

Introduced: 4/25/79
Referred: State Affairs and
Commerce

1 IN THE SENATE

BY FAHRENKAMP AND BENNETT

2 SENATE BILL NO. 278

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act repealing time limitations on applications
7 under the Alaska Industrial Incentive Act; amending the
8 Alaska Industrial Incentive Act; amending Section
9 38.05.300; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. The legislature finds that Alaska possesses an abundant
12 resource in timber, minerals, and agricultural land, and despite the abund-
13 ance of these resources, the timber, mineral, and agricultural industries in
14 the state have not been developed to their fullest potential. The purpose of
15 this Act is to provide incentives for the greater utilization and development
16 of the state's valuable timber, mineral, and agricultural resources.

17 * Sec. 2. AS 43.25.150(a)(3) is repealed and re-enacted to read:

18 (3) "designated articles" means the following articles or
19 businesses:

- 20 (A) lumber,
21 (B) plywood,
22 (C) chemical grade pulp,
23 (D) newsprint,
24 (E) cants and other processed wood products,
25 (F) mineral ores which have been processed or refined;
26 (G) extraction of sand, gravel, rock, and peat;
27 (H) agricultural product processing facilities, in-
28 cluding grain elevators,
29 (I) products of slaughtering operations, including the

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products of packinghouses that use the products of slaughtering operations as raw material;

* Sec. 3. AS 43.25.150(a)(4) is repealed and re-enacted to read:

(4) "eligible business" means an industrial unit established after July 1, 1979 and having as its object the production or extraction on a commercial scale in the state of a designated article and which, in the judgment of the department, is established in good faith and with a permanent character, and produces or will produce on a sustained basis, within a reasonable time, a substantial amount of a designated article;

* Sec. 4. AS 38.05.300 is amended by adding new subsections to read:

(b) The director shall classify as mineral land all state land with known or suspected mineral deposits of commercial value. Classification of mineral land shall be based on exploration data or other scientific data. State land subject to a mineral lease shall be classified as mineral land in the absence of other evidence. The director shall give priority to classifying that land which he believes has the greatest economic potential. Classifications made by the director are subject to approval, modification or rejection by the commissioner.

(c) The director shall classify as commercial forest land all state land capable in its natural condition of producing timber at the rate of 20 cubic feet of usable wood per acre annually on a sustained-yield basis over a period of not more than 150 years. Classification of commercial forest land shall be based on growth, site index and forest inventory data. The director shall give priority to classifying that land which he believes has the greatest economic potential. Classifications made by the director are subject to approval, modification or rejection by the commissioner.

(d) Nothing in this section requires the director or commissioner to classify state land as mineral land or commercial forest land if the

1 land is suitable for a higher use as determined by the commissioner
2 through detailed land use planning.

3 (e) The commissioner shall submit an annual report to the legis-
4 lature on the classification of mineral and commercial forest land. The
5 report shall be submitted not later than the 10th day of each regular
6 legislative session.

7 * Sec. 5. The following laws are repealed: AS 43.25.010(f), 43.25.110,
8 and 43.25.150(a)(1), (6), and (12).

9 * Sec. 6. This Act takes effect July 1, 1980.
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