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# COMMITTEE REPORT

## HOUSE

(9)

FURTHER: FINANCE

4/17/85

Date: April 21, 1986

The Committee on RESOURCES has had HB 386

"An Act relating to cabins on state land; and providing for an effective date."

under consideration and recommends:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 386 (Resources)  same title  new title
- recommends do pass
- AND attaches a "Letter of Intent"  ~~NEW~~ Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

### MEMBERS SIGNING DO PASS

Shultz

Dink Shultz

Cato

Bette Cato

Jenkins

Roger Jenkins

Thompson

David W. Thompson

Miller(NP)

M.W. Miller

### MEMBERS HAVING OTHER RECOMMENDATIONS:

John Sund  
Herrmann

Dink Shultz  
Co-CHAIRMAN SHULTZ

Version #2  
Bradley  
4/17/86 ✓

Original sponsors: Ringstad and Marrou

1 IN THE HOUSE BY THE RESOURCES COMMITTEE  
 2 CS FOR HOUSE BILL NO. 386 (Resources)  
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 4 FOURTEENTH LEGISLATURE - SECOND SESSION  
 5 A BILL

6 For an Act entitled: "An Act relating to cabins on state land; and provid-  
 7 ing for an effective date."

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

9 \* Section 1. ~~On the application before June 1, 1988~~ of a person who  
 10 ~~owns~~ a cabin on state land on the effective date of this Act, the commis-  
 11 sioner of natural resources shall sell not to exceed one acre of state land  
 12 occupied by the cabin if the cabin had been erected on the land before  
 13 ~~January 1, 1968~~ and if the land was open to entry under applicable state or  
 14 Federal law at the time the cabin was erected, unless the commissioner  
 15 makes a written best interest finding that a land or resource management  
 16 conflict exists. The state land shall be sold for the ~~fair market value~~ of  
 17 the land ~~as determined by the commissioner.~~ ~~The applicant shall pay costs~~  
 18 ~~of appraisal, public notice, and surveying the land.~~ If the cabin is  
 19 located on a waterfront, the commissioner shall reserve an easement not to  
 20 exceed ~~50 feet~~ wide above the mean high water line. ~~The commissioner may~~  
 21 ~~establish reasonable restrictions on use of the cabin or on future trans-~~  
 22 ~~fers of the land sold under this section.~~

23 \* Sec. 2. ~~This Act is repealed June 1, 1988.~~

24 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
 25 10.070(c).  
 26  
 27  
 28  
 29

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 4/19/86

**REQUEST**

386  
 Bill/Resolution No. : CSHB 386 (Res)  
 Title : Cabins on State Land  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Sponsor : Ringstad  
 Requestor : House Resources  
 Date of Request : 4/17/86

**FISCAL DETAIL**

Agency Affected : Natural Resources  
 BRU : Land and Water  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		43.2	43.2	43.2		
TRAVEL		5.0	6.0	6.0		
CONTRACTUAL		12.0	12.0	12.0		
SUPPLIES		3.0	3.0	3.0		
EQUIPMENT		4.0	2.0	2.0		
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>67.2</b>	<b>66.2</b>	<b>66.2</b>		

CAPITAL						
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REVENUE			100.0	100.0	100.0	100.0
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		67.2	66.2	66.2		
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>67.2</b>	<b>66.2</b>	<b>66.2</b>		

**POSITIONS :**

FULL-TIME		1.0	1.0	1.0		
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

The Committee Substitute reduces the costs of implementing the cabin sale program by setting a deadline for applications, placing some costs on the applicant, reducing the number of cabins which suit the bill, and not requiring the sale of a cabin where land or resource management conflicts exist. One new Resource Technician would be necessary through FY 89.

Prepared by : \_\_\_\_\_ Phone : 465-2400  
 Division : Commissioner's Office Date : 4/19/86

Approved by Commissioner : Ned Fargher Date : 4/19/86  
 Agency : Natural Resources

**Distribution (by Agency preparing fiscal note) :**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: HB 386  
Title: Cabins on State Land

**FISCAL DETAIL**

Agency Affected: Natural Resources  
Program Category Affected: NRMEC

Sponsor: Ringstad  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

BRU, Program or Subprogram(s) Affected:  
Land and Water Management; Information and  
Records

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES		87.5	380.5	438.5	438.5	438.5
200 TRAVEL		3.0	40.0	40.0	40.0	40.0
300 CONTRACTUAL		6.0	50.0	50.0	50.0	50.0
400 SUPPLIES		2.0	6.0	6.0	6.0	6.0
500 EQUIPMENT		4.0	12.0	12.0	12.0	12.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		102.5	488.5	546.5	546.5	546.5

<b>CAPITAL</b>						
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<b>REVENUE</b>				300.0	300.0	300.0
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND		102.5	488.5	546.5	546.5	546.5
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		102.5	488.5	546.5	546.5	546.5

**POSITIONS:**

FULL-TIME		2	9	10	10	10
PART-TIME			1	2	2	2
TEMPORARY						

**ANALYSIS:** Attach a separate page if necessary

See attached explanation for yearly program goals. Within seven to ten years operating costs would be reduced to about one-third. Estimate based on 2,000 cabins.

Because this would amount to a major new land disposal program, it will require full administrative support in regional offices and contract administration. Annual costs will include adjudication/survey and appraisal review/planning, etc.

Prepared By: DTS/DLWM/Commissioner's Office Phone: 465-2400  
Division: \_\_\_\_\_ Date: 4/25/85

Approved by Commissioner: Ned Fargher Date: 4/25/85  
Agency: Natural Resources

**Distribution (by Agency preparing fiscal note):**

- Legislative Finance
- Legislative Sponsor
- Requestor
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7/1/84

FISCAL NOTE ANALYSIS  
HB 386  
DEPARTMENT OF NATURAL RESOURCES

With the passage of HB 386, the Department of Natural Resources would encounter a large number and variety of administrative responsibilities that could not be met under existing budgets. These responsibilities would include the implementation of regulations for the cabin program, title and records review, survey instructions and review, public notice/denials/findings, appraisal instructions and review, issuance of title, and contract administration and enforcement where the purchaser chooses to purchase the land over a period of twenty years.

Because the Department estimates that there are 2,000 cabins on state land, and it would be impossible to accomplish the proposed conveyance in a short term, the fiscal impact is estimated for a five- to ten-year cabin land sale program. Most of the administrative handling of cabin purchase applications would be done in the three regional offices: Anchorage, Fairbanks, and Juneau. Both the Division of Land and Water Management and the Division of Technical Services would be closely involved.

YEAR ONE -

1. Prepare regulations for program. How determine the one-acre parcel? How accommodate owners who are within game refuges or state parks? Convey submerged lands title for waterside cabins? Reserve easements/rights-of-way across adjacent public lands and through the parcel? How determine 1980 appraised value and provide for appeals? Who pays survey/appraisal costs? What are conditions for contracts of sale (AS 38.05.065)? May an owner purchase more than one cabin? How prove ownership and use before 1980? What if more than one owner applies to purchase a cabin? Is program open forever at same appraisal amount? What opportunities are there for public notice/comment on proposed conveyances? May the state conduct its own land disposals, timber sales, leases, R/W conveyances if there is an unauthorized cabin nearby or within the area and an application has been filed? Can commissioner decide that less than an acre will be conveyed? May the commissioner prevent subdivision (for other cabins, trailer lots, etc.) within refuges and parks? How prepare survey/appraisal instructions?
2. Announce program to public and begin preparation for applications. Provide application forms, information sheets, procedural directions to all regional staff.

YEAR TWO -

1. Accept applications. Answer public inquiries.
2. Begin adjudicating applications. Determine which are on state lands, notify applicants who are not on state lands. Review proof of cabin construction prior to 1980.

3. Begin public notice, review of cabin conveyances consistent with AS 38.05.945 and AS 38.05.035(e) and constitutional provisions for equal protection and use/management of the public domain.
5. Begin to field check cabins, surveys, appraisals.
6. Begin planning/platting easements and rights-of-way for public needs.

YEAR THREE -

1. Continue 1-6 above.
2. Close application opportunities in some areas, open in others to distribute regional impact of applications on administrative staff.
3. Begin to issue accurate title/quitclaim deed to some applicants who meet conditions.
4. Issue contracts of sale and prepare twenty-year payment schedule and conditions for successful applicants wishing to pay over time.
5. Note title changes, applications on land title records (must record applications immediately on receipt for awareness during other land disposal/management planning).
6. Begin to accept new title documents in recorder's Offices.

YEARS FOUR TO TEN -

1. Continue with the program, aiming to complete within four to seven years.

LINE ITEM EXPLANATIONS - HB 386

FY 86

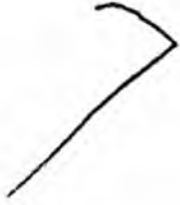
- 100 - Two positions, 87.5
1. Natural Resource Manager I (47.5)  
Supervise start-up of program, including regulations and public information
  2. Natural Resource Technician I (40.0)  
Assist in program start-up, begin policy/procedures directives for regional staff, coordinate with survey/title/records staff to assure timely notation of applications on status plats and conveyance of accurate title, coordinate with contract administration staff to begin handling sales contracts
- 200 - 3.0  
Travel to regions
- 300 - 6.0  
Special legal research for regulations
- 400 - 2.0  
Supplies and commodities for new staff
- 500 - 4.0  
Office equipment for new staff (chair, desk, typewriter, file)

FY 87

- 100 - Seven new positions, 293.5 + 87.5 from FY 86
- 1,2,3. Natural Resource Technician in each regional office (127.5)  
Begin adjudication/review of applications, provide local response to inquiries, conduct public notice, negotiate difficulties with applicant and adjacent landowners or citizens; begin review of appeals on appraisals, adjudication
  - 4,5,6. Survey/Title Staff in central/regional offices (127.5)  
Begin survey check (some field work required), conduct full title check, note applications and conveyances on state land records.
  7. Accounting Technician and part-time clerical (38.0)  
Begin issuing contracts of sale for successful applicants
- 200 - 40.0  
Travel to field check cabins/appraisals/surveys, review area resources for possible conflicts
- 300 - 50.0  
Advertising, hearings, legal assistance for adjudicating applications and administering appeals; preparation and issuance of some title documents
- 400 - 6.0  
Supplies and commodities for new staff
- 500 - 12.0  
Office equipment for seven new staff

FY 88-94/5

Continue all costs but add one Accounting Technician and some part-time clerical staff for future contract administration.



## Personal Use Cabins

- ① SCRO : 144 applications received for St. Game Refuges - expect to begin issuing permits in June. SCRO will open rest of region to applications in Sept./Oct.
- ② NRO : applic. period just closed. approx 75 applications received expect to begin issuing permits by June.
- ③ SERO : applic. period open until May 31. 2 applic. received so far. SERO anticipates receiving  $\pm 20$  applic.

Lance Key estimated  $\pm 2500$  trespass cabins statewide on state & federal land in ALUC Trespass Report.

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: SB 269  
Title: Cabins on State Land

Sponsor: Bennett  
Requestor: Senate Finance  
Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Natural Resources  
Program Category Affected: NRMEC

BRU, Program or Subprogram(s) Affected:  
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FY 88-94/5

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SB 269

Galen -  
DNR comments +  
fiscal note on  
cabins -  
AF

April 25, 1985

The Honorable Arliss Sturgulewski  
Chair, Senate Resources Committee  
Pouch V  
Juneau, AK 99811

Dear Senator Sturgulewski:

I am writing to provide comments on SB 269 (cabins on state land).

The department has attempted to address the issue of unauthorized cabins on state land by enacting regulations that allow the issuance of a temporary, non-transferable permit to a cabin holder. The permit may be renewed through the lifetime of the permittee but the improvements must be removed or revert to state ownership at the permit's expiration.

In adopting this approach to the management of unauthorized cabins on state land, I considered adopting an approach that is represented by Senator Bennett's proposal. I saw a considerable challenge to the coherent management of state lands and resources and recognized the concerns of many Alaskans who own cabins on public lands. The problem deserved attention and action.

In the course of my review of the situation, however, I discerned that it could be a violation of the constitutional and statutory conditions for equal protection and public process to convey public land or cabins on public land to persons who built them without authorization. I also saw a fairness problem: would it be equitable to other Alaskans (some of whom might have attempted to gain authorization to build but were denied) to make a retroactive determination that unauthorized cabins would suddenly be given legal recognition? I also noted that providing an assured right to purchase the cabin or land in some cases would be in conflict with the State's best interest, because the land is needed for other purposes from settlement to timber harvest to habitat protection.


April 25, 1985

I understand the intent of the bill and I am all too aware of the frustration that some cabinholders feel, but I believe that the department has already taken steps to address the issue in a way that also protects the public purpose.

If the Committee needs a briefing on our cabin permitting programs, our preference rights programs for persons holding valid state or federal permits or leases, or our land disposal programs, I would be pleased to offer any staff assistance you may request.

Sincerely,

Esther C. Wunnicke  
Commissioner



cc: Senator Don Bennett  
Representative John Ringstad