

SB

418

MAR 21 1980

*From
Doris Hutchens 726*

In 1979, the Alaska Legislature adopted SB 164 which authorized the Division of Lands to grant easements without charge to nonprofit electric and telephone corporations for rights of way for transmission and distribution lines. This easement procedure has worked well since its enactment.

Late last year the Division of Lands published a proposed revision of the portion of the Alaska Administrative Code dealing with their operations. Chapter 65 of these proposed regulations has the purpose of consolidating a number of special purpose easements and permits into a general category of land use permits. One of the specific easements which would be repealed by this action is 11-AAC-58.200 which provides for easements for utility rights of way. There are many provisions in the proposed Chapter 65, such as a ten year maximum term, which would make the new land use permits completely inappropriate for use in utility rights of way.

Mr. Ted Smith, Director of the Division of Lands, has predicted that these new regulations would become effective in the third quarter of 1980. In the public hearing in Anchorage on these proposals, Mr. Smith stated that it is his intent that in the future all utility rights of way will be granted through the lease procedure rather than through

the easement or permit procedure. SB 164 dealt only with easements, not leases. The proposed administrative action by the Division of Lands will have the effect of reversing the clear expression of legislative policy adopted unanimously by both Houses of this legislature less than one year ago.

This is an intolerable assumption of legislative authority which must not be allowed to stand. Either the Division of Lands should maintain the easement process for utility rights of way, or the Legislature should reconfirm its policy position. Senate Bill 418 has been prepared as a legislative remedy for this problem if that course is necessary.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 418
 Title Relating to electric or telephone cooperative associations
 Requested by Senator Sumner Date 4/15/80

II. FISCAL DETAIL
 Agency Affected Department of Natural Resources
 Program Category Affected NRMFC
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
 The cost administration is negligible. Some revenue loss to the State would occur, but it is impossible to calculate as we do not know in advance the value of negotiated leases or how many cooperatives would apply for negotiated leases.

IV. DATE 4/15/80 PREPARED BY *[Signature]*
 AGENCY Natural Resources
 PHONE 465-2400
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

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Synopsis-- Senate Bill 418 by Kerttula

An Act relating to electric or telephone cooperative associations; and providing for an effective date.

This bill amends the Public Lands statutes by the addition of a new paragraph which states: The Commissioner of DNR shall lease state land for telephone or electric lines at less than appraised value if the lessee is a non-profit organization. Annual rental will be determined after the type of public service of the organization and the terms of the original acquisition of the land by the state are considered.

*Gordon Parker Telephone Assoc.
Contact Lee Hutchins -*

THU

Spoke w/ Joe
Guthrie in Legal
Services -

Said we need to
add on to bill -
statement which
cites the specific
changes and annuls
them.

Hen



Official Business

Alaska State Legislature

Senate

Committee on Resources

April 16, 1980

Pouch V
State Capitol
Juneau, Alaska 99811

TO: Senate Resource Committee Members
FROM: Jens Zehbe, Staff Member
REGARDING: Senate Bill 418

This bill amends the Public Lands statutes by the addition of a new paragraph which states: The Commissioner of the Department of Natural Resources shall lease state land for telephone or electric lines at less than appraised value if the lessee is a non-profit organization. Annual rental will be determined after the type of public service of the organization and the terms of the original acquisition of the land by the state are considered.

Senate Bill 418 is a response to the new Division of Lands regulations which take effect in the third quarter of this year. The regulations will consolidate a number of special purpose easements and permits into a general category of land use permits thereby repealing certain easements having to do with utility rights of way. Senate Bill 418 re-instates those easements having to do with non-profit organizations.

MAR 21 1980

from Dave Hutchens

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