

SB

2024

FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: An Act relating to municipal service BRU: none
areas and providing for voter ... Component: none
 Sponsor: SENATOR PARNELL
 Requestor: Senate CRA Committee COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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 (FY98) Impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This legislation provides for voter approval of the formation, alteration, or abolishment of certain municipal service areas. This legislation would have no fiscal impact on the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 2/05/98
 Approved by Commissioner: *[Signature]* Date: 2/05/98
 Agency: Community & Regional Affairs

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. SB 204

Revision Date: _____ Dept Affected: Natural Resources
 Title: "...Grants of state land to municipalities for
construction...of sport and recreational facilities...." BRU: Resource Development
 Component: Land Development
 Sponsor: Sen. Taylor
 Requestor: S CRA Component Serial No. 431

Expenditures/Revenues	(Thousands of Dollars)					
	FY99	FY00	FY01	FY02	FY03	FY04
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 (fund code)	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						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: \$ _____

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)

No fiscal impact is anticipated because the bill largely duplicates existing DNR authority. AS 38.05.810(a) already allows DNR to grant land to a municipality for public purposes, which would include a public recreation or sport facility, and AS 38.05.810(g) already requires DNR to retain a reversionary interest in the granted land. The bill's new authority, allowing the municipality to trade the former state land for other land, would probably not be used and therefore is not anticipated to have any fiscal impact. The reverter clause would attach to the land granted by DNR, not to other land the municipality swaps it for. Private landowners would probably not be willing to exchange their parcels for municipal land encumbered by a reverter clause, as the private landowners would lose title to their new land if the municipality's development plans fall through or are not executed on time.

Prepared by: Jane Angvik *[Signature]* Phone: 907-269-8503
 Division: Land Date: 6-Feb-98
 Approved by Commissioner: [Signature] Date: 2-6-98
 Agency: Natural Resources

Alaska State Legislature

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Judiciary Committee

Member,
Resources Committee
Rules Committee
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Senator Robin L. Taylor
Senate Majority Leader

TO: Senator Jerry Mackie, Chair
Senate Community and Regional Affairs Committee

FROM: Senator Robin Taylor *R.L.T.*

DATE: February 2, 1998

RE: Senate Bill 204 "An Act providing the commissioner of natural resources with the authority to make grants of state land to municipalities for the construction and operation of sport and recreational facilities and structures."

I request that you schedule Senate Bill 204 for public hearing at your earliest convenience. This legislation will grant land to local governments for sports and recreational facilities but the grant will not count against the local government entitlement. This will make the development of sports and recreational facilities more economically feasible.

Recreational and sports facilities in communities offer an alternative to crime and other undesirable activities. Our youth are too often left unattended after school, at night, and on weekends with little to do. If there are facilities to use, kids and adults as well are less likely to become involved in criminal activities. Senate Bill 204 proposes to give state land to municipalities for sports and recreational facilities.

Your prompt consideration will be appreciated. Thank you.

District A:

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

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Senate Majority Leader

SPONSOR STATEMENT

SENATE BILL 204

Recreational and sports facilities in communities offer an alternative to crime and other undesirable activities. Our youth are too often left unattended after school, at night, and on weekends with little to do. If there are facilities to use, kids and adults as well are less likely to become involved in criminal activities. Senate Bill 204 proposes to give state land to municipalities for sports and recreational facilities.

This legislation will grant land to local governments but the grant will not count against the local government entitlement. This will make the development of sports and recreational facilities more economically feasible.

Senate Bill 204 is consistent with the intent of the Alaska Constitution:

Article VIII, Section 1, Statement of Policy:

“It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.”

Article VIII, Section 9, Sales and Grants:

“Subject to the provisions of this section, the legislature may provide for the sale or grant of state lands, or interests therein, and establish sales procedures.”

The bill contains a reversionary provision which prohibits local governments from selling the land. The municipalities will, however, be allowed to trade the land for land that might be more suitable for a particular project.

District A:

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A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TAYLOR

TO: SB 204

1 Page 1, lines 8 - 9:

2 Delete "The commissioner shall retain a reversionary interest on each grant of land
3 under this subsection."

4 Page 1, line 11, following "structure."

5 Insert "The commissioner shall retain a reversionary interest on each grant of land
6 under this subsection, but if that land is traded for other land, the commissioner may release
7 the reversionary interest on the granted land when the commissioner receives a reversionary
8 interest on the land received in trade."

between amounts necessary to make payments for land deficiency under (b) of this section and those required to make payments for land deficiency under (c) of this section.

(e) For purposes of fulfilling entitlements under this section, the legislature is authorized to appropriate

(1) not more than \$4,000,000 per fiscal year, and not more than \$12,000,000 in total, for the purpose of paying entitlements under (b) of this section;

(2) not more than \$1,000,000 per fiscal year, and not more than \$8,000,000 in total, for the purpose of paying entitlements under (c) of this section.

(f) If an annual appropriation is not sufficient to meet the amount due to all municipalities that have elected to accept payment for land deficiency under (b) or (c) of this section, the governor shall apportion the appropriation among the municipalities in proportion to the payment calculated for each municipality for that year. When a distribution of payments is made under (c) of this section, the remaining entitlement of a municipality to which payment is made shall be reduced in an amount equal to the number of acres for which payment was received. An appropriation made under this section is in addition to other grants and entitlements authorized to eligible municipalities.

(g) Payments authorized by this section may not be made to a municipality eligible for an entitlement under AS 29.65.020 or 29.65.030.

(h) Payments made under this section shall be used by a municipality that levies property taxes to reduce the levy in proportion to the amount of state payments received by the municipality for a given fiscal year. The governing body of each municipality shall furnish a notice with the tax statement describing the effect on property tax levies of payments received under this section. (§ 17 ch 74 SLA 1985)

Sec. 29.65.090. Authorization for land exchanges. The director and a municipality are authorized to exchange land or interests in land when it is in the public interest. Land or interests in land exchanged under this section must be of approximately equal value, including the nonmonetary value of public benefits. Exchange procedures shall comply with applicable law and municipal ordinances. The notice and review provisions of AS 38.05.945 apply to exchanges of land under this section. The provisions of AS 38.50 do not apply to exchanges of land under this section. (§ 17 ch 74 SLA 1985)

Sec. 29.65.100. Public purpose and expansion needs. (a) Consistent with the best interests of the state, if a municipality does not contain and cannot reasonably acquire sufficient nonfederal land within its boundaries to meet its legitimate needs for public or private settlement or development, it is the policy of the state to select federal land reasonably necessary to meet the needs of the municipality and to make the land selected available to the municipality under AS 38.05.810 or (b) of this section.

(b) The state may contract with a municipality to act as its agent in an auction of state land under applicable statutes. When a municipality acts as the agent of the state in an auction, the municipality may retain from the proceeds of the auction the capital and other expenses that the director determines to be necessary and reasonable.

(c) Nothing in this chapter limits or impairs the authority of the director to transfer land to municipalities, without limit or consideration, for public purposes in accordance with AS 38.05.810. If there is a remaining entitlement of the municipality, land transferred under AS 38.05.810 shall be credited toward fulfillment of the entitlement. (§ 17 ch 74 SLA 1985)

Sec. 29.65.110. Election of benefits. [Repealed, § 12 ch 34 SLA 1987.]

Sec. 29.65.120. Regulations. The commissioner of natural resources may, after consultation with the Department of Community and Regional Affairs, adopt regulations