable, initial version.
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Division: Forestry	Date: 02/10/2021 04:40 PM
Approved By: Cheri Lowenstein, Administrative Services Director	Date: 02/10/21
Agency: Office of Management and Budget	

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2021 LEGISLATIVE SESSION**Analysis**

Under current law, negotiated timber sales are allowed under three different statutes. This bill consolidates the negotiated timber sales statutes into two statutes. The commissioner has the discretion to choose between a negotiated sale, competitive bid sale, or salvage sale for a timber sale. The amendments to AS 38.05.110 provide the commissioner of the Department of Natural Resources six factors to consider to guide the commissioner in determining the best timber sale processes.

This bill also amends the forest land use plans (FLUPs) statute. Under current statutes timber sales can be subject to redundant appeals at different stages, creating delays in timber harvests and uncertainty among timber harvesters, processors, and investors. A best interest finding under AS 38.05.035(e) – that address why the timber sale is in the best interests of the state – can be appealed or reconsidered under AS 44.37.011(b). FLUPs – which is the Division of Forestry’s implementation of the AS 38.05.035(e) best interest findings -- can be appealed or reconsidered under AS 44.37.011(b). This bill amends AS 38.05.112 to make the best interest finding under AS 38.05.035(e) the sole appealable decision for timber sales.

This bill does not change any program; therefore, the division submits a zero fiscal note.