

**ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE**

March 14, 2022

3:34 p.m.

MEMBERS PRESENT

Senator Joshua Revak, Chair
Senator Peter Micciche, Vice Chair
Senator Gary Stevens
Senator Natasha von Imhof
Senator Jesse Kiehl
Senator Scott Kawasaki

MEMBERS ABSENT

Senator Click Bishop

COMMITTEE CALENDAR

SENATE BILL NO. 219

"An Act providing for the transfer of and addition of names to a personal use cabin permit for a cabin on state land; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 219

SHORT TITLE: TRANSFER PUBLIC USE CABIN PERMITS

SPONSOR(S): SENATOR(S) MICCICHE

02/22/22	(S)	READ THE FIRST TIME - REFERRALS
02/22/22	(S)	RES
03/14/22	(S)	RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

MADISON GOVIN, Staff
Senator Peter Micciche
Alaska State Legislature
Soldotna, Alaska

POSITION STATEMENT: Presented the sectional analysis for SB 219 on behalf of the sponsor.

CHRISTY COLLES, Chief of Operations
Division of Mining, Land, and Water
Department of Natural Resources (DNR)
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 219.

CINDY RAINY-BELL, Representing Self
Soldotna, Alaska

POSITION STATEMENT: Provided invited testimony in support of SB 219.

ED MARTIN JR., Representing Self
Kenai, Alaska

POSITION STATEMENT: Testified in support of SB 219, but with reservations.

ACTION NARRATIVE

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CHAIR JOSHUA REVAK called the Senate Resources Standing Committee meeting to order at 3:34 p.m. Present at the call to order were Senators Kawasaki, Stevens, Kiehl, von Imhof, Micciche, and Chair Revak.

SB 219-TRANSFER PUBLIC USE CABIN PERMITS

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CHAIR REVAK announced the consideration of SENATE BILL NO. 219 "An Act providing for the transfer of and addition of names to a personal use cabin permit for a cabin on state land; and providing for an effective date."

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SENATOR PETER MICCICHE, as sponsor of SB 229 introduced the legislation speaking to the sponsor statement.

The Personal Use Cabin Permit Program (PUCP) was put in place back in 1984 to solve an issue with folks that had trespassed onto state land and built a cabin. The original intention of the program was to keep the land in state hands, but still have it available for public use. HB 109 was passed in 1997. The bill terminated the permit program with the intent for those Alaskans to be given the opportunity to purchase

the land they had been leasing, which has not yet been initiated by the Department. Many of the original permits have expired. Originally there were 558 permits issued and only 126 remain. Over the generations, Alaskan families have created beautiful, lasting memories at these recreational cabins that have become second homes for many. Since the repeal of the program, once a family loses their permit due to death of the permit holder, being late for renewal, or a department mistake, the permit expires forever, and the cabin must be removed from the land.

SB 219 is designed to solve one of the issues beyond the control of a family with a permitted cabin. The Bill creates the opportunity for an immediate family member to apply for permit rights for the remaining life expectancy of the original permit holder in the case of a premature accidental death of the last permit holder. The permit extension could not exceed beyond the remaining term of the average life span of an Alaskan, provided by the National Center for Health Statistics. Currently, permits are non-transferrable and are only valid for the lifetime of the permit holder. Back when permits were still being issued, a family was able to list multiple names on the permit in the event of the death of the original permit holder. However, once the program was repealed it has not been possible for families to add names or transfer their permits to keep it in the family. Therefore, many families have lost their permits and their cabins. SB 219 would allow the previously expected use of permitted cabins on state lands while DNR establishes a long-term solution to provide better structure to the PUCP program, and the sale of state lands for that purpose.

I urge your support of this bill to help families keep their Personal Use Cabin Permits for the expected term in the event of the premature death of the permit holder. Please contact my staff, Madison Govin at 465-8181 for additional information.

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MADISON GOVIN, Staff, Senator Peter Micciche, Alaska State Legislature, Soldotna, Alaska, presented the sectional analysis for SB 219 on behalf of the sponsor.

Section 1 - Amends the uncodified law of the State of Alaska by adding a new section which allows for Transfer of Permits for Personal Use Cabin on State Land.

Subsection (a) Page 1 Line 6-Page 2, Line 9 - Outlines the process by which a cabin permit may be transferred to an immediate family member in the event of a premature death. The immediate family may assume privileges of the permit for the remaining life expectancy of the original permit holder, provided by the National Center for Health Statistics.

Subsection (b) Page 2, Lines 10-15 - Directs DNR to adopt regulations that would allow an immediate family to assume the permit privileges.

Subsection (c) Page 2 Lines 16-22 - Requires the immediate family member submit their name to the DNR within 30 days of the death.

Subsection (d) Page 2 Lines 23-25 - Upon transfer, the permit is only valid during the lifetime of the immediate family member.

Subsection (e)(f) Page 2 Lines 26-31 - Directs the department to adopt regulations necessary for implementation of this section. Adds definition of "personal use cabin permit".

Section 2 - Amends the uncodified law of the State of Alaska to add Personal Use Cabin Permits that expired on or after January 1, 2020, and before the effective date of this act allowing the department to carry out the intent of this legislation.

Subsection (a) Page 3 Lines 4-11 - The Department of Natural Resources shall allow an immediate family to assume privileges of the deceased permit holder's permit if it expired on or after January 1, 2020.

Subsection (b) Page 3 Lines 12-15 - Adds that the immediate family member of a permit holder who passed between January 1, 2020 and the effective date, must apply to the Department of Natural Resources within 60 days after the effective date for them to assume the former privileges of the permit.

Subsection (c) Page 3 Lines 16-20 - Defines the period of time which an immediate family member may assume the permit privileges.

Section 3 - This Act takes effect immediately

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SENATOR VON IMHOF asked, in the event of a premature death, whether the time remaining on the permit applies to when the original permit holder would have reached age 78.8 or the youngest permit holder whose name was also on the application. She cited the example of an original permit holder who died at age 60 and his 14 year old son who also had applied for the permit.

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SENATOR MICCICHE answered that the calculation is based on the expected life of the original permit holder. Vital statistics sets the life expectancy for Alaska at 78.8 years so the permit would be valid for 28.8 years after the 60-year-old original permit holder died.

SENATOR VON IMHOF asked if 78.8 years referred to the female or male life expectancy.

SENATOR MICCICHE answered that it would be unconstitutional to differentiate so the bill matches generally with a combination of both genders.

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SENATOR KIEHL asked if he could apply for one of these permits tomorrow.

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MS. GOVIN answered no.

SENATOR KIEHL asked what language in the bill limits the application to just those cabin permits that fall under the Personal Use Cabin Permit Program (PUCP), so it wouldn't apply to a new cabin permit program that starts tomorrow.

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SENATOR MICCICHE pointed to page 1 lines 11-12 that states that a personal use cabin permit is valid only during the lifetime of the original holder of the permit. He said that program is closed, but he hopes a bill like the governor's SB 133 passes so

people can purchase these personal use cabins. Senate Bill 109 passed in 1997 and was designed for that, but it hasn't happened. He repeated that he hopes that happens, but that isn't what SB 219 is about.

SENATOR KIEHL asked what the language in the original permits said that established the term.

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CHRISTY COLLES, Chief of Operations, Division of Mining, Land, and Water, Department of Natural Resources (DNR), Anchorage, Alaska, explained that when the authorizing legislation passed in 1984 or 1985, an individual who applied for a permit could put just their name on the application or their name and anybody else who had an interest in the cabin. Sometimes there were 10 or more names on an application. The permits were issued to the person who was designated as the primary point of contact (POC). That is who the division would contact. Those permits had a six-year term and DNR was able to issue renewals for additional six-year terms as long as the fees were paid and the permit was in good standing. Anyone who was listed on the original application was qualified to continue to renew the cabin site.

SENATOR KIEHL expressed satisfaction with the answer.

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SENATOR STEVENS asked what happens to the cabin when the original applicant reaches age 78.8 years of age. He specifically asked if the state takes the cabin and if it's then available for others to use.

MS. COLLES agreed with Senator Micciche that there were bills in the process like the governor's SB 133 that would allow a person to nominate a site for disposal, but as it stands now the site would return to the state. DNR often asks any remaining individuals to remove the cabin from the site, but if nobody is left and the cabin is dilapidated, fish and game may coordinate with DNR to remove the cabin.

SENATOR VON IMHOF asked why the program was repealed.

MS. COLLES answered that she wasn't sure about the legislative intent for the repeal, but if she were to speculate it might be due to the fact that there could be no new entrants because the program was only open to people who already had a cabin established on the site when the authorizing legislation passed

in the 1980s. The program initially had 558 cabins and now just 126 cabins are left.

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SENATOR MICCICHE offered his perspective that a contributing factor in the repeal may have relied on the legislative intent in HB 109 for a rewrite of the remote cabin permit program. The thought at the time was that cabin permits that had been reauthorized many times would be available for purchase when there was a new program. He said he didn't know why there never was a new program but this administration renewed the effort for one because people were losing cabins that families had used and enjoyed for generations. He cited one example of four generations of a family that had used a cabin they built every Thanksgiving and Christmas for the last 40-50 years. That permit is still maintained in the program.

SENATOR MICCICHE said he'd like to see that expanded to provide opportunities for other Alaskans that have cabins, but that's for another bill. SB 219 is about ensuring that a family gets the full use of their cabin as intended under the authorizing legislation for the PUCP program.

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SENATOR VON IMHOF noted the interest in the program initially and asked why a new bill hadn't been introduced to resurrect the program.

SENATOR MICCICHE answered that a new bill has been introduced and he'd like to get the department's perspective of expanding what he sees as a very popular program.

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SENATOR STEVENS asked whether the cabins attached to setnet fishing sites were on state land.

SENATOR MICCICHE answered yes; typically there is a shoreside lease on state land that is related to the setnet site. He suggested the department comment but he didn't believe that program would go away.

MS. COLLES explained that setnet sites are authorized through a land use permit or lease program that DNR runs for commercial operators. The leases are available for larger commercial structures.

SENATOR STEVENS said he wanted assurance that SB 219 would in no way affect the commercial setnet sites, it was an entirely different program.

MS. COLLES agreed it was a different program. The PUCP program was developed in the 1980s specifically to address trespass cabins. To qualify for that program, the applicant had to have an existing cabin.

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SENATOR KIEHL inquired how the PUCP program is differentiated from the trapping cabin program or shelter cabins.

MS. COLLES answered that there are two statutes on the books for existing trapping cabins prior to the 1984 timeframe. New construction trapping cabin permits currently are authorized for 10 years and the permit holder must show that they are an active trapper with a trapline in the area. Those permits have a different set of fees and the authorizing structure is different than for the PUCP program. Shelter cabins may qualify as a lease if the use is for public and charitable purposes. Those are not considered to be commercial.

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CHAIR REVAK opened invited testimony on SB 219.

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CINDY RAINY-BELL, Representing Self, Soldotna, Alaska, relayed that her husband held the permit on a "duck shack" for a decade before his untimely death at age 60. The family worked together on the application, but their understanding was that only one name could be on the permit. She contacted DNR after he died and was told that since no other name was on the permit, the family would unfortunately lose use of the site. His name was on the permit because he was the youngest of the siblings. If the family had known, they could and would have put the names of other family members on the application.

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At ease.

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CHAIR REVAK reconvened the meeting.

CHAIR REVAK asked Ms. Rainy-Bell to submit her testimony to his office or to sres@akleg.gov.

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CHAIR REVAK opened public testimony on SB 219.

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ED MARTIN JR., Representing Self, Kenai, Alaska, stated that he supports SB 219, but he had reservations. First, he questioned why the bill applies to PUCPs that expired on or after January 1, 2020 when there probably were people who passed away unexpectedly due to COVID-19 in 2019. Second, he questioned the crystal ball prediction of life expectancy when it's unclear what will happen tomorrow. He said he sympathizes with the Bell family as the son of a homesteader. He also reminded the committee that he had repeatedly testified about the importance of passing SB 84 and SB 133. He said those bills should have been heard and passed today because the pioneer spirit of Alaska is wrapped up in the ownership of land whether it is resource extraction or recreation.

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CHAIR REVAK closed public testimony on SB 219.

He agreed that a number of bills about various aspects of cabin use were in this committee, and he urged the public and committee members to contact his office to talk about how to combine elements of those bills to resolve issues associated with cabin uses.

CHAIR REVAK asked the sponsor if he had any closing comments.

SENATOR MICCICHE clarified that January 1, 2020 was not chosen arbitrarily. It was chosen based on the analysis of which of the properties were salvageable.

CHAIR REVAK held SB 219 in committee.

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There being no further business to come before the committee, Chair Revak adjourned the Senate Resources Standing Committee meeting at 4:10 p.m.