

SB

55

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB055-DNR-ML&W-01-3
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
 Title Agricultural Land RDU Resource Development
 Component Title Acquisition and Defense
 Sponsor Senator Wagoner
 Requester Senate Resources Component No. 2459

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Travel | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Contractual | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Supplies | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|----------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES (**) | | | | | | |
|----------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type--Do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This bill requires DNR to convey title for the remaining interests in the land estate to an owner of the rights to that land for agricultural purposes if the land was conveyed to the state as a forest service grant under sec. (6) of the Alaska Statehood Act and the parcel is not more than 15 acres in size.

** This legislation would enable anyone meeting the law's conditions to purchase the state retained interests to property originally sold by the department as agricultural interest only lands. DNR supports this proposed measure. Other than a small but indeterminate amount of revenue expected to be generated from the sale of the agricultural interests, there is no anticipated significant fiscal impact associated with the implementation of this proposed legislation.

Prepared by: Bob Loeffler Phone 269-8625
 Division Mining, Land and Water Date/Time 1/31/2005
 Approved by: Tom Irwin, Commissioner Date 1/31/2005
 Agency Natural Resources



Official Business

ALASKA STATE LEGISLATURE

SENATOR THOMAS H. WAGONER

- Chair, Senate Resources Committee
- Vice-Chair, Senate State Affairs Committee
- Member, Community & Regional Affairs
- Member, Legislative Council
- Member, World Trade

Session: January - May

State Capitol, #427

Juneau, AK 99801

Phone: 907-465-2828 Fax: 907-465-4779

Interim: May - December

145 Main Street Loop, Suite 226

Kenai, AK 99611

Phone: 907-283-7996 Fax 907-283-8127

Sponsor Statement SB 55 Agricultural Land

The Ross Miller family started homesteading twenty-seven acres of land in 1943 in Hope. The Millers leased fifteen acres of adjoining land from the Forest Service, in the early fifties, to use as pasture land. Due to the '64 earthquake, the Millers lost eighteen of their twenty-seven acre homestead. There was an earthquake exchange program set up and compensated the Millers for their loss by giving them only one acre of land. The state, after determining that the Millers had been treated unfairly, decided they were entitled to the fifteen acres of leased Forest Service land as relief. In 1978, agricultural rights to this land were conveyed as provided by former state law AS 38.05.321.

The Department of Natural Resources has declared that the state has no interest in retaining the remaining interest in this property, and support conveying the remaining land rights to the Millers. Unfortunately, DNR is not authorized to remove the agricultural restrictions under current statute.

SB 55 will make a minor statutory change to correct this situation. Anyone who received agricultural rights to land under sec. 6(a) of the Alaska Statehood Act, and the tracts of land were 15 acres or less, would be eligible for fee simple title if the owner pays the fair market value for the remaining interest.

STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF MINING, LAND & WATER OFFICE OF THE DIRECTOR

550 WEST 7TH AVENUE, SUITE 1070
ANCHORAGE, ALASKA 99501-3576
PHONE: (907) 269-8800
FAX: (907) 269-8904

January 21, 2005

The Honorable Tom Wagoner
State Senate
State Capitol,
Juneau, Alaska 99801-1182

RE: Support for SB 55

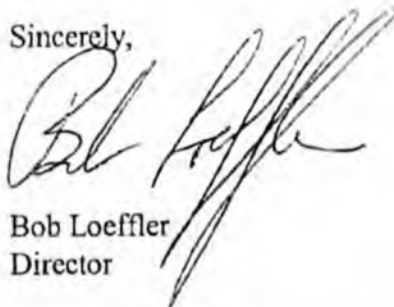
Dear Senator Wagoner:

I am writing to provide my support for SB 55. The Bill is essentially identical to SB 167, introduced by Senator Torgerson in 2001. The bill would enable anyone meeting the law's conditions, to purchase the state retained interests in property originally sold by the department as agricultural interest only lands. After review, it appears that there are few, if any, individuals other than the Miller Family would qualify.

The department reviewed that particular situation and determined that there is no compelling state interest in retaining the remaining interests in this small parcel of land. However, without SB 55 the department has no authority to convey the remaining interests in these properties. We support the bill. It would have no negative affect on the state interest and would help an Alaskan family gain equity in land they have used for many years.

If you need more information or would like to discuss this further, please call me at 269-8600 or Janet Burleson at 465-4730.

Sincerely,



Bob Loeffler
Director

Cc: Commissioner Tom Irwin
Special Assistant Janet Burleson

The Honorable Thomas Wagoner
State Senate
Alaska State Capitol
Juneau Alaska 99801-1182

Dear Senator Wagoner,

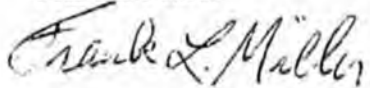
Amy asked for a statement of support for SB 55. We appreciate your efforts on getting this "problem" resolved. Many thanks.

Sincerely, Frank

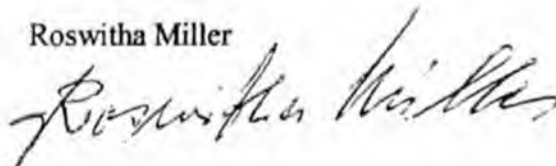
Statement of support for SB 55

We certainly support SB 55. This bill would give us the opportunity to purchase the remaining interest in a 15 acre parcel of land that we own in Hope, which is classified as agricultural rights only. Originally, the parcel was leased from the US Forest Service in the mid 1950's by my parents, Ross and Alma Miller. They wished to obtain those roughly 15 acres as a settlement for land "lost" after the 1964 Earthquake. Because of some errors and omissions by the State of Alaska, their request got lost. After a lengthy period of examination, they were given the option to purchase only ag rights to the 15 acres. At that time, it appeared the State had no interest in that parcel remaining agricultural only, which is still the case today. Being able to purchase full title to this parcel would solve the problems related to the agricultural restrictions and make the land much more usable to us.

Frank L Miller



Roswitha Miller



PO Box 39083
Ninilchik AK 99639