

S B

H I

STATE OF ALASKA
THE LEGISLATURE

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JUNEAU, ALASKA 99811
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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House Resources 1-30-87
 2-18-87
 5-6-87

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

May 5, 1987

The Honorable Sam Cotten
The Honorable Adelheid Herrmann
Co-Chairs, House Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Representatives Cotten and Herrmann:

Subject: CSSB 41, which provides for the sale of state land underlying cabins used and occupied before 1981 and continuing in use.

Response: Because it would grant a preference right not justified by unique or extenuating circumstances to unauthorized users of state land the department does not support this bill.

Analysis: Although the department is generally required to make land available by providing Alaskans the same opportunity to obtain land openly and competitively, fifteen statutes provide for preference rights to persons or groups, giving them priority or exclusive rights to purchase or lease lands. These special preference rights are based on the historical difficulties faces by Alaskans to acquire interests in land and are due in great part to the confused nature of land ownership patterns in Alaska. Of those preference rights, the ones that may be similar in purpose to CSSB 41 are:

AS 38.05.035(b)(2): allows a diligent applicant, who failed to obtain title because of state or federal error or omission and who has suffered an "inequitable detriment" to purchase or lease land without competitive bid.

AS 38.05.035(b)(3): allows an applicant who has made improvements and good faith efforts to obtain title to purchase a land without competition if the efforts to obtain title were prejudiced by another party.

AS 38.05.035(b)(5): allows an applicant (or his heirs) who made improvements to land before 1959 and who would suffer an injustice otherwise to purchase up to five acres of land without competitive bid.

Representative Cotten
Representative Herrmann

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May 5, 1987

AS 38.05.035(f): allows an applicant legally using federal lands for business purposes for five or more years before state selection to purchase or use lands without competitive bid.

AS 38.05.068: allows a U.S. Forest Service permittee to obtain title to land once the land is transferred to the state before such land could be offered to others.

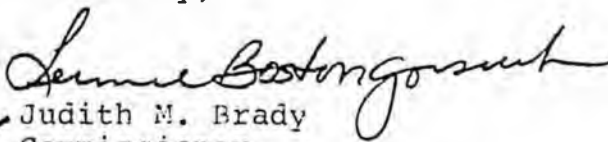
Unlike the preference rights described above, CSSB 41 would not require that the applicant be an innocent victim of actions of others, or be a pre-statehood authorized user who would suffer injustice, or be a permittee whose legal use rights were jeopardized by a change in the ownership of the land. CSSB 41 would simply allow the commissioner to sell land to persons who had used and invested in cabins before 1981 and since.

One other preference right opportunity exists in departmental regulations. Owing to the existence of a very large number of unauthorized cabins on the state's land, regulations were adopted to allow their users to obtain lifetime permits as long as they were not located in state parks. About 300 such permits have been issued. Even though the unauthorized users are rewarded, in a sense, the state can assume ownership of their cabins in the future and renewal of permits is based on consistency with public purpose findings.

If CSSB 41 were enacted, persons holding such personal use cabin permits would be among the likely applicants. In addition, persons who have built in state parks and refuges who are ineligible for such permits would be likely applicants for fee ownership.

Recommendations: In the event the Legislature desires to enact a bill similar to CSSB 41, we recommend that criteria be added so that whatever discretion is afforded the commissioner it may be measured against tests of injustices suffered. In addition, we recommend that the department be given discretion as to the width of easements to be reserved along waterways and that purchasers be required to pay the costs of appraisal as well as survey.

Sincerely,


for Judith M. Brady
Commissioner

cc: Committee Members
Bill Sponsors
Rod Swope
George Sullivan

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version: CSSB 41 (Resources)

REQUEST: _____

Publish Date: _____

Revision Date: 2/23/87

Agency Affected: Natural Resources

Title: Cabins on State Land

BRU: Land and Water Management

Sponsor: Senator Bennett

Components: _____

Requestor: House Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		232.0*	232.0*	232.0*	232.0*	
TRAVEL		40.0	40.0	40.0	40.0	
CONTRACTUAL		85.0**	85.0**	85.0**	85.0**	
SUPPLIES		6.0	6.0	6.0	6.0	
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		363.0	363.0	363.0	363.0	

CAPITAL						
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REVENUE		125.0	125.0	125.0	125.0	
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FUNDING: (Thousands of Dollars)

GENERAL FUND		363.0	363.0	363.0	363.0	
FEDERAL FUNDS						
OTHER						
TOTAL		363.0	363.0	363.0	363.0	

POSITIONS:

FULL-TIME		4*	4*	4*	4*	
PART-TIME		2*	2*	2*	2*	
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

*If proposed amendments are adopted these figures could be cut in half.
**If proposed amendments are adopted these figures may be reduced by \$35.0.

Prepared by: Tom Hawkins

Phone: 465-2400

Division: Land and Water Management

Date: 2/23/87

Approved by Commissioner: *Samuel Goswami*

Date: 4/5/87

Agency: Natural Resources

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS S3 41

With the passage of S3 41, the Department of Natural Resources would encounter a large number of applications which could not be processed using existing personnel. If the bill is not amended to incorporate a relatively short anniversary date, it is really impossible to determine when the impact to the state will actually occur, or whether anyone will be available to do the work when it is required. Without the anniversary date it would have to be assumed, for example, that all 2,000 applications would be submitted and have to be advertised separately. This could cost the state \$140,000 in advertising alone unless this cost is passed on to the applicant.

Five positions at a range 16 would be needed to process the applications statewide (two in Southcentral, two in Northern and one in the Southeast Regions). If the proposed amendments to make notice and appraisal costs the responsibility of the applicant is approved and a relatively short anniversary date is incorporated in the legislation the number of necessary positions required could be cut in half, and the contractual services money reduced by \$140,000.

Because the estimates range as high as 2,000 eligible cabins, the program would have to continue for a number of years. This fiscal note projects that number to four. The number of applications processed the first year of the program would necessarily be low due to the organization of and preparation for processing. Regulations may also be necessary to define historical use and occupancy and what qualifies as an investment. Also, it is necessary to delineate what happens to the cabin should the application be denied.

Line Item Explanation

- 100- Five positions, range 16 (NRO II), 232.0*
- 200- Travel to field check cabins/appraisals/surveys, review area resources for possible conflicts, 40.0
- 300- Advertising, hearings, legal assistance for adjudicating applications and administrative appeals, preparation and issuance of some title documents, 190.0**
- 400- Supplies and commodities for staff, 6.0

*This annual figure may be cut in half if the proposed amendment to make notice and appraisal costs the responsibility of the applicant is approved.

**This figure may be reduced by \$140,000 (\$35,000 per year) if the same amendment is passed.

The addition to the bill of a relatively short anniversary date to submit applications will decrease its impact on the state.



Alaska State Legislature

Senate

Office of the Secretary

OFFICIAL BUSINESS

PO BOX V
CAPITOL BUILDING
JUNEAU, ALASKA 99811

SENATE LETTER OF INTENT
ON
CS FOR SENATE BILL NO. 41(Fin)

It is the intent of the legislature that the Department of Natural Resources use best efforts to get the associated costs of surveying of the five-acre cabin sites within reasonable levels. It is further the intent of the legislature that this may include using the metes and bounds surveying process when the cost of a cadastral survey is prohibitive.

ADOPTED BY THE SENATE April 3, 1987.

116-145

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: CSSB 41 (Fin)

Publish Date: 3-24-87

Revision Date: _____

Title: Cabins on state land

Agency Affected: Dept. of Natural

BRU: Resources

Land and water management

Sponsor: Senator Bennett

Components: Land Conveyances

Requestor: Senate Finance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: 

Phone: 465-3714

Division: Senator Don Bennett, Co-chairman
Senate Finance Committee

Date: March 18, 1987

Approved by Commissioner: _____

Date: _____

Agency: _____

Distribution (by preparer):

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

SB 41

Tanana Chiefs Conference. Inc.

201 First Ave.
Fairbanks. Alaska 99701
(907) 452-8251

May 5, 1987

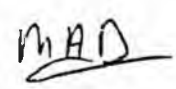
Representative Sam Cotten
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Rep. Cotten:

The Tanana Chiefs Conference, Inc. is concerned about CSSB 41 (FIN) by Senator Don Bennett, which would allow trespassers to purchase State land under their cabins. Enclosed is the latest copy of our monthly newspaper which has an article concerning this on page 2, upper left corner. We would appreciate your reading it. Rather than rely on the Governor to veto such a bill, we would like to see the bill not get that far.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.



Mitch Demientieff
President