

SB

56

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FILE

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSSB 56 (RES)

Revision Date: 3/8/95 Dept. Affected: Fish and Game
 Title: Rights in Tide/Submerged Land BRU: Habitat and Restoration
 Component: Habitat
 Sponsor: Senator Leman
 Requester: Senate Resources COMPONENT SERIAL NO. 488

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	31.2	31.2	31.2	31.2	31.2	31.2
TRAVEL	1.8	1.8	1.8	1.8	1.8	1.8
CONTRACTUAL	1.0	1.0	1.0	1.0	1.0	1.0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	34.3	34.3	34.3	34.3	34.3	34.3

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.3	34.3	34.3	34.3	34.3	34.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	34.3	34.3	34.3	34.3	34.3	34.3

Estimate of any current year (FY95) cost: 0.0

POSITIONS

FULL-TIME						
PART-TIME	0.5	0.5	0.5	0.5	0.5	0.5
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See attached page.

Prepared by: Ellen Fritts *Ellen Fritts* Phone: 485-4105
 Division: Habitat and Restoration Date: 3/8/95
 Approved by Commissioner: *Wend Burton for Frank Re* Date: 3/9/95
 Agency: _____

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CSSB 56 (RES)

Fiscal note analysis

Page 2

Analysis:

Habitats on tidelands and submerged lands support nearly all of Alaska's fishery resources at various life stages, and many wildlife resources, including waterfowl and marine mammals. Tidelands and submerged lands are the focus of fish and wildlife harvest activities that are of enormous economic value to the state.

It is the Department of Fish and Game's responsibility to advise the Department of Natural Resources on land use decisions affecting fish and wildlife and public use of these resources. The Department of Fish and Game's comments to the Department of Natural Resources identify any management issues concerning the protection of sensitive fish and wildlife habitats, and public uses of fish and wildlife, that may be affected by a municipal conveyance.

To fulfill the department's responsibilities in the land conveyance process proposed by this legislation, the Division of Habitat and Restoration will need funding equivalent for half of a full-time habitat biologist position. This additional funding will be used to bring an existing part-time habitat biologist to a full-time status to review applications for municipal submerged land and tideland conveyances from an unknown, but potentially large number of municipalities.

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB56 (CRA)

1995 LEGISLATIVE SESSION

Revision Date: 8-Mar-95 Dept Affected: Natural Resources
 Title: An Act relating to rights in certain BRU: Resource Development
tides and submerged land Component: Land Development
 Sponsor: Senator Leman
 Requestor: _____ Component Serial No. 431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ None

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

In addition to the general grant land entitlement under AS 29.65, qualified municipalities which were incorporated prior to 1964 have been conveyed tide and submerged land (22,848 acres). This legislation would authorize the department to convey improved tidelands or land required for the accomplishment of a public or private development to all home rule, first and second class municipalities. Currently, the department can only issue leases that create a financial burden to the municipality and a liability to the state. This legislation will reduce the amount of lease monitoring and compliance activities currently required of the department on these existing leases, however the department anticipates no reduction in expenses due to the continuing effort to process and monitor other current and additional leases.

A zero fiscal note on expenditures is submitted assuming that staff that would normally be processing leases to municipalities will be issuing conveyances instead.

The reduction of \$100.0 in general fund program receipts is a rough estimate of the amount of annual lease revenue that will be lost with the implementation of this legislation.

See attached proposed amendments.

Prepared by: Ron Swanson, Director Phone: 762-2692
 Division: Land Date: 8-Mar-95
 Approved by Commissioner: _____ Date: 8-7-95
 Agency: Natural Resources

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FISCAL NOTE ATTACHMENT - PAGE 2 - SB56
Amendments Proposed

While we support the bill in concept, the changes suggested below would better protect the public interest.

The first change is the addition of the following to Section 1(a):

Unless the commissioner finds that the public interest in retaining state ownership of the land clearly outweighs the municipality's interest in obtaining the land, the commissioner shall convey to a municipality tide or submerged land requested by the municipality that is occupied or suitable for occupation and development if the...

This addition (which is already contained in HB20) will give the commissioner discretion to reject municipal selections in areas outside of legislatively designated areas which section (b) of this bill allows. This will rarely be needed and only when the greater public interest is at stake.

As example, the City of Valdez selected the entire Anderson Bay proposed Trans-Alaska Gas Pipeline terminal facility. Three years ago, for a variety of reasons, the department rejected the selections as not being in the greater public interest. Under SB56, we would not have this discretion.

The second change would be the deletions of the phrase "or sale" from page 2, line 18. Tidelands, shorelands, and submerged lands are all managed under the Public Trust Doctrine. This is a living doctrine that has evolved and continues to evolve over time. Other states and the courts have long found that the sale of these lands, while not necessarily violating the public trust doctrine at the time of sale, may by its use violate the doctrine at a later date.

In a recent survey conducted by the State of Washington, all 22 western states currently prohibit the sale or exchange of tide, shore, or submerged land. They have all found that short or long term leases (up to 55 years) provide the protection needed and allow the stipulations to be changed at periodic intervals.

As a side note, I find it somewhat ironic, except for rare circumstances, that the department cannot convey tide, shore, or submerged lands to private individuals. This proposed legislation, however, would allow local municipalities that ability without any side boards or restrictions.

FISCAL NOTE

No. 4
 Bill Version: (SSB 56 RES)
 (S) Publish Date: 3-9-95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Fish and Game
 Title: An Act relating to certain tide and BRU: Habitat and Restoration
submerged land Component: Habitat
 Sponsor: Senator Leman
 Requester: CRA, RES COMPONENT SERIAL NO. 486

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	31.2	31.2	31.2	31.2	31.2	31.2
TRAVEL	1.6	1.6	1.6	1.6	1.6	1.6
CONTRACTUAL	1.0	1.0	1.0	1.0	1.0	1.0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	34.3	34.3	34.3	34.3	34.3	34.3
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.3	35.7	37.3	38.9	40.6	42.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	34.3	35.7	37.3	38.9	40.6	42.4

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME	0.5	0.5	0.5	0.5	0.5	0.5
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Department of Fish and Game will require approximately one-half full time equivalent for a Habitat Biologist to review municipal tideland and submerged land selections and advise the Department of Natural Resources on the effects of conveyance to fish and wildlife resources, public uses of fish and wildlife, and potentially for legislatively designated state game refuges, critical habitat areas, and game sanctuaries. Additionally, as municipal conveyances are made, existing state land use plans and Special Area Management plans will need to be revised to reflect the changes in land management. This will require approximately one-half full time equivalent of Habitat Biologist participation.

Prepared by: Ellen Fritts, Acting Director
 Division: Habitat and Restoration
 Approved by Commissioner: [Signature]
 Agency: Department of Fish and Game

Phone: 465-4105
 Date: 2/21/95
 Date: 2.25.95

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 Legislative Office

FISCAL NOTE

No. 3

Bill Version: SB 56

BIL (S) Publish Date: 2-21-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: Original Dept Affected: Natural Resources
 Title: An Act relating to rights in certain BRU: Resource Development
titles and submerged land Component: Information Resource Management
 Sponsor: Senator Leman
 Requestor: _____ Component Serial No. 427

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	6.0					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	6.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0

CHANGE IN REVENUES (1005) _____

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	6.0					
1005 GF/Program Receipts						
1006 GFMHTIA						
Other						
TOTAL	6.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ None

POSITIONS

FULL-TIME	0	0	0	0
PART-TIME	0	0	0	0
TEMPORARY	0	0	0	0

(4-new)
1-4 apply to
CS

ANALYSIS: (Attach a separate page if necessary)

This bill will require the development of a new Land Administration System (LAS) casetype for municipalities. The actual notation of these conveyances to the status plats is considered reabsorbed by the component. The incremental work to develop a new casetype is estimated to be a one-time cost of \$6.0 in personal services.

Prepared by: Nico Bus, Acting Director Phone: 465-2406
 Division: Support Services Date: 6-Feb-95
 Approved by Commissioner: [Signature] Date: 2/6/95
 Agency: Natural Resources

FISCAL NOTE

No. 2
 Bill Version: SB 56
 (S) Publish Date: 2-21-95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL

Revision Date: Original Dept Affected: Natural Resources
 Title: An Act relating to rights in certain BRU: Resource Development
tides and submerged land Component: Land Development
 Sponsor: Senator Leman
 Requestor: _____ Component Serial No. 431

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005)	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ None

POSITIONS						
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

In addition to the general grant land entitlement under AS 29.65, qualified municipalities which were incorporated prior to 1964 have been conveyed tide and submerged land. This legislation would authorize the department to convey improved toelands or land required for the accomplishment of a public or private development to all home rule, first and second class municipalities. Currently, the department can only issue leases that create a financial burden to the municipality and a liability to the state. This legislation will reduce the amount of lease monitoring and compliance activities currently required of the department on these existing leases, however the department anticipates no reduction in expenses due to the continuing effort to process and monitor other current and additional leases.

The reduction of \$50.0 in general fund program receipts is a rough estimate of the amount of annual lease revenue that will be lost with the implementation of this legislation.

See attached proposed amendments.

Prepared by: Ron Swanson, Director Phone: 762-2692
 Division: Land Date: 2-Feb-95
 Approved by Commissioner: [Signature] Date: 2-5-95
 Agency: Natural Resources

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FISCAL NOTE ATTACHMENT - PAGE 2 - SB56
Amendments Proposed

While we support the bill in concept, the changes suggested below would better protect the public interest.

The first change is the addition of the following to Section 1(a):

Unless the commissioner finds that the public interest in retaining state ownership of the land clearly outweighs the municipality's interest in obtaining the land, the commissioner shall convey to a municipality tide or submerged land requested by the municipality that is occupied or suitable for occupation and development if the...

This addition (which is already contained in HB20) will give the commissioner discretion to reject municipal selections in areas outside of legislatively designated areas which section (b) of this bill allows. This will rarely be needed and only when the greater public interest is at stake.

As example, the City of Valdez selected the entire Anderson Bay proposed Trans-Alaska Gas Pipeline terminal facility. Three years ago, for a variety of reasons, the department rejected the selections as not being in the greater public interest. Under SB56, we would not have this discretion.

The second change would be the deletions of the phrase "or sale" from page 2, line 18. Tidelands, shorelands, and submerged lands are all managed under the Public Trust Doctrine. This is a living doctrine that has evolved and continues to evolve over time. Other states and the courts have long found that the sale of these lands, while not necessarily violating the public trust doctrine at the time of sale, may by its use violate the doctrine at a later date.

In a recent survey conducted by the State of Washington, all 22 western states currently prohibit the sale or exchange of tide, shore, or submerged land. They have all found that short or long term leases (up to 55 years) provide the protection needed and allow the stipulations to be changed at periodic intervals.

As a side note, I find it somewhat ironic, except for rare circumstances, that the department cannot convey tide, shore, or submerged lands to private individuals. This proposed legislation, however, would allow local municipalities that ability without any side boards or restrictions.

FISCAL NOTE

No. 1
Bill Version: SB. 56
(S) Publish Date: 2-21-95

Revision Date: 2/1 January 31, 1995 Dept. Affected: Community & Regional Affairs
Title: An Act relating to rights in certain tide and submerged land. BRU: none
Sponsor: Senator Leman Component: none
Requestor: Senator Leman COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE:						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This legislation would give the Department of Natural Resources (DNR) the authority to convey tidelands and submerged land to municipalities. Presently, DNR can only issue leases (unless the municipality was incorporated before 1964). There is no fiscal impact on DCRA from this bill.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
Division: Division of Administrative Services Date: 2/21/95
Approved by Commissioner: *Mike Miller* Date: 2/21/95
Agency: Community & Regional Affairs

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(S)RES

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB56

Revision Date:		Dept. Affected:	<u>Fish and Game</u>
Title:	<u>An Act relating to certain tide and</u>	BRU:	<u>Habitat and Restoration</u>
	<u>submerged land</u>	Component:	<u>Habitat</u>
Sponsor:	<u>Senator Leman</u>	COMPONENT SERIAL NO.	<u>486</u>
Requester:	<u>CRA, RES</u>		

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	31.2	31.2	31.2	31.2	31.2	31.2
TRAVEL	1.6	1.6	1.6	1.6	1.6	1.6
CONTRACTUAL	1.0	1.0	1.0	1.0	1.0	1.0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	34.3	34.3	34.3	34.3	34.3	34.3
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.3	35.7	37.3	38.9	40.6	42.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	34.3	35.7	37.3	38.9	40.6	42.4

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME	0.5	0.5	0.5	0.5	0.5	0.5
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Department of Fish and Game will require approximately one-half full time equivalent for a Habitat Biologist to review municipal tideland and submerged land selections and advise the Department of Natural Resources on the effects of conveyance to fish and wildlife resources, public uses of fish and wildlife, and potentially for legislatively designated state game refuges, critical habitat areas, and game sanctuaries. Additionally, as municipal conveyances are made, existing state land use plans and Special Area Management plans will need to be revised to reflect the changes in land management. This will require approximately one-half full time equivalent of Habitat Biologist participation.

Prepared by: Ellen Fritts, Acting Director
 Division: Habitat and Restoration
 Approved by Commissioner: [Signature]
 Agency: Department of Fish and Game

Phone: 465-4105
 Date: 2/21/95
 Date: 2/25/95

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cc: Larry
2/13/95

#3 2/10/95
(S) CRA, RES

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB56

Revision Date: Original Dept Affected: Natural Resources
 Title: An Act relating to rights in certain BRU: Resource Development
tides and submerged land Component: Information Resource Management
 Sponsor: Senator Leman
 Requestor: _____ Component Serial No. 427

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	6.0					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	6.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	6.0					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	6.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ None

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill will require the development of a new Land Administration System (LAS) casetype for these conveyances to municipalities. The actual notation of these conveyances to the status plats is considered regular work and will be absorbed by the component. The incremental work to develop a new casetype is estimated to be a one-time cost of \$6.0 in personal services.

Prepared by: Nico Bus, Acting Director Phone: 465-2406
 Division: Support Services Date: 6-Feb-95
 Approved by Commissioner: Nico Bus for M. Rutherford, Nat. Comm. Date: 3/6/95
 Agency: Natural Resources

cc: Larry
2/13/95

2 2/13/95
(S)CRA, RES

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB56

Revision Date: Original Dept Affected: Natural Resources
 Title: An Act relating to rights in certain BRU: Resource Development
tides and submerged land Component: Land Development
 Sponsor: Senator Leman
 Requestor: _____ Component Serial No. 431

Expenditures/Revenues		(Thousands of Dollars)				
	FY96	FY97	FY98	FY99	FY00	FY01
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (1005)	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)

FUND SOURCE		(Thousands of Dollars)				
	FY96	FY97	FY98	FY99	FY00	FY01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GFMHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ None

POSITIONS	FY96	FY97	FY98	FY99	FY00	FY01
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

In addition to the general grant land entitlement under AS 29.65, qualified municipalities which were incorporated prior to 1964 have been conveyed tide and submerged land. This legislation would authorize the department to convey improved tidelands or land required for the accomplishment of a public or private development to all home rule, first and second class municipalities. Currently, the department can only issue leases that create a financial burden to the municipality and a liability to the state. This legislation will reduce the amount of lease monitoring and compliance activities currently required of the department on these existing leases, however the department anticipates no reduction in expenses due to the continuing effort to process and monitor other current and additional leases.

The reduction of \$50.0 in general fund program receipts is a rough estimate of the amount of annual lease revenue that will be lost with the implementation of this legislation.

See attached proposed amendments.

Prepared by: Ron Swanson, Director Phone: 762-2692
 Division: Land Date: 2-Feb-95
 Approved by Commissioner: [Signature] Date: 2-5-95
 Agency: Natural Resources

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FISCAL NOTE ATTACHMENT - PAGE 2 - SB56
Amendments Proposed

While we support the bill in concept, the changes suggested below would better protect the public interest.

The first change is the addition of the following to Section 1(a):

Unless the commissioner finds that the public interest in retaining state ownership of the land clearly outweighs the municipality's interest in obtaining the land, the commissioner shall convey to a municipality tide or submerged land requested by the municipality that is occupied or suitable for occupation and development if the...

This addition (which is already contained in HB20) will give the commissioner discretion to reject municipal selections in areas outside of legislatively designated areas which section (b) of this bill allows. This will rarely be needed and only when the greater public interest is at stake.

As example, the City of Valdez selected the entire Anderson Bay proposed Trans-Alaska Gas Pipeline terminal facility. Three years ago, for a variety of reasons, the department rejected the selections as not being in the greater public interest. Under SB56, we would not have this discretion.

The second change would be the deletions of the phrase "or sale" from page 2, line 18. Tidelands, shorelands, and submerged lands are all managed under the Public Trust Doctrine. This is a living doctrine that has evolved and continues to evolve over time. Other states and the courts have long found that the sale of these lands, while not necessarily violating the public trust doctrine at the time of sale, may by its use violate the doctrine at a later date.

In a recent survey conducted by the State of Washington, all 22 western states currently prohibit the sale or exchange of tide, shore, or submerged land. They have all found that short or long term leases (up to 55 years) provide the protection needed and allow the stipulations to be changed at periodic intervals.

As a side note, I find it somewhat ironic, except for rare circumstances, that the department cannot convey tide, shore, or submerged lands to private individuals. This proposed legislation, however, would allow local municipalities that ability without any side boards or restrictions.

#1 2/10/95
(S) CRA, RES

STATE OF ALASKA
1995 LEGISLATIVE SESSION

FISCAL NOTE

BILL NO: SB 56

Revision Date: 2/1 January 31, 1995 Dept. Affected: Community & Regional Affairs
 Title: An Act relating to rights in certain tide and submerged land. BRU: none
 Component: none
 Sponsor: Senator Leman
 Requestor: Senator Leman COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE FUND SOURCE:

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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY94) Impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This legislation would give the Department of Natural Resources (DNR) the authority to convey tidelands and submerged land to municipalities. Presently, DNR can only issue leases (unless the municipality was incorporated before 1964). There is no fiscal impact on DCRA from this bill.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 2/24/95
 Approved by Commissioner: *Mike Huslin* Date: 2/24/95
 Agency: Community & Regional Affairs

SB 56

SENATE COMMITTEE REPORT

DATE: 2/21/95

FURTHER: *no further*

DATE TURNED INTO OFFICE: 3-9-95

and

Resources Committee considered SENATE BILL NO. 56

"An Act relating to rights in certain tide and submerged land."

*FN'S
+
OFN'S*

and recommends:

- be replaced with (CS) SB56 (DES)
- adopt previous CS ()
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill: same title
new title
House Bill: technical change
new: SCR _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	<u>(DND)</u>	AM
		<i>Kirk Hubbard</i>		<input checked="" type="checkbox"/>	
		<i>Bill Frank</i>		<input checked="" type="checkbox"/>	
		<i>[Signature]</i>		<input checked="" type="checkbox"/>	
		<i>[Signature]</i>		<input checked="" type="checkbox"/>	
<i>Robin W. Taylor</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Loren D. Fenwick</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
DFG	2/25/95		34.3

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
DNR - IRM	2/6/95		6.0
DNR - Land Dev.	2/5/95		1500
C+RA	2/2/95	0	0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SENATE COMMITTEE REPORT

(First Committee of Refer. .)

DATE: 1/27/95

FURTHER: Resources

John

Date of 5-Day Notice: 2/9/95
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-21-95

CRA Committee considered SB 56

Relating to rights in certain tide and submerged land.

2 For's + 1 plane

and recommends:

- be replaced with CS SB 56 (CRA)
- adopt previous CS ()
- attached amendment(s)
- adopt Letter of Intent by Committee
- further referral to the Committee

Senate Bill:

- same title
- new title
- House Bill:
- technical change
- new: SCR#

SIGNING WITH RECOMMENDATIONS:	DP	DNP	NR	AM
<i>Tim Kell Kelly</i>	✓			
<i>Roll E. Kelly NR</i>			✓	
<i>John Hoffmann</i>	✓			
<i>John Hoffmann</i>	X			
CHAIR: <i>John Hoffmann</i>	X			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
<i>NATURAL RESOURCES</i>	<i>2/6/95</i>		<i>6.0</i>
<i>COMMUNITY & REGIONAL AFFAIRS</i>	<i>2/2/95</i>	✓	
<i>NATURAL RESOURCES, LAND DIV.</i>	<i>2/5/95</i>		<i>(50.0)</i>

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill