

ALASKA LEGISLATURE

1555

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

4. That hunting (and other consumptive uses) are a privilege, not a right granted by Alaska's Constitution.
5. That the administration (not B.O.G.) will set predator control policy.
6. That the Department knows that trapper wolf harvest will drop by up to 90% in two years and the Department has no intent to increase other harvest.
7. That Department data indicates our game resources, in many areas statewide, are rapidly approaching a complete predator pit situation for which the Department has no corrective plan.
8. That the Department places a higher value on bears and other predators than on human consumptive uses.
9. That the Alaska Constitution does not require the Department to manage game resources (other than bears and wolves) on a sustained yield basis and that human consumptive use is not the highest priority use for game animals.
10. That the Department's plans and goals, under your guidance, is to satisfy "outside" and "inside" Environmentalist, Anti-Hunting demands regardless of what the Alaska constitution or state law (SB77) requires.
11. That, regardless of Alaska Constitution and state law, no predator control will take place unless it is: scientifically sound; cost effective; and broadly acceptable to Alaska's public.

If your recollection differs from that set forth above, please notify me immediately.

Also, at one point in our meeting, you referred to Department state-wide, unit-by-unit population and harvest goals and objectives. Could you please provide us with a copy of those goals and objectives as well as any data you have which would show how close actual population and harvest comes to meeting them.

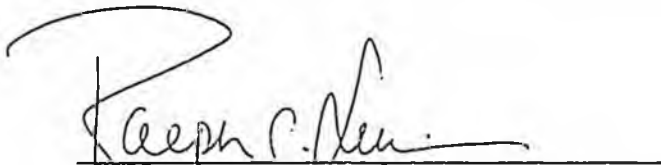
This administration's apparent belligerence and unwillingness to abide by Alaska's Constitution and State statutes necessitates that I repeat our warning that, if you pursue the course you have outlined, we have no recourse but to consider your actions a declaration of war on all Alaska's

Mr. Frank Rue
October 4, 1995
Page 3

consumptive users. I will also repeat that you will be held accountable for your actions and that the department and its actions will be closely scrutinized. We will make every effort to require strict compliance with Alaska statutes which mandate intensive management of declining wildlife populations. If your personal philosophy will not allow you to abide by Alaska's Constitution and law, which you have sworn to uphold, then we suggest your resignation would be very appropriate.

Sincerely,

ALASKA WILDLIFE CONSERVATION ASSOCIATION



Ralph C. Seekins, President

ALASKA WILDLIFE CONSERVATION ASSN.

1625 Old Steese Hwy. - Fairbanks, AK 99701 - (907) 456-1992

November 10, 1995

Wayne Regelin, Director
State of Alaska
Department of Fish and Game
Division of Wildlife Conservation
P.O. Box 25526
Juneau, AK 99802-5526

Dear Director Regelin:

The Alaska Wildlife Conservation Association is becoming increasingly outraged at the current direction of the Department, which can only be categorized as an all out attack, indeed a declaration of war on Alaska's consumptive users. We, along with other statewide users groups, met with you and Commissioner Rue in Fairbanks and were astounded by the Commissioner's and your stated unwillingness to manage Alaska's resources on a sustained yield basis. We have written to the Commissioner, subsequent to this meeting, and by his silence he has assented to our conclusions of the Department's statements and representations at that meeting.

Since that meeting, we have been apprised of a material misrepresentation by the Department concerning the source of funding for a Fish & Game office building scheduled for construction in Fairbanks. We also discovered that the Department has misappropriated hundreds of thousands of dollars from the Division of Wildlife Conservation into the Subsistence and Habitat Division Projects and Personnel salaries. This misappropriation is patently illegal. Moreover, the Department has violated the public trust (if not the law) by diverting an additional \$900,000 of funds specifically allocated and authorized for intensive management projects which were also diverted into salary for existing personnel. These misappropriations have outraged not only Alaska's license purchasers, who directly provide nearly 100% of your budget, but also the Legislature, who will hold the Department strictly accountable.

Our membership is dedicated to the return of abundance of Alaska's wildlife populations, is also shocked by the Department's advocacy of the preservationist's proposals at the November Board of Game meeting. Though the Department's biologists testified that there was no biological problem nor justification and that due to separation of user groups that there was no actual conflict among users, you recommended the closure of 236 square miles of the Alaskan Peninsula to hunting. The Board of Game, manipulated by you, voted to close this area even though you admitted in your testimony that the only issue was one based solely on a misperception resulting from purposeful misinformation and disinformation by animal rights extremists. Because these groups oppose any biological based wildlife management, we must vigorously challenge your decision.

Wayne Regelin

Page 2

Aligning the Department with the animal rights extremists and advocating for them violates your own policy and principle of management adopted by you in your August 28, 1995, memorandum. On page 2, of that document, you state that,

Biological base - we will always maintain a biological bottom line in making resource management decisions... (emphasis added)

In discussing your conflicting responsibilities, you state at page 4 that,

"...we will present this information in an unbiased, professional fashion, providing the Board of Game and others our honest assessment of available data and management options. We will neither advocate for any particular management regime, nor oppose any management strategy that is biologically sound, consistent with state law and administration policies.

By advocating the closure of a land mass nearly the size of the State of Rhode Island without biological basis or user conflict violates your stated policy and, most certainly, violates the public trust which the Department no longer deserves.

Also alarming, as disclosed in your August 29, 1995, memorandum is the fact that you have established a social science program within the Division of Wildlife Conservation. You state that, "while biology and the environment set limits on the range of viable management options, the "right" option to select is often a matter of social values, not biology." What statutory authority allows the Department (and not the Board of Game) to evaluate, utilize and advocate social values rather than biology in the wildlife management decision process? Your constitutional mandate is to manage Alaska's wildlife resources for sustained yield by human harvest. There seems to be no social value other than consumptive uses that is necessary to satisfy that requirement.

The AWCA submits that the business of the Department of Fish & Game is to provide sound biological management to increase Alaska's wildlife to provide for abundance. Because Alaskan's now harvest less than 2% of the annual harvestable surplus we can categorically state that Alaskan's demand a larger allocation of the resource and are not interested in "feeling better" about harvesting less! Social engineering should be left in the classroom and certainly has no place within the Alaska Department of Fish & Game.

An abundance of wildlife is the answer to the divisive subsistence dilemma. The Department can accomplish this by providing higher allocations to human harvest of increasing wildlife populations. When other states routinely harvest 30 to 60% of their big game populations each year

Wayne Regelin

Page 3

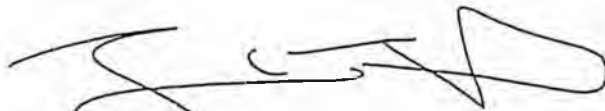
Alaska's harvest of 2%, with precipitous decline in the last five years, demonstrates that your Department is failing to provide sustained yield.

In an attempt to increase one wildlife population, the Board of Game, in its March 1995 meeting, directed the Department to resume predator control in Game Management 20A on January 1, 1996. This effort is aimed to provide relief to the Delta caribou herd which remains at risk sustaining much higher calf predation than other caribou herds. The AWCA hereby requests a copy of the implementation plan which the Department is planning on initiating this January. If no progress is planned, we demand to know why. After all, \$900,000 was appropriated for intensive management projects this year.

The governor suspended the previous GMU 20A program shortly after his inauguration and then solicited the Academy of Sciences to conduct further review. The governor has now had nearly a year to receive an answer from the Academy. Hopefully, this project is nearing completion as the January deadlines approaches. However, AWCA has received information that the Academy has not even agreed to perform this task because those charged with the project in Alaska have failed to provide definitions of the key terms (cost effectiveness, popular support, scientifically sound) by which the Academy is to evaluate these programs. Is this correct? Also, please confirm whether the Academy is requesting \$300,000 to perform this review, and whether the funding would come from Alaska's Fish & Game Fund.

As a result of our meeting with you and the Commissioner, and our discovery of the misrepresentations, misappropriation, and violations of public trust set forth above, attached is a list of questions which we need answered so that we can evaluate the Department's current direction based upon your response and not rumor or anecdote. We trust that you will provide this information because Commissioner Rue indicated that you would answer our inquiries. Your prompt attention in this matter is necessary, warranted and appreciated. Should we not hear from you by December 15, 1995, we will proceed as we believe necessary.

Sincerely,



Lynn E. Levensgood, Esq.
Executive Director, AWCA

cc: Commissioner Rue

A.W.C.A. QUESTIONS

1. What predator control plans will the Department implement pursuant to the directions of the Board of Game in Game Management 20A beginning January 1996? When does the plan begin implementation and if no program is planned what is the basis and authority for your decision?
2. Why does the Department oppose SB-77 and HB-170?
3. Why does the Department oppose sustained yield being defined in statute?
4. Is the current human harvest level of big game in the State of Alaska meeting the Department's human harvest goal? In this regard, Commissioner Rue indicated his belief that the Department had population and harvest goals for all big game populations. We are requesting copies of these goals as written.
5. Why have you testified that the Department cannot provide 1/3 of the annual harvestable surplus to be allocated for human harvest?
6. Because the Commissioner indicated his belief that consumptive uses are a privilege and not guaranteed by the Alaska Constitution, please define or explain the Department's position on what the sustained yield mandate in our constitution means.
7. Why did you create a human dimensions group involved in social engineering? By what authority does the Department believe it can undertake this function and what funding source does the Department anticipate utilizing for these activities? Please consider this correspondence a Freedom of Information request for all information, plans, memorandums, and proposals concerning the implementation or the establishment of this Human Dimensions/Social Engineering group including any projects, programs or actions assigned to them.
8. Please furnish AWCA with any and all material concerning what economic value the Department places upon human consumption of Alaska's wildlife resources.
9. What circumstances or conditions does the Department believe are necessary for the Board to terminate an existing Tier II subsistence harvest/restriction?
10. The Department of Fish & Game's harvest data indicates a severe decline in human harvest of moose, caribou, and sheep in the last five years, what, if any, plan does the Department have to reverse the decline in human harvest? If there is no plan, does the Department wish to increase harvest, and if so, by how much and what means?
11. During the August meeting with the Commissioner, you frequently indicated that you were "managing the system" and also the term bio-diverse management was used. Please define what you mean when you say the Department is "managing the system" and what do you mean by bio-diverse management?

12 Does the Department currently support or oppose one bear per year harvest level in Unit 13?

13 If you oppose, please indicate why. If you support, please indicate at what population level would the Department seek a more restrictive harvest regime? (At the Fall 1992 Board Meeting Ken Prichart indicated that at bear population of 250 grizzly bears in Unit 13 would represent an unthreatened, healthy and viable population.)

14. In regard to the National Academy of Sciences' inquiry, please define the following three terms:

- (a) Scientifically sound;
- (b) Cost effective; and
- (c) Broadly supported by the Alaskan public.

15. Though the AWCA has requested a copy of the official tasking and/or request which the State of Alaska has presented to the National Academy of Sciences, we have yet to receive this information. Please provide any prospectus and all documentation, files, notes, requests, to/from the National Academy of Sciences concerning their independent review.

16. Please explain the Department's position concerning each BRU and project in which the \$900,000 intensive management allocation was spent and how the Department believes those BRU projects qualify as "intensive management."

17. What is the Department's definition of intensive management?

18. Please provide detailed expenditure breakdowns of spending on the following projects: 2465, 2715, 2865, 2805, 2505, 3405, 3605, 3435, 3625, 3805. Also include the objectives and the plans as written for each project.

19. Do you believe the Department has, in the last five years, or is currently utilizing any fish and game fund monies and/or any monies derived from Pittman-Robertson funds or other federal matching monies for any projects or purposes not authorized by the federal program restrictions or A.S. 16.05.130? If yes, please indicate what your belief is based upon.

20. Is the Department committed to returning Alaska to an abundance of wildlife, if so, how does it plan to biologically manage for such an abundance? If not, why not?

To aid in answering the above questions, Harvestable Surplus is defined as:

The number of animals that is equal to the number of offspring born in a game population during the year less the number of animals in the population that die during the year from all causes other than predation or human harvest.

DEPARTMENT OF FISH AND GAME

DIVISION OF WILDLIFE CONSERVATION

P.O. BOX 25526
JUNEAU, ALASKA 99802-5526
PHONE: (907) 465-4190
FAX: (907) 465-6142

December 14, 1995

Mr. Lynn E. Levensgood
Alaska Wildlife Conservation Association
1625 Old Steese Hwy.
Fairbanks, AK 99701

Dear Mr. Levensgood:

Commissioner Rife did respond to the Alaska Wildlife Conservation Association letter of October 4, in which Mr. Seekins summarized the conclusions he drew from our meeting in August. In his response, the commissioner disagreed with many of the statements in the summary and explained that the Department of Fish and Game does manage all of Alaska's wildlife resources on a sustained yield basis in accordance with our constitutional mandates. This letter was sent to Mr. Seekins on November 12. I am enclosing a copy for your information (see attachment 1).

I am sorry you believe the department is working against the best interests of hunters. I disagree and think an examination of the record clearly demonstrates that the Division of Wildlife Conservation works hard to protect and enhance hunting opportunities for Alaskans and nonresident hunters. During the past 18 months the division has recommended, and the Board of Game has taken, the following actions.

- increased season length and numbers of permits for White Mountain caribou
- added eight days to moose season in the northern Wrangell Mountains
- added 20 days to the grizzly bear season in the Nelchina Basin
- created new caribou hunts on the Kenai Peninsula
- created new goat hunts in the Anchorage area
- created an early winter moose hunt in the Matanuska and Susitna valleys
- liberalized the bag limit on Mulchatna caribou
- created a cow moose hunt in the Homer area
- extended the moose season on the west side of Cook Inlet by 10 days
- transplanted ruffed grouse to the Kenai Peninsula

I know you disagree with the department's position on the closing of the McNeil River Refuge to hunting of brown bears. The division did present all pertinent biological

information to the Board of Game in a professional manner. Our biological assessment was that the harvest of three bears per year in the refuge would have no impact on the bear population or bear viewing opportunities in the McNeil Sanctuary. I then discussed the strong public opposition to hunting on the refuge and how the issue was harmful to the image of hunting. I explained how the issue had become a major national animal rights campaign that was turning nonhunters into antihunters. I recommended the Board of Game close the refuge to hunting of brown bears.

I do not believe providing all relevant information to the board to be manipulation of the board. Neither do I believe that I violated my policy of providing information to the board in an unbiased, professional fashion or made a biological unsound decision. A decision not to harvest bears in the refuge did not cause a biological concern. I do believe continued hunting on the refuge would do great harm to hunting in Alaska in the long term.

I do not know what you mean by the statement, "we have been apprised of a material misrepresentation by the department concerning the source of funding for a Fish and Game office building in Fairbanks." This building is funded by Fish and Game Fund (25 percent) and Federal Aid in Wildlife Restoration Funds (75 percent).

You allege that the department illegally "misappropriated hundreds of thousands of dollars from the Division of Wildlife Conservation into the Subsistence and Habitat Division projects and personnel salaries." In FY 96, the Division of Wildlife Conservation transferred via reimbursable service agreement(RSA) \$112,500 to Habitat Division and \$72,800 to Subsistence Division. These funds provided to the Habitat Division were entirely Fish and Game funds. They were used by Habitat Division to work on wildlife issues in the Tongass Land Use Plan and to work on a cooperative project with U.S. Forest Service to identify and mitigate the impacts of timber harvest on wildlife populations. The Subsistence Division received \$23,900 of Fish and Game funds to assess the opinions of residents in GMU 19 on the need for wolf control in the area and \$48,900 from a Capitol Improvement Project to assist the division in completion of a economic analysis of the importance of trapping to rural Alaskans.

Nothing was illegal about these transfers and no diversion of funds occurred. All of the projects funded via RSA provide a direct benefit to wildlife management and they all meet all federal requirements for expenditure of Fish and Game funds.

The legislature provided \$900,000 to the division in FY 96 for intensive management. These funds are being expended to collect biological data in areas identified by the department and the Board of Game as potential candidates for wolf control as required by the intensive management law (AS 16.05.255(g)(1)). Regulations require the department to collect information on ungulate and predator populations before wolf control can occur. We also used some of these funds to evaluate the effects of the wolf control program that was conducted in GMU 20A in 1993 and 1994. The intensive

Mr. Lynn Levengood

3

December 14, 1995

management appropriation did not include any specific language on how the funds should be expended. I fully briefed the legislative leadership on how I intended to use these funds prior to the beginning of FY 96.

Answers to the 20 questions you asked are attached (see attachment 2).

Sincerely,

A handwritten signature in cursive script that reads "Wayne Regelin".

Wayne Regelin
Director

ANSWERS TO QUESTIONS FROM THE ALASKA WILDLIFE CONSERVATION ASSOCIATION

1. The Board of Game authorized wolf control in GMU 20A beginning January 1, 1996. The Governor has directed the department not to implement any wolf control project until the National Academy of Science evaluates the scientific soundness and the cost effectiveness of predator control. The Board of Game has authority to authorize predator control. Implementation of a control project is the decision of the Governor or the Commissioner of Fish and Game.

2. The department opposes SB77 and HB 170 because this proposed legislation would set bad wildlife policy. This bill promotes an extreme position that would mandate widespread wolf control to increase the harvest of ungulates. The public has demonstrated that they will not accept such practices. If such extreme action is mandated by statute, the public will respond through lawsuits, boycotts, and probably federal intervention.

If enacted, this bill would require the department and the Board of Game to attempt to fulfill often unachievable objectives, ignoring accepted scientific standards, and sacrifice other resources and values.

The bill would preempt the Board of Game's allocation responsibilities and exclude the public from the board process. The bill would impede wildlife range expansion and hinder the recovery of depressed populations by requiring annual allocations of "at least one-half of the harvestable surplus" as a priority over herd growth or health of a wildlife population.

3. Sustained yield is a general principle that should not be limited by law. From an ecological perspective, sustained yield for a wildlife population is the number of animals that can be removed from a population year after year without causing a population to decline. Sustained yield is not a unique value for a population, rather there are a variety of sustained yield values each which corresponds to a different management strategy and to various population levels. In Alaska most wildlife populations are managed on the basis of optimum sustained yield to provide maximum public use opportunities for the variety of species in an area. A limiting definition of sustained yield in statute would hamper, not enhance, wildlife management. Also, the Department of Law has reviewed the ramifications of various proposed definitions of sustained yield and strongly oppose such action.

4. Wildlife population management goals and objectives have been established for big game populations throughout Alaska. In most cases, these goals and objectives have been established by the area wildlife biologist with input from the local advisory committees, regional staff, or planning groups. These are generally established on a Game Management Unit, Subunit, or portion of a subunit basis. Exceptions to this include caribou population goals and objectives which are established for each herd, and sheep goals and objectives which are established for portions of their range (i.e., Central Alaska Range, Chugach Mountains, etc.). Management reports are available in the Fairbanks office for each big game species in Alaska. These contain the goals and objectives of each identified big game population, history of the population and its

use, its current status, and management recommendations to meet population objectives if they are not currently being met.

5. The language in SB 77 and HB 170 defines harvestable surplus as the number of offspring born in a game population during the year less the number of animals in the population that die during the year from all causes other than predation or human harvest. This proposed legislation also mandates a high level of human harvest which is defined as the harvest of one-third or more of the harvestable surplus of a game population by humans. This level of harvest may be achievable at times if winter weather is mild for a series of years, but it would require very low levels of predation. Predator populations would have to be extirpated or reduced to such low levels that their populations would not be usable. Such a harvest level would require a substantial harvest of calves. Cow harvest would also be required to meet such a harvest goal and to maintain a reasonable bull:cow ratio.

Sweden has the most productive moose population in the world. They have very mild winters, no predators in most of the country and an abundance of food due to intensive forest management and because moose can eat pine trees. Even in Sweden, under near ideal conditions, they do not harvest at the rates mandated by SB 77. They do manage moose very aggressively and have a high rate of harvest, but one-half of their harvest are four month old calves and 20-25 percent are cows.

I do not think the mandates in SB 77/HB 170 are achievable over the long-term. I think the Board of Game already has ample direction from the legislature regarding its desire for more intensive management and higher levels of harvest.

6. The constitutional mandate is that fish and wildlife are to be "utilized, developed, and maintained on the sustained yield principle subject to preferences among beneficial uses." (Alaska Const., Art. VIII, Sect. 4.) Our department takes this mandate seriously and literally. We take the conservative view that, regardless of the beneficial use allocation, sustainability of the subject wildlife population is the top management goal.

7. I am in the process of creating a Human Dimensions in Wildlife section because it is essential that the Alaska Department of Fish and Game (ADF&G) understand the economic and social values associated with Alaska's wildlife resources. Alaska statutes charge ADF&G to "manage, protect, maintain, improve, and extend the fish, game and aquatic plant resources of the state in the interest of the economy and general well-being of the state" (AS Title 16, Sec. 16.05.020(2)). This charge clearly requires ADF&G to develop an understanding of how fish and wildlife resources contribute to the economy and well-being of the state, and it will be the goal of the Human Dimensions in Wildlife section to provide decision makers with quantitative information regarding that relationship. The unit will be funded from Federal Aid and Fish and Game Fund revenues.

Because we are just beginning to develop the Human Dimension in Wildlife section, few documents related to the section have been written. In addition to my August 29, 1995, memorandum (which you currently have), the only other document that has been sent within the

Division of Wildlife Conservation regarding human dimensions is a June 15, 1994, memorandum from Chris Smith in which he summarizes the work of a team created to provide the division's Program Review Committee with recommendations on the future of human dimensions research. I am enclosing a copy of that memorandum (attachment A).

8. The Division of Wildlife Conservation has been conducting a study for several years to estimate the economic value of wildlife to the state. This study has produced a several documents relative to the economic value of hunting in Alaska:

- An Economic Impact Analysis of the Big Game Hunting Guide Industry in Alaska by John R. Boyce, Daniel W. McCollum, and John A. Morrison (attachment B);
- Alaska Hunters: Their Hunting Trip Characteristics and Economics by Daniel W. McCollum and SuzAnne M. Miller (a 450+ page report available through state libraries or may be purchased; copy of title page enclosed, attachment C);
- Alaska Nonresident Hunters: Their Hunting Trip Characteristics and Economics by Daniel W. McCollum and SuzAnne M. Miller (a 450+ page report available through state libraries or may be purchased; copy of title page enclosed, attachment D).

9. The controlling statute, AS 16.05.258, indicates that a given game population, or subpopulation, which is subject to customary and traditional uses, must be managed under a Tier II regime when the harvestable surplus is insufficient to provide a reasonable opportunity for subsistence uses. Whenever the harvestable surplus is sufficient, the Tier II scheme for limiting participation would no longer be appropriate.

10. Our harvest data indicate that Alaska has not experienced a severe decline in human harvest of moose, caribou, and sheep in the last five years. The estimated statewide moose harvest has remained relatively constant with 7257 reported taken in 1989-90 and 7282 taken in 1993-94 (range 5999-7282). Caribou harvests have increased steadily from 9997 taken in 1989-90 to 17,519 taken in 1993-94. Sheep harvests were stable at about 1400 taken annually until 1992-93 when they declined to 1132 and remained at this level the following year. We believe the effects of the severe winters in the late 80s and early 90s had a significant influence on declining sheep populations throughout Alaska. We heard from several Interior residents that they believed predation was the major cause of the sheep decline, and in spring 1995 we initiated a lamb mortality study in the Central Alaska Range to determine the relative influence of various predators on each year's cohort. This study will continue through 1996.

11. When I refer to "managing the system", I am referring to the interrelationships between moose, caribou, wolves and bears. Management actions directed toward one species will often influence other species and we must be aware of these interactions. I do not recall using the term biodiverse management. I am not familiar with this term and do not know what it means.

12. The department supports the current bear regulations in GMU 13, including the one bear per year bag limit.

13. Current policy of the Board of Game is to maintain at least 350 grizzly bears in GMU 13. Population and harvest goals for all hunted species occurring in GMU 13 will be considered by the board in March, 1997. At this board meeting the department will provide a biological assessment of current status and goals. We may suggest changes to goals or regulations at that time if we think a change is needed.

14 and 15. The National Academy of Science (NAS) was asked by Governor Knowles to consider undertaking a scientific review and cost/benefit analysis of predator control in Alaska. The department is currently in negotiations with the NAS to determine if they will conduct such a review, what specific questions they would address and the cost for such a review. The NAS is interested in this project, but we have not reached agreement on the statement of task (specific questions and products) or costs. If we reach agreement with the NAS, I will send you a copy of the agreement. It is not appropriate to release this information until an agreement has been reached.

16. This question was addressed in the letter that accompanies these answers (last paragraph on page 2).

17. The department's definition of intensive management is "management of an identified big game prey population to enhance, extend, and develop the population to maintain high levels of human harvest, including control of predators and prescribed or planned use of fire and other habitat improvement techniques."

18. Information on these projects, including costs, was provided to the AWCA in a letter from Dan Reed to Bill Hagar on November 29, 1995. (I have attached this letter as attachment E.)

19. No. The department has not misused any Federal Aid or Fish and Game Funds. Annual audits of these accounts verify this fact.

20. The Division of Wildlife Conservation is committed to conserving and enhancing Alaska's wildlife. All of the division's programs address this commitment. This commitment includes restoring populations that are depleted and have been identified as important to Alaskans for their use. Examples of current programs designed to restore populations include the Fortymile caribou effort, implementation plans for 19D, 20A, and 20D, prescribed fire plans in Unit 20A, efforts with the Division of Forestry to improve wildlife habitat through various logging practices, efforts with the Alaska Fire Service to identify natural fires that should be allowed to burn and rejuvenate habitat, and transplants of wildlife when and if appropriate for the habitat such as the recent ruffed grouse transplant to the Kenai Peninsula.

HOUSE COMMITTEE REPORT

5/9/96
Finance

(9)

Date Referred to Committee: April 15, 1996

FURTHER REFERRALS:

Date of Committee Action: 5-3-96

The RESOURCES Committee considered:

CSSB 247(RLS) am(efd fld)(ct rule fld)

CS FOR SENATE BILL NO. 247(RLS) AM(EFD FLD)(CT RULE FLD)

USE OF FISH & GAME FUND/COMM'R'S POWERS

"An Act restricting the use of certain funds deposited in the fish and game fund; ~~amending Rules 79(b) and 82(b)(2), Alaska Rules of Civil Procedure~~, and relating to the powers and duties of the commissioner of fish and game; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CSSB 247(RES) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ (3) Senate fiscal note(s) (3) F+G 4-10-96

zero fiscal note(s) _____ zero fiscal note(s) Senate _____
DPS 4-4-96

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
_____ Nicholia				X
_____ DAULES		X		
_____ Long			X	
_____ Williams	X			
_____ Green	✓			
_____ KOTI	✓			
_____ Ogan	✓			
_____ GUSTERMAN			X	
	(4)	(1)	(2)	(1)

CO-CHAIR'S SIGNATURE _____
Green

SB

247

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT OF
4/03/96

DATE: 3/28/96

DATE TURNED INTO OFFICE: 4/03/96

The Finance Committee considered SENATE BILL NO. 247

Relating to the fish and game fund; amending Rules 79(b) and 82(b)(2), Alaska Rules of Civil Procedure; efd.

and recommends:

- be replaced with _____ CS SB 247 (FIN)
- 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:**
- same title
 - technical change
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Steve Lacey</i>	✓		
		<i>Paul E. Jolly</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>Rick Halford</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Public Safety	3/14/96	∅	
F&G/Admin. Services	3/31/96	∅	fund source change
F&G/Wildlife Conserv.	3/31/96	∅	"
F&G/Sport Fish	3/31/96	∅	"

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

3/20/96

REPORTED OUT OF

FISCAL NOTE

SFC

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB247 | -

Revision Date: _____ Dept. Affected: Fish and Game
 Title: An Act relating to the fish and game fund BRU: Administration and Support
 Component: Administrative Services
 Sponsor: Senators Taylor and Sharp
 Requester: Senate Resources COMPONENT SERIAL NO. 479

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES (1004)						
---------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)
1003 GF Match						
1004 GF	2,177.5	2,177.5	2,177.5	2,177.5	2,177.5	2,177.5
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(1,200.0)	(1,200.0)	(1,200.0)	(1,200.0)	(1,200.0)	(1,200.0)
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

To maintain department services and programs at existing levels, general funds will be necessary to offset the decrease in fish and game and federal funding.

Federal receipts are currently collected as indirect overhead to fund such items as accounting services, personnel and payroll services, budgeting services, procurement and contracting services, and data processing services.

Fish and Game funds are currently used to pay for the costs of administering the license system such as printing license stock, postage for mailing stock to vendors, and paying vendor compensation for licenses sold.

Prepared by: Kevin Brooks Kevin Brooks, Director
Division: Administration

Phone: 465-6091
Date: 3/13/96

Approved by Commissioner: Ernie Bruce for
Agency: _____

Date: 3/20/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 247 -

Revision Date: _____ Dept. Affected: Fish and Game
 Title: Restrict use of fish & game fund BRU: Sport Fish
 Component: Sport Fish
 Sponsor: Senator Taylor
 Requester: Senate Resources COMPONENT SERIAL NO. 464

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
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 (1002)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)
------------------------------------	-----------	-----------	-----------	-----------	-----------	-----------

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)
1003 GF Match						
1004 GF	14,134.1	14,134.1	14,134.1	14,134.1	14,134.1	14,134.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Fish and Game Fund 1024)	(8,359.6)	(8,359.6)	(8,359.6)	(8,359.6)	(8,359.6)	(8,359.6)
TOTAL	(365.3)	(365.3)	(365.3)	(365.3)	(365.3)	(365.3)

Estimate of any current year (FY96) cost: \$ 0.0

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)

See attached pages for assumptions made in fund source calculations. The \$365.3 net loss in FUND SOURCE is the result of lowered overhead costs paid to Division of Administration. These overhead costs are calculated based on the amount of Federal Funds expended by Division of Sport Fish. A reduction in ability to use Federal money is related to a direct reduction of overhead cost for the division.

With implementation of SB 247 the Division of Sport Fish will not be able to fully utilize available Federal funds and will be forced to revert \$6,139.8 of the \$8,397.7 available. This is shown in CHANGE IN REVENUES above. Since the State of Alaska receives the maximum allowable DJ/WB funding, other states have already been suggesting that funding formulas be changed to lower our share of DJ/WB money. By not fully utilizing this money it will supply those states more ammunition for that battle.

Prepared by: Kevin Delaney
 Division: Sport Fish
 Approved by Commissioner: _____
 Agency: Fish and Game

Phone: 465-4180
 Date: 3/19/96
 Date: 3-20-96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

Assumptions used in analyzing SB 247.

- Division of Sport Fish will operate all projects at proposed FY 97 levels
- Headquarters and Regional Supervision and Management projects other than Access Coordination projects can not receive funding from either the Fish and Game fund or Federal DJ/WB fund.
- Research and Technical Services (RTS) projects can not be funded with either the Fish and Game fund or Federal DJ/WB fund.
- All hatchery projects and access projects can be funded with moneys from the Fish and Game fund and/or the Federal DJ/WB fund.
- Regional "Salmon Projects", "Resident Species Projects, and "Shellfish/BottomFish/Personal Use Projects" can not be funded with Fish and Game funds and/or Federal DJ/WB funds.
- All projects which can no longer be funded with Fish and Game funds and/or Federal DJ/WB funds would have to receive General Fund moneys.
- Division of Administration (ADF&G) receives 6% overhead on all federal money we expend. Currently this is paid with federal money, but from this point forward, would have to be paid using General Fund money.

Current FY 97 Funding Sources and Funding Sources With Senate Bill 247

FY 97 Sport Fish Projects		Current Funding Sources				Funding Sources With SB 247				
Project # / Title	Total S	F&G*	Fed*	Prog*	CIP*	F&G*	Fed*	Prog*	CIP*	GF*
54 Headquarters	1228.1	1113.3	99.9	15.0	0.0	0.0	0.0	15.0	0.0	1213.1
64 Boating Access	362.5	36.9	110.6	0.0	215.1	36.9	110.6	0.0	215.1	0.0
55 RTS	1865.1	1029.8	835.3	0.0	0.0	0.0	0.0	0.0	0.0	1865.1
56 SE Supervision	1379.8	1379.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1379.8
57 SE Salmon	1604.1	401.0	1203.1	0.0	0.0	0.0	0.0	0.0	0.0	1604.1
58 SE Resident Sp	498.9	124.7	374.2	0.0	0.0	0.0	0.0	0.0	0.0	498.9
64 SE Access	50.0	12.5	37.5	0.0	0.0	12.5	37.5	0.0	0.0	0.0
91 SE Hatcheries	1150.8	442.7	487.8	220.4	0.0	442.7	487.8	220.4	0.0	0.0
59 SC Supervision	2088.3	2037.5	50.8	0.0	0.0	0.0	0.0	0.0	0.0	2088.3
60 SC Salmon	2676.4	841.0	1835.4	0.0	0.0	0.0	0.0	0.0	0.0	2676.4
61 SC Resident Sp	507.4	126.8	380.5	0.0	0.0	0.0	0.0	0.0	0.0	507.4
62 SC Shellfish &	267.3	124.2	143.2	0.0	0.0	0.0	0.0	0.0	0.0	267.3
64 SC Access	97.4	24.4	73.1	0.0	0.0	24.4	73.1	0.0	0.0	0.0
90 SC Hatcheries	1607.0	392.8	1178.3	36.0	0.0	392.8	1178.3	36.0	0.0	0.0
69 IN Supervision	942.7	942.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	942.7
70 IN Salmon	124.1	31.0	93.1	0.0	0.0	0.0	0.0	0.0	0.0	124.1
71 IN Resident Sp	831.4	207.8	623.5	0.0	0.0	0.0	0.0	0.0	0.0	831.4
64 IN Access	32.5	8.1	24.4	0.0	0.0	8.1	24.4	0.0	0.0	0.0
92 IN Hatcheries	461.6	115.4	346.2	0.0	0.0	115.4	346.2	0.0	0.0	0.0
Total	17775.8	9392.4	7896.9	271.4	215.1	1032.8	2257.9	271.4	215.1	13998.6
Admin Ovrhead**			500.8							135.5
Grand Total	18276.6	9392.4	8397.7	271.4	215.1	1032.8	2257.9	271.4	215.1	14134.1

*F&G is the Fish and Game Fund; Fed is Federal Funds; Prog is Program Receipts; CIP is Capital Improvement Project Funds; GF is General Funds.

**Fees paid to Department of Fish and Game, Division of Administration for overhead related to federal funding.

FISCAL NOTE

2/20/96
125,110

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 247

Revision Date: _____ Dept. Affected: Fish and Game
 Title: Restrict Use of Fish & Game Fund BRU: Wildlife Conservation
 Component: Wildlife Conservation
 Sponsor: Senator Taylor
 Requester: Senate Resources **COMPONENT SERIAL NO. 473**

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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 (1002)	(4,500.0)	(7,954.0)	(7,954.0)	(7,954.0)	(7,954.0)	(7,954.0)

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts	(7,954.0)	(7,954.0)	(7,954.0)	(7,954.0)	(7,954.0)	(7,954.0)
1003 GF Match						
1004 GF	15,623.5	15,623.5	15,623.5	15,623.5	15,623.5	15,623.5
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(7,669.5)	(7,669.5)	(7,669.5)	(7,669.5)	(7,669.5)	(7,669.5)
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

POSITIONS	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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)

Assumptions: (1) The legislation will become effective at the beginning of FY97. (2) To maintain department services and programs at existing levels, General Funds will be provided to offset funding cuts in Fish & Game Fund and Federal Aid revenues. (3) Federal Aid apportionments and license/tag revenues will remain constant for foreseeable future.

Secs. 2 and 3 of the bill restrict utilization of federal aid and license/tag revenue for costs of personnel (\$10,411.1) and in areas where game populations are subject to preferences among consumptive uses that are not valid under the state constitution or state law. Virtually all game populations trespass on federal lands that are "subject" to subsistence preferences not valid under state law. Accordingly, this bill would preclude expending Fish & Game Fund and Federal Aid revenues on all wildlife management programs throughout the state. Only expenditures of program receipts (\$110.2) would be unaffected by this bill.

These limitations on Federal Aid spending would cause the department to revert \$4,500.0 in FY97 and to revert the entire Federal Aid apportionment (approx. \$8,000.0) each year thereafter. Reverted funds would be redistributed to the other 49 states.

Prepared by: Ken Taylor, Deputy Director
 Division: Wildlife Conservation
 Approved by Commissioner: Paul R.
 Agency: Alaska Department of Fish and Game

Phone: 465-6192
 Date: 3/20/96
 Date: 3.20.96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

STATE OF ALASKA

FISCAL NOTE

BILL NO.:

REPORTED OUT OF RES. FIN
SB-247

1996 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Public Safety
 Title: An Act relating to the fish and game fund; BRU: Fish & Wildlife Protection
amending Rules 79(b) and 82(b)(2),... Component: Enforcement & ISU
 Sponsor: Senators Taylor and Sharp
 Requestor: S. Resources COMPONENT SERIAL NO. 0490

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ()	-0-	-0-	-0-	-0-	-0-	-0-
Code Revenue						

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-

Estimate of current year (FY 96) impact: \$ 0.0

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. The Division of Fish & Wildlife Protection receives no revenue from the Federal Aid To Fish and Wildlife Restoration Programs nor from the sale of licenses.

Prepared By: Captain Richard Graham, Operations Commander Phone: 269-5589
 Division: Fish & Wildlife Protection Date: 03/19/96
 Approved by Commissioner: *Ronald L. Otte* Date: 3/19/96
 Agency: Ronald L. Otte, Department of Public Safety

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 247(RES)

Revision Date: 3/29/96 Dept. Affected: Fish and Game
 Title: Restrict Use of Fish & Game Fund BRU: Wildlife Conservation
 Component: Wildlife Conservation
 Sponsor: Senator Taylor
 Requester: Senate Finance **COMPONENT SERIAL NO. 473**

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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 (1002)	0.0	(440.0)	(4,764.0)	(9,000.0)	(9,000.0)	(9,000.0)
----------------------------------	------------	----------------	------------------	------------------	------------------	------------------

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	(4,314.4)	(4,325.0)	(4,400.0)	(4,400.0)	(4,400.0)	(4,400.0)
1003 GF Match						
1004 GF	6,374.8	6,385.4	6,460.4	6,460.4	6,460.4	6,460.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)
TOTAL	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)

Estimate of any current year (FY96) cost: \$ 0.0

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)

Assumptions: (1) To maintain department services and programs at existing levels, General Funds will be provided to offset funding cuts in Fish & Game Fund and Federal Aid revenues. (2) Federal Aid apportionments and license/tag revenues will remain constant for foreseeable future. (3) The regulatory process (\$713.3) and data processing programs (\$1,042.9) are assumed to directly benefit consumptive users and will continue to be funded by federal aid and Fish & Game Fund revenues.

Sec. 2 of the bill restricts use of license/tag revenue for such programs as education, nongame, marine mammals management, sanctuary management, endangered species, law enforcement, and public information (\$2,060.4). Sec. 4 of the bill restricts utilization of federal aid revenue for costs of personnel (\$4314.4), the major use of federal funds.

These limitations on Federal Aid spending would cause the department to revert \$440.0 in FY98, to revert \$4,764.0 in FY99, and to revert remaining federal aid funds and all new apportionments (approx. \$9,000.0) each year thereafter. Reverted funds would be redistributed to the other 49 states.

Prepared by: Diana Ground, Admin. Officer
 Division: Wildlife Conservation
 Approved by Commissioner: [Signature]
 Agency: Alaska Department of Fish and Game

Phone: 465-6194
 Date: 3/29/96
 Date: 3/31/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 247(RES)

Revision Date: <u>3/28/96</u>	Dept. Affected: <u>Fish and Game</u>
Title: <u>Restrict use of fish & game fund</u>	BRU: <u>Sport Fish</u>
	Component: <u>Sport Fish</u>
Sponsor: <u>Senator Taylor</u>	
Requester: <u>Senate Resources</u>	COMPONENT SERIAL NO. <u>464</u>

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
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 (1002)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)
------------------------------------	-----------	-----------	-----------	-----------	-----------	-----------

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)	(6,139.8)
1003 GF Match						
1004 GF	5,774.4	5,774.4	5,774.4	5,774.4	5,774.4	5,774.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Fish and Game Fund 1024)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	(365.4)	(365.4)	(365.4)	(365.4)	(365.4)	(365.4)

Estimate of any current year (FY96) cost: \$ 0.0

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)

See attached pages for assumptions made in fund source calculations. The \$365.4 net loss in FUND SOURCE is the result of lowered overhead costs paid to Division of Administration. These overhead costs are calculated based on the amount of Federal Funds expended by Division of Sport Fish. A reduction in ability to use Federal money is related to a direct reduction of overhead cost for the division.

With implementation of SB 247 the Division of Sport Fish will not be able to fully utilize available Federal funds and will be forced to revert \$6,139.8 of the \$8,397.7 available. This is shown in CHANGE IN REVENUES above. Since the State of Alaska receives the maximum allowable DJ/WB funding, other states have already been suggesting that funding formulas be changed to lower our share of DJ/WB money. By not fully utilizing this money it will supply those states more ammunition for that battle.

Prepared by: Kevin Delaney by PFB
 Division: Sport Fish
 Approved by Commissioner: Geon Bunn
 Agency: Fish and Game

Phone: 465-4180
 Date: 3/28/96
 Date: 3/31/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

Assumptions used in analyzing SB 247.

- Division of Sport Fish will operate all projects at proposed FY 97 levels
- No Headquarters projects other than Access can receive funding from either the Fish and Game fund or Federal DJ/WB fund.
- Research and Technical Services (RTS) projects with the exception of Biometrics, Statewide Harvest Survey and 50% of the Information Management project can not be funded with Fish and Game fund. None of RTS can be funded with Federal DJ/WB funds.
- All hatchery projects and access projects can be funded with moneys from the Fish and Game fund and/or the Federal DJ/WB fund.
- Regional projects can be funded with Fish and Game funds with the exception of Bristol Bay Trout Studies and Karluk Steelhead Studies in Region II, 80% of the resident species projects in Region I, and 50% of the Chena Grayling Studies in Region III. None of these projects can be funded with Federal DJ/WB money.
- All projects which can no longer be funded with Fish and Game funds and/or Federal DJ/WB funds would have to receive General Fund moneys. For projects eligible to use Fish and Game funds, that funding source will be used first to cover loss of federal funding. Projects will receive a relative percentage of the Fish and Game funds that are available.
- Division of Administration (ADF&G) receives 6% overhead on all federal money we expend. Currently this is paid with federal money, but from this point forward, would have to be paid using General Fund money.

Current FY 97 Funding Sources and Funding Sources With Senate Bill 247

FY 97 Sport Fish Projects		Current Funding Sources				Funding Sources With SB 247				
Project # / Title	Total \$	F&G*	Fed*	Prog*	CIP*	F&G*	Fed*	Prog*	CIP*	GF*
54 Headquarters	1228.1	1113.3	99.9	15.0	0.0	0.0	0.0	15.0	0.0	1213.1
64 Boating Access	362.5	36.9	110.6	0.0	215.1	36.9	110.6	0.0	215.1	0.0
55 RTS	1865.1	1029.8	835.3	0.0	0.0	773.2	0.0	0.0	0.0	1091.9
56 SE Supervision	1379.8	1379.8	0.0	0.0	0.0	1379.8	0.0	0.0	0.0	0.0
57 SE Salmon	1604.1	401.0	1203.1	0.0	0.0	734.9	0.0	0.0	0.0	869.2
58 SE Resident Sp	498.9	124.7	374.2	0.0	0.0	99.7	0.0	0.0	0.0	399.2
64 SE Access	50.0	12.5	37.5	0.0	0.0	12.5	37.5	0.0	0.0	0.0
91 SE Hatcheries	1150.8	442.7	487.8	220.4	0.0	442.7	487.8	220.4	0.0	0.0
59 SC Supervision	2088.3	2037.5	50.8	0.0	0.0	2088.3	0.0	0.0	0.0	0.0
60 SC Salmon	2676.4	841.0	1835.4	0.0	0.0	1541.2	0.0	0.0	0.0	1135.2
61 SC Resident Sp	507.4	126.8	380.5	0.0	0.0	156.0	0.0	0.0	0.0	351.4
62 SC Shellfish &	267.3	124.2	143.2	0.0	0.0	227.6	0.0	0.0	0.0	39.7
64 SC Access	97.4	24.4	73.1	0.0	0.0	24.4	73.1	0.0	0.0	0.0
90 SC Hatcheries	1607.0	392.8	1178.3	36.0	0.0	392.8	1178.3	36.0	0.0	0.0
69 IN Supervision	942.7	942.7	0.0	0.0	0.0	942.7	0.0	0.0	0.0	0.0
70 IN Salmon	124.1	31.0	93.1	0.0	0.0	56.8	0.0	0.0	0.0	67.3
71 IN Resident Sp	831.4	207.8	623.5	0.0	0.0	359.5	0.0	0.0	0.0	471.9
64 IN Access	32.5	8.1	24.4	0.0	0.0	8.1	24.4	0.0	0.0	0.0
92 IN Hatcheries	461.6	115.4	346.2	0.0	0.0	115.4	346.2	0.0	0.0	0.0
Total	17775.8	9392.4	7896.9	271.4	215.1	9392.5	2257.9	271.4	215.1	5638.9
Admin Ovrhead**			500.8							135.5
Grand Total	18276.6	9392.4	8397.7	271.4	215.1	9392.5	2257.9	271.4	215.1	5774.4

*F&G is the Fish and Game Fund; Fed is Federal Funds; Prog is Program Receipts; CIP is Capital Improvement Project Funds; GF is General Funds.

**Fees paid to Department of Fish and Game, Division of Administration for overhead related to federal funding.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB247(RES)

Revision Date:	<u>3/28/96</u>	Dept. Affected:	<u>Fish and Game</u>
Title:	<u>An Act relating to the fish and game fund</u>	BRU:	<u>Administration and Support</u>
Sponsor:	<u>Senators Taylor and Sharp</u>	Component:	<u>Administrative Services</u>
Requester:	<u>Senate Resources</u>	COMPONENT SERIAL NO.	<u>479</u>

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES (1004)						
---------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)
1003 GF Match						
1004 GF	2,313.5	2,313.5	2,313.5	2,313.5	2,313.5	2,313.5
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(1,336.0)	(1,336.0)	(1,336.0)	(1,336.0)	(1,336.0)	(1,336.0)
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

To maintain department services and programs at existing levels, general funds will be necessary to offset the decrease in fish and game and federal funding.

Federal receipts are currently collected as indirect overhead to fund such items as accounting services, personnel and payroll services, budgeting services, procurement and contracting services, and data processing services.

Fish and Game funds are currently used to pay for the costs of administering the license system such as printing license stock, postage for mailing stock to vendors, and paying vendor compensation for licenses sold.

Prepared by: Kevin Brooks Kevin Brooks, Director
 Division: Administration

Phone: 465-6091
 Date: 3/28/96

Approved by Commissioner: Sean Bruce for
 Agency: _____

Date: 3/31/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB247(RIs)

Revision Date: 4/9/96 Dept. Affected: Fish and Game
 Title: An Act relating to the fish and game fund BRU: Administration and Support
 Component: Administrative Services
 Sponsor: Senators Taylor and Sharp
 Requester: Senate Rules COMPONENT SERIAL NO. 479

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES (1002)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)
---------------------------	---------	---------	---------	---------	---------	---------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)
1003 GF Match						
1004 GF	977.5	977.5	977.5	977.5	977.5	977.5
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

To maintain department services and programs at existing levels, general funds will be necessary to offset the decrease in federal funding.

Federal receipts are currently collected as indirect overhead to fund such items as accounting services, personnel and payroll services, budgeting services, procurement and contracting services, and data processing services.

Prepared by: Kevin Brooks Kevin Brooks, Director
 Division: Administration

Phone: 465-6091
 Date: 4/9/96

Approved by Commissioner: Geon Bunn for
 Agency: _____

Date: 4/9/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 247(RLS)

Revision Date: 4/9/96 Dept. Affected: Fish and Game
 Title: Restrict Use of Fish & Game Fund BRU: Wildlife Conservation
 Component: Wildlife Conservation
 Sponsor: Senator Taylor
 Requester: Senate Rules COMPONENT SERIAL NO. 473

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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 (1002)	0.0	0.0	0.0	0.0	0.0	0.0
---------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match						
1004 GF	2,060.4	2,060.4	2,060.4	2,060.4	2,060.4	2,060.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

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)

Assumptions: (1) To maintain department services and programs at existing levels, General Funds will be provided to offset funding cuts in Fish & Game Fund revenues. (2) Federal Aid apportionments and license/tag revenues will remain constant for foreseeable future. (3) The regulatory process (\$713.3) and data processing programs (\$1,042.9) are assumed to directly benefit consumptive users and will continue to be funded by federal aid and Fish & Game Fund revenues.

Secs. 2 and 4 of the bill restrict use of Fish & Game Fund and Federal Aid funding for such programs as education, nongame, marine mammals management, sanctuary management, endangered species, law enforcement, and public information (\$2,060.4). To continue to provide these services, general funds would have to compensate for the loss of current revenue sources.

Prepared by: Diana Ground, Admin. Officer
 Division: Wildlife Conservation
 Approved by Commissioner: Geison Bruce
 Agency: Alaska Department of Fish and Game

Phone: 465-6194
 Date: 4/9/96
 Date: 4/9/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 247(RLS)

Revision Date: 4/9/96 Dept. Affected: Fish and Game
 Title: Restrict use of fish & game fund BRU: Sport Fish
 Component: Sport Fish
 Sponsor: Senator Taylor
 Requester: Senate Rules COMPONENT SERIAL NO. 464

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
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 (1002)	(1,211.4)	(1,211.4)	(1,211.4)	(1,211.4)	(1,211.4)	(1,211.4)
-----------------------------	-----------	-----------	-----------	-----------	-----------	-----------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(1,211.4)	(1,211.4)	(1,211.4)	(1,211.4)	(1,211.4)	(1,211.4)
1003 GF Match						
1004 GF	3,016.2	3,016.2	3,016.2	3,016.2	3,016.2	3,016.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Fish and Game Fund 1024)	(1,874.3)	(1,874.3)	(1,874.3)	(1,874.3)	(1,874.3)	(1,874.3)
TOTAL	(69.5)	(69.5)	(69.5)	(69.5)	(69.5)	(69.5)

Estimate of any current year (FY96) cost: \$ 0.0

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)

See attached pages for assumptions made in fund source calculations. The \$69.5 net loss in FUND SOURCE is the result of lowered overhead costs paid to Division of Administration. These overhead costs are calculated based on the amount of Federal Funds expended by Division of Sport Fish. A reduction in ability to use Federal money is related to a direct reduction of overhead cost for the division.

With implementation of SB 247 the Division of Sport Fish will not be able to fully utilize available Federal funds and will be forced to revert \$1,211.4 of the \$8,397.7 available. This is shown in CHANGE IN REVENUES above. Since the State of Alaska receives the maximum allowable DJ/WB funding, other states have already been suggesting that funding formulas be changed to lower our share of DJ/WB money. By not fully utilizing this money it will supply those states more ammunition for that battle.

Prepared by: Kevin Delaney IRB for
 Division: Sport Fish
 Approved by Commissioner: Deon Bue for
 Agency: Fish and Game

Phone: 465-4180
 Date: 4/9/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

Assumptions used in analyzing SB 247.

- Division of Sport Fish will operate all projects at proposed FY 97 levels
- No Headquarters projects other than Access can receive funding from either the Fish and Game fund or Federal DJ/WB fund.
- Research and Technical Services (RTS) projects with the exception of Biometrics, Statewide Harvest Survey and 50% of the Information Management project can not be funded with either the Fish and Game fund or Federal DJ/WB funds.
- All hatchery projects and access projects can be funded with moneys from the Fish and Game fund and/or the Federal DJ/WB fund.
- Regional projects can be funded with Fish and Game funds and/or Federal DJ/WB funds with the exception of Bristol Bay Trout Studies and Karluk Steelhead Studies in Region II, 80% of the resident species projects in Region I, and 50% of the Chena Grayling Studies in Region III.
- All projects which can no longer be funded with Fish and Game funds and/or Federal DJ/WB funds would have to receive General Fund moneys.
- Division of Administration (ADF&G) receive: 6% overhead on all federal money we expend. Currently this is paid with federal money, but from this point forward, would have to be paid using General Fund money.

Current FY 97 Funding Sources and Funding Sources With Senate Bill 247

FY 97 Sport Fish Projects		Current Funding Sources				Funding Sources With SB 247				
Project # / Title	Total \$	F&G*	Fed*	Prog*	CIP*	F&G*	Fed*	Prog*	CIP*	GF*
54 Headquarters	1228.1	1113.3	99.9	15.0	0.0	0.0	0.0	15.0	0.0	1213.1
64 Boating Access	362.5	36.9	110.6	0.0	215.1	36.9	110.6	0.0	215.1	0.0
55 RTS	1865.1	1029.8	835.3	0.0	0.0	421.9	684.2	0.0	0.0	759.0
56 SE Supervision	1379.8	1379.8	0.0	0.0	0.0	1379.8	0.0	0.0	0.0	0.0
57 SE Salmon	1604.1	401.0	1203.1	0.0	0.0	401.0	1203.1	0.0	0.0	0.0
58 SE Resident Sp	498.9	124.7	374.2	0.0	0.0	24.9	74.8	0.0	0.0	399.2
64 SE Access	50.0	12.5	37.5	0.0	0.0	12.5	37.5	0.0	0.0	0.0
91 SE Hatcheries	1150.8	442.7	487.8	220.4	0.0	442.7	487.8	220.4	0.0	0.0
59 SC Supervision	2088.3	2037.5	50.8	0.0	0.0	2037.5	50.8	0.0	0.0	0.0
60 SC Salmon	2676.4	841.0	1835.4	0.0	0.0	841.0	1835.4	0.0	0.0	0.0
61 SC Resident Sp	507.4	126.8	380.5	0.0	0.0	85.1	255.2	0.0	0.0	167.1
62 SC Shellfish &	267.3	124.2	143.2	0.0	0.0	124.2	143.2	0.0	0.0	0.0
64 SC Access	97.4	24.4	73.1	0.0	0.0	24.4	73.1	0.0	0.0	0.0
90 SC Hatcheries	1607.0	392.8	1178.3	36.0	0.0	392.8	1178.3	36.0	0.0	0.0
69 IN Supervision	942.7	942.7	0.0	0.0	0.0	942.7	0.0	0.0	0.0	0.0
70 IN Salmon	124.1	31.0	93.1	0.0	0.0	31.0	93.1	0.0	0.0	0.0
71 IN Resident Sp	831.4	207.8	623.5	0.0	0.0	196.2	588.6	0.0	0.0	46.6
64 IN Access	32.5	8.1	24.4	0.0	0.0	8.1	24.4	0.0	0.0	0.0
92 IN Hatcheries	461.6	115.4	346.2	0.0	0.0	115.4	346.2	0.0	0.0	0.0
Total	17775.8	9392.4	7896.9	271.4	215.1	7518.1	7186.3	271.4	215.1	2585.0
Admin Ovrhead**			500.8							431.2
Grand Total	18276.6	9392.4	8397.7	271.4	215.1	7518.1	7186.3	271.4	215.1	3016.2

*F&G is the Fish and Game Fund; Fed is Federal Funds; Prog is Program Receipts; CIP is Capital Improvement Project Funds; GF is General Funds.

**Fees paid to Department of Fish and Game, Division of Administration for overhead related to federal funding.

Alaska State Legislature

Chairman,
Judiciary Committee

Vice Chairman,
Transportation Committee

Member,
Resources Committee
Western Legislative Forestry Task Force



Senator Robin L. Taylor

State Capitol
Juneau, Alaska 99801-1182
(907) 465-3873
Fax: (907) 465-3922

352 Front Street
Ketchikan, Alaska 99901
(907) 225-8088
Fax: (907) 225-0713

Senate Bill 247 Sponsor Statement

This legislation is precipitated by the Department of Fish and Game's policy of using funds raised through consumptive uses of fish and game for non consumptive purposes. It will ensure that this is not the case in the future. The bill provides for suits to be brought by individuals against the department and its employees for violation of its provisions.

This legislation will require the Department of Fish and Game to expend Fish and Game funds for consumptive uses for both sport hunting and fishing. These funds are collected from sportsmen through the purchase of licenses, stamps and tags. It is only proper that the funds provided by these individuals be used to benefit these users of the resource.

Here are the principle points of the bill:

1. Limit the use of fish and game funds to provide for intensive management of sport fish stocks and game populations for maximum sustained yield. It also provides for propagation, reintroduction, restocking, transplantation, manipulation of habitat, predator removal, hunter education, public access to sports fishing and hunting areas, and restoration of sport fish and game resources.
2. Direct benefits to the purchasers of licenses, stamps and tags that increase human harvests of sport fish and game. It would prohibit the expenditure of these funds for non-consumptive uses of sport fish and game.
3. Prohibit the use of these funds for the cost of personnel, administration, and certain kinds of construction projects.
4. Allow funding to continue for facilities that would be used solely for the propagation of sport fish or game for restocking, enhancement, or transplantation. And also continue funding of shooting ranges and facilities to improve public access to areas where consumptive uses of sports fish and game may occur.
5. Defines the terms "harvestable surplus", "high level of human harvest" and "intensive management" for purposes of section 3 of the bill.

District A:

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

6. Mandates that federal funds received by the state, under the federal aid to fish restoration program or the federal aid in wildlife restoration program, be used for consumptive use purposes except where federal law directs they be used otherwise.
7. The Department of Fish and Game must prepare an annual report on expenditures from the Fish and Game Fund to legislators.
8. Provides for the right to bring civil action in the courts to enforce the requirements of AS 16.05.130. If that party prevails in the action, the person is entitled to recover the full, true and actual costs of the litigation.
9. There are also court rule amendments which are necessary to implement the new AS 16.05.130(h) added in the bill.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 23, 1996

SUBJECT: Sectional Summary of SB 247; An Act relating to the fish and game fund.

TO: Senator Robin Taylor

FROM: George Utermohle *GU*
Legislative Counsel

You have requested a sectional summary of SB 247; An Act relating to the fish and game fund.

As a preliminary matter, please note that a sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill repeals and reenacts AS 16.05.130(a). Revenue received by the state from sport fishing, hunting, and trapping licenses and tag fees may only be expended as provided by legislative appropriation. License and tag revenues may be only used for intensive management projects; for propagation, reintroduction, restocking, transplantation, habitat manipulation, predator removal, hunter education, access to hunting and sport fishing areas, and restoration of game and sport fish resources; or for certain types of projects that directly benefit purchasers of sport fishing, hunting, and trapping licenses and tags. License and tag revenues may not be used for projects in areas where consumptive use of sport fish and game are not allowed, expended in areas where certain preferences among consumptive users of game are in effect, used for a purpose not permitted under this subsection, or expended for the costs of personnel, administration, and certain kinds of construction projects.

Section 2 of the bill amends AS 16.05.130(b) by changing the uses for which revenue derived from the waterfowl conservation tag fee may be used.

Section 3 of the bill adds new subsections to AS 16.05.130. Federal monies received under the federal sport fish and wildlife restoration programs may only be used for certain kinds of projects. The Department of Fish and Game shall prepare an annual report of expenditures from the fish and game fund and provide the report to members of the legislature. A person may bring a civil action in the courts to enforce the requirements of AS 16.05.130; if the person prevails in the action, the person is entitled to recover the full,

Senator Robin Taylor

February 23, 1996

Page 2

true, and actual costs of the litigation. The terms "harvestable surplus", "high level of human harvest", "intensive management", and "maximum sustained yield" are defined.

Section 4 of the bill makes a technical amendment to AS 16.05.340(a)(17)(B) to conform to the amendment of AS 16.05.130(b) by sec. 2 of the bill.

Section 5 of the bill repeals AS 16.05.130(d), relating to the use of hunting, fishing, and trapping license revenues and federal sport fish and wildlife restoration monies.

Section 6 of the bill provides for the amendment of certain court rules necessary to implement the new AS 16.05.130(h), as added by sec. 3 of the bill.

Section 7 of the bill provides that the new AS 16.05.130(h), as added by sec. 3 of the bill, does not take effect unless the amendments of court rules proposed by sec. 6 of the bill are approved by a two-thirds majority vote of both houses of the legislature.

Section 8 of the bill provides that the bill takes effect July 1, 1996.

GU:glc:pl
96-117.glc

To: Senator Taylor

Date: March 20, 1996

Subject: SB 247

From: Peter Shepherd, 1012 Galena St., Fairbanks, AK 99709

I support SB 247 and would like to commend Senators Taylor and Sharp for their efforts on this bill.

It is indeed unfortunate that it has become necessary to promulgate law mandating the dispensing of fish and game funds. However, I have witnessed over a number of years the mounting influence of changing public values on the attitudes of the ADF&G leadership towards those who provide the operational revenues. It is unconscionable that the fish and game funds are being used in ways that subvert the interests of the paying hunting and trapping public.

In general, a non-contributing public, many who embrace a philosophy that rejects human consumptive use, are those most vocally demanding the Department reframe from intensive management programs. In all due respect to these opposing public values, ADF&G and the State Board of Game should still act within the framework established by Alaska constitutional law. I suggest that any concessions made to these demands are patently unconstitutional on the part of ADF&G and the Board of Game.

In my opinion there is no moral or legal reason that fish and game funds be used to decrease opportunities, promotion, and enhancement of traditional consumptive uses of renewable wildlife resources on a sustained yield basis. Until such a time that other sources of funding are provided by the non-consumptive public, present uses of the fish and game fund are justifiably assignable to those outlined in SB247.

Thank You.

Peter Shepherd

Peter Shepherd

Post-It™ brand fax transmittal memo 7671		# of pages	/
To: SEN. ROBERT LEMAN	From: FBX LIO		
Co: SRES. CUMTE	Co:		
Dept:	Phone #		
Fax #	Fax #		

MAR 27 1996



Alaska State Legislature

Please enter into the record my testimony to the Senate Resources
 committee name
 committee on SB 247, dated 3/20/96
 bill/subject

As a lifelong Alaskan and a consumptive user of Fish and Game resources for more years than I care to admit to, I wish to express the strongest possible support for S.B. #247.

I think it is vitally important to use funds generated by sportsmens' and sportswomens' license fees, tags, and permits to directly benefit consumptive users.

I don't claim to be a legal expert, but from what I see in the State Constitution, it appears that the Department of Fish and Wildlife is mandated to manage fish and wildlife resources in a manner that provides the highest possible sustained yield for consumptive users.

From the projects and programs generated by administrative positions within the Department over the last few years, it would appear that this mandate has been subverted and in some cases deliberately ignored.

The passage of S.B. #247 would go a long way toward squelching these departures from that mandate. Respectfully,
 Signed: Lee A. Stoner
 Testifier (Lee A. Stoner)

Representing (Optional)
940 Soriano Dr., Wasilla, Alaska 99654
 Address
(907) 376 9488
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the Senate Resources
committee name

committee on S.B. #247, dated March 20, 1996.
bill/subject

I am a housewife and mother of two married to a lifelong Alaskan who has provided our family with fish and game for years. I and my children have grown to prefer wild fish and game over domestic. I buy a license each year and each fall we have a family hunt to further the heritage of hunters.

I feel it is important that S.B. #247 be passed so that I and my family will be able to hunt and fish on a continuing basis.

Signed: Andra L. Stoner
Testifier

Representing (Optional)

940 Lisiano Dr. Waiilla

Address

(907) 376-9488

Phone No.



Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

Phone: 907-463-3366

Fax: 907-463-3312

The Alaska Environmental Lobby is opposed to SB 247

SB 247 is an *"Act restricting the use of certain funds deposited in the fish and game fund"*.

Alaskans have the constitutional right to the **state's natural resources to being managed for the benefit of all**. This bills' focus on consumptive use of wildlife resources, at the exclusion of other uses, is it's most disturbing aspect.

SB 247 would restrict money from licenses or tag fees for use only on projects that provide *"direct benefits to purchasers of sport fishing, hunting, and trapping licenses and tags..."*

This appears to assume that a licenses/tag is a user fee. They are not. These licenses are temporary permission to harvest a resource in a regulated and prescribed manner. If the Bill's objective was distribution of user fees it would suggest new fees for non consumptive use. It does not. What it does assert is that consumptive use is the highest and best use of wildlife resources at the exclusion of all other interests.

The Bill eliminates State funding from licenses for any project designed to provide direct benefits to Alaskans engaged in non consumptive use of the State's wildlife resources. Projects that the Bill does provide for include *"intensive management"*.

In a similar vein, the Bill's language pointing out *"a person may bring a civil action...against a state agency or public official"* coupled with language assuring a potential plaintiff that if they prevail they are *"entitled to recover the full, true, and actual costs of litigation, including 100% of actual attorney fees"* can only have a chilling effect on resource management. Similar language in CS SB 262 "B" version, has moderated its tone somewhat by exempting members who serve on the Board of Game from such suits, but **the closing sentence in *Section 3 (g) of SB 247 -A public official is not immune from suit under this section.-can serve no other purpose but to intimidate.**

3/20/96



WORK DRAFT

WORK DRAFT

Sen. Frank moved
ADOPTED
4/23/96
WORK DRAFT

9-LS1606K - R/O
Utermohle
3/29/96

CS FOR SENATE BILL NO. 247()

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS TAYLOR, Sharp, Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act restricting the use of certain funds deposited in the fish and game
2 fund; amending Rules 79(b) and 82(b)(2), Alaska Rules of Civil Procedure, and
3 relating to the powers and duties of the commissioner of fish and game; and
4 providing for an effective date."

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 * Section 1. AS 16.05.050 is amended by adding a new paragraph to read:

7 (20) to cooperate with sportsmen's organizations and other
8 organizations to increase game populations in the state and to introduce new
9 populations into suitable habitat.

10 * Sec. 2. AS 16.05.130(a) is repealed and reenacted to read:

11 (a) Notwithstanding any other law to the contrary, except as provided in (c)
12 of this section, money accruing to the state from sport fishing, hunting, and trapping
13 licenses or tag fees shall be expended only as provided by appropriation. The
14 legislature shall make a separate appropriation for each project to be funded from

1 money subject to this subsection. Money subject to this subsection

2 (1) shall be used only for projects that provide for

3 (A) intensive management of sport fish stocks and game
4 populations for maximum sustained yield by human harvest;

5 (B) propagation, reintroduction, restocking, transplantation,
6 manipulation of habitat, predator removal, hunter education, public access to
7 sport fishing and hunting areas, or restoration of sport fish and game resources;

8 (C) direct benefits to purchasers of sport fishing, hunting, and
9 trapping licenses and tags that increase sport fish stocks and game populations,
10 increase human harvests of sport fish and game, or decrease predation upon
11 sport fish and game taken by purchasers of sport fishing, hunting, and trapping
12 licenses and tags; or

13 (D) construction and preservation of shooting ranges; and

14 (2) may not be

15 (A) expended for projects in an area where consumptive uses
16 of sport fish and game are not allowed;

17 (B) expended, borrowed, or otherwise used for a purpose not
18 authorized under this subsection;

19 (C) expended for costs of personnel or administration, other
20 than costs of personnel or administration directly incurred in conjunction with
21 projects allowed under this subsection; or

22 (D) expended for costs of construction, other than costs of
23 construction projects that are consistent with (1) of this subsection and that are
24 for

25 (i) facilities used solely for the propagation of sport fish
26 or game for restocking, enhancement, or transplantation;

27 (ii) shooting ranges; or

28 (iii) facilities to improve public access to areas where
29 consumptive uses of sport fish and game may occur.

30 * Sec. 3. AS 16.05.130(b) is amended to read:

31 (b) Money accruing to the state from waterfowl conservation tag fees from

1 hunters may not be diverted to a purpose other than (1) the [CONSERVATION AND]
2 enhancement of waterfowl; (2) the acquisition, by lease or otherwise, of wetlands that
3 are important for waterfowl and for consumptive uses [PUBLIC USE] of waterfowl
4 in the state; and (3) projects related to consumptive uses of waterfowl
5 [WATERFOWL RELATED PROJECTS APPROVED BY THE COMMISSIONER;
6 (4) THE ADMINISTRATION OF THE WATERFOWL CONSERVATION
7 PROGRAM; AND (5) EMERGENCIES IN THE STATE AS DETERMINED BY THE
8 GOVERNOR]. The department shall maintain a state waterfowl tag fee account within
9 the fish and game fund to permit separate accounting records for the receipt and
10 expenditure of money derived from the sale of waterfowl tags. [THE DEPARTMENT
11 SHALL PREPARE A REPORT BEFORE APRIL 15 OF EACH EVEN-NUMBERED
12 YEAR FOR THE PUBLIC AND THE LEGISLATURE ON THE USE OF MONEY
13 DERIVED FROM WATERFOWL CONSERVATION TAGS AND LIMITED
14 EDITION PRINTS. THE DEPARTMENT SHALL NOTIFY THE LEGISLATURE
15 THAT THE REPORT IS AVAILABLE.]

16 * Sec. 4. AS 16.05.130 is amended by adding new subsections to read:

17 (e) Except as otherwise required by federal law, federal funds received by the
18 state through the federal aid to fish restoration program or the federal aid in wildlife
19 restoration program may not be expended except as provided by appropriation. Funds
20 subject to this subsection

21 (1) shall be used only for projects that provide for

22 (A) intensive management of fish stocks and ~~game~~ populations
23 for maximum sustained yield for human harvest;

24 (B) propagation, reintroduction, restocking, transplantation,
25 manipulation of habitat, predator removal, hunter education, public access to
26 sport fishing and hunting areas, or restoration of sport fish and game resources;

27 (C) direct benefits to purchasers of sport fishing and hunting
28 licenses and tags by increasing sport fish stocks and game populations,
29 increasing human harvests of sport fish and game, or decreasing predation upon
30 sport fish and game taken by purchasers of sport fishing and hunting licenses
31 and tags; or

- 1 (D) construction and preservation of shooting ranges; and
2 (2) may not be
- 3 (A) expended for projects in an area where consumptive uses
4 of sport fish and game are not allowed except for construction projects that are
5 consistent with (1) of this subsection and that are for
- 6 (i) facilities used solely for the propagation of sport fish
7 or game for restocking, enhancement, or transplantation;
- 8 (ii) shooting ranges; or
9 (iii) facilities to improve public access to areas where
10 consumptive uses of sport fish and game may occur;
- 11 (B) expended, borrowed, or otherwise used for a purpose not
12 authorized under this subsection;
- 13 (C) expended for costs of personnel or administration, other
14 than costs of personnel or administration directly incurred in conjunction with
15 projects allowed under this subsection; or
- 16 (D) expended for costs of construction, other than costs of
17 construction projects that are consistent with (1) of this subsection and that are
18 for
- 19 (i) facilities used solely for the propagation of sport fish
20 or game for restocking, enhancement, or transplantation;
- 21 (ii) shooting ranges; or
22 (iii) facilities to improve public access to areas where
23 consumptive uses of sport fish and game may occur.
- 24 (f) The department shall prepare an annual report of expenditures from the fish
25 and game fund and provide the report to each member of the legislature. The report
26 must contain a detailed accounting of expenditures and a description of the proportion
27 of the fund expended for each project and of the benefits of each project to purchasers
28 of hunting, trapping, and sport fishing licenses.
- 29 (g) A person may bring a civil action in a court of competent jurisdiction
30 against a state agency or public official for an injunction to compel compliance with
31 this section or to compel remedial action to correct the consequences of a violation of

1 this section. A public official is not immune from suit under this section.

2 (h) A person who brings an action under (g) of this section and who prevails
3 in the action is entitled to recover the full, true, and actual costs of litigation, including
4 100 percent of actual attorney fees.

5 (i) In this section,

6 (1) "harvestable surplus" means the estimated number of animals that
7 is equal to the number of offspring born in a population during a year less the number
8 of animals in the population that die during the year from all causes other than
9 predation or human harvest;

10 (2) "high level of human harvest" means the harvest of one-third or
11 more of the harvestable surplus of an animal population by humans;

12 (3) "intensive management" means management, in accordance with the
13 sustained yield principle, of an identified big game prey population or fish stock to
14 enhance, extend, and develop the population or stock to maintain high levels or
15 provide for higher levels of human harvest, including control of predation and
16 prescribed or planned use of fire and other habitat improvement techniques, but not
17 including restrictions on methods or means of taking fish or game, access to fish or
18 game, or human harvest of fish or game;

19 (4) "maximum sustained yield" means the achievement and
20 maintenance in perpetuity of a high level of human harvest on an annual basis of
21 game, other than mammalian predators, and of fish.

22 * Sec. 5. AS 16.05.340(a)(17)(B) is amended to read:

23 (B) The Board of Game shall by regulation exempt the
24 requirement of a waterfowl conservation tag for waterfowl hunting in areas of
25 the state not likely to benefit from programs described in AS 16.05.130(b)(2)
26 and (3) [AS 16.05.130(b)(2) - (4)].

27 * Sec. 6. AS 16.05.130(d) is repealed.

28 * Sec. 7. AS 16.05.130(h), added by sec. 4 of this Act, has the effect of amending Rules
29 79(b) and 82(b)(2), Alaska Rules of Civil Procedure, by providing that a person who prevails
30 in an action under AS 16.05.130(g) is entitled to recover the full, true, and actual costs of
31 bringing and prosecuting the action, including 100 percent of actual attorney fees.

- 1 * Sec. 8. AS 16.05.130(h), added by sec. 4 of this Act, providing for the recovery of the
2 full, true, and actual costs of litigation, including 100 percent of actual attorney fees by a
3 prevailing plaintiff in an action brought under AS 16.05.130(g), takes effect only if sec. 7 of
4 this Act receives the two-thirds majority vote of each house required by art. IV, sec. 15,
5 Constitution of the State of Alaska.
- 6 * Sec. 9. This Act takes effect July 1, 1996.

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 1/30/96

FURTHER: Finance

Date of 5-Day Notice: 3-12-96
 (in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-28-96

The Resources Committee considered SB 247

Relating to the fish and game fund.

Fiscal notes to CS (ke) to come 3-28-96

and recommends:

- be replaced with CS SB 247 (RES)
- 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:**
- same title
 - technical title
 - new: SCR#

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Peance</i>	✓	<i>[Signature]</i>			
<i>Richard Halford</i>	✓				
<i>Jaylat</i>	✓				
<i>[Signature]</i>					
		CHAIR: <i>[Signature]</i>			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

SB

2550

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 4, 1996

FURTHER REFERRALS:

Date of Committee Action: 4/17/96

The FINANCE Committee considered:

CSSB 250(FIN) am

CS FOR SENATE BILL NO. 250(FIN) am

UNIV. OF ALASKA: LAND GRANT & ASSETS

“An Act relating to the University of Alaska and to assets of the University of Alaska; authorizing the University of Alaska to select additional state public domain land, designating that land as ‘university trust land,’ and describing the principles applicable to the land’s management and the development of its resources; and defining the net income from the University of Alaska’s endowment trust fund as ‘university receipts’ subject to prior legislative appropriation.”

recommends it be replaced the same title
 with the following committee substitute HCS CSSB 250 (FIN) a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Day/Date) _____

fiscal note(s) _____

^{Senate} fiscal note(s) UA, DNR, REV, F-G
4/11 2/15/96

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Richard (Joe) [Signature]</u>			X	
<u>[Signature] Mulder</u>	X			
<u>[Signature] Martin</u>	X			
<u>[Signature] Kelly</u>	X			
<u>[Signature] Theriault</u>	X			
<u>[Signature] Navarre</u>		X		
<u>[Signature] Brown</u>		X		
<u>[Signature]</u>			X	

CHAIR'S SIGNATURE [Signature] [Signature]

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Bill Version: CS SB 250CFIN

(S) Publish Date: 2/15/96

Revision Date
Title: An Act ...authorizing the University of Alaska to select additional
... university trust land
Sponsor: Frank
Requestor:

Department Affected: University of Alaska
BRU: Statewide Programs & Services
Component: Statewide Services

COMPONENT SERIAL NO.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	170.0	170.0	170.0	170.0	170.0	170.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	170.0	170.0	170.0	170.0	170.0	170.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FD SOURCE						
-------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND						
1006 GF/MHTIA						
1048 University Receipts	170.0	170.0	170.0	170.0	170.0	170.0
TOTAL FUNDING	170.0	170.0	170.0	170.0	170.0	170.0

POSITIONS:						
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) Costs identified include \$100.0 for land conveyance costs, which may include a contract with the Department of Natural Resources, and \$70.0 for management costs of the Lead Grant Trust Fund. Land conveyance costs could exceed this estimate if land conveyance can be done more quickly than is currently anticipated. Additional authority to cover those costs would be requested at that time. Management fees are based on the budget currently authorized for the Dept. of Revenue for the same function. Additional land will also generate additional revenue. However, we are unable to quantify the potential for revenue generation until we have specific identification of land selections.

Prepared by: _____
Division: Statewide Budget Office

Approved by: Marylou Burton, Director
Agency: Statewide Budget Office

Phone: 463-3086
Date: 2/12/96

Date: 2/12/96

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 3
 Bill Version: CSSB 250(FIN)
 (S) Publish Date: 2/15/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: Original Dept Affected: Natural Resources
 Title: An Act relating to the University of Alaska and BRU: Resource Development
to assets of the University of Alaska; authorizing the... Component: Land Development
 Sponsor: Senator(s) Frank, Reiger, Kelly, Miller, Sharp
 Requestor: Senate Finance Component Serial No. 431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	67.0	67.0	67.0	67.0	67.0	67.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	78.0	78.0	78.0	78.0	78.0	78.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1007 I/A	78.0	78.0	78.0	78.0	78.0	78.0
TOTAL	78.0	78.0	78.0	78.0	78.0	78.0

Estimate of any current year (FY96) 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 fiscal note is the minimum necessary for DNR to process land selections and conveyances to the University of Alaska. All costs for the conveyance work will be paid for by the University of Alaska using Interagency Receipts. This includes all costs of selection, conveyance, records notation, deed recordation, survey, etc.

* It is impossible to project the exact amount of revenue these conveyances will generate for the University, and will be lost to the state, without knowing exactly what lands will be transferred.

Prepared by: Ron Swanson Phone: 268-8503
 Division: Land Date: 9-Feb-96
 Approved by Commissioner: [Signature] Date: 9-Feb-96
 Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

Revision Date: February 9, 1996 Dept. Affected: Revenue
 Title: An act realloting to the Univ of Alaska and to the BRU: Revenue Operations
assets of the Univ of Alaska; Component: Treasury
 Sponsor: Senator Frank
 Requestor: Finance COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	11.3	11.3	11.3	11.3	11.3	11.3
1005 GF/Program Receipts						
1001 CBRF	14.0	14.0	14.0	14.0	14.0	14.0
1048 University of AK receipts	(30.3)	(30.3)	(30.3)	(30.3)	(30.3)	(30.3)
TOTAL	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0

Estimate of any current year (FY96) cost \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Treasury Division currently manages the University of Alaska Trust Fund. This bill would transfer the \$35 million Trust to the University for management. The division's FY97 budget reflects the Trust Fund as a funding source for a share of the personal service costs and custodial costs of the division. There is also \$5.0 in investment management fees which are specific to the Trust Fund and will not be incurred by Treasury if the Trust Fund is transferred. The passage of this act will result in the loss of this funding source for the Division. As there will not be an equal offsetting reduction in expenditures, Treasury will need to increase its funding from other sources, primarily the general fund and CBRF, although minimal amounts may be allocable to other funds (less than \$1.0)

Prepared by: Betty Martin, Comptroller *Betty Martin* Phone: 465-2350
 Division: Treasury Date: February 9, 1996
 Approved by Commissioner: Ross Kinney, Deputy Commissioner *Ross Kinney* Date: February 14, 1996
 Agency: Department of Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

FISCAL NOTE

No. 1

Bill Version: CS SB 250 (Fin)

(S) Publish Date: 2/15/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____
Title: Increase Land Grant to University of Alaska

Dept. Affected: Fish and Game
BRU: Habitat and Restoration
Component: Habitat Protection

Sponsor: Senator Frank
Requester: Senate Finance

COMPONENT SERIAL NO. 2100

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	60.0	60.0	60.0	60.0	60.0	60.0
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						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	63.1	63.1	63.1	63.1	63.1	63.1

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	63.1	63.1	63.1	63.1	63.1	63.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	63.1	63.1	63.1	63.1	63.1	63.1

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

FULL-TIME	1	1	1	1	1	1
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 500,000 acres or more of university land selections and advise the Department of Natural Resources and the legislature on the effects of university conveyance on fish and wildlife resources, public uses of fish and game; and potential impacts on designated state game refuges, critical habitat areas, and game sanctuaries. Additionally, as university land conveyances are made, existing state land management plans and special area plans will need to be revised to reflect the changes in ownership and land management. This will require approximately one-half full time equivalent Habitat Biologist to advise DNR on the their land use plans and to revise the department's special area plans.

Prepared by: Janet Kowalski
Division: Habitat and Restoration

Phone: 267-2334
Date: 2/13/96

Approved by Commissioner: [Signature]
Agency: [Signature]

Date: 2.14.96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

Bristol Bay CRSA
P.O. Box 849
Dillingham, AK. 99576
Phone: (907) 842-2666

April 11, 1996 **TESTIMONY VIA FAX**

TO: Representative Mark Hanley, Co-Chair
Representative Richard Foster, Co-Chair
House Finance Committee Members

FROM: Susan Flensburg, Program Director
Bristol Bay Coastal Resource Service Area (CRSA) Coastal Management Program

RE: HOUSE CS FOR CS FOR SENATE BILL 250
Short Title: University of Alaska Land Grant and Assets

Thank you Co-Chairmen and Committee Members for the opportunity to testify via fax on the University of Alaska Land Grant bill. I sat through the House Finance Committee (HFC) hearings held yesterday afternoon and again this morning waiting to testify on this bill. I found out a short while ago that the Dillingham LIO can not be hooked up to the HFC meeting this afternoon because the ports to link up off-site areas are full. I am sure you can understand my frustration as I won't have the chance to directly address the committee about our concerns and respond to questions or clarification of our comments, if asked by committee members.

My testimony will be brief as there is not the time to fully elaborate on our concerns with this bill. For the record, my name is Susan Flensburg. I am the Program Director for the Bristol Bay CRSA Coastal Management Program and I am testifying on behalf of our elected board. There are eleven (11) communities in our coastal district, including the City of Dillingham (largest city in Bristol Bay), that are represented on the Bristol Bay CRSA Board.

The majority of land within our coastal district is owned by the State and managed by the Department of Natural Resources (DNR). There are two major adopted state land use plans in effect for our area that provide management intent and guidelines for how state lands are to be managed. The first is the **Bristol Bay Area Plan (BBAP)**, which also includes state land classifications and use designations for multiple uses. The second is the **Nushagak Mulchatna Rivers Recreation Management Plan (NMRRMP)**, which was cooperatively developed and prepared by the Departments of Natural Resources and Fish and Game, and the Bristol Bay CRSA. This plan functions both as a land use plan for the Department of Natural Resources and special coastal management plan for our coastal district. **Both plans underwent a full agency and public review process to address the issues and concerns raised by state agencies, local residents and other users, including the private sector, from around the state.**

Our foremost concern with this bill is that it totally casts aside both plans (BBAP and

BBCRSA Testimony on HC Substitute for CS SB250 (HFC)

April 11, 1996

NMRRMP) and does not provide for any meaningful public review process or "best interest finding determination" under Title 38 (Public Lands) to identify non-legislatively designated state general lands that may be suitable for selection and conveyance to the University. This concern is based on Section 8(e) in the bill (page 9 in the current draft) which states:

"In conveying land to the University of Alaska under this section, the commissioner of natural resources shall give public notice under AS 38.05.945(b)&(c) and provide for access under AS 38.05.127, but other provisions of AS 38.04 and AS 38.05 do not apply." (emphasis added)

The last part of the sentence highlighted in bold includes, among other things, state land use plans adopted under AS 38.04 and the state's "best interest finding determination" process under AS 38.05.035(e). **This means that adopted state land management plans will have absolutely no bearing on the list of lands to be selected and could not be considered even if there was a 38.05.035 Best Interest Finding Determination required, which Section 8(e) also specifically excludes. The public notice requirement under 38.05.945(b)&(c) does not address this concern either as this provision leaves out 38.05.945(a), which refers to public notice of and the opportunity to comment on decisions to reclassify state land and best interest finding determinations on disposals of state land.**

We previously testified before the House Resources Committee (HRC) about our concerns with Section 8(e) in an earlier draft of the bill. Wendy Redman, lobbyist for the University land grant bill, when asked by the committee to respond to our concerns said that DNR is bound by Title 38 to prepare a "best use determination". This may be the intent but it surely isn't reflected anywhere in the bill. The HRC also suggested that I also contact Representative Therriault's office as he was the primary sponsor of the bill in the House. I called the next day and was advised by his staff to contact Wendy Redman as she is the "expert and contact" for this bill. I talked to Wendy a few days later who assured me that a state "best interest determination" is required for University selections and that this determination would be based on lands that are available through existing land use plans. Wendy also said that she would look further into the concerns we raised.

Expressions of intent are useful and nice but mean nothing if they are not reflected in the bill. No one has been able to point out where this intent is expressly stated in the bill nor has there been any movement to address our concerns. **Section 8(e), which is the appropriate section to address these concerns, continues to include the exact same language that was in the original House and Senate versions of this bill.**

Our experience to date with the proceedings on this bill has eroded our faith in the legislative process. In regards to the University of Alaska, it does nothing to reassure local residents and other users of state general land, who will be directly impacted by the development and sale of lands conveyed to the University, that this institution cares about or is willing to address our

BBCRSA Testimony on HC Substitute for CS SB250 (HFC)

April 11, 1996

concerns Thank you for the opportunity to submit our testimony by fax

cc: Governor Knowles
Representative Ivan
Senator Hoffman
Jane Angvik, DNR DOL Director
Wendy Redman, University of Alaska

Adopted -

9-LS1394R.3
Chenoweth
4/15/96

AMENDMENT New #1

OFFERED IN THE HOUSE

TO: HCS CSSB 250(RES)

1 Page 3, lines 10 and 11:

2 Delete "selected by the University of Alaska and conveyed to it"

3 Insert "conveyed to the Board of Regents"

4 Page 4, line 2:

5 Delete "selected by and"

6 Page 4, line 31, through page 5, line 1:

7 Delete "selected by and"

8 Page 7, line 28, following "less.":

9 Insert "A list may identify land in excess of the amount of acreage set out in (a) of
10 this section, but the amount of land identified on the list may not exceed by more than 25
11 percent in total acreage the amount of acreage to which, on the date of submission of the list
12 to the legislature, the university has not received title under this section. If, on a list
13 presented to the legislature under this section, the amount of land to be conveyed exceeds the
14 balance due the university under this section, the university shall set out the land to be
15 conveyed in priority order, and thereafter, when the university receives conveyance of title
16 to land, the commissioner shall reduce the excess acreage by striking from the list the land
17 that has the lowest priority, and shall continue to strike acreage from the list until the list of
18 land to be conveyed does not exceed by more than 25 percent in total acreage the amount of
19 acreage to which the university has not received title under this section."

20 Page 8, line 1:

21 Delete "selected by" ~~and~~

1 Insert "approved by the legislature for conveyance under (b) of this section"

2 Page 8, lines 11 and 12:

3 Delete "selected by the University of Alaska"

4 Insert "approved by the legislature for conveyance under (b) of this section"

5 Page 8, lines 15 - 17:

6 Delete "or, when approval of the list is based on the legislature's inaction under (b)
7 of this section, after the 60th day following the date on which the list was submitted to the
8 legislature"

9 Insert "under (b) of this section"

10 Page 8, line 21:

11 Delete "selection by the University of Alaska"

12 Insert "submission of the list to the legislature under (b) of this section"

13 Page 10, line 24:

14 Delete "selected and"

15 Page 11, line 7:

16 Delete "selections made"

17 Insert "conveyed"

18 Page 12, line 3:

19 Delete "selected by and"

20 Page 12, line 21, after "(a)", through page 12, line 25:

21 Delete all material.

22 Insert "For land conveyed to the University of Alaska under AS 14.40.365, the
23 University of Alaska shall, before conveying or disposing of an interest in the land to a third
24 party, manage the land in a manner that permits customary and traditional uses of the
25 resources, including hunting, fishing, and recreational opportunities, of that land to the

- 1 maximum extent possible."
- 2 Page 13, line 14:
- 3 Delete "selected by and"

STEVE FRANK

119 N. Cushman, Rm. 213
Fairbanks, Alaska 99701
(907) 452-3421

Alaska State Legislature



While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 417

Senate

Sponsor Statement - Senate Bill No. 250

"An Act relating to the University of Alaska and to assets of the University of Alaska; authorizing the University of Alaska to select additional state public domain land, designating that land as 'university trust land', and describing the principles applicable to the land's management and the development of its resources; and defining the net income from the University of Alaska's endowment trust fund as 'university receipts' subject to prior legislative appropriation."

SB 250 would allow the University of Alaska to select 350,000 acres of unencumbered land from the State of Alaska. In this era of declining state funds, endowing the university with additional lands will allow it to develop those lands to produce income for university programs.

Under the Congressional Morrill Act of 1862, each state was entitled to receive a grant for public lands, the income from which would provide the financial base of operation for at least one college or university. The University of Alaska received about 112,000 acres of land, less than any other western public land state and less than the national average entitlement of over 300,000 acres. Some universities in states with much smaller state land grants, such as New Mexico and Oklahoma, have received up to one million acres.

An additional grant of land would bring Alaska up to the level of other western states and follows through with the original purpose of land grant colleges.

This legislation passed both houses last year and was subsequently vetoed by the Governor. We have worked closely with the administration to make changes to the bill that address their concerns.

University of Alaska

Statewide System

CSSB 250 EXPANDING UNIVERSITY OF ALASKA LAND GRANT

By Senators FRANK, Reiger, Kelly, Miller, Sharp

The University of Alaska is called a "Land Grant University" in the tradition of American land grant universities, providing teaching, research and public service to the people of Alaska. While the University has attempted to mold itself in the land grant tradition, one piece of that tradition is lacking -- a sufficient land grant.

In 1915, Congress provided a land grant of approximately 250,000 acres -- every section 33 in the Tanana Valley -- to support the Territorial Agricultural College and School of Mines, together with a site for the institution itself. In 1929 Congress granted an additional 100,000 acres of public lands for the use and benefit of the Agricultural College and School of Mines.

In 1959, the Alaska Statehood act extinguished the University's right to receive the unsurveyed sections 33 of the Tanana Valley, leaving the University with 100,000 acres. Congress so acted because its land grant to the state was by far the most generous of all state land grants. Supporters of the extinguishment said the state clearly was receiving enough land that it could provide necessary land to support the University. The State of Alaska has never kept this moral obligation to the University of Alaska.

Forty-nine of the states received land grants to support their universities. In all but one, the universities received more land than the University of Alaska, notwithstanding the fact that Alaska's state land grant is 16 times the size of the average state land grant. In eighteen of the lower 48 states, the entire federal land grants -- 100% -- went to support the universities. In Alaska, less than one percent -- 0.11% -- went to the University.

The State of Alaska did not manage what land the University received well. In 1978, following legislative appropriation of the University's most valuable acreage, the University sued, eventually winning a legislative settlement that reconstituted the University land trust. Later litigation brought replacement land for the legislatively-appropriated acreage. The University's total land grant holdings today total 140,000 acres. Still, nearly 50,000 acres of limited timber cutting rights west of Icy Bay remains tied up in litigation.

Alaskans look to the University of Alaska to provide for some of its financial needs by earning income from the federal land grant, yet Alaskans do not realize the paucity of lands managed by the university.

If the University of Alaska received the average percentage of the total federal grant to the state -- 42.01% of the State of Alaska grant -- the University would be managing 43 million acres, and would probably need no further state support. If the University of Alaska received a proportional share of the total federal grant to universities -- 5.09% of the State of Alaska grant -- the University would be managing 5.3 million acres. Even bringing the University of Alaska's federal grant up to the average of the smaller states -- 340,000 -- would triple the size of the University's federal grant.

Passage of this legislation will allow expansion of the University of Alaska land grant, and allow the University to generate additional revenue in support of its programs. The lands would be responsibly managed to generate income. The University is currently involved in a wide range of projects including commercial leasing, development and sale of residential and remote subdivisions, oil and gas lease sales, timber and gravel sales and mineral leasing.

contact:

Wendy Redman
University Relations
463-3086/474-7582

State Land Grant Rankings

Ranked by the amount of federal land given to Higher Education	
1 New Mexico	1,346,546
2 Oklahoma	1,050,000
3 New York	990,000
4 Arizona	849,197
5 Pennsylvania	780,000
6 Ohio	699,120
7 Utah	556,141
8 Illinois	526,080
9 Indiana	436,080
10 Montana	388,721
11 Idaho	386,686
12 Alabama	383,785
13 Missouri	376,080
14 South Dakota	366,080
15 Massachusetts	360,000
16 Mississippi	348,240
17 Washington	336,080
18 North Dakota	336,080
19 Wisconsin	332,160
20 Kentucky	330,000
21 Tennessee	300,000
22 Virginia	300,000
23 Iowa	286,080
24 Michigan	286,080
25 Georgia	270,000
26 North Carolina	270,000
27 Louisiana	256,292
28 Minnesota	212,160
29 Maine	210,000
30 Maryland	210,000
31 New Jersey	210,000
32 California	196,080
33 Arkansas	196,080
34 Florida	182,160
35 Connecticut	180,000
36 South Carolina	180,000
37 Texas	180,000
38 Kansas	151,270
39 New Hampshire	150,000
40 Vermont	150,000
41 West Virginia	150,000
42 Colorado	138,040
43 Oregon	136,165
44 Nevada	136,080
45 Nebraska	136,080
46 Wyoming	136,080
47 Rhode Island	120,000
48 Alaska	112,064
49 Delaware	90,000
50 Hawaii	0
TOTAL	16,707,787

Average 334,156

Ranked by the percentage of the state grant given to Higher Education	
1 New York	100.00%
2 Pennsylvania	100.00%
3 Massachusetts	100.00%
4 Tennessee	100.00%
5 Virginia	100.00%
6 Georgia	100.00%
7 North Carolina	100.00%
8 Maine	100.00%
9 Maryland	100.00%
10 New Jersey	100.00%
11 Connecticut	100.00%
12 South Carolina	100.00%
13 Texas	100.00%
14 New Hampshire	100.00%
15 Vermont	100.00%
16 West Virginia	100.00%
17 Rhode Island	100.00%
18 Delaware	100.00%
19 Kentucky	93.06%
20 Oklahoma	33.92%
21 Ohio	25.34%
22 Washington	11.04%
23 Indiana	10.79%
24 South Dakota	10.66%
25 North Dakota	10.62%
26 New Mexico	10.52%
27 Idaho	9.09%
28 Illinois	8.44%
29 Arizona	8.05%
30 Alabama	7.67%
31 Utah	7.41%
32 Montana	6.52%
33 Mississippi	5.71%
34 Missouri	5.07%
35 Nevada	4.99%
36 Nebraska	3.93%
37 Iowa	3.55%
38 Wisconsin	3.26%
39 Wyoming	3.13%
40 Colorado	3.09%
41 Michigan	2.36%
42 Louisiana	2.24%
43 California	2.22%
44 Kansas	1.94%
45 Oregon	1.94%
46 Arkansas	1.64%
47 Minnesota	1.29%
48 Florida	0.75%
49 Alaska	0.11%
50 Hawaii	0.00%
TOTAL	5.09%

Average 42.01%

Ranked by the amount of federal land given to the States	
1 Alaska	104,569,251
2 Florida	24,214,366
3 Minnesota	16,422,051
4 New Mexico	12,794,718
5 Michigan	12,142,846
6 Arkansas	11,936,834
7 Louisiana	11,441,343
8 Arizona	10,543,753
9 Wisconsin	10,179,804
10 California	8,825,508
11 Iowa	8,061,262
12 Kansas	7,794,669
13 Utah	7,501,737
14 Missouri	7,417,022
15 Oregon	7,032,847
16 Illinois	6,234,655
17 Mississippi	6,097,997
18 Montana	5,963,338
19 Alabama	5,006,883
20 Colorado	4,471,604
21 Wyoming	4,342,520
22 Idaho	4,254,448
23 Indiana	4,040,518
24 Nebraska	3,458,711
25 South Dakota	3,435,373
26 North Dakota	3,163,552
27 Oklahoma	3,095,760
28 Washington	3,044,471
29 Ohio	2,758,862
30 Nevada	2,725,226
31 New York	990,000
32 Pennsylvania	780,000
33 Massachusetts	360,000
34 Kentucky	354,607
35 Tennessee	300,000
36 Virginia	300,000
37 Georgia	270,000
38 North Carolina	270,000
39 Maine	210,000
40 Maryland	210,000
41 New Jersey	210,000
42 Connecticut	180,000
43 South Carolina	180,000
44 Texas	180,000
45 New Hampshire	150,000
46 Vermont	150,000
47 West Virginia	150,000
48 Rhode Island	120,000
49 Delaware	90,000
50 Hawaii	0
TOTAL	328,426,536

Average 6,568,531

FACT SHEET

CSSB 250 (FIN) - Enhancing UA Land Grant

SB 250 is similar to SB 16 that passed the Alaska Legislature in the first session of the Nineteenth Alaska Legislature and was subsequently vetoed by Governor Knowles. The bill is intended to grant 500,000 acres of state land to the University of Alaska to provide income to support the research, instructional and public service programs of the state's public land grant university. The current University of Alaska land grant is 112,000 acres; only Delaware, with 90,000 acres, has a smaller university land grant than Alaska.

In 1915, the University was granted 250,000 acres to support the programs of the university. This land grant, which had not been conveyed pending survey, was extinguished at the time of statehood with the assumption that the state would fulfill the commitment from the conveyance of over 100 million acres in undesignated federal lands. The First Alaska Legislature appropriated 1 million acres to establish the University of Alaska land grant. Governor Bill Egan vetoed that appropriation because he believed that the state's lands could, and should, be managed by the Department of Natural Resources for the benefit of all Alaskans. In keeping with this philosophy, the Department of Natural Resources retained the management of the 100,000 acres of existing University lands for the next 30 years. While Governor Egan's rationale may have made sense in the optimistic dawn of statehood, the fact is that DNR has never had the resources necessary to manage the vast inventory of state lands. During the 30 years that DNR managed the University lands, \$590,000 in income was generated. In 1986, the University successfully sued the state to regain the management of its lands and in the ensuing eight years has generated over \$30 million in revenue. These funds have gone into a Land Grant Trust Fund, established in statute, to provide a perpetual fund to support public post-secondary programs for the people of Alaska.

SB 250 will provide that:

1. 500,000 acres of state land will be conveyed to the University of Alaska by the year 2016. [Page 6, Sec. 8 (a)]
2. the Department of Natural Resources will determine what lands are available for conveyance based on their determination of what is in the best interests of the state. [Page 7, Sec. 8 (b)]
3. the University will not be allowed to sue the state over disagreements relating to conveyance; all disputes will be resolved by the Governor. [Page 7, Sec. 8 (b), lines 9-11]
4. municipal land selections will have priority. [Page 7, Sec. 8 (b), lines 7-9]
5. land transfers are subject to:
 - * Forest Practices Act
 - * 6(l) of Alaska Statehood Act
 - * Permanent Fund requirements for oil, gas and mineral royalties and bonuses
 - * Other rights of the state [Page 9, Sec. 8 (f)]
6. the University pays the costs of land conveyance and surveying. [Page 9, Sec. 8 (g)]
7. existing leases and encumbrances will be honored throughout the term, including any

7. existing leases and encumbrances will be honored throughout the term, including any provisions for lease extensions. [Page 11, Sec. 9, lines 6-25]
8. the legislature approves final selections in lists of not less than 25,000 acres. [Page 7, Sec. 8 (b)]
9. customary and traditional uses of resources on UA land, including hunting and fishing, will be permitted to the maximum extent practicable. [Page 11, Sec. 9, lines 26-31]
10. additional requirement for UA regarding public notification and comment on land management plans. [Page 10, Sec. 9, lines 22-31 and Page 11, lines 1-5]
11. the responsibility for the management of the UA Land Grant Trust Fund be transferred from the Department of Revenue to the University of Alaska. [Page 2, Sec. 3; Page 4, Sec. 5, and Page 12, Sec. 11 & Sec. 12]
12. net income from University trust lands will be designated as "university receipts" and appropriated by the Legislature. [Page 13, Sec. 13, lines 6-7]
13. proceeds made on land, originating after selection, but prior to final conveyance, from land leases, license, contracts, claims, sales, permits, prospecting sites, or rights of way will be held in escrow. Upon final conveyance, 90% of the proceeds will be distributed to the University. [Page 8, Sec. 8 (c)(2)]
14. proceeds on land selected and conveyed that is subject to a possessory interest at the time of conveyance, shall be split evenly between the state and the University until the conclusion of the interest, including all available renewals. [Page 11, Sec. 9, lines 6-2]
15. proprietary information provided by private companies is protected. [Page 6, Sec. 7(b), lines 6-24]
16. process for foreclosure if a contract for a sale of land, or interest in land is breached. [Page 5, Sec. 7(e), lines 10-31 and Page 6, lines 1-5]

During the First Session of the Nineteenth Legislature, SB 16 had six substantive hearings in the House and Senate. During this, the Second Session, SB 250 has had one hearing in Senate Finance. The changes to the bill include:

Senate Finance Committee

- * provides that no lands can be conveyed that have been selected by municipalities under the Municipal Entitlement Act.
- * provides that all disagreements between the University and DNR regarding the selection of lands for conveyance will be made by the Governor.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

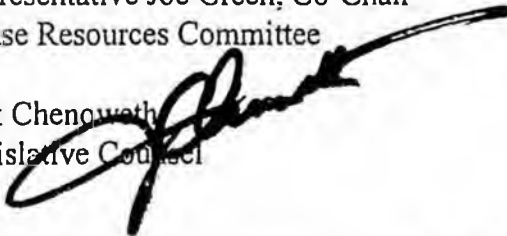
MEMORANDUM

April 3, 1996

SUBJECT: HCS CSSB 250 (Resources) (Work Order No. 9-LS1394\R)

TO: Representative Joe Green, Co-Chair
House Resources Committee

FROM: Jack Chenoweth
Legislative Council



I appreciate that the House Resources Committee has passed the bill out, but there are some necessary changes to the amendments inserted by the committee that I have incorporated. They are, I believe, not inconsistent with the committee's additions.

I made the two insertions made to page 8, line 30--here, AS 14.40.365(d)--and page 10, line 22--here, AS 14.40.366(a)(1)--read the same, i.e. "subject to the terms and conditions" in both places.

In AS 14.40.366(b)(2), I inserted a second reference to "rent and royalty schedules." I also tweaked the language at the first place it is inserted to make it fit in context.

What was proposed as a new AS 14.40.365(k) appears as a new last bill section.

The amendment set out at the end of AS 14.40.365(b) makes no sense--what happens if the legislature neither approves or disapproves--but it is in there. The suggested text mentioned "first regular session" which I thought could mean just the sessions in the odd-numbered year, so I have revised it to read "end of the regular legislative session." I hope that is correct and that odd-numbered year was not the intent.

The suggested language of the very last amendment wholly ignores the legislature's careful attempts to reconstitute the mental health trust. I've revised the material provided in light of my understanding of what the legislature did. The last clause--based on the draft's reference to the nebulous "Alaska Mental Health Lands Trust Settlement"--necessitated some attention--please look at my reworking of the language--but I caution that it is so vague as to fairly invite litigation as to its meaning.

Again, I trust this meets the committee's objectives.

JBC:pl
96-108.plm

HOUSE COMMITTEE REPORT

4/4/96
Finance

Date Referred to Committee: March 27, 1996

FURTHER REFERRALS:

Date of Committee Action: 4-3-96

The RESOURCES Committee considered:

CSSB 250(FIN) am

CS FOR SENATE BILL NO. 250(FIN) am

UNIV. OF ALASKA: LAND GRANT & ASSETS

"An Act relating to the University of Alaska and to assets of the University of Alaska; authorizing the University of Alaska to select additional state public domain land, designating that land as 'university trust land,' and describing the principles applicable to the land's management and the development of its resources; and defining the net income from the University of Alaska's endowment trust fund as 'university receipts' subject to prior legislative appropriation."

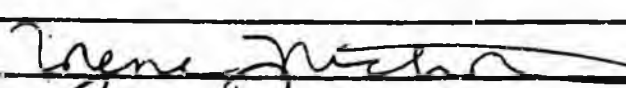

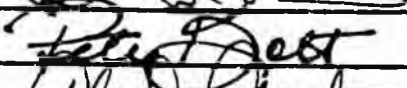
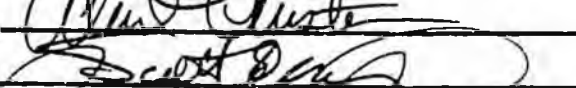


recommends it be replaced with the following committee substitute HCS CSSB 250 (RES) the same title
 a new title

additional referral to _____ Committee
 attached amendment(s)

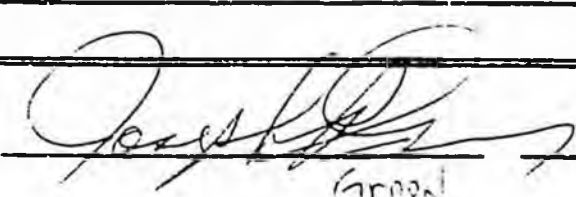
ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ (4) ^{Senate} fiscal note(s) U of A 2-15-96 / DNR 2-15-96
Rev 2-15-96 / FAG 2-15-96

zero fiscal note(s) _____ zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
	Nicholia DAVIES	✓			
	Long	X		X	
	Kott			X	
	Gusterman			X	
	Ogan			X	
	Green			✓	
		(2)		(5)	

CHAIR'S SIGNATURE


 Green



ALASKA CENTER *for the* ENVIRONMENT

519 West 8th Avenue, Suite 201 • Anchorage, Alaska 99501
(907) 274-3621 • fax: 274-8733

SB 250 DISPOSAL OF LAND TO THE UNIVERSITY

The Alaska Center for the Environment opposes SB 250, which would transfer to the University of Alaska 350,000 acres of yet to be identified multiple use public land to be used for the single purpose of generating the maximum amount of revenue for the university's operations.

**** ACE and other conservation organizations strongly support the university.** However, the university, like other important public institutions, facilities, programs, and services should continue to be funded through the normal annual appropriations process rather than further fragmenting Alaska's land ownership and management patterns. The university is no more entitled to a dedicated source of revenue than is any other state entity.

**** In fact, gratuitously transferring land to the university is probably illegal as a violation of the dedicated fund prohibition in the state constitution.** Even if it's not illegal, it runs counter to the wise policy adopted by our founding fathers. At the very least it creates a *de facto* dedicated fund or entitlement that effectively ties the hands of both the legislature and the general public during the appropriations process and in land management, and that forecloses funding and land management options for the future. Finally, it would seem to invite litigation that could threaten the mental health lands settlement that was finally achieved after nearly a decade of costly lawsuits and negotiations (although we believe the two situations can be distinguished).

**** That the university was established decades ago as a land grant university is irrelevant; the most sensible way to fund it and other public programs in 1995 and in the foreseeable future is through annual appropriations.**

**** Public lands should remain in general public ownership so that all Alaskans can continue to participate in decisions affecting their use.** SB 250 exempts the land transferred to the university from virtually all of the public participation and resource protection requirements of the Alaska Lands Act (AS 38.04 and 38.05). It negates years of good faith public participation in state land use planning that resulted in decisions to retain most lands for fish and wildlife habitat, public recreation and a host of other purposes (including development).

**** The lands will no longer be managed for multiple public uses, such as fishing, hunting, and other public recreation, and the protection of fish and wildlife habitat, water quality, and scenic beauty (as well as for direct revenue generating purposes), but for revenue generation only—which will generally be incompatible with those other uses and also with industries like tourism and commercial fishing.**

**** The university will select the best and most valuable land leaving the poorer land to the public.**

**** Political opposition is substantial, and will only increase as lands to be transferred are actually identified on the ground. Attempts to compensate the mental health lands trust with large amounts of public land (some sort of reasonable compensation was mandated by the court in that instance; the university land dispute has already been settled) generated opposition, both in and out of court, not only from conservationists but also from sport and commercial fishers, hunters, other recreationists, subsistence users, recreational cabin owners, local residents, lodge owners, air taxi operators, the Anchorage Hotel/Motel Association, the oil and coal industries, the Alaska Miners Association, and the Resource Development Council (as well as mental health advocates who recognized that managing land was likely to create more headaches than revenue, and that in any case any revenue that might be generated would almost certainly result in an equal reduction in their General Fund support).**

**** Access to public lands traditionally used for fishing, hunting, trapping and many other recreational purposes will be lost or restricted after their transfer.**

**** Development on public lands transferred to the university will conflict with existing uses of private lands by neighboring landowners.**

4/10/96



ALASKA CENTER *for the* ENVIRONMENT

519 West 8th Avenue, Suite 201 • Anchorage, Alaska 99501
(907) 274-3621 • fax: 274-8733

April 10, 1996

House Finance Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Re: SB 250 - University Land Disposal Bill.

Dear Committee Members:

Since I will not be able to attend this afternoon's hearing, we would like to submit this letter and the enclosed position paper for the record and your consideration.

We are strong supporters of higher education in general and the University of Alaska in particular. We are very much opposed to SB 250, however--transferring multiple use public land to the university to be used for the single purpose of revenue generation is an inappropriate way to fund this important institution; yearly appropriation decisions are the way to fund not only the university but other worthwhile programs, services and facilities as well. SB 250:

- * is probably unconstitutional.
- * if not actually unconstitutional, violates the important public policy behind the dedicated fund prohibition, eliminating options for the future use of revenues
- * nullifies years of hard work and good faith public participation in land use planning
- * deprives the public of any significant role in the future management of the lands transferred to the university
- * reduces or eliminates long-standing public uses of the lands
- * creates conflicts for rural residents, remote cabin owners, and recreationists
- * allows the university to select the best remaining undesignated public lands, leaving the poorer lands for the public
- * "Son of mental health lands," this legislation would be a lightning rod for litigation; not only is it inherently controversial and unpopular, and probably unconstitutional, but it might very well result in a violation of the settlement to the Yakataga litigation.

Please vote NO on SB 250. Thank you for your consideration of these materials..

Sincerely,

Cliff Eames
Issues Director

SB 250 University of Alaska Lands Bill

SB 250 is similar to SB 16 that passed the Alaska Legislature in 1995 and was subsequently vetoed by Governor Knowles. The new bill contains several significant changes in response to concerns raised by the Department of Natural Resources and other constituencies:

1. The most significant change is the elimination of sections that directed which lands, and under what conditions the lands would be put up for possible conveyance. The new bill (in Sec. 8, Page 6) gives the Department of Natural Resources the control of what lands may be made available for conveyance based on their own best interest findings.
2. If there is disagreement between the University and the Department about lands available for conveyance, the disagreement must be submitted to the governor, who shall make the final decision (Section 8, Page 7, Lines 9-11). In other words, the University will not be allowed to enter into litigation against the Department regarding the conveyance process.
3. The new bill includes sections [Sec. 7, (e) (f) & (g)] that deal with the issue of foreclosure on contracts for the sale of land. This section parallels provisions currently used by the state in their foreclosure process.
4. The new bill includes sections [Sec. 7, (h)] provides for the protection of proprietary information that may be submitted by private companies in proposals submitted to the University in relation to purchase, lease, or other disposal of university land or interest in university land. This section parallels the provisions currently used by the state in protecting proprietary information.

Other provisions of the bill remain the same as they were in SB 16. These provisions are outlined in detail on the Fact Sheet.

UNIVERSITY LAND GRANT BILL

SECTIONAL ANALYSIS

9-LS1394\B

4-3-96

Section 1. FINDINGS AND PURPOSE.

Defines the University of Alaska as a land-grant university. Establishes that under the Acts of March 4, 1915 Congress granted Alaska certain federal lands to be held in trust for the University. Upon Statehood the act was repealed and Congress assumed that the State would devote some of its 102,500,000 acres to the University. These lands were to be income producing lands to provide support to the University and its programs.

Section 2. LEGISLATIVE INTENT.

Establishes that the legislature's intent is that the UofA encourage the development of in-state value-added industries to the maximum extent feasible when developing conveyed land.

Section 3. Amends 14.40.170. DUTIES AND POWERS OF BOARD OF REGENTS.

Establishes guidelines that the board must abide by and amends the duties and powers of the Board of Regents under (4) to say that the Board has the care, control, and management of land selected by the UofA and conveyed to it by the commissioner of DNR under AS 14.40.365, except as provided in AS 14.40.368 (a)(2). Also requires that the board report to the legislature the status of selected and conveyed land.

Section 4. Amends 14.40.190. REPORT TO LEGISLATURE.

Includes the management of university public trust land in Board of Regents written report to legislature.

Section 5. Amends 14.40.280. ENDOWMENTS AND DONATIONS.

States that all monetary gifts, bequests, or endowments made to the UofA shall be held by the University and shall be managed by the University through the regents or an authorized agent. This section transfers the authority for management of the natural resources endowment fund from the Department of Revenue to the University of Alaska. The endowment fund is the fund in which all receipts from university land goes.

Section 6. Amends 14.40.291. LAND OF THE UNIVERSITY OF ALASKA LAND SALE CONTRACTS; CONFIDENTIAL INFORMATION.

Adds land selected by and conveyed to the UofA under AS 14.40.365 as land that may not be treated as state public domain land and designates it as university trust land.

Section 7. Amends AS 14.40.291 by adding a new subsection

Grants the university the right to terminate a breached contract for a sale of land at any time 31 days after delivering notice of breach to the purchaser. The purchaser may make payment of the sum of the amount in default and the larger of a fee of \$50 or 5% within 30 days after receipt of the breach notice or request, in writing, for a review of the facts. If the breach is determined to be caused on the administrative record, the university may

April 4, 1996

terminate the contract and the purchaser is obligated to make payments under the contract through the date of the decision to foreclose. If the university fulfills its notification requirements and the purchaser does not satisfy the breach within 30 days, the decision forecloses and terminates all legal and equitable rights the purchaser has in the land. Provides confidentiality of certain proprietary information by the university.

Section 8. Amends AS 14.40 to add a new section 14.40.365 SELECTION AND CONVEYANCE OF STATE LAND TO THE UNIVERSITY OF ALASKA.

Authorizes the University to select and receive 350,000 acres of land from the state that, on the effective date of this section, is owned by the state, or has been tentatively approved or selected by the state under the AK Statehood Act. The director of the division of lands and the director of land management for the UofA shall compile, maintain and revise a list of lands to be conveyed. The list shall be maintained at the Anchorage office. If there is disagreement between the Univ. and DNR about lands available for conveyance, the disagreement must be submitted to the governor, who shall make the final decision. The Univ. will not be allowed to enter into litigation against DNR regarding the conveyance process. The director shall periodically submit to the legislature, within 30 days of the beginning of a regular session, a list of land proposed to be conveyed by the state to the UofA. Each list must contain not less than 25,000 acres of land or the remaining entitlement, whichever is less. The legislature must, by law, approve some or all of the list by the end of the regular legislative session following the submission of the list.

On land selected but not yet conveyed, the state may enter into contracts and grant leases, licenses, claims, prospecting sites, sales, permits, rights-of-way, or easement, except that the authority granted the state is the authority that the state otherwise would have had had the land not been selected and may be exercised only if the UofA concurs before the action is taken by the state. On said contracts, after approval by the legislature, and before the land has been conveyed by a quitclaim deed or by a document of interim conveyance, 90% of the proceeds derived from land after selection shall be held by the state. After the issuance of a document of interim conveyance or a quitclaim deed, the state shall pay to the UofA the proceeds held by the state and thereafter the University shall receive all proceeds.

Upon issuance of a patent or document of interim conveyance, the University is responsible for management of all contracts, leases, licenses, claims, prospecting sites, sales, permits, rights-of-way, or easements.

The University shall take possession of any tide land or submerged land adjacent to the land conveyed and takes the land subject to any possessory interest held by another person on the effective date of the conveyance, subject to the terms and conditions of conveyance and the provisions of AS 14.40.365-14.40.400, and is entitled to receive the consideration due under that possessory interest.

Oil and gas development on university lands is subject to all provisions relative to moneys required to be deposited into the permanent fund.

April 4, 1996

When conveying land to the University, the commissioner of DNR shall give public notice under AS 38.05.945 (b) and (c) and provide access under 38.05.127 but other provisions of AS 38.04 and 38.05 do not apply.

The University shall bear all costs of selection, platting, surveying, and conveyance if the land it selects and, subject to appropriation, shall reimburse the DNR for the reasonable costs incurred by the dept. Patent for the land will be conveyed by the commissioner of DNR within one year of request. If the land is unsurveyed the Commissioner of DNR shall convey the land with exterior boundary survey within one year of request by the University.

The University may not make a land selection after December, 31, 2011.

Section 9. AS 14.40 is amended to add a new section AS 14.40.366 MANAGEMENT AND DISPOSITION OF UNIVERSITY LAND.

States that trust land shall be held by the Board of Regents in trust for the UofA. The University shall manage trust land in accordance with applicable trust management principles, subject to the terms and conditions of conveyance and the provisions of AS 14.40.365-14.40.400, under provisions of law applicable to other university land; and may exchange other state land for university trust land under AS 38.50.

Establishes policies to provide for public notice and comment on proposals for development, exchange, or sale of land selected by and conveyed to the university. Establishes procedures for mineral entry or location and mineral leasing, and shall adopt rent and royalty schedules on university trust land selections that are substantially similar to those of the state. Regents shall adopt policies which provide that the university shall prepare an annual plan for management and disposition of land not less than 60 days before scheduled approval by the board and provides for ample public notification and comment period. Ensures that the provisions of AS 44.99.100 (b)(5) apply to the development of the resources of university trust land. Requires, to the extent consistent with law, the primary manufacture of timber harvest or removal from university trust land before the timber is exported from the state.

Section 14.40.368. MANAGEMENT AND DISPOSITION OF INCOME FROM EXISTING ENCUMBRANCES ON UNIVERSITY PUBLIC TRUST LAND.

On land selected by the University that is, as of the effective date, subject to a lease, license, contract, claim, prospecting site, sale, permit, or right-of-way the state is entitled to receive 50% of moneys due under said encumbrance. The University takes on responsibility for the management of the land only upon conclusion of the term, including any renewals, of the contract unless the state and the University mutually agree to transfer the management of the land at a date earlier, at which time the University is entitled to receive all income from contract.

Section 14.40.369. CUSTOMARY AND TRADITIONAL USES TO BE CONTINUED.

States that the University shall manage the land in a manner that permits customary and traditional uses of the resources of that land including hunting, fishing, and recreational opportunities except for the commercial harvest of timber.

Section 10. AS 14.40 is amended by adding a new section 14.40.375. TORT IMMUNITY FOR PERSONAL INJURIES, DEATH, OR PROPERTY DAMAGE OCCURRING ON UNIVERSITY LAND.

States that the University is not liable in tort for damages for the injury or death of a person, or for property damage to the property of a person on unimproved university land except for an act that constitutes gross negligence or reckless or intentional misconduct.

Section 11. Amends AS 14.40.400(a)

States that the University will set up an endowment trust fund in which all net income derived from the sale or lease of the land granted or land selected or conveyed to the UofA under AS 14.40.365, and in which all other endowments shall be held in trust.

Section 12. Amends AS 14.40.400(b)

Says the President of the University is responsible for the trust and shall account for and invest the fund and report to the Board of Regents and to the legislature.

Section 13. Amends AS 14.40.491. DEFINITION OF UNIVERSITY RECEIPTS.

Amends existing statute to include net income of the trust fund established in AS 14.40.400.

Section 14. Amends AS 29.45.030.

Amends AS 29.45.030 (a) to include land conveyed by the state to the University.

Section 15. Amends AS 36.30.850(b)(15).

Takes out reference to AS 14.40.400

Section 16. Repeals AS 14.40.400.

Section 17. UNIVERSITY OF ALASKA ENDOWMENT TRUST FUND: TRANSITION.

States that notwithstanding the amendments made to statutes regarding the transfer of the trust fund management from Dept. of Revenue to the University, the act remains in effect.

Section 18. APPLICABILITY OF LAND SALE CONTRACT REMEDY PROVISIONS.

States that AS 14.40.291 (e)-(g), added by section 7 of this bill apply to land sale contracts entered into by the UofA on or after the effective date of this act.

Section 19. APPLICABILITY OF PROVISION AUTHORIZING SELECTION BY AND CONVEYANCE TO UNIVERSITY OF ALASKA TRUST LAND TO MEMORANDUM OF AGREEMENT OF DECEMBER 2, 1994, SETTLING CERTAIN LITIGATION.

This section was put in the bill to make it known that it is important to all the parties that the terms of this agreement not be intentionally or unintentionally disrupted by any provision of this legislation.

April 4, 1996



Attachment

4/11/96 pm

Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

Phone: 907-463-3366

Fax: 907-463-3312

SB 250 UNIVERSITY LAND GRANT

- The University of Alaska's land grant obligation is fulfilled. The State of Alaska has no additional land obligation to the University, and has monetarily supported the University since Statehood. The University has **no higher right to State resources** than any other agency.
- In a time when **we cannot fully fund our Public Schools** it is inappropriate to give resources worth millions of dollars to the University. The University already has an endowment!
- All Alaskans currently have access to share the opportunity to use of State lands. Putting **350,000 acres** of State owned land into the "private" ownership of the University **preempts equal access**.
- "Customary and traditional use" of the land, like fishing, hunting, camping, trapping, and hiking, will only be protected until the University's development plans conflict with it.
- **Fracturing the ownership pattern** of Alaskan lands is **not in the State's best interest**. If these are lands the State should develop, then the State should lease them out. Giving away valuable resource lands, with out a plan for future of Alaska's land management is short sighted.

4/10/96

ALASKA CENTER FOR THE ENVIRONMENT • ALASKA CHAPTER, SIERRA CLUB • ALASKA FRIENDS OF THE EARTH
ANCHORAGE AUDUBON SOCIETY • ARCTIC AUDUBON SOCIETY • CLEAN AIR COALITION • DENALI CITIZENS' COUNCIL
DENALI GROUP, SIERRA CLUB • JUNEAU AUDUBON SOCIETY • JUNEAU GROUP, SIERRA CLUB
KACHEMAK BAY CONSERVATION SOCIETY • KENAI PENINSULA AUDUBON SOCIETY • KNIK CANOERS AND KAYAKERS
KNIK GROUP, SIERRA CLUB • KODIAK AUDUBON SOCIETY • LYNN CANAL CONSERVATION • NORTHERN ALASKA ENVIRONMENTAL CENTER
PRINCE WILLIAM SOUND CONSERVATION ALLIANCE • SITKA CONSERVATION SOCIETY • SOUTHEAST ALASKA CONSERVATION COUNCIL • TONGASS CONSERVATION SOCIETY



4/11/96 pm



Northern Alaska Environmental Center

218 DRIVEWAY STREET
FAIRBANKS, ALASKA 99701-2806
PHONE: (907) 452-5021 FAX: (907) 452-3100
E-MAIL: naec@econet.org

House Finance -- April 11, 1996

Good Afternoon, Mr. Chairman and members of the Committee. For the record, my name is Dan Ritzman and I'm here representing the Northern Alaska Environmental Center in Fairbanks. Thank you for the opportunity to testify today.

The Northern Center is opposed to SB 250.

This bill removes 350,000 acres of public land from public control. Access to public lands traditionally used for fishing, hunting, trapping, and many other purposes may be lost, or restricted after the transfer to the University.

SB 250 exempts the selected lands from public oversight and state land planning requirements. The University claims to be concerned about public input into its land management, but their recent history does not demonstrate this. The Yakataga dispute, and the near riots caused by the University's plan to allow Wal-Mart to construct a store on a piece of land visited by thousands of Geese and Cranes in Fairbanks are two examples. Additionally, the University tried to fast-track this bill right past the public. SB 250 had only one hearing in the Senate, which was not teleconferenced. This left many people around the state without a voice. This is not the type of process I would like to see applied to the management of public lands.

The Northern Center believes that SB 250 is dangerous for public lands. It negates years of good faith public participation in state land use planning, that resulted in decisions to retain most lands for fish and wildlife habitat, public recreation, and a host of other purposes. The University's draft financial management plan indicates that they would like to dispose of much of their land holdings for cash that can be invested. While this may be a sound financial policy for the University, this will be a disaster for our public lands.

SB 250 fails to address the issue of contiguity of land ownership. There is no provision in the bill to prevent our land from being fragmented further. This will lead to development conflicts with existing uses on neighboring public and private land.

This bill likely violates the dedicated fund prohibition in the state constitution. In addition, we do not believe that the University has any more right to a land entitlement, than say public safety providers, or the secondary school system.

Whether or not this land giveaway is constitutional, the Northern Center believes that it is bad fiscal policy. The State will lose general state revenue and the flexibility for future funding decisions.

Finally, strictly speaking, this is not a question of whether to develop or not, but rather how we make decisions of **public lands**, do we involve the public or do we turn it over to private individuals, and who should benefit from the revenue generated from these lands, everyone in the state or a few individuals. Passage of this Bill will remove the public from public land.



printed on recycled paper

AMENDMENT I

Withdrawn

OFFERED IN THE HOUSE

TO: CSCSSB 250 (RES), Version R, dated 4/4/96

Page 3, Lines 10 - 12 ,

Delete subsection (ii)

Insert new subsection "(ii) conveyed to the Board of Regents by the commissioner of natural resources under AS 14.40.365 except as provided in AS 14.40.368 (a)(2);

Page 4, Line 2, after "were"

Delete "selected by and"

Page 4, Line 31 (and continued on Page 5, Line 1) after "land"

Delete "selected by and"

Page 7, Line 8, following "of"

Delete "making the selection and conveyance of state land"

Insert "identifying state land available for conveyance"

Page 7, Line 28, following "less."

Insert "Each list submitted to the legislature shall contain not more than 25% in overselections or topfilings of state lands."

Page 8, Line 1, following "land"

Delete "selected by but"

Insert "approved by the legislature for conveyance under (b) of this section"

Page 8, Line 11, following "been"

Delete "selected by the University of Alaska;"

Insert "approved by the legislature for conveyance under (b) of this section;"

Page 8, Line 15, after "legislature"

Delete "or, when approval of the list is based on the legislature's inaction under (b) of this section, after the 60th day following the date on which the list was submitted to the legislature,"

Insert " under (b) of this section"

Page 8, Line 21, after "of"

Delete "selection by the University of Alaska"

Insert "submission of the list to the legislature under (b) of this section"

Page 9, Line 24, after "costs of"

Delete "selection"

Insert "identifying"

Page 9, Line 26, after "it"

Delete "selects"

Insert "receives"

Page 9, Line 28, after "that"

Delete "selection"

Insert "identification"

Page 10, Lines 20-21

Delete subsection (j)

Insert new subsection "(j) The University of Alaska may not submit recommendations for lands to be included on the land list under AS 14.40.365 (b) after December 31, 2016.

Page 10, Line 24, after "land"

Delete "'selected and"

Page 11, Line 7

Delete "shall adopt"

Page 12, Line 3

Delete "selected by and"

Page 12, Lines 21-25

Delete subsection (a)

Insert new subsection "(a) For land conveyed to the University of Alaska under AS 14.40.365, the University of Alaska shall, before conveying or disposing of an interest in such land to a third party, manage the land in a manner that permits customary and traditional uses of the resources, including hunting, fishing, and recreational opportunities, of that land to the maximum extent practicable."

Page 13, Line 14, after "land"

Delete "selected by and"

SB

2550

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/2/96

FURTHER:

Date of 5-Day Notice: 2-8-96
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-15-96

The Finance Committee considered SB 250

Relating to the University of Alaska land grant and assets.

and recommends:

- be replaced with _____ CS SB 250 (Fin)
- 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:**
- same title
 - technical change
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Steve King</i>	✓	<i>Keep E (100)</i> <i>And T. J. [unclear]</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>Rick Halverson</i>		Co-Chair:	✓		

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>DNR</i>	<i>2/9/96</i>		<i>78.0</i>
<i>Univ.</i>	<i>2/2/96</i>		<i>170.0</i>
<i>DOR</i>	<i>7/14/96</i>		<i>-5.0</i>
<i>DF&G</i>	<i>7/14/96</i>		<i>63.1</i>

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

3/7/96 copy given to HF, Larry & Allie

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB250(FIN)

Revision Date: Original Dept Affected: Natural Resources
 Title: Univ. of Alaska: Land Grant & Assets BRU: Management and Administration
 Component: Information Resource Management
 Sponsor: Sen. Frank, Rieger, Kelly, Miller, Sharp
 Requestor: Senate Rules Component Serial No. 427

Expenditures/Revenues		(Thousands of Dollars)					
	FY97	FY98	FY99	FY00	FY01	FY02	
OPERATING EXPENDITURES							
PERSONAL SERVICES	3.0						
TRAVEL							
CONTRACTUAL							
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, CLAIMS							
MISCELLANEOUS							
TOTAL OPERATING	3.0	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 ()	0.0	0.0	0.0	0.0	0.0	0.0	

FUND SOURCE		(Thousands of Dollars)					
	FY97	FY98	FY99	FY00	FY01	FY02	
1002 Federal Receipts							
1003 GF Match							
1004 GF	3.0						
1005 GF/Program Receipts							
1006 GF/MHTIA							
Other							
TOTAL	3.0	0.0	0.0	0.0	0.0	0.0	

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS		FY97	FY98	FY99	FY00	FY01	FY02
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)

SB250 authorizes the University of Alaska to receive 500,000 acres of state land. The bill specifies how revenues will be tracked and allocated, both during the selection process and after conveyance. To set up the revenue tracking and reporting which would be required under this legislation, the department must add some custom reports to the Revenue and Billing System. This fiscal note covers the cost of those special reports and any other internal modifications to the Revenue and Billing System that would be required to implement the tracking and reporting of these revenues.

Prepared by: Nico Bus, Acting Director Phone: 465-2406
 Division: Support Services Date: 4-Mar-96
 Approved by Commissioner: Nico Bus for Peter Hawley Date: 4-Mar-96
 Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB250(FIN)

Revision Date: 21-Feb-96 Dept Affected Natural Resources
 Title: An Act relating to the University of Alaska and BRU: Resource Development
to assets of the University of Alaska; authorizing the... Component: Land Development
 Sponsor: Senator(s) Frank, Reiger, Kelly, Miller, Sharp
 Requestor: Senate Rules Component Serial No. 431

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	67.0	67.0	67.0	67.0	67.0	67.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	78.0	78.0	78.0	78.0	78.0	78.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1007 I/A	78.0	78.0	78.0	78.0	78.0	78.0
TOTAL	78.0	78.0	78.0	78.0	78.0	78.0

Estimate of any current year (FY96) cost: \$ None

POSITIONS	FY97	FY98	FY99	FY00	FY01	FY02
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 fiscal note is the minimum necessary for DNR to process land selections and conveyances to the University of Alaska. All costs for the conveyance work will be paid for by the University of Alaska using Interagency Receipts. This includes all costs of selection, conveyance, records notation, deed recordation, survey, etc.

* It is impossible to project the exact amount of revenue these conveyances will generate for the University, and will be lost to the state, without knowing exactly what lands will be transferred.

Prepared by: Ron Swanson Phone: 269-8503
 Division: Land Date: 21-Feb-96
 Approved by Commissioner: [Signature] Date: 21-Feb-96
 Agency: Natural Resources

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB250

Revision Date: Original Dept Affected Natural Resources
 Title: An Act relating to the University of Alaska and BRU: Resource Development
to assets of the University of Alaska; authorizing the... Component: Land Development
 Sponsor: Senator(s) Frank, Reiger, Kelly, Miller, Sharp
 Requestor: Senate Finance Component Serial No. 431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	67.0	67.0	67.0	67.0	67.0	67.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	78.0	78.0	78.0	78.0	78.0	78.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1007 I/A	78.0	78.0	78.0	78.0	78.0	78.0
TOTAL	78.0	78.0	78.0	78.0	78.0	78.0

Estimate of any current year (FY96) 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 fiscal note is the minimum necessary for DNR to process land selections and conveyances to the University of Alaska. All costs for the conveyance work will be paid for by the University of Alaska using Interagency Receipts. This includes all costs of selection, conveyance, records notation, deed recordation, survey, etc.

* It is impossible to project the exact amount of revenue these conveyances will generate for the University, and will be lost to the state, without knowing exactly what lands will be transferred.

Prepared by: Ron Swanson Phone: 269-8503
 Division: Land Date: 9-Feb-96
 Approved by Commissioner: [Signature] Date: 9-Feb-96
 Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE