

SB

76

SENATE RESOURCES COMMITTEE

February 1987

SENATE BILL 76

I am the President of the Seldovia Native Association. The Seldovia Native Association is an ANCSA Village Corporation which owns land within the boundaries of the Kachemak Bay State Park boundaries.

The Seldovia Native Association and the State Department of Natural Resources have been negotiating for a land exchange for these lands since 1975.

Although some progress has been made through the years, both parties find it is now impossible to conclude this land exchange to our mutual satisfaction.

Unfortunately, the agreement to exchange land did not have a deadline or date of termination.

I feel it is in the best interests of both the State and the Seldovia Native Association, that the obligations of this exchange agreement not continue indefinitely.

Senate Bill 76 sets June 30, 1988 as the last day of this agreement. The Seldovia Native Association urges passage of Senate Bill 76.

Fred H. Elvsaas, President
Seldovia Native Association, Inc.

Alaska State Legislature

Senate Resources Committee



Sen. John B. (Jack) Coghull, Chairman
Sen. Paul Fischer, Vice-Chairman
Sen. Lloyd Jones
Sen. Artiss Stungulewski
Sen. Jim Duncan
Sen. Fred Zhatoff
Sen. Dick Eliason

Box V
Juneau, Alaska 99811
(907) 465-1907

February 11, 1987

MEMORANDUM

To: Senate Resource Committee Members

From: Committee Staff

Re: SB 76, Relating to an exchange of land with the Seldovia Native Assn.

SB 76, sponsored by Senator Fischer, sets a time limit on the ability of the Department of Natural Resources to continue land exchange negotiations with the Seldovia Native Association.

Land exchange negotiations have been ongoing since 1979, resulting in two small land trades.

If the parties are unable to reach an agreement on the lands for exchange by July 1, 1988, the Native association retains its lands within Kachemak State Park.

The committee will hear from Fred Elvsaaas, president of the Seldovia Native Association on the impacts of the negotiations.

Included in your packets are: a memorandum from Sen. Fischer; DNR's position paper and fiscal note.

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
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Soldotna, Alaska 99669
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262-9269 H



While in Juneau
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Juneau, Alaska 99811
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State Senate

To: Senator Jack Coghill, Chairman Senate Resources
From: Senator Paul Fischer
Subject: SB 76, Seldovia Native Association Land Exchange
Date: February 4, 1987

In May of 1979, the Seldovia Native Association (SNA) and the Department of Natural Resources entered into an agreement to exchange SNA land within the Kachemak Bay State Park for mutually agreed upon State property outside the park. The memorandum of understanding that laid out this agreement explicitly stated the "...exchange shall be made on the basis of equal value." The agreement also stated that both parties would "...diligently pursue and complete as quickly as practicable, such exchange..."

It is now almost eight years later and after many offers and counter offers, it has become obvious that no agreement is going to be reached unless there is a deadline put upon the original agreement. SB 76 would establish a deadline of July 1, 1988. If no agreement is reached by this time, the deal is off. SNA will do what they may with their privately owned lands within Kachemak Bay State Park.

SNA has negotiated in good faith and is very anxious to complete this land trade. It is obvious that they can not proceed with any long term resource management plan until they know what resources they will be managing.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

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

February 10, 1987

The Honorable Jack Coghill
Chairman
Senate Resources Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Coghill:

Subject: Senate Bill 76, which would require the Department of Natural Resources to complete exchange negotiations with the Seldovia Native Association (SNA) for SNA inholdings within Kachemak Bay State Park by July 1, 1988.

Response: The Department of Natural Resources cannot support this bill because its passage could result in a breach of contract suit against the state; further, it could prevent the state from filing suit against SNA, if it were determined to be warranted.

Background: In 1979 the Department of Natural Resources signed a Memorandum of Understanding with SNA, Cook Inlet Region Inc. (CIRI), and the Kenai Peninsula Borough to negotiate a land exchange agreement that would restore land within the Kachemak Bay State Park to state ownership.

In the past six years only two small land trades have been completed and the state has acquired 4,538 acres from SNA. Negotiations for the remaining park lands have been stalled because of a dispute over the appraised value of SNA lands.

The state has in good faith pursued an exchange agreement with SNA. If it is determined that SNA has breached its agreement the state may file suit. Enactment of SB 76 would likely terminate the state's ability to sue SNA and expose the state to a possible suit from SNA.

Senator Coghill

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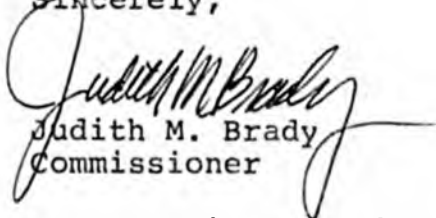
February 10, 1987

Enactment of this bill could also have implications for state exchange agreements with the Cook Inlet Reg on.

It is evident that there is a great deal of frustration on both sides due to the lack of progress. I intend to personally review the status of this exchange.

Please let me know if I may provide additional information about this matter.

Sincerely,



Judith M. Brady
Commissioner

cc: Committee Members
Governor's Legislative Liaison

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

REQUEST: _____

Bill Version : SB 76

Publish Date : _____

Revision Date: February 9, 1987

Agency Affected: Natural Resources

Title: Seldovia Land Exchange

BRU: Land & Water Management

Sponsor: Senator Fischer

Components : _____

Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		95.3				
TRAVEL		4.0				
CONTRACTUAL		25.0				
SUPPLIES		1.0				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		125.3				

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		125.3				
FEDERAL FUNDS						
OTHER						
TOTAL		125.3				

POSITIONS:

FULL-TIME		2				
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached explanation.

Prepared by : Tom Hawkins

Phone : 465-2400

Division : Land and Water Management

Date : 2/9/87

Approved by Commissioner: 

Date : 2-10-87

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

SB 76

If SB 76 is enacted as written, a major effort would be needed by the department to identify state lands suitable for exchange with Seldovia Native Association and to guide these lands through the administrative process.

Funding would include a Natural Resource Manager (NRM) II, a Natural Resource Officer (NRO) I, a large appraisal contract (20.0) and related travel funds. The two full-time employees would be occupied solely with this exchange for one fiscal year.

Line Item Explanation:

- 100- Two positions, 95.3
 - 1) NRM I (range 20) to supervise, negotiate, conduct hearings
 - 2) NRO I (range 14) to provide technical support, agency contact, title work.
- 200- Travel for negotiations and hearings, 4.0
- 300- Appraisals, miscellaneous support, 25.0
- 400- Supplies and commodities for staff, 1.0