

HOUSE BILL NO. 140

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 3/17/25

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Department of Agriculture; relating to the establishment of the
2 Department of Agriculture; transferring functions of the Department of Natural
3 Resources related to agriculture to the Department of Agriculture; and providing for an
4 effective date."

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

6 * **Section 1.** AS 03.05.010 is amended to read:

7 **Sec. 03.05.010. Powers and duties of commissioner of agriculture**
8 **[NATURAL RESOURCES].** (a) The commissioner of **agriculture** [NATURAL
9 RESOURCES] shall

10 (1) direct, administer, and supervise promotional and experimental
11 work, extension services, and agricultural projects for the purpose of promoting and
12 developing commercial and noncommercial agricultural industry in the state,
13 including horticulture, dairying, cattle raising, fur farming, grain production, vegetable
14 production, and agricultural products;

1 (2) procure and preserve all information pertaining to developing the
2 agricultural industry in the state and disseminate that information to the public;

3 (3) assist prospective settlers and others to engage in the agricultural
4 industry in the state by providing information about activities and programs essential
5 to developing the agricultural industry and areas in the state that are suitable for
6 agriculture;

7 (4) review the marketing, financing, transportation, and development
8 of agricultural products in the state, with special emphasis on local production, and
9 negotiate for the marketing of agricultural products of the state with federal and state
10 agencies operating in the state;

11 (5) regulate and control the entry in the state and the transportation,
12 sale, or use in the state of plants, seeds, vegetables, shell eggs, fruits and berries,
13 nursery stock, animal feeds, remedies and mineral supplements, fertilizers, and
14 agricultural chemicals to prevent the spread of pests, diseases, or toxic substances
15 injurious to the public interest and protect the agricultural industry against fraud,
16 deception, and misrepresentation; for purposes of this paragraph, the commissioner
17 may require registration, inspection, and testing and may establish procedures and
18 fees;

19 (6) regulate the farming of elk in a manner similar to the manner in
20 which the commissioner regulates domestic animals and livestock, to the extent that is
21 appropriate;

22 (7) adopt regulations relating to industrial hemp, including regulations
23 that

24 (A) specify approved sources or varieties of hemp seed to be
25 grown, sold, or offered for sale by an individual registered to produce
26 industrial hemp;

27 (B) require testing, paid for by the registrant, for delta-9-
28 tetrahydrocannabinol concentration following harvest of the industrial hemp;

29 (C) provide for general production practices to avoid the
30 unintended distribution of industrial hemp seeds by registrants into
31 nonagricultural land;

1 (D) establish isolation distances for the production of industrial
 2 hemp; in this subparagraph, "isolation distance" means the minimum
 3 separation required between two or more varieties of the plant (genus)
 4 Cannabis for the purpose of keeping the seed pure;

5 (E) permit manufacturing and retail sale of industrial hemp and
 6 products made from industrial hemp;

7 (F) establish a registration and renewal procedure for a
 8 participant in the industrial hemp program developed under AS 03.05.076;

9 (8) submit a list of individuals registered to produce industrial hemp
 10 under AS 03.05.076 and the expiration dates of the registrations to the Marijuana
 11 Control Board and the Department of Public Safety;

12 (9) regulate the labeling of seed that does not comply with the
 13 requirements of AS 03.20.130.

14 (b) To carry out the requirements of this title, the commissioner of
 15 **agriculture** [NATURAL RESOURCES] may issue orders, regulations, quarantines,
 16 and embargoes relating to

17 (1) examination and inspection of premises containing products,
 18 articles, and commodities carrying pests;

19 (2) establishment of quarantines for eradication of pests;

20 (3) establishment of standards and labeling requirements pertaining to
 21 the sale of agricultural and vegetable seeds;

22 (4) tests and analyses that may be made and hearings that may be held
 23 to determine whether the commissioner will issue a stop order or quarantine;

24 (5) cooperation with federal and other state agencies; and

25 (6) industrial hemp.

26 (c) The commissioner of **agriculture** [NATURAL RESOURCES] shall notify
 27 the Marijuana Control Board and the Department of Public Safety when the
 28 commissioner issues a stop order. The commissioner of **agriculture** [NATURAL
 29 RESOURCES]

30 (1) shall issue a stop order to a person

31 (A) not registered under AS 03.05.076 who is found to be

1 producing a plant with delta-9-tetrahydrocannabinol; or

2 (B) registered under AS 03.05.076 who is found to be
3 producing a plant with delta-9-tetrahydrocannabinol over one percent; and

4 (2) may issue a stop order to a person registered under AS 03.05.076
5 who is found to be producing a plant with delta-9-tetrahydrocannabinol between 0.3
6 percent and one percent.

7 (d) The commissioner of **agriculture** [NATURAL RESOURCES] may sell
8 promotional merchandise related to the "Alaska Grown" trademark and may charge or
9 collect a fee for the sale of promotional merchandise related to the "Alaska Grown"
10 trademark. The commissioner may issue a license and charge a license fee for the sale
11 of promotional merchandise related to the "Alaska Grown" trademark. The
12 commissioner shall price merchandise sold by the commissioner under this subsection
13 in a manner that ensures a reasonable monetary return to the state. To the extent
14 practicable, the commissioner shall sell only merchandise produced or manufactured
15 in the United States that, subject to AS 36.30, is procured from either an Alaska bidder
16 or a person that employs prisoners under AS 33.30.191(b).

17 * **Sec. 2.** AS 03.05.027(a) is amended to read:

18 (a) The commissioner of **agriculture** [NATURAL RESOURCES] shall
19 employ or appoint a state coordinator for noxious weed, invasive plant, and
20 agricultural pest management and education.

21 * **Sec. 3.** AS 03.05.040(b) is amended to read:

22 (b) In this section, "commissioner" means commissioner of **agriculture**
23 [NATURAL RESOURCES] with respect to those products over which the
24 commissioner of **agriculture** [NATURAL RESOURCES] has jurisdiction under this
25 title, and the commissioner of environmental conservation with respect to those
26 products over which the commissioner of environmental conservation has jurisdiction
27 under this title.

28 * **Sec. 4.** AS 03.05.050(b) is amended to read:

29 (b) In this section, "commissioner" means commissioner of **agriculture**
30 [NATURAL RESOURCES] with respect to those products over which the
31 commissioner of **agriculture** [NATURAL RESOURCES] has jurisdiction under this

1 title, and the commissioner of environmental conservation with respect to those
2 products over which the commissioner of environmental conservation has jurisdiction
3 under this title.

4 * **Sec. 5.** AS 03.05.075(a) is amended to read:

5 (a) Elk may be raised and bred as domestic stock for commercial purposes,
6 including the sale of meat, by a person who lawfully owns the elk and who holds a
7 current valid elk farming license. The commissioner of **agriculture** [NATURAL
8 RESOURCES] may issue an elk farming license for the farming of elk to a person
9 who applies on a form provided by the commissioner, pays the biennial elk farming
10 license fee, and proves to the satisfaction of the commissioner that the person lawfully
11 owns the elk, intends to raise and breed elk, and possesses facilities for maintaining
12 the elk under positive control. Before issuing or renewing an elk farming license, the
13 commissioner shall conduct a physical inspection of the elk farming facilities and
14 determine that the facilities are in good repair and comply with the fencing standards
15 established under (d) of this section. In this subsection, "lawfully owns" means
16 ownership that was obtained without violating a state or federal law or regulation or a
17 condition of a license or permit issued with respect to elk.

18 * **Sec. 6.** AS 03.05.075(b) is amended to read:

19 (b) The commissioner of **agriculture** [NATURAL RESOURCES] shall
20 provide to the Department of Fish and Game a copy of each application for an elk
21 farming license received by the commissioner and each elk farming license issued by
22 the commissioner.

23 * **Sec. 7.** AS 03.05.075(d) is amended to read:

24 (d) The commissioner of **agriculture** [NATURAL RESOURCES] shall
25 establish fencing standards for elk farming facilities to maintain elk under positive
26 control. Proposed fencing standards shall be submitted to the commissioner of fish and
27 game for review before the standards are adopted or amended.

28 * **Sec. 8.** AS 03.05.075(e) is amended to read:

29 (e) Notwithstanding other provisions of law, a license or permit is not required
30 from the Department of Fish and Game in order to import, export, or possess elk for
31 the purpose of elk farming. Elk imported, exported, or possessed for the purpose of elk

1 farming are subject to the provisions of this title and regulations adopted under this
 2 title by the commissioner of agriculture [NATURAL RESOURCES] or the
 3 commissioner of environmental conservation for domestic animals and livestock, to
 4 the extent they are made applicable to elk by the commissioners.

5 * **Sec. 9.** AS 03.05.090(a) is amended to read:

6 (a) A person who violates a provision of this chapter or a regulation, order, or
 7 quarantine made under authority of this chapter, or violates a provision of a permit
 8 issued under this chapter, or sells seeds failing to meet the labeling requirements,
 9 standards, and tests provided for by regulation of the commissioner of agriculture
 10 [NATURAL RESOURCES] or the commissioner of environmental conservation is
 11 guilty of a class A misdemeanor for each offense.

12 * **Sec. 10.** AS 03.09.020(a) is amended to read:

13 (a) The commissioner of [DIRECTOR OF THE DIVISION OF THE
 14 DEPARTMENT WITH RESPONSIBILITY FOR] agriculture or the commissioner's
 15 designee shall serve as the director of the Board of Agriculture and Conservation. The
 16 director may employ staff and, as directed by the board, is responsible for the daily
 17 operations of the agricultural revolving loan fund (AS 03.10.040).

18 * **Sec. 11.** AS 03.20.140 is amended to read:

19 **Sec. 03.20.140. Online publication of noncommercial giving or exchanging**
 20 **of seed.** A person involved in noncommercial giving or exchanging of seed under
 21 AS 03.20.110 and 03.20.120 may register online with the department under
 22 AS 44.38.020(b) [AS 44.37.030(b)] and submit to the department information,
 23 including the person's name, telephone number, and electronic mail address, and the
 24 location where the person gives or exchanges seed, for publication on the department's
 25 Internet website.

26 * **Sec. 12.** AS 03.20.200(a) is amended to read:

27 (a) The [DIVISION OF THE] department [WITH RESPONSIBILITY FOR
 28 AGRICULTURE] shall establish a forgivable loan program in regulation, under which
 29 a recipient's loan may be forgiven by the department if the recipient implements a
 30 business plan approved by the department to develop or make improvements to the
 31 recipient's farm as described in (d) of this section. A loan may be used by a recipient

1 to fund investments in agriculture to build resiliency in the state's food supply. The
2 forgivable loan program must allow a loan to be forgiven if the recipient implements
3 the approved business plan and demonstrates a subsequent increase in food production
4 and distribution.

5 * **Sec. 13.** AS 03.22.010 is amended to read:

6 **Sec. 03.22.010. Establishment of plant materials center.** The Department of
7 Agriculture [NATURAL RESOURCES], in cooperation with the college or
8 department of the University of Alaska responsible for the Agricultural and Forestry
9 Experiment Station, shall establish and maintain a plant materials center.

10 * **Sec. 14.** AS 03.22.040 is amended to read:

11 **Sec. 03.22.040. Personnel.** The department shall ensure that competent
12 professional, secretarial, and subprofessional personnel necessary to carry on the work
13 of the center are employed. The administrator of the plant materials center is a joint
14 appointment between the Department of Agriculture [NATURAL RESOURCES] and
15 the college or department of the University of Alaska responsible for the Agricultural
16 and Forestry Experiment Station.

17 * **Sec. 15.** AS 03.47.020 is amended to read:

18 **Sec. 03.47.020. Importation of bees.** All bees imported into the state shall be
19 accompanied by a health certificate that states that the bees come from an apiary
20 apparently free of bee diseases and that is signed by an apiary inspector determined to
21 be qualified by the department [DIVISION].

22 * **Sec. 16.** AS 03.47.030(a) is amended to read:

23 (a) The department [DIVISION] shall investigate reported cases of diseased
24 bees and cases of diseased bees discovered by the department [DIVISION].

25 * **Sec. 17.** AS 03.47.030(b) is amended to read:

26 (b) The department [DIVISION] shall take action necessary to prevent the
27 spread of bee diseases. Bees or used beekeeping equipment found to contain the
28 causative organisms of American foulbrood (*Bacillus larvae*) or European foulbrood
29 (*Streptococcus pluton*) shall be immediately quarantined and treated within five days
30 by

31 (1) chamber fumigation using ethylene oxide or other gases approved

1 by the **department** [DIVISION];

2 (2) sterilization by boiling in lyewater for at least 15 minutes; or

3 (3) destruction of bees, bee combs, and frames by burning followed by
4 burying 18 inches deep.

5 * **Sec. 18.** AS 03.47.030(d) is amended to read:

6 (d) A quarantine imposed under this section may not be removed until infected
7 bees and used beekeeping equipment are destroyed or the **department** [DIVISION]
8 determines through testing that the used beekeeping equipment is free of the disease.

9 * **Sec. 19.** AS 03.47.030(e) is amended to read:

10 (e) The **department** [DIVISION] shall adopt regulations necessary to carry
11 out the purposes of this chapter.

12 * **Sec. 20.** AS 03.90.010 is amended to read:

13 **Sec. 03.90.010. Definitions.** In this title, unless otherwise indicated,

14 (1) "commissioner" means the commissioner of **agriculture**
15 [NATURAL RESOURCES];

16 (2) "department" means the Department of **Agriculture** [NATURAL
17 RESOURCES].

18 * **Sec. 21.** AS 09.45.235(a) is amended to read:

19 (a) An agricultural facility or an agricultural operation at an agricultural
20 facility is not and does not become a private nuisance as a result of a changed
21 condition that exists in the area of the agricultural facility if the agricultural facility
22 was not a nuisance at the time the agricultural facility began agricultural operations.
23 For purposes of this subsection, the time an agricultural facility began agricultural
24 operations refers to the date on which any type of agricultural operation began on that
25 site regardless of any subsequent expansion of the agricultural facility or adoption of
26 new technology. An agricultural facility or an agricultural operation at an agricultural
27 facility is not a private nuisance if the governing body of the local soil and water
28 conservation district advises the commissioner **of agriculture** in writing that the
29 facility or operation is consistent with a soil conservation plan developed and
30 implemented in cooperation with the district.

31 * **Sec. 22.** AS 14.40.450 is amended to read:

1 **Sec. 14.40.450. Governor authorized to make certificates to obtain federal**
 2 **grants of money.** The governor is authorized to make all certificates required by law
 3 or the regulations of the **United States** Department of Agriculture or of the **United**
 4 **States** Department of the Interior necessary to be made to entitle the state to grants of
 5 money for the benefits of state colleges of agriculture and mechanic arts authorized
 6 under any Act of Congress.

7 * **Sec. 23.** AS 16.20.310(c) is amended to read:

8 (c) The commissioner shall develop and amend the game management plan to
 9 coordinate, as closely as possible, the game management plan with the activities of the
 10 Department of **Agriculture** [NATURAL RESOURCES] relating to the Big Delta
 11 agricultural development project.

12 * **Sec. 24.** AS 27.19.030(b) is amended to read:

13 (b) In reviewing a reclamation plan for state, federal, or municipal land under
 14 (a) of this section, the commissioner may consider, after consultation with the
 15 commissioners of environmental conservation, **agriculture**, and fish and game and
 16 with the concurrence of the miner and landowner, uses to which the land may be put
 17 after mining has been completed, including trails, lakes, recreation sites, fish and
 18 wildlife enhancement, commercial, and agriculture uses.

19 * **Sec. 25.** AS 37.05.146(c)(78) is amended to read:

20 (78) fees collected by the Department of **Agriculture** [NATURAL
 21 RESOURCES] under AS 03.05.010(d);

22 * **Sec. 26.** AS 38.04.020(g) is amended to read:

23 (g) After July 1 of each year, the commissioner shall direct the expenditure of
 24 money appropriated for the disposal of land in response to requests made under (e)
 25 and (f) of this section for the following:

26 (1) land designated as suitable for homestead disposal shall be
 27 classified and surveyed under this chapter and AS 38.05 and made available for
 28 staking and lease under AS 38.09;

29 (2) land designated as suitable for subdivision and homesite disposal
 30 shall be surveyed, subdivided, classified, and disposed of under this chapter,
 31 AS 38.05, and AS 38.08;

1 (3) land designated commercial, industrial, or suitable for other
2 disposal shall be sold under AS 38.05.055 or 38.05.057;

3 (4) land designated agricultural shall be disposed of under
4 AS 38.05.055 - 38.05.065, except the commissioner of agriculture [BOARD OF
5 AGRICULTURE AND CONSERVATION (AS 03.09.010)] shall receive notice of
6 each proposed disposal and be given an opportunity to comment before the final
7 disposal decision is made.

8 * **Sec. 27.** AS 38.04.030 is amended to read:

9 **Sec. 38.04.030. Land availability programs.** Programs that may be used by
10 the director to make the state's land surface available for private use under
11 AS 38.04.020 - 38.04.055 include sale of whole or partial rights to the fee simple
12 estate, including conveyance of agricultural use rights; leasing; open-to-entry;
13 homesiting; homesteading; permitting for construction and occupation of cabins in
14 isolated locations on land retained in state ownership; and other methods as provided
15 by law. However, agricultural use rights may be conveyed only after consulting with
16 the commissioner of agriculture [BOARD OF AGRICULTURE AND
17 CONSERVATION].

18 * **Sec. 28.** AS 38.05.020(b) is amended to read:

19 (b) The commissioner may

20 (1) establish reasonable procedures and adopt reasonable regulations
21 necessary to carry out this chapter and, whenever necessary, issue directives or orders
22 to the director to carry out specific functions and duties; regulations adopted by the
23 commissioner shall be adopted under AS 44.62 (Administrative Procedure Act);
24 orders by the commissioner classifying land, issued after January 3, 1959, are not
25 required to be adopted under AS 44.62 (Administrative Procedure Act);

26 (2) enter into agreements considered necessary to carry out the
27 purposes of this chapter, including agreements with federal and state agencies;

28 (3) review any order or action of the director;

29 (4) exercise the powers and do the acts necessary to carry out the
30 provisions and objectives of this chapter;

31 (5) notwithstanding the provisions of any other section of this chapter,

1 grant an extension of the time within which payments due on any exploration license,
 2 lease, or sale of state land, minerals, or materials may be made, including payment of
 3 rental and royalties, on a finding that compliance with the requirements is or was
 4 prevented by reason of war, riots, or acts of God;

5 (6) classify tracts for agricultural uses;

6 (7) after consulting with the **commissioner of agriculture** [BOARD
 7 OF AGRICULTURE AND CONSERVATION (AS 03.09.010)], waive, postpone, or
 8 otherwise modify the development requirements of a contract for the sale of
 9 agricultural land if

10 (A) the land is inaccessible by road; or

11 (B) transportation, marketing, and development costs render
 12 the required development uneconomic;

13 (8) reconvey or relinquish land or an interest in land to the federal
 14 government if

15 (A) the land is described in an amended application for an
 16 allotment under 43 U.S.C. 1617; and

17 (B) the reconveyance or relinquishment is

18 (i) for the purposes provided in 43 U.S.C. 1617; and

19 (ii) in the best interests of the state;

20 (9) lead and coordinate all matters relating to the state's review and
 21 authorization of resource development projects;

22 (10) enter into commercial agreements with a duration of not more
 23 than two years for project services related to a North Slope natural gas project;

24 (11) in consultation with the commissioner of revenue, participate in
 25 the negotiation of agreements that include balancing, marketing, disposition of natural
 26 gas, and offtake and contracts and development of terms for inclusion in those
 27 proposed agreements and contracts associated with a North Slope natural gas project;
 28 an agreement or contract negotiated under this paragraph to which the state is a party
 29 is not effective unless the legislature authorizes the governor to execute the agreement
 30 or contract;

31 (12) enter into confidentiality agreements to maintain the

1 confidentiality of information related to contract negotiations and contract
 2 implementation associated with a North Slope natural gas project; information under
 3 those confidentiality agreements is not subject to AS 40.25.100 - 40.25.295 (Alaska
 4 Public Records Act), except that

5 (A) the terms of a proposed contract that the commissioner
 6 presents to the legislature for the purpose of obtaining authorization for the
 7 governor to execute are not confidential and must be made available to the
 8 public at least 90 days before the proposed effective date for the terms; and

9 (B) the commissioner may share confidential information
 10 obtained under this paragraph with members of the legislature, their agents,
 11 and contractors on request under confidentiality agreements, either in
 12 committees held in executive session or individually;

13 (13) consult with the Alaska Gasline Development Corporation in the
 14 development of agreements or contracts under (10) or (11) of this subsection for
 15 project services related to a gas treatment plant, pipeline, liquefaction facility, marine
 16 terminal, or marine transportation services necessary to transport natural gas to
 17 market;

18 (14) in consultation with the commissioner of revenue, take custody of
 19 gas delivered to the state under AS 43.55.014(b) and manage the project services and
 20 disposition and sale of that gas;

21 (15) exercise the powers and do the acts necessary to carry out the
 22 provisions and objectives of AS 43.90 that relate to this chapter.

23 * **Sec. 29.** AS 38.05.035(b) is amended to read:

24 (b) The director may

25 (1) delegate the administrative duties, functions, or powers imposed
 26 upon the director to a responsible employee in the division;

27 (2) grant preference rights for the lease or purchase of state land
 28 without competitive bid in order to correct errors or omissions of a state or federal
 29 administrative agency when inequitable detriment would otherwise result to a diligent
 30 claimant or applicant due to situations over which the claimant or applicant had no
 31 control; the exercise of this discretionary power operates only to divest the state of its

1 title to or interests in land and may be exercised only

2 (A) with the express approval of the commissioner; and

3 (B) if the application for the preference right is filed with the
4 director within three years from

5 (i) the occurrence of the error or omission;

6 (ii) the date of acquisition by the state of the land; or

7 (iii) the date of a court decision or settlement nullifying
8 a disposal of state land;

9 (3) grant a preference right to a claimant who shows bona fide
10 improvement of state land or of federal land subsequently acquired by the state and
11 who has in good faith sought to obtain title to the land but who, through error or
12 omission of others occurring within the three years before (A) the application for the
13 preference right, (B) the date of acquisition by the state of the land, or (C) the date of a
14 court decision or settlement nullifying a disposal of state land, has been denied title to
15 it; upon a showing satisfactory to the commissioner, the claimant may lease or
16 purchase the land at the price set on the date of original entry on the land or, if a price
17 was not set at that time at a price determined by the director to fairly represent the
18 value of unimproved land at the time the claim was established, but in no event less
19 than the cost of administration including survey; the error or omission of a predecessor
20 in interest or an agent, administrator, or executor that has clearly prejudiced the
21 claimant may be the basis for granting a preference right;

22 (4) sell land by lottery for less than the appraised value when, in the
23 judgment of the director, past scarcity of land suitable for private ownership in any
24 particular area has resulted in unrealistic land values;

25 (5) when the director determines it is in the best interest of the state
26 and will avoid injustice to a person or the heirs or devisees of a person, dispose of
27 land, by direct negotiation to that person who presently uses and who used and made
28 improvements to that land before January 3, 1959, or to the heirs or devisees of the
29 person; the amount paid for the land shall be its fair market value on the date that the
30 person first entered the land, as determined by the director; a parcel of land disposed
31 of under this paragraph shall be of a size consistent with the person's prior use, but

1 may not exceed five acres;

2 (6) after consulting with the **commissioner of agriculture** [BOARD
3 OF AGRICULTURE AND CONSERVATION (AS 03.09.010)], dispose of an interest
4 in land limited to use for agricultural purposes by lottery;

5 (7) convey to an adjoining landowner for its fair market value a
6 remnant of land that the director considers unmanageable or a parcel of land created
7 by a highway right-of-way alignment or realignment, or a parcel created by the
8 vacation of a state-owned right-of-way if

9 (A) the director determines that it is in the best interests of the
10 state;

11 (B) the parcel

12 (i) does not exceed the minimum lot size under an
13 applicable zoning code; or

14 (ii) is smaller than 20 acres and is completely enclosed
15 by property owned by the adjacent landowner; and

16 (C) the director and the platting authority having land use
17 planning jurisdiction agree that conveyance of the parcel to the adjoining
18 landowner will result in boundaries that are convenient for the use of the land
19 by the landowner and compatible with municipal land use plans;

20 (8) for good cause extend for up to 90 days the time for rental or
21 installment payments by a lessee or purchaser of state land under this chapter if
22 reasonable penalties and interest set by the director are paid;

23 (9) quitclaim land or an interest in land to the federal government on a
24 determination that the land or the interest in land was wrongfully or erroneously
25 conveyed by the federal government to the state;

26 (10) negotiate the sale or lease of state land at fair market value to a
27 person who acquired by contract, purchase, or lease rights to improvements on the
28 land from another state agency or who leased the land from another state agency.

29 * **Sec. 30.** AS 38.05.057(c) is amended to read:

30 (c) The commissioner, after consulting with the **commissioner of agriculture**
31 [BOARD OF AGRICULTURE AND CONSERVATION (AS 03.09.010)], may adopt

1 regulations under AS 44.62 (Administrative Procedure Act) [THE
2 ADMINISTRATIVE PROCEDURE ACT (AS 44.62)] that specify qualifications for
3 lottery participants different from those specified in (b) of this section if

4 (1) an interest in land limited to agricultural purposes is to be sold
5 under (a) of this section;

6 (2) the sale is a part of a program to develop agricultural land as a
7 renewable resource of the state; and

8 (3) the regulations include residency, skill, experience, and financial
9 requirements necessary to qualify persons who are competent and financially able to
10 develop the land as a successful agricultural enterprise.

11 * **Sec. 31.** AS 38.05.059 is amended to read:

12 **Sec. 38.05.059. Sale of agricultural land.** The commissioner, after consulting
13 with the commissioner of agriculture [BOARD OF AGRICULTURE AND
14 CONSERVATION (AS 03.09.010)], may provide for the sale of land classified under
15 AS 38.05.020(b)(6) for agricultural uses in parcels or tracts described by aliquot parts.
16 The parcels or tracts are subject to state subdivision requirements and municipal
17 ordinances. Money from a sale of agricultural land shall be separately accounted for
18 and may be appropriated to the agricultural revolving loan fund (AS 03.10.040).

19 * **Sec. 32.** AS 38.05.065(h) is amended to read:

20 (h) The commissioner, after consulting with the commissioner of agriculture
21 [BOARD OF AGRICULTURE AND CONSERVATION (AS 03.09.010)],

22 (1) shall provide that, notwithstanding (a) and (b) of this section, in a
23 contract for the sale of land classified under AS 38.05.020(b)(6) for agricultural uses,
24 the interest rate to be charged on installment payments may not exceed 9.5 percent;
25 and

26 (2) may declare a moratorium of up to five years on payments on land
27 sold under this section for land classified under AS 38.05.020(b)(6) for agricultural
28 uses if

29 (A) the commissioner determines that the moratorium is in the
30 best interest of the state;

31 (B) the commissioner certifies and the contract purchaser

1 agrees to perform farm development, crop production, and harvesting, not
 2 including land clearing or related activity, requiring the expenditure of
 3 amounts equivalent to the payments that would otherwise be made during the
 4 moratorium;

5 (C) the sale of the agricultural land takes place after July 1,
 6 1979; and

7 (D) the contract purchaser is in compliance with the
 8 development plan specified in the purchase contract at the time the purchaser
 9 applies for a moratorium under this paragraph and remains in compliance with
 10 the development plan during the moratorium; for the payments subject to the
 11 moratorium declared under this paragraph, interest payments are subject to the
 12 moratorium but interest continues to accrue during the moratorium.

13 * **Sec. 33.** AS 38.05.069(a) is amended to read:

14 (a) After consulting with the **commissioner of agriculture** [BOARD OF
 15 AGRICULTURE AND CONSERVATION (AS 03.09.010)], on a determination that
 16 the highest and best use of unoccupied land is for agricultural purposes and that it is in
 17 the best interests of the state to sell or lease the land, the commissioner shall grant to
 18 an Alaska resident owning and using or leasing and using land for agricultural
 19 purposes a first option to purchase or lease the unoccupied land situated adjacent to
 20 land presently held by the Alaska resident for the amount of the high bid received at
 21 public auction or by sealed bid. If more than one Alaska resident qualifies for a first
 22 option under this section, eligibility for the first option shall be determined by lot, and
 23 the option must be exercised on the conclusion of the public auction or opening of
 24 sealed bids. A parcel of agricultural land sold under this section may not be less than
 25 20 acres, and a parcel of agricultural land that is acquired by exercise of the option
 26 granted in this subsection may not exceed 320 acres. Agricultural land that is acquired
 27 under this section must be used for agricultural purposes as required by law.

28 * **Sec. 34.** AS 38.07.030(a) is amended to read:

29 (a) An owner of agricultural land, or a lessee from the state of agricultural
 30 land, in the general vicinity of the land to be cleared or drained under AS 38.07.010(a)
 31 may apply to the commissioner to have the land cleared or drained or both along with

1 the state land. The applicant's land shall be included in the contract of land to be
 2 cleared or drained if, in the discretion of the commissioner, the inclusion is feasible
 3 and furthers the agricultural policies of the state [DIVISION OF THE
 4 DEPARTMENT OF NATURAL RESOURCES WITH RESPONSIBILITY FOR
 5 AGRICULTURE].

6 * **Sec. 35.** AS 38.09.010(a) is amended to read:

7 (a) The commissioner shall designate and make available for homestead entry
 8 state land, including, after consulting with the commissioner of agriculture [BOARD
 9 OF AGRICULTURE AND CONSERVATION (AS 03.09.010)], land classified for
 10 agricultural use. State land made available for homestead entry under this chapter shall
 11 be distributed throughout the state.

12 * **Sec. 36.** AS 41.10.040 is amended to read:

13 **Sec. 41.10.040. Soil and Water [NATURAL RESOURCE] Conservation**
 14 **and Development Board.** The Alaska Soil and Water [NATURAL RESOURCE]
 15 Conservation and Development Board is composed of five members. The
 16 commissioner [OR, IN THE ABSENCE OF THE COMMISSIONER, THE
 17 DIRECTOR] of agriculture [,] serves ex officio but without a vote on the board.

18 * **Sec. 37.** AS 41.10.045 is amended to read:

19 **Sec. 41.10.045. Executive director.** The commissioner of agriculture shall
 20 appoint an executive director and clerical staff to assist the board.

21 * **Sec. 38.** AS 41.10.100 is amended to read:

22 **Sec. 41.10.100. Duties of board.** (a) At the request of the commissioner of
 23 agriculture, the board shall meet and advise the commissioner of agriculture in the
 24 exercise of the powers, duties, and functions of the commissioner of agriculture.

25 (b) The board shall also

26 (1) receive and review reports concerning the use of soil resources of
 27 the state;

28 (2) hold public hearings and meetings to determine whether land in the
 29 state is being used in a manner consistent with sound soil and water conservation
 30 practices;

31 (3) make recommendations to the commissioner of agriculture and

1 **the commissioner of natural resources, as appropriate,** for specific action
 2 necessary to provide for the effective and orderly development of agricultural, forest,
 3 and grazing land in the state;

4 (4) review an appeal by an applicant or lessee from a decision of the
 5 director of the division of lands concerning a sale or lease of state agricultural or
 6 grazing land and submit its recommendations to the commissioner **of natural**
 7 **resources** or hearing officer;

8 (5) act in an advisory capacity to the soil and water conservation
 9 districts in the state;

10 (6) act in an advisory capacity to the commissioner [AND DIRECTOR
 11 OF THE DIVISION] of [THE DEPARTMENT WITH RESPONSIBILITY FOR]
 12 agriculture in the review of farm conservation plans for all state agricultural land sales
 13 in the state.

14 * **Sec. 39.** AS 41.10.110 is amended to read:

15 **Sec. 41.10.110. Powers of commissioner.** The commissioner **of agriculture**
 16 has the power to

17 (1) conduct land capability surveys and investigations of potential
 18 agricultural areas and of soil conservation and erosion control, including necessary
 19 preventative and control measures, in the state; to publish the results of these surveys
 20 and investigations and to disseminate information concerning the results of the surveys
 21 and investigations to prospective settlers and the general public;

22 (2) make technical guidance and other assistance available to settlers
 23 of new land to **ensure** [ASSURE] the development of the land in a manner that will
 24 permit it to be used in accordance with its capabilities and treated in accordance with
 25 its needs;

26 (3) carry out measures for soil conservation and erosion control within
 27 the state, including engineering operations, methods of cultivation, the growing of
 28 vegetation, and changes in use of land, with the consent and cooperation of the land
 29 user or agency having jurisdiction of the land;

30 (4) cooperate with, furnish assistance to, and enter into agreements
 31 with [,] a user of land or agency within the state;

1 (5) construct, improve, and maintain soil erosion control and
 2 conservation structures as are necessary and practical for carrying out the purposes of
 3 this chapter;

4 (6) develop comprehensive plans for the conservation of soil and
 5 control of soil erosion within the state, cropping programs, tillage practices and
 6 changes in land use, and publish plans and information and bring them to the attention
 7 of users of land within the state;

8 (7) accept contributions in money, services, materials, or equipment
 9 from the United States or its agencies, from an agency of the state, and from any other
 10 source [,] for use in carrying out the purposes of this chapter.

11 * **Sec. 40.** AS 41.10.120 is amended to read:

12 **Sec. 41.10.120. Approval of land user.** A survey, investigation, or plan for
 13 land may not be undertaken by the commissioner **of agriculture** and measures for soil
 14 conservation and erosion control may not be carried out without the prior approval of
 15 the user of the land.

16 * **Sec. 41.** AS 41.10.130(a) is amended to read:

17 (a) The commissioner **of agriculture** may, on the recommendation of the
 18 board, create soil and water conservation districts in the state upon petition signed by
 19 25 or more land users setting out the proposed boundaries of the proposed district. The
 20 commissioner **of agriculture** shall fix a time for and give notice of a public hearing
 21 based on the petition at a convenient location or locations within the boundaries of the
 22 proposed district. The commissioner **of agriculture** may fix the boundaries of the
 23 district created, supervise the election of, prescribe the duties of, and install a
 24 governing body of five land users to be known as district supervisors for each district
 25 created, and delegate to the district supervisors powers as the commissioner **of**
 26 **agriculture** considers necessary to accomplish the purposes of this chapter within the
 27 district boundaries.

28 * **Sec. 42.** AS 41.10.140(1) is amended to read:

29 (1) "board" means the Alaska **Soil and Water** [NATURAL
 30 RESOURCE] Conservation and Development Board;

31 * **Sec. 43.** AS 44.17.005 is amended to read:

1 **Sec. 44.17.005. Offices and departments.** There are in the state government
2 the following principal offices and departments:

- 3 (1) Office of the Governor;
4 (2) Department of Administration;
5 (3) Department of Law;
6 (4) Department of Revenue;
7 (5) Department of Education and Early Development;
8 (6) Department of Health;
9 (7) Department of Labor and Workforce Development;
10 (8) Department of Commerce, Community, and Economic
11 Development;
12 (9) Department of Military and Veterans' Affairs;
13 (10) Department of Natural Resources;
14 (11) Department of Fish and Game;
15 (12) Department of Public Safety;
16 (13) Department of Transportation and Public Facilities;
17 (14) Department of Environmental Conservation;
18 (15) Department of Corrections;
19 (16) Department of Family and Community Services;
20 **(17) Department of Agriculture.**

21 * **Sec. 44.** AS 44.37.020(a) is amended to read:

22 (a) The Department of Natural Resources shall administer the state program
23 for the conservation and development of natural resources, including forests, parks,
24 and recreational areas, land, water, [AGRICULTURE, SOIL CONSERVATION,] and
25 minerals including petroleum and natural gas, but excluding commercial fisheries,
26 sport fish, game, and fur-bearing animals in their natural state.

27 * **Sec. 45.** AS 44 is amended by adding a new chapter to read:

28 **Chapter 38. Department of Agriculture.**

29 **Sec. 44.38.010. Commissioner of agriculture.** The principal executive officer
30 of the Department of Agriculture is the commissioner of agriculture.

31 **Sec. 44.38.020. Duties of the department.** (a) The Department of Agriculture

1 shall administer state programs for agriculture, soil conservation, and the conservation
2 and development of state agricultural land. The department shall

3 (1) obtain and publish information electronically and in print on
4 subjects connected with agriculture, including community seed libraries established
5 under AS 03.20.120;

6 (2) control and regulate the entry and transportation of seeds, plants,
7 and other horticultural products;

8 (3) control and eradicate the spread of pests injurious to plants, trees,
9 vegetables, livestock, and poultry;

10 (4) aid in developing used and unused agricultural resources; and

11 (5) experiment and determine practical methods of growing,
12 processing, soil analysis, eradication of obnoxious weeds, control of insects, and
13 cheaper and more satisfactory methods of land clearing.

14 (b) The Department of Agriculture may

15 (1) advise persons who establish or operate a community seed library
16 under AS 03.20.120; and

17 (2) post on the department's Internet website and annually update the
18 following:

19 (A) information about noncommercial giving or exchanging of
20 seed, including information about community seed libraries established under
21 AS 03.20.120, community seed library locations, community seed library
22 facilitators, and best practices for noncommercial giving or exchanging of
23 seed;

24 (B) an online registration form for a person involved in
25 noncommercial giving or exchanging of seed to submit to the department for
26 publication, without a fee, information under AS 03.20.140;

27 (C) information provided for publication under (B) of this
28 paragraph.

29 **Sec. 44.38.030. Regulations.** The commissioner of agriculture may adopt
30 regulations to carry out or assist in carrying out the powers and duties of the
31 Department of Agriculture.

1 * **Sec. 46.** AS 44.62.330(a)(31) is amended to read:

2 (31) Department of Agriculture [NATURAL RESOURCES]
3 concerning the Alaska grain reserve program under former AS 03.12;

4 * **Sec. 47.** AS 03.09.020(b); AS 03.47.040(2); and AS 44.37.030 are repealed.

5 * **Sec. 48.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

7 TRANSITION. (a) Employees of the Department of Natural Resources whose duties
8 have been transferred by this Act to the Department of Agriculture shall be transferred to the
9 Department of Agriculture on the effective date of this Act.

10 (b) Members of any board or commission transferred by this Act whose terms have
11 not expired by the effective date of this Act may continue to serve the remainder of their
12 terms.

13 (c) Litigation, hearings, investigations, and other proceedings pending under a law
14 repealed or amended by this Act, or in connection with a function transferred by this Act,
15 continue in effect and may be completed notwithstanding a transfer, repeal, or amendment
16 provided for in this Act.

17 (d) Contracts, rights, liabilities, and obligations created by or under a law repealed or
18 affected by this Act, and in effect on the effective date of this Act, remain in effect
19 notwithstanding this Act's taking effect.

20 (e) Certificates, licenses, orders, and regulations in effect on the effective date of this
21 Act that were issued or adopted under the authority of a law amended or repealed by this Act,
22 or in connection with a function transferred by this Act, remain in effect for the term issued
23 and shall be enforced by the agency to which the function is transferred under this Act until
24 revoked, vacated, or amended by the agency to which the function is transferred.

25 (f) Records, equipment, appropriations, and other property of an agency of the state
26 whose functions are transferred under this Act shall be transferred to implement the
27 provisions of this Act.

28 * **Sec. 49.** This Act takes effect July 1, 2025.