

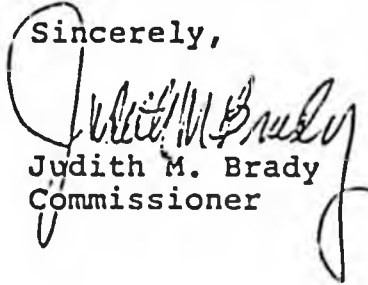
ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672
5456 SRES SB 55 - SB 71

1028

February 10, 1987

management potential. In certain instances, however, we cannot ascertain the exact purpose of the sponsor. We would appreciate the opportunity to talk our way around the boundary delineated in the bill and develop a record which would provide the committee clear choices on land management issues.

Sincerely,



Judith M. Brady
Commissioner

cc: Senator John Binkley

Bob Evans, Legislative Liaison
Governor's Office

Blind Copy

MEMORANDUM

State of Alaska

DEPT. OF NATURAL RESOURCES / DIV. OF LAND & WATER MANAGEMENT
NORTHERN REGIONAL OFFICE

TO: Dr. Al Ott, Regional Supervisor
Div. of Fish & Game
Habitat Division

DATE: June 18, 1986


FILE NO:

TELEPHONE NO:

479-2243

SUBJECT:

Minto Flats Refuge

FROM:  Jerry D. Brossia, Manager
Div. of Land & Water Management
Northern Regional Office

The Department of Natural Resources will adhere to the intent of the Tanana Area Basin Plan to protect Minto Flats as public recreation and wildlife habitat. We also recognize that TABP recommends the Flats be legislatively designated as a special wildlife management area. While we do not object to this recommendation you must be aware that we do not have funds or staff to work on this project, or any reality actions as a result of a legislative designation.

Since the management intent of this area will not change, we do not plan to work on this issue until we receive funds from the legislature or an RSA from the Department of Fish and Game.

I hope you can understand that cut backs over the last three years has reduced my staff by almost 30% and our first priority is in responding to actions initiated by the public. Thank you for your cooperation and understanding.

/rnr

Attachment

cc. Wunnicke
Hawkins
Copeland

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

BILL SHEFFIELD, GOVERNOR

1300 COLLEGE ROAD
FAIRBANKS, ALASKA 99701

June 10, 1986

Dear Minto Flats Support Group Member:

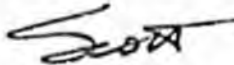
I have appreciated the opportunity to represent the Alaska Department of Fish and Game (ADF&G, in its technical support of your efforts to establish a Minto Flats State Game Refuge. At the May 27 meeting, there was interest in encouraging legislators to sponsor or support your legislative proposal. Since the meeting, some of you have expressed additional ideas along this line.

I agree to summarize my understanding of the legislators that each of you have expressed a desire to contact. A list is enclosed for your reference (Enclosure #1). It has been suggested within the group that in any personal or written contacts with legislators, it would be helpful to provide a copy of your proposed bill and letter of intent with all signators (Enclosure #2). You also might anticipate a commonly asked question as to whether refuge status would allow hunting to continue. Hunting is allowed on all state game refuges, and your draft bill is written in a manner that guarantees hunting and other public and private uses in the Minto Flats Refuge consistent with the intent of the refuge.

Legislative designation of a Minto Flats State Game Refuge is identified in the state's Tanana Basin Area Plan, and the department is prepared to provide you and your legislators with any additional technical staff assistance that you or they might request.

Again, if further assistance is desired, do not hesitate to contact me at 479-3104 or at home at 457-3526.

Sincerely,



Scott Grundy, Habitat Biologist
Habitat Division
Department of Fish and Game

Enclosures

11-
GIVE TO THE CHV
GIVE TO THE CHV

DOCUMENT minto flats
DISKETTE scott

FILE

DRAFT

October 10, 1985

SAS 5.2

479-3104

Scott Grundy
Habitat Biologist
Habitat - Fairbanks

Statement of Intent
Proposed Minto Flats
Refuge

The Minto Flats Refuge is established to ensure the protection of habitat and the conservation of fish and wildlife species dependent thereon; and for its use and enjoyment by the public for hunting, fishing, trapping and other uses compatible with the protection of habitat and the conservation of the fish and wildlife species. The Minto Flats Refuge will be managed in accordance with a management plan prepared by the Alaska Department of Fish and Game in consultation with the public.

SG:nf

Minto Flats Refuge
Proposal
October 8, 1985

Source of Nomination

TBAP - Overview

- High value fish and wildlife areas were identified
- Planning team membership

My Purpose

1. Inform you of proposed Minto Flats Refuge
2. Seek the active support of your group to be an active participant in the legislative process to acquire this area as part of the state managed refuge system.

Overview of the Departments' Special Areas Program

- Areas designated by the Alaska Legislature to be managed by the Department of Fish and Game
- It is important to understand that state lands are managed by the ADNR not ADF&G

- It is also important to understand that these special areas have nothing to do with the hunting and fishing regulatory process (seasons and bag limits, methods and means, regulation of users, etc.). Such stock and user management items are addressed via the Boards of Fisheries and Game.

- Special areas are designated by the Alaska Legislature to protect and manage fish and wildlife land and water habitat areas.

Several Classifications of Special Areas

State Refuges
State Sanctuaries
State Ranges
State Critical Habitat Areas

Focus on the State Refuge Program

- Purpose

State game refuges are multiple use areas established by the legislature for the protection of productive fish and wildlife habitats and for the public's use and enjoyment.

- Statute Authority

Alaska Statute 16.20.020 states, "The purpose (of establishing state game refuges) is to protect and preserve the natural habitat and game population in certain designated areas of the state."

- History

State game refuges have a history that is old as the State of Alaska itself. In 1960 the first two state game refuges, Izembek and Chagvan Bay (Cape Newenham), were set aside for waterfowl and shorebirds. Over the years, as one or another outstanding area came to the attention of Alaskans and their legislators, other state game refuges were established. Locally, for example, we have the Creamer's Field Waterfowl Refuge and the Delta Junction Bison Range.

- Objectives

Protection of fish and wildlife and their habitats and maintenance of public use is the primary focus of the Department of Fish and Game's game refuge management program.

- Activities

Activities which are encouraged on a refuge include hunting, fishing, trapping, public access, recreational activities (hiking, skiing, horseback riding, dog team travel, camping, mountain climbing, etc.), boating, berry picking, and many others. Other land use activities are allowed in a manner compatible with these primary values. Activities such as overland heavy equipment moves, timber removal, etc. which may impact primary uses can be authorized through a special areas permit system administered by the Habitat Division of the Department.

- Developments

Multiple uses which pre-date creation of the refuge or multiple uses which fulfill important public needs for which there is no feasible alternative site are permitted on a refuge. Prior existing rights such as cabin sites, native allotments, etc. are, of course, permitted.

- Why is it Important to Establish This Area as a State Game Refuge?

1. Creating a state game refuge guarantees that the land will remain in public ownership and will be managed to maintain fish and wildlife populations for public use and enjoyment. Such dedication will provide management of the area to the ADF&G not ADNR. Although we have a good working relationship with Natural Resources, our advise is not always followed and impacts to fish and wildlife habitat and public use occur.
2. Designation will enable the department to administer the area according to the management plan we develop for the area (with public input).
3. Designation will provide the Interior with an excellent candidate for funding by the Departments' newly developed waterfowl stamp program.

Boundaries

Proposed by TBAP

Alternative inclusions

Exclusions?

Recap of Our Intent

- ADF&G hopes to form a coalition of user groups to propose the area be designated as part of the state refuge system.

- ADF&G will work with the coalition and draft the legislation to include a description of the boundaries statement of intent, etc. For example, we suggest the following proposed statement of intent:

The Minto Flats Refuge is established to ensure the protection of trumpeter swans and other waterfowl, furbearers, big game and other fish and wildlife species and their habitats; and for its use and enjoyment by the public in a manner compatible with the protection of the fish and wildlife and their habitats. The Minto Flats Refuge will be managed in accordance with a management plan prepared by the Alaska Department of Fish and Game in consultation with the public.

- After discussion, if you are comfortable with the nomination, I recommend you appoint a member or group to work with the department and contact your legislators.

Discussion



Alaska State Legislature

SENATE

P.O. Box V
State Capitol
Juneau, Alaska 99811

TO: Senate C&RA Members

Feb 10, 1987

FROM: Senate C&RA Staff

NEK

RE: SB 55 - Minto Flats State Game Refuge

Enclosed in this packet is a memo and sectional analysis of SB 18 provided by the prime sponsor, a map of the affected area, a letter and zero fiscal note from Fish and Game, a news article on the proposed refuge, and letters from the Minto Village Council and the Alaska Miners Association.

A position paper and fiscal note from DNR has not yet been received, however representatives of the department will be at the meeting and they hope to have a position prepared by that time.

Senator Johne Binkley

Alaska State Senate
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985



Finance Committee
Co-Chairman

M E M O R A N D U M

February 10, 1987

TO: SENATOR ARLISS STURGULEWSKI, CHAIRPERSON
Senate Community and Regional Affairs Committee

FROM: SENATOR JOHN BINKLEY *John*

Subj: Senate Bill 55, "An Act relating to establishing the
Minto Flats State Game Refuge."

Minto Flats is located in interior Alaska, 35 air miles west of Fairbanks adjacent to the village of Minto and five miles north of Nenana. The Minto Flats area is primarily low-lying wetlands fed by the Tolovana, Chatanika, and Tatalina Rivers and Goldstream and Washington Creeks. The flats are drained by the Tanana River. The proposed refuge encompasses approximately 792 square miles (507,136 acres).

Minto Flats supports vast concentrations of waterfowl and fur-bearing animals, as well as productive fisheries and a variety of game. The U.S. Fish and Wildlife Service has reported that the Minto Flats area is one of the highest quality waterfowl nesting habitats on the North American continent. The Service estimates that Minto Flats produces 150,000 ducks annually, supporting breeding populations averaging 213 ducks per square mile.

The area is used year-round by residents of Minto and Nenana as primary subsistence hunting, fishing and trapping grounds. It is also a popular hunting, fishing and trapping area for residents of Fairbanks and the surrounding area. Minto Flats is the third most popular duck hunting area in the state, logging over 5,000 hunter days with over 11,000 ducks and 700 geese taken annually. The Minto Flats is one of the most productive sports fisheries in the state; each year over 800 anglers spend 1,800 days fishing in the Minto Flats area harvesting over 2,300 fish. In addition, over 100 beavers are taken each year on Minto Flats. Land otter, lynx, wolverine, wolf, red fox, mink and muskrat are also regularly trapped on the flats.

Hydraulic gold mining activity in the Chatanika River drainage and Goldstream Creek from the early 1920's to 1963 dumped an estimated 100 million cubic yards of hydraulic muck onto Minto Flats, altering hydrology, vegetation, habitat, and drainage patterns on the flats. Since 1963, over a dozen

placer mines have operated in the Minto Flats watershed in the Chatanika and Tolovana rivers and Goldstream Creek. Although of much less impact than the earlier hydraulic mining activity, two of these placer mines did not meet EPA standards for settleable solids in 1984. It should be noted that at the present time, there is no mining activity occurring on the flats.

The bill to create the Minto Flats State Game Refuge is in response to the findings of the Tanana Basin Area Plan. The purpose of establishing the Minto Flats Refuge is to:

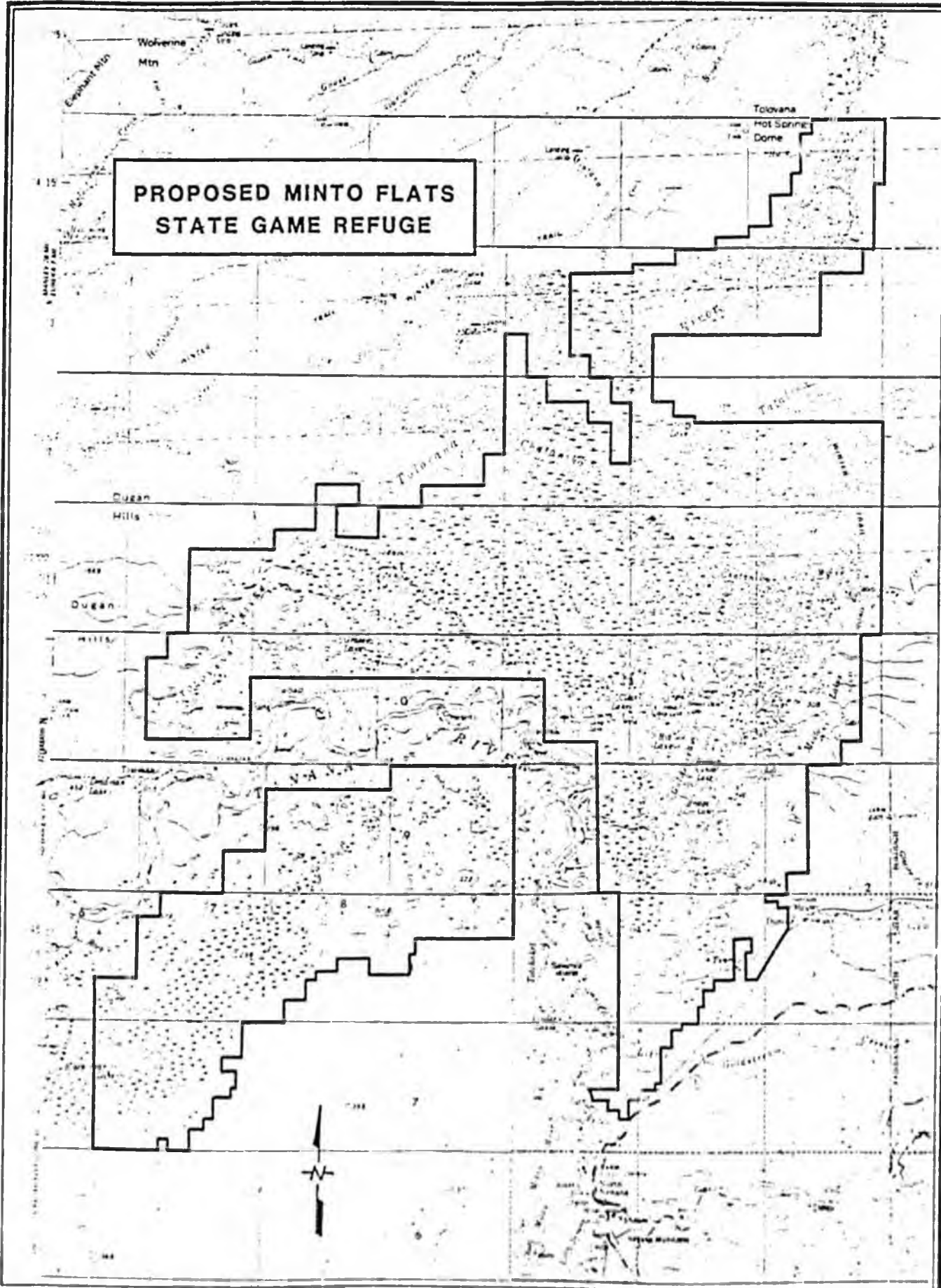
1. protect and enhance fish and game and their habitat in the area;
2. ensure the perpetuation of hunting, fishing, and trapping activities in accordance with harvest regulations as established by the Boards of Fisheries and Game;
3. ensure historical and customary access to private lands consistent with the provisions of the bill;
4. perpetuate nonconsumptive uses.

The bill would accomplish the following:

1. Establishes Minto Flats State Game Refuge.
2. Identifies the purpose for which the area is established.
3. Provides for the management of Minto Flats State Game Refuge including development of a management plan.
4. Ensures continued public access.
5. Provides for acquisition of private property from willing owners.
6. Ensures continued access to private inholdings.
7. Closes the refuge to mineral access.

The proposed legislation to establish the Minto Flats State Game Refuge has the support of a wide range of user and interest groups throughout the region. Support for the bill comes from the Alaska Outdoor Council, Arctic Audubon, Cleary Sky Sportsmen Club, Fairbanks Fish and Game Advisory Committee, Healy/Clear Fish and Game Advisory Committee, Minto Native Council, Nenana Native Council, Northern Alaska Environmental Center, Seth-de-ya-ah Corporation (Fairbanks), and Tanana Valley Sportsman Association.

**PROPOSED MINTO FLATS
STATE GAME REFUGE**





STATE OF ALASKA
OFFICE OF THE GOVERNOR
BILL ANALYSIS

DEPARTMENT Fish and Game	DIVISION Habitat	BILL NUMBER SB55	SPONSOR Binkley
DEPARTMENT POSITION Support			
PREPARED BY Habitat Division	DATE 1/23/87	COMMISSIONER'S SIGNATURE <i>Paul W. ...</i>	DATE 25-87

SUMMARY

DEPT AGENCIES AFFECTED BY BILL Department of Natural Resources	CONSTITUENT GROUPS, AFFECTED BY BILL Hunting & Fishing Groups Nenana, Minto and Fairbanks area residents
ORGANIZATIONAL SUPPORT FOR BILL See attached Supplemental Sheet	ORGANIZATIONAL OPPOSITION TO BILL None Known

FISCAL IMPACT NONE FISCAL NOTE ATTACHED

BACKGROUND LEGISLATIVE INTENT

The purpose of establishing the Minto Flats State Game Refuge is to provide:

1. protection and enhancement for fish and wildlife habitat.
2. conservation of fish and wildlife.
3. continued opportunity for hunting, fishing and trapping.
4. other recreational opportunities

ANALYSIS OF BILL PROGRAM EFFECTS

1. Establishes Minto Flats State Game Refuge.
2. Identifies the purpose for which the area is established.
3. Provides for the management of Minto Flats State Game Refuge including development of a management plan.
4. Ensures continued public access.
5. Provides for acquisition of private property from willing owners.
6. Ensures continued access to private inholdings.
7. Closes the refuge to mineral entry.

AMENDMENTS PROPOSED

BILL ANALYSIS
(Supplemental Sheet)
Page 2 of 2

Organizational Support For Bill

AK Outdoor Council
Arctic Audubon
Clear Sky Sportsmen Club
Fbks. Fish & Game Advisory Comm.
Healy/Clear Fish & Game Advisory Comm.
Minto Native Council
Nenana Native Council
Northern AK Environmental Center
Seth-de-ya-ah Corp.
Tanana Valley Sportsmen Assn.

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

Bill Version: SB 55

Publish Date: _____

REQUEST: _____

Revision Date: _____

Title: Minto Flats State Game

Refuge

Sponsor: Senator Binkley

Requestor: _____

Agency Affected: Fish and Game

BRU: Habitat

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		0				
TRAVEL		0				
CONTRACTUAL		0				
SUPPLIES		0				
EQUIPMENT		0				
LAND & STRUCTURES		0				
GRANTS, CLAIMS		0				
MISCELLANEOUS		0				
TOTAL OPERATING		0				
CAPITAL		0				
REVENUE		0				

FUNDING: (Thousands of Dollars)

GENERAL FUND		0				
FEDERAL FUNDS						
OTHER						
TOTAL		0				

POSITIONS:

FULL-TIME		0				
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Roland Shanks
Division: Commissioner's Office

Phone: 465-4100
Date: 2/4/87

Approved by Commissioner: [Signature]
Agency: Fish and Game

Date: 2.5.87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

Bill would make Minto Flats refuge

UNEAU—A marshy flatland tered about 40 miles west of rbanks may become a state ilife refuge if a bill introduced state Sen. John Binkley, R-hel, is approved.

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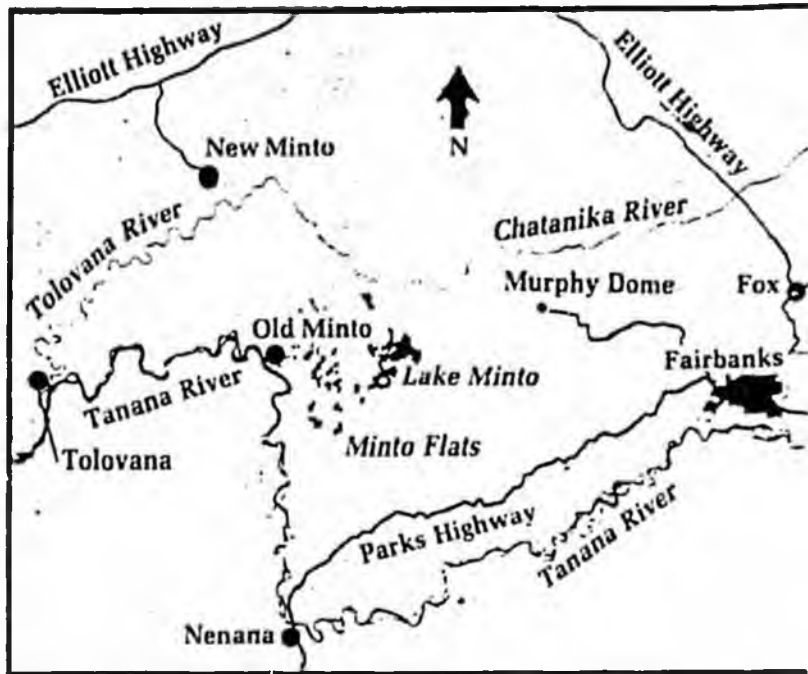
Binkley also noted the Tanana Valley Area Basin Plan suggested the legislation be introduced. The plan was completed in 1984 by the Department of Natural Resources, with the assistance of other state agencies. It outlines optimum uses for state land in the Tanana Valley, as determined by public and agency comments as well as general resource surveys.

Boundaries of the refuge may need some work still, Binkley said. The village council of Minto has requested the boundaries include the banks of the Tanana River, he said. A map submitted with the letter from the interested groups indicated the boundary would be mostly set back from the river.

"There's also some concern in the mining community over a statement in the legislation," Binkley said. The bill says the refuge should be closed to mineral claim entry.

"It's not really a substantive concern. There are no mines in the area and very little potential for mining," Binkley said. "It's the principle of the thing. They don't like to see that wording anyplace."

The 10 interesting groups included: the Minto village corpora-



PRIME WATERFOWL AREA—A recently introduced bill would establish the Minto Flats State Game Refuge. Minto is located on the western edge of the proposed refuge area. The flats are heavily used by hunters, trappers and fishermen from Minto, Nenana and Fairbanks.

tion, the Northern Alaska Environmental Center, the Nenana Native Council, the Minto Native Council, the Healy/Clear and Fairbanks fish and game advisory committees, the Cleary Sky Sportsmen Club, the Arctic Audubon Society and the Alaska Outdoor Council.

In their letter, they said the U.S. Fish and Wildlife Service has described the flats as "one of the high-

est quality waterfowl nesting habitats on the North American continent."

The letter quoted figures from the Alaska Department of Fish and Game, which estimated, in 1984 that hunters shot 11,685 ducks in the Minto Flats, or 11.5 percent of the statewide harvest. Also, an esti-

(See MIN. O, Back Page)

MINTO

(Continued from page 1)

ated 777 geese were shot in the area, about 5 percent of the statewide harvest.

No acreage for the proposed refuge was included in the bill. The boundaries at present would encompass marshy flatlands stretching from Nenana to the Tolovana River, Hot Springs Dome and from Murphy Dome west to the Tolovana River. The refuge would also include a large block west of Nenana and south of the Tanana River.

FAIRBANKS NEWS MINER 1/22/87



Minto Village Council

Minto, Alaska 99758

(907) 798-8007
7112

December 3, 1986



Mr. John Binkley
Senator, Alaska Legislature
P.O. Box 1065
Bethel, AK 99559

Dear Mr. Binkley:

Congratulations on your bid for the Alaska state legislature.

The Minto Village Council is working on putting the Minto Flats into a state refuge. The Minto Village Council doesn't agree with the boundaries as they are now. We want the refuge to go all the way to the river banks of the Tanana River. We would like both sides of the river bank to be included in the refuge.

We took this concern to the people of Minto at a general meeting on November 13, 1986, and they were also concerned about banks of the Tanana River. Our concern is for the future disposals of lands along the river and commercial development along the banks.

The refuge is for a wildlife habitat, and preservation of the animals and their habitat. We would appreciate your support in our efforts. The Minto Flats are of great concern to each resident of Minto.

Sincerely,

Philip Titus

Philip Titus, Member
Minto Village Council
P.O. Box 26
Minto, AK 99758

PT/nc

Enclosure





ALASKA MINERS ASSOCIATION, INC.

FAIRBANKS BRANCH

January 10, 1987

JAN 19 1987

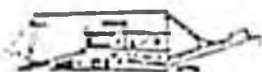
Senator Jack Coghill
30 Capitol Building
Pouch V, Juneau 99811

Subject: Minto Flats Refuge

Dear Senator Coghill,

Many miners have very serious concerns with some of the elements of the proposed Minto Flats Game Refuge, and we feel that the start of the legislative session is an opportune time to acquaint you with these concerns. We are not opposed to the proposal in concept, but have serious problems with some of the particulars. The most disturbing is the blanket closure of the area to mineral entry. It was explained to the miners that the Fish and Game Habitat Division is worried that unscrupulous persons will falsely file mining claims in order to have a cabin in the proposed refuge to hunt from, and that it would be inconvenient to adjudicate the validity of such claims. We feel that a blanket mineral closure of a completely unexplored area for the sake of administrative convenience is a dangerous concept. Fish and Game Habitat Division may well be cutting the throat of Alaska's economic future with this kind of thinking. We feel very strongly that this concept is unjustifiable because there are procedures to challenge the validity of improper claims and a mineral closure will be of no benefit to the stated purposes of the proposed refuge. There is no present conflict in use, and decisions on mineral closures should be made based on proper mineral assessment .

We also are very concerned that the proposed refuge extensions will block access to important sections of the Tanana Valley State Forest, specifically Sections 1A, 1B, 1C, 2A, 2B, 2C, and 3B. Section 2 of the forest contains much of the sustained yield timber that is scheduled to be harvested. With the present economy we feel that the Habitat Division is unjustified to pre-empt employment opportunities. Further, the proposed refuge would block the traditional use of the Dunbar Trail, the Manley Hot Springs-Fairbanks Trail, and the Commissioner's Trail. There also has been no discussion of access that takes place over waters that are navigable. We are concerned that the priorities as enumerated in the proposal will effectively



block access. To quote the proposal at (b), "...Refuge is established to ensure the protection and enhancement of habitat and the conservation of fish and wildlife species dependent thereon; and to guarantee its continued use and enjoyment by the public for hunting, fishing, trapping and other uses compatible with the protection of habitat and the conservation of the fish and wildlife species. (c) Public access including, but not limited to, the use of horses, boats, aircraft, dog teams and snowmachines is guaranteed provided that such use is consistent with (b) of this section." End quote. We are extremely suspicious of this wording, we feel there is deception here. Who will make this consistency determination and on what basis? What kind of mechanized vehicle is compatible with the protection of habitat? What does "enhancement of habitat" mean, anyway? How does hunting and fishing conserve fish and wildlife? Why is mining implied to be an incompatible use? These are serious questions that are in the minds of many miners.

We feel that the Minto Flats Game Refuge proposal, as it is presently written, is a lock-up for the benefit of a few and not in the best interest of the State of Alaska

Sincerely,

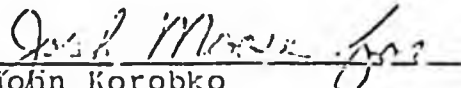
Del
Del Ackels
Chairman, Alaska Miners Association

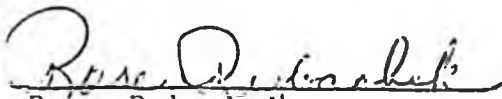
cc: Senate Resources
House Resources

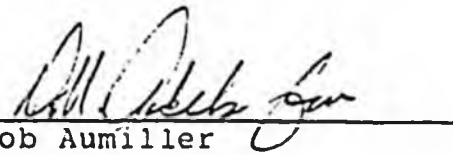
Subject: AMA response to Minto Flats Game Refuge.

It is also the objective of these groups that this letter of intent be incorporated as part of the Legislative record during the establishment of the Minto Flats State Game Refuge.

Sincerely,


John Korobko
President
Placer Miners of Alaska
P.O. Box 73756
Fairbanks, Alaska 99701


Rose Rybachek
President
Livengood-Tolovana Mining District
P.O. Box 73069
Fairbanks, Alaska 99707


Bob Aumiller
President
Miners Advocacy Council
P.O. Box 83909
Fairbanks, Alaska 99708

Bill would make Minto Flats refuge

JUNEAU—A marshy flatland centered about 40 miles west of Fairbanks may become a state wildlife refuge if a bill introduced by state Sen. John Binkley, R-Bethel, is approved.

Binkley, a former Fairbanksan, said he introduced a bill to establish the Minto Flats State Game Refuge at the request of the Minto Village Council. Minto is located on the western edge of the proposed refuge area.

The flats are heavily used by hunters, trappers and fishermen from Minto, Nenana and Fairbanks. Binkley said the legislation was intended to protect the fish and wildlife populations and perpetuate such uses.

"It's an important area to the people of Minto and really to the people of Fairbanks," Binkley said.

Binkley, and several other lawmakers, received a letter this spring asking the legislation be introduced. Ten Native, environmental, and hunting and fishing groups signed the request.

The interested groups said they want hunting, fishing and trapping to continue on the refuge. They also want most forms of travel to be allowed in the refuge without res-

triction, including snowmachines, floatplanes and boats.

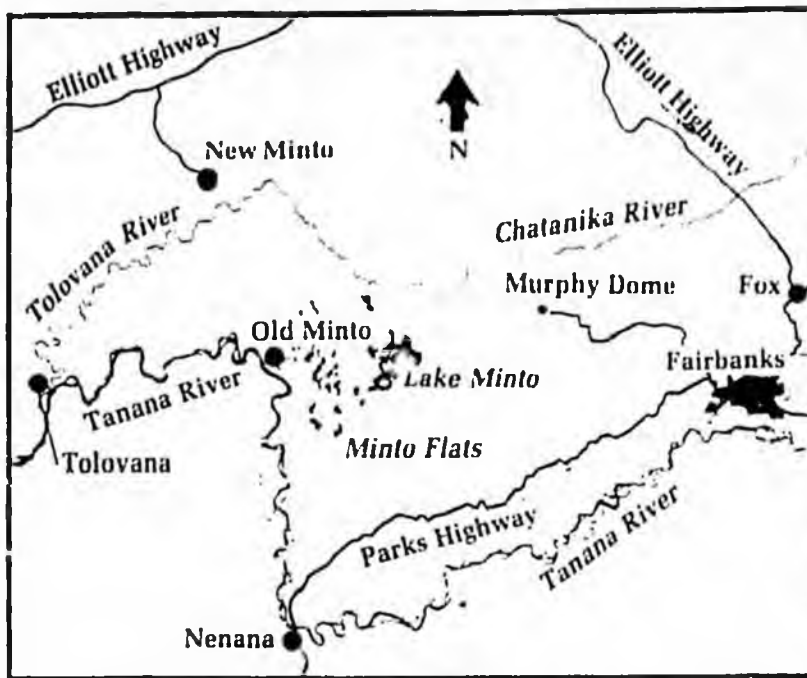
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(See MINTO, Back Page)

MINTO

(Continued from page 1)

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Minto Flats refuge would be fair game

"Show me a refuge on the Minto Flats, and I'll show you a place where you can't hunt, build a campfire or, for that matter, draw a deep breath for fear of a biologist or game warden looking over your shoulder," said a recent, and irate caller.

Scott Grundy, recently retired habitat biologist with 22 years tenure as an employee of the Alaska Department of Fish & Game calls this pure nonsense. Grundy acted as coordinator for a coalition formed to sample public opinion and help formulate planning of the proposed Minto refuge, one year ago.

Why an 800 square-mile refuge on the Minto Flats?

Grundy told me that there is only one real reason—to gain some assurance that the land not be relegated to a disposal process which could result in vast private ownership. This, in turn, would effectively make the area off limits to general use by sportsmen.

"Such a process could take several forms," Grundy explained. "The administration could simply create a huge subdivision or the area could be



Jim Greiner

caught up in a giant land swap process."

The two expressed purposes of the proposed Minto Refuge are to make the area available for multiple use by sportsmen, and to ensure that the wildlife residing there will be afforded the best management possible during future decades.

Yet another recent caller, also reacting to the recent announcement of plans for a refuge on the Minto Flats, was a bit less hot under the collar, but obviously paranoid about permit hunts being the usual outcome of refuge designation.

"Look what happened to the area up above the Yukon River—the place now called the Yukon Flats Wildlife Refuge. It was no more set up and those few of us who had hunted there for years, could no longer do so.

Why? Because permits for use were limited to 60 some and only available to permanent residents (Game Management Unit 25D) of the area."

I pointed out that the Yukon Flats Refuge is, and always has been, under federal management.

"That may all be true," he countered, "but the ADF&G pushed for the permit hunt that was eventually established—it was their idea."

I couldn't argue with his facts.

One of the problems with the refuge concept is that it relies heavily upon the establishment of concentrated hunting pressure—pressure which exceeds the availability of land areas capable of supporting it. Only then does the effectiveness and acceptability of a refuge system become obvious to the average hunter.

I once lived in the states of New York and Michigan, both of which have long supported excessive numbers of hunters and others interested in using the shrinking wild areas in those states. I found that the only places where consistently productive waterfowling could be

found was on public refuges. They were managed not only by state game agencies but federal as well, and both produced and attracted even greater concentrations of waterfowl than did privately leased tracts adjacent to them.

Despite a burgeoning human population of its own, however, Alaska is still a remote land—a place where a hunter can venture afield and not have to worry about finding game. It's the best of two worlds, but this will not always be the case, and it is this philosophy that motivates those who would see refuge status granted to a large portion of the Minto Flats.

The most basic tenet of good game management is still that of making the most game available to the greatest numbers of hunters, for as long a time as is possible. Refuges are, quite possibly, the most effective tool with which to establish this end.

"Even if current efforts are successful," Grundy told me, "the Legislature could still, at some time during future years, reverse the status of the area and open it up to eventual public ownership. Currently, the area

is under administrative rather than legislative management and, as such, its status could be easily reversed. It all depends upon who directs the Department of Natural Resources. If a man who could care less about hunting and wildlife were appointed to the position, we would be in deep trouble—despite the existence of established refuge areas," Grundy explained.

Unlike the more arcane concept of subsistence, which is but one consideration where refuge establishment is concerned, the term "refuge" is a straightforward one. It means that there is one, and only one, prime concern—the protection of the right to its multiple use by you and I.

Grundy indicated that he would be eager to host a candid public discussion of the refuge issue, and suggests that individuals contact the ADF&G (Habitat Division) and voice their interest in such a meeting.

Just maybe this is progress in the best of its many forms.

The editor of the Alaska Trapper, Jim Greiner also is author of "Wager with the Wind" and "The Red Snow."

2/11/87

Travel routes needed

State questions Minto Flats refuge

By SAM BISHOP
News-Miner Bureau

JUNEAU—A bill to create a state wildlife refuge in the Minto Flats needs a more precise definition of possible transportation routes across the area, an official with the Department of Natural Resources said Tuesday.

Tom Hawkins, director of the Division of Land and Water Management, told the Senate Community and Regional Affairs Committee that the department supported the

refuge bill but had a few suggestions.

"They barely rise to the level of conflicts," Hawkins said. "They are just opportunities for the Legislature to be real clear."

He asked that the committee add a section to more precisely recognize historical travel routes across the flats.

The bill would create a 500,000-acre state wildlife refuge centered on the Minto Flats, an area 45 miles west of Fairbanks that is heavily

hunted and fished by residents of Fairbanks, Minto and Nenana.

Hawkins said at least three trails crossing the flats were identified by the state as transportation routes in a 1974 listing. The trails may qualify as state rights-of-way under the federal Revised Statute 2477, he said.

But Gail Gatton, director of the Alaska Environmental Lobby, told the committee she preferred a cautious approach to transportation routes.

Gatton said groups she represents, including the Northern Alaska Environmental Center in Fairbanks, want travel on historical trails limited to such methods as dogteams and snowmachines.

"I think with the (Tanana Valley State) Forest in there, there is a possibility of some of those being converted to logging roads," she said.

The proposed refuge boundaries are adjacent to the Tanana Valley State Forest in several areas.

Hawkins said the department also questioned the need to close the entire refuge to mining. He showed the committee members a map from the Tanana Valley Basin Area Plan, in which a smaller area was recommended for closure to mining claims.

Ron Silas, wildlife and parks director for Tanana Chiefs Conference, said the mineral development closures should remain. The idea behind the bill is to protect wildlife and habitat, he said.

"How can we protect it if there's going to be mining and drilling?" he asked. "The animals won't stick around."

Tanana Chiefs is a non-profit Native corporation that provides economic, legal and health assistance to villagers in Interior Alaska.

Gatton told the committee she also hoped the mineral closure would stay. No good reasons have been presented to lift it, she said.

Ron Somerville, director of the Alaska Outdoor Council, said some areas in the refuge should be closed to mining and oil development without question. Other areas could be opened without harm to wildlife, he said. The council represents hunting, fishing and other outdoor groups around Alaska.

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PLANE

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The pilots were t ner at the Pump

FUND

(Continued from cumulative perfor stocks growing 417 tween 1977 and 1985. 370 percent return, a 290 percent. The Uni turn was 171 percent.

Meanwhile, Cowp banking official Marc the Alaska Permanen board of trustees, but will wait to fill the sec on the board. Langland's appoi

Paul Robinson, CPA

formerly of Paul B. Robinson, CPA
and

Harry Sinz, CPA

formerly of Stock, Inc.

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Chicken Fried Steak and Eggs

Two eggs (cooked any style), hash brown potatoes or grits, and choice of toast, buttermilk biscuit or English muffin.

TO: Senate and House Resources Committees

FROM: Dennis P. Higgins

DATE: February 13, 1987

SUBJECT: Comments on the proposed Minto Flats State Game Refuge
SB 55

Honorable Committee Members,

Though it has come to the attention of the various groups representing the Alaska mining industry that certain clauses of SB 55 are incompatible with the future development of mineral, timber, and other natural resources, none of these clauses causes me greater consternation than the closure to mineral entry (proposed AS 16.20.037g).

It is inconceivable that in a time of severe economic hardship in Alaska, a proposal for mineral closure should be included in this bill. Not only is the reasoning for this closure flawed, but the enactment into law of this bill would create a dangerous and unsuitable precedent by allowing mineral closure for administrative expediency. The Department of Fish and Game believes that this closure would prevent the use of falsified or other bad faith mining claims to be used as a reason for hunting access. There are provisions under mineral law for addressing mining claim validity, and these provisions should not be ignored for convenience sake.

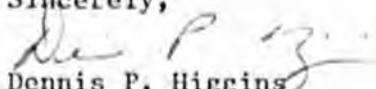
Not one of Alaska's other game refuges is subject to blanket mineral closure. That the state legislature would adopt an unprecedented position on the Minto Flats Game Refuge, a position that is permanently inimicable to fostering economic progress in the interior, is irresponsible and unconscionable.

Another topic that the bill pointedly does not address is access for future development. Extensions of the Alaska Railroad, a utility corridor for a future oil or gas pipeline, guaranteed access along established rights-of-way (Commissioner's Line Trail, Fairbanks-Manley Hot Springs Trail) all need to be included in any final writing of this bill.

I am just beginning my involvement in the mining industry in Alaska, and it is my sincerest wish that no more opportunities for natural resource exploration and development are foresaken because of lack of foresight. Alaska is my home, and I'd hate to have to leave it for someplace with a more encouraging regulatory and resource development climate.

cc: Steve Frank
Mark Boyer
Roger Burrgraf
Sherry Schlofeldt
Mike Davis

Sincerely,


Dennis P. Higgins

P.O. Box 83151
Fbk. Ak 99708

PUBLIC OPINION MESSAGE

DEAR: SENATOR COGHILL

NAME: SCOTT GRUNDY
 TITLE:
 ADDRESS: 821 LANCASTER DRIVE
 CITY: FAIRBANKS ZIP: 99712
 PHONE: 457-3526

BILL NO: SB 55
 SUBJECT: MINTO FLATS
 MESSAGE: I HELPED FACILITATE PROPOSAL. RE: HEARING ISSUES: NATIVE LANDS ALSO STATE SELECTED. MINTO AGREED SHOULD STATE RECEIVE. NO AGRICULTURAL/STATE FOREST LANDS. SUPPORT GROUP EXPANDED BOUNDARIES TO INCLUDE HIGH VALUE WILD-LIFE/RECREATIONAL LANDS. MANAGEMENT PLAN WILL FOCUS ON TRAILS. MOST LIKELY RS2477. NO REAL NEED TO ADDRESS. CALL ANY TIME FOR CLARIFICATION. AN

POHID: 07122251
 DATE: 02/13/87
 TIME: 12:22:51
 LIONAME: FAIRBANKS LIO

COPIES: SENATORS

HALFORD
 KELLY
 STURGULEWSKI
 SZYMANSKI
 ZHAROFF
 BINKLEY

Bruce

PUBLIC OPINION MESSAGE

DEAR: SENATOR COGHILL

NAME: MARY BOYLE
 TITLE:
 ADDRESS: 12700 SCHOONER DRIVE
 CITY: ANCHORAGE, ALASKA ZIP: 99515
 PHONE: 276-3550

BILL NO:
 SUBJECT: CONSUMER PROTECTION/BUDGET
 MESSAGE: THE CITIZENS OF ALASKA NEED CONSUMER PROTECTION TO PROTECT THEM FROM BUSINESSES WHOS INTENTION IS TAKING ADVANTAGE OF UNWEARY CONSUMER. IF CONSUMER PROTECTION WASN'T AROUND, CRUCIAL BUSINESS PEOPLE WOULD TAKE FULL ADVANTAGE OF THAT AND BE LIKE LOOTERS AFTER AN EARTHQUAKE. CONSUMERS ARE WHAT KEEP THE ECONOMY MOVING.

POHID: 03122237
 DATE: 02/13/87
 TIME: 12:22:37
 LIONAME: ANCHORAGE LIO

COPIES: REPRESENTATIVES REPRESENTATIVES SENATORS

ADAMS	BARNES	ABOOD
BOUCHER	BOYER	BENNETT
BROWN	CATO	BINKLEY
COLLINS	COTTEN	DUNCAN
DAVIDSON	DAVIS	ELIASON
DONLEY	ELLIS	FAHRENKAMP
FRANK	FURNACE	FAIKS
GOLL	GRUENBERG	FISCHER
GRUSSENDORF	HANLEY	HALFORD
HERMANN	HOFFMAN	HENSLEY
HUDSON	KOPONEN	JONES
LARSON	MARTIN	JOSEPHSON
MEHARD	MILLER	KELLY
NAVARRE	PEARCE	KERTTULA
PETTYJOHN	PHILLIPS	RODEY
POURCHOT	RIEGER	STURGULEWSKI
SIULTZ	SPRINGER	SZYMANSKI
SUND	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

PUBLIC OPINION MESSAGE

DEAR: SENATOR COGHILL

NAME: MARK ALBERT BELTZ

TITLE:

ADDRESS: 343 WEST 12TH

CITY: ANCHORAGE

ZIP: 99501

PHONE: 272-5363

BILL NO:

SUBJECT:

MESSAGE: I WOULD LIKE YOU TO CUT OUT THE FUNDING FOR ABORTION WITHIN THE STATE OF ALASKA. I FEEL THAT ABORTION IS MURDER, AND IT IS THE KILLING OF INNOCENT BABIES. I THINK THAT THIS IS A WASTE OF MONEY TO FUND ABORTIONS. AN ALTERNATIVE TO THIS WOULD BE TO SPEND FUNDS ON CAPITAL PUNISHMENT TO DO AWAY WITH THE CRIMINALS WHO COMMIT VIOLENT CRIMES.

POMID: 03123022

DATE: 02/11/87

TIME: 12:30:22

LIONAME: ANCHORAGE LIO

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GOLL	GRUENBERG	FISCHER
GRUSSENDORF	HANLEY	HALFORD
HERRMANN	HOFFMAN	HENSLEY
HUDSON	KOPONEN	JONES
LARSON	MARTIN	JOSEPHSON
MENARD	MILLER	KELLY
NAVARRE	PEARCE	KERTTULA
PETTYJOHN	PHILLIPS	RODEY
POURCHOT	RIEGER	STURGULEWSKI
SHULTZ	SPRINGER	SZYMAWSKI
SUND	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

PUBLIC OPINION MESSAGE

DEAR: SENATOR COGHILL

NAME: DOUG FRUGE

TITLE:

ADDRESS: 936 EASTWOOD LANE

CITY: FAIRBANKS

ZIP: 99712

PHONE: 456-0418

BILL NO: SB 55

SUBJECT: MINTO FLATS STATE GAME REFUGE

MESSAGE: I WOULD LIKE TO SUPPORT THIS BILL AS IT IS CURRENTLY WRITTEN.

EOM/MW

POMID: 07090842

DATE: 02/11/87

TIME: 09:08:42

LIONAME: FAIRBANKS LIO

COPIES: REPRESENTATIVES SENATORS

BOYER	HALFORD
DAVIS	KELLY
KOPONEN	STURGULEWSKI
FRANK	SZYMAWSKI
MILLER	ZHAROFF
	FAHRENKAMP
	BENNETT

Bruce

9301.0.13

ALASKA LAND ACREAGE SUMMARY
December 31, 1985

	<u>Millions of Acres</u>	<u>% of Total</u>
<u>Total Land Alaska</u> -----	367.7	100.0%
<u>State Land Entitlement</u> ¹ -----	104.8*	28.5%
Selected Land ² (includes over-selection) ---	27.8	
Tentatively Approved -----	54.1	
Patented -----	27.7	
<u>Private Land Owned by Individuals</u> ³ -----	5.0*	1.4%
<u>Native Corporation Land Entitlement</u> ⁴ -----	43.7*	11.9%
Selected Land (includes over-selection) ⁵ ---	45.6	
Interim Conveyed or Patented ⁶ -----	34.6	
<u>Total Federal Land</u> -----	217.7*	59.2%
<u>National Park System</u> ⁷ -----	51.0**	(13.9%)
(Parks Acreage Also Within the National Wilderness Preservation System: 30.4)		
Parks/Monuments Established Prior to 1980- 7.5		
Parks/Monuments Established in Alaska Lands Act ¹¹ -----	24.6	
Preserves Established in Alaska Lands Act ¹¹ -----	18.9	
<u>U.S. Fish and Wildlife System</u> ⁸ -----	76.0**	(20.6%)
(Refuge Acreage also within the National Wilderness Preservation System: 18.6)		
Refuges Established Prior to Alaska Lands Act -----	22.3	
Refuges Established in Alaska Lands Act ¹¹ -	53.7	
<u>U.S. Forest System</u> ⁹ -----	23.2**	(6.3%)
(Forest Acreage also within the National Wilderness Preservation System: 5.4)		
Forests Established Prior to Alaska Lands Act -----	19.8	
Forests Established in Alaska Lands Act ¹¹ -	3.4	
<u>Bureau of Land Management</u> -----	65.0**	(17.7%)
National Petroleum Reserve-Alaska -----	22.4	
Areas Established in Alaska Lands Act ¹¹ Conservation and Recreation Areas -----	2.2	
Nat'l Wild & Scenic Rivers System -----	1.5	
Other Alaska Lands -----	38.9	
<u>Military Lands</u> ¹⁰ -----	2.5**	(0.7%)

Note: Because of unresolved overlaps between state and Native selections and various federal designations and because state entitlement lands may be disposed of to private owners, the sum of subtotals exceeds the statewide total.

*Figures add to statewide total.

**Figures add to federal total.

RECEIVED

①

- SOURCES:
1. Alaska Statehood Act P.L. 85-508 (January 3, 1959)

General Grant Sec. 6(b)-----	102,550,000
Community Grant Sec. 6(a)-----	400,000
Community-National Forest Sec. 6(a)	400,000
Territorial Grants-----	1,200,000+
School Land Settlement P.L. 96-487	75,000
 2. Monthly Land Activity Report. Selected land figure includes unresolved overlaps with certain Native land selections.
 3. Represents state, federal, and municipal land disposals including an estimated 700,000 acres to be conveyed to individual Alaskan Natives under the Native Allotment Act of 1906.
 4. Alaska Native Claims Settlement Act P.L. 92-203 (December 18, 1970).
 5. Resource Assessment System, Department of Natural Resources.
 6. Bureau of Land Management, Division of ANCSA Operations.
 7. National Park Service, Department of Interior.
 8. U.S. Fish and Wildlife Service, Department of Interior.
 9. U.S. Department of Agriculture, Forest Service: Chugach Forest, 4.6 million; Tongass Forest, 15.2 million.
 10. Publications, Bureau of Land Management, 1977.
 11. Alaska National Interest Lands Conservation Act P.L. 96-487 (December 2, 1980.)

Prepared By

Alaska Department of Natural Resources
Division of Land and Water Management

②

S B

6 2

Alaska State Legislature

Senate Resources Committee



Sen. John B. (Jack) Coqhill, Chairman
Sen. Paul Fischer, Vice-Chairman
Sen. Lloyd Jones
Sen. Arliss Sturgulewski
Sen. Jim Duncan
Sen. Fred Zhanoff
Sen. Dick Eliason

Box V
Juneau, Alaska 99811
(907) 465-4907

MEMORANDUM

TO: Senate Resources Committee Members

FROM: Resources Committee Staff

RE: CSSB 62; An Act relating to public access to recreation areas; and providing for an effective date.

DATE: February 25, 1987

Packet information list:

- 1) Memorandum from the sponsor, Senator Sturgulewski, to the Senate Resources Committee, February 24, 1987
- 2) Sport Fishing Institute bulletin, 1986
Regarding: The Sport Fish Restoration Program, Status and SFI Concerns
- 3) Alaska Recreational Fishery Access Enhancement and Development a paper
- 4) DNR position paper, January 28, 1987
- 5) Bill analysis by Department of Fish and Game, January 29, 1987
- 6) DNR Fiscal Note for CSSB 62, February 9, 1987
- 7) Dept. of Revenue Fiscal Note for SB 62, February 6, 1987 *and 2/17/87*
and the departments analysis.
- 8) Alaska Statute defining "public water," AS 38.05.965

SENATE COMMITTEE REPORT

FURTHER: FINANCE

DATE TURNED INTO OFFICE 3-12-87

Mr. President:

RESOURCES

Committee considered

SB 62

public access to recreation areas.

and recommended:

replace with CS FOR SB 62 (Res)) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

zero ~~cost~~ fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

[Signature]

[Signature]
Chairman signature and recommendation

Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION

FISCAL NOTE SENATE

BILL VERSION: CSSB 62(C&RA)
 PUBLISH DATE: 2/9/87

REQUEST: _____

Revision Date: 1/27/87

Title: Public Access to Recreational Areas

Sponsor: Sturgulewski

Requestor: Senate C&RA

Agency Affected: Natural Resources

BRU: L&M

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS :

Prepared by: Carol Wilson

Phone: 465-2400

Division: Commissioner's Office

Date: 1/17/87

Approved by Commissioner: Wm D Arnold Deputy

Date: 1/28/87

Agency: Natural Resources

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

Alaska State Legislature



SENATOR
ARLISS STURGULEWSKI

Chairman, Senate Community and Regional Affairs Committee
Vice-Chairman, Senate Judiciary Committee
Member, Senate Resources Committee

2057 SHELDON JACKSON STREET
ANCHORAGE, ALASKA 99508

While in Juneau
P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3818

Senate

TO: Senate Resource Committee Members

March 4, 1987

FROM: Senator Arliss Sturgulewski

RE: CSSB 62 (C&RA) - Public Access to Recreation Areas

CSSB 62 is designed to help create access to state waters. This bill has strong support from a wide range of interest groups and I am not aware of any opposition. Senator Coghill has allowed me to participate in working on a Resources CS which clears up several technical points. I believe the Resources CS is an improvement and I appreciate his support.

This memo contains a brief sectional analysis and discusses the changes made in the C&RA and Resources CS.

Section 1 of the bill is findings and intent.

Section 2(a) requires DNR, whenever land is surveyed for disposal, to reserve easements or rights-of-way along public waterways.

Subsection 2(b) requires that at least once per mile an easement or right-of-way to access the easement along the water be established. Neither of these sections has any effect on private land.

Subsection 2(c) clarifies that "creating access to waters of the state with high value for recreational uses" is a reason for which DNR is permitted to enter into land trades.

Section 3 creates a public access fund. This fund is to be used to develop access, including the purchase and lease of land, easements, and rights-of-way to enhance public access to enhance public access to recreation areas.

The legislature may appropriate to this fund, the public may donate, or may check a box on their permanent fund dividend form donating \$5. to the fund. This fund is designed to be used in conjunction with federal funds received under the Wallop-Breaux amendments to the Sport Fish Restoration Act. The funds available under this act have recently increased dramatically.

The C&RA Committee Substitute made several technical changes to the bill. The main change was to insert an exemption from the easement requirement for land that may be sold subject to a preference right. The new language appears on the last line of the first page and prevents a possible conflict within statutes. The remainder of the changes were technical drafting changes to clarify rather than change meaning.

The Resources CS is based the C&RA CS and makes three additional changes. The first dealt with the language clarifying that DNR may exchange land to "create access to waters of the state with high value for recreational uses." Section 4 previously added this language to AS 38.50.010, the statute that lists the reasons for which DNR may exchange land. Section 4 was deleted and the clarification was included in section 2(c). This move was made to avoid any misapprehension that this language somehow made land trades for access a priority over trades for other public purposes.

The other two changes in the Resources CS occur in Section 3(b). The first requires the Commissioner of Natural

Resources, who administers the fund, to have the concurrence of the commissioner of fish and game before using money in the fund to develop recreational access. The second change deletes the requirement for consultation with the commissioner of transportation and public facilities. Both DNR and Fish and Game have said that they consult with DOT/PF as a matter of course and this requirement was superfluous.

5-0221L ✓

Bradley

3/3/87

Original sponsors: Sturgulewski, Kerttula,
Szymanski and Fischer

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 62 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to public access to recreation
7 areas; and providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS AND INTENT. (a) The legislature
10 finds that access to state waters for fishing, hunting, guiding, boating,
11 lodge operation and other recreational uses is very important to the econo-
12 my of the state. State waters, and public access to those waters, is
13 critical to the interrelated recreation, tourism, guiding and lodge indus-
14 tries. These industries support a large number of small, resident Alaska
15 businesses. Recreational use of state waters is also extremely important
16 to the people of the state. The legislature further finds that many of the
17 state's popular freshwater and marine fisheries are severely overcrowded
18 and that increasing the ease of access to additional waters suitable for
19 recreational uses would enhance the enjoyment by the people, would be
20 beneficial to the economy, and would reduce the overcrowding on the already
21 popular waters.

22 (b) It is the intent of the legislature to encourage state programs
23 to develop access to additional waters of the state near the state's major
24 population areas.

25 * Sec. 2. AS 38.04 is amended by adding a new section to read:

26 Sec. 38.04.052. ACCESS TO WATERWAYS. (a) Wherever state land
27 is surveyed for disposal into private use, legal rights-of-way and
28 easements shall be reserved along public waterways of the state.
29 Except for state land disposed of under AS 38.05.035(b)(2), (3), (5)

1 or 38.05.068, the right-of-way or easement shall be at least 50 feet
 2 wide but the commissioner may require a wider right-of-way or easement
 3 depending on local conditions.

4 (b) The commissioner shall also establish rights-of-way or
 5 easements to ensure access to rights-of-way or easements that are
 6 along the public waterways. Easements under this subsection shall be
 7 established not less often than once each mile.

8 (c) The commissioner may exchange land under AS 38.50 to ^{create} ~~ensure~~
 9 ~~[... sentence from 2003]~~ ^{obtain} access to waters of the state w/ high value for recreational use
 10 access to rights-of-way or easements along public waterways] under this
 11 section.

12 * Sec. 3. AS 38.05 is amended by adding a new section to read:

13 Sec. 38.05.874. PUBLIC ACCESS FUND CREATED. (a) There is
 14 created in the general fund a public access fund. The fund consists
 15 of money and interest derived under this subsection and contributions
 16 from individuals and corporations. The fund shall be invested by the
 17 commissioner of revenue. The commissioner of revenue shall prepare
 18 the permanent fund dividend application for 1988 and subsequent years
 19 to allow applicants to designate that \$5 of the dividend be subtracted
 20 from their check and deposited in the public access fund. The commis-
 21 sioner of revenue may be reimbursed for actual administrative costs
 22 incurred under this subsection by appropriation from the public access
 23 fund.

24 (b) Except as provided in (a) of this section, the commissioner
 25 shall administer the fund. The commissioner, after public hearings
 26 and in concurrence with the commissioner of fish and game, may use
 27 money in the fund to develop recreational access, including the pur-
 28 chase and lease of land, easements, and rights-of-way to enhance
 29 public access to recreational areas.

(c) The title to rights of public access to recreational areas

1 obtained by the commissioner vest, in the state. The commissioner
2 shall include in the instrument transferring title to the state a
3 clause requiring that the land be used for public access. If the land
4 ceases to be available for public access, the state shall either

5 (1) pay to the fund the assessed value of the land at th
6 time; or

7 (2) if the land was purchased with funds derived under 16
8 U.S.C. 777-777k (Sport Fish Restoration Act), as amended, reimburse
9 the sport fish restoration program.

10 (d) If the state receives funds under 16 U.S.C. 777-777k (Sport
11 Fish Restoration Act), as amended, approximately 20 percent of the
12 funds shall be used to implement the provisions of this section.
13 Expenditure of funds received by the state under this subsection is
14 subject to the approval of the commissioner of fish and game.

15 (e) The legislature may appropriate to the fund.

16 (f) The commissioner may adopt regulations under the Administra-
17 tive Procedure Act (AS 44.62) that are necessary to implement this
18 section.

19 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).
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23
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This is as passed

5-0221L
Bradley
3/9/87

Original sponsors: Sturgulewski, Kerttula,
Szymanski and Fischer

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 62 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to public access to recreation
7 areas; and providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS AND INTENT. (a) The legislature
10 finds that access to state waters for fishing, hunting, guiding, boating,
11 lodge operation and other recreational uses is very important to the econo-
12 my of the state. State waters, and public access to those waters, is
13 critical to the interrelated recreation, tourism, guiding and lodge indus-
14 tries. These industries support a large number of small, resident Alaska
15 businesses. Recreational use of state waters is also extremely important
16 to the people of the state. The legislature further finds that many of the
17 state's popular freshwater and marine fisheries are severely overcrowded
18 and that increasing the ease of access to additional waters suitable for
19 recreational uses would enhance the enjoyment by the people, would be
20 beneficial to the economy, and would reduce the overcrowding on the already
21 popular waters.

22 (b) It is the intent of the legislature to encourage state programs
23 to develop access to additional waters of the state near the state's major
24 population areas.

25 * Sec. 2. AS 38.04 is amended by adding a new section to read:

26 Sec. 38.04.052. ACCESS TO WATERWAYS. (a) Wherever state land
27 is surveyed for disposal into private use, legal rights-of-way and
28 easements shall be reserved along public waterways of the state.
29 Except for state land disposed of under AS 38.05.035(b)(2), (3), or

1 (5) or 38.05.068, the right-of-way or easement shall be at least 50
2 feet wide but the commissioner may require a wider right-of-way or
3 easement depending on local conditions. Where severe topographical
4 conditions make a right-of-way or easement of 50 feet or more im-
5 practical, the commissioner ^{may} [shall] issue a written finding of imprac-
6 ticability and waive or modify the requirement.

7 (b) The commissioner shall also establish rights-of-way or
8 easements to ensure access to rights-of-way or easements that are
9 along the public waterways. Easements under this subsection shall be
10 established approximately once each mile unless the commissioner
11 issues a written finding that severe topographical conditions make
12 this requirement impractical.

13 (c) The commissioner may exchange land under AS 38.50 to create
14 access to water of the state with high value for recreational uses.

15 * Sec. 3. AS 38.05 is amended by adding a new section to read:

16 Sec. 38.05.874. PUBLIC ACCESS FUND CREATED. (a) The public
17 access fund is established as a special account in the general fund
18 and funds may be deposited into the special account and withdrawn from
19 it as provided in this section. The fund consists of money and inter-
20 est derived under this subsection and contributions from individuals
21 and corporations. The fund shall be invested by the commissioner of
22 revenue. [The commissioner of revenue shall prepare the permanent fund
23 dividend application for 1988 and subsequent years to allow applicants
24 to designate that \$5 of the dividend be subtracted from their check
25 and deposited in the public access fund.] The commissioner of revenue
26 may be reimbursed for actual administrative costs incurred under this
27 subsection by appropriation from the public access fund.

28 (b) Except as provided in (a) of this section, the commissioner
29 shall administer the fund. The commissioner, after public hearings

1 and in concurrence with the commissioner of fish and game, may use
2 money in the fund to develop recreational access, including the pur-
3 chase and lease of land, easements, and rights-of-way to enhance
4 public access to recreational areas.

5 (c) The title to rights of public access to recreational areas
6 obtained by the commissioner vests in the state. The commissioner
7 shall include in the instrument transferring title to the state a
8 clause requiring that the land be used for public access. If the land
9 ceases to be available for public access, the state shall either

10 (1) pay to the fund the assessed value of the land at that
11 time; or

12 (2) if the land was purchased with funds derived under 16
13 U.S.C. 777-777k (Sport Fish Restoration Act), as amended, reimburse
14 the sport fish restoration program.

15 (d) If the state receives funds under 16 U.S.C. 777-777k (Sport
16 Fish Restoration Act), as amended, approximately 20 percent of the
17 funds shall be used to implement the provisions of this section.
18 Expenditure of funds received by the state under this subsection is
19 subject to the approval of the commissioner of fish and game.

20 (e) The legislature may appropriate to the fund.

21 (f) The commissioner may adopt regulations under the Administra-
22 tive Procedure Act (AS 44.62) that are necessary to implement this
23 section.

24 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).
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28
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5-0221L ✓
Bradley
2/27/87

Original sponsors: Sturgulewski, Kerdtula,
Szymanski and Fischer

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

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9 * Section 1. LEGISLATIVE FINDINGS AND INTENT. (a) The legislature
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12 my of the state. State waters, and public access to those waters, is
13 critical to the interrelated recreation, tourism, guiding and lodge indus-
14 tries. These industries support a large number of small, resident Alaska
15 businesses. Recreational use of state waters is also extremely important
16 to the people of the state. The legislature further finds that many of the
17 state's popular freshwater and marine fisheries are severely overcrowded
18 and that increasing the ease of access to additional waters suitable for
19 recreational uses would enhance the enjoyment by the people, would be
20 beneficial to the economy, and would reduce the overcrowding on the already
21 popular waters.

22 (b) It is the intent of the legislature to encourage state programs
23 to develop access to additional waters of the state near the state's major
24 population areas.

25 * Sec. 2. AS 38.04 is amended by adding a new section to read:

26 Sec. 38.04.052. ACCESS TO WATERWAYS. (a) Wherever state land
27 is surveyed for disposal into private use, legal rights-of-way and
28 easements shall be reserved along public waterways of the state.
29 Except for state land disposed of under AS 38.05.035(b)(2), (3), (5)

1 or 38.05.068, the right-of-way or easement shall be at least 50 feet
 2 wide but the commissioner may require a wider right-of-way or easement
 3 depending on local conditions.

4 (b) The commissioner shall also establish rights-of-way or
 5 easements to ensure access to rights-of-way or easements that are
 6 along the public waterways. Easements under this subsection shall be
 7 established not less often than once each mile.

8 * Sec. 3. AS 38.05 is amended by adding a new section to read:

9 Sec. 38.05.874. PUBLIC ACCESS FUND CREATED. (a) There is
 10 created in the general fund a public access fund. The fund consists
 11 of money and interest derived under this subsection and contributions
 12 from individuals and corporations. The fund shall be invested by the
 13 commissioner of revenue. The commissioner of revenue shall prepare
 14 the permanent fund dividend application for 1988 and subsequent years
 15 to allow applicants to designate that \$5 of the dividend be subtracted
 16 from their check and deposited in the public access fund. The commis-
 17 sioner of revenue may be reimbursed for actual administrative costs
 18 incurred under this subsection by appropriation from the public access
 19 fund.

20 (b) Except as provided in (a) of this section, the commissioner
 21 shall administer the fund. The commissioner, after public hearings
 22 and in concurrence with the commissioner of fish and game, may use
 23 money in the fund to develop recreational access, including the pur-
 24 chase and lease of land, easements, and rights-of-way to enhance
 25 public access to recreational areas.

26 (c) The title to rights of public access to recreational areas
 27 obtained by the commissioner vests in the state. The commissioner
 28 shall include in the instrument transferring title to the state a
 29 clause requiring that the land be used for public access. If the land

*Revised
 same
 in text
 Deleted DOT*

1 ceases to be available for public access, the state shall either

2 (1) pay to the fund the assessed value of the land at that
3 time; or

4 (2) if the land was purchased with funds derived under 16
5 U.S.C. 777-777k (Sport Fish Restoration Act), as amended, reimburse
6 the sport fish restoration program.

7 (d) If the state receives funds under 16 U.S.C. 777-777k (Sport
8 Fish Restoration Act), as amended, approximately 2⁰ percent of the
9 funds shall be used to implement the provisions of this section.
10 Expenditure of funds received by the state under this subsection is
11 subject to the approval of the commissioner of fish and game.

12 (e) The legislature may appropriate to the fund.

13 (f) The commissioner may adopt regulations under the Administra-
14 tive Procedure Act (AS 44.62) that are necessary to implement this
15 section.

16 * Sec. 4. AS 38.50.010 is amended to read:

17 Sec. 38.50.010. AUTHORIZATION. Subject to the requirements of
18 this chapter, the director, with the concurrence of the commissioner,
19 is authorized to dispose of state land or interest in land by exchang-
20 ing it for land, interest in land, or other consideration. Exchanges
21 shall be for the purpose of consolidating state land holdings, creat-
22 ing land ownership and use patterns which will permit more effective
23 administration of the state public domain, creating access to waters
24 of the state with high value for recreational uses, facilitating the
25 objectives of state programs, or other public purposes.

26 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).
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29



Alaska State Legislature

Official Business

Community & Regional Affairs Committee

Pouch V
State Capitol
Juneau, Alaska 99811

TO: Senate Resource Committee Members

Feb 24, 1987

FROM: Senator Arliss Scurgulewski

RE: CSSB 62 (C&RA) - Public Access to Recreation Areas

CSSB 62 is designed to help create access to state waters. The bill employs three mechanisms to do this.

Section 1 of the bill is findings and intent.

Section 2 requires DNR, whenever land is surveyed for disposal, to reserve easements or rights-of-way along public waterways and at least once per mile to establish an easement or right-of-way to access the easement along the water. This section has no effect on private land.

Section 3 creates a public access fund. This fund is to be used to develop access, including the purchase and lease of land, easements, and rights-of-way to enhance public access to enhance public access to recreation areas.

The legislature may appropriate to this fund, the public may donate, or may check a box on their permanent fund dividend form donating \$5. to the fund. The final source of funding for the fund is federal funds received under the Wallop-Breaux amendments to the Sport Fish Restoration Act. The funds available under this act have recently increased dramatically.

Section 4 adds "creating access to waters of the state with high value for recreational uses" to the list of reasons for which DNR is permitted to enter into land trades.

The C&RA Committee Substitute made several technical changes to the bill. The main change was to insert an exemption from the easement requirement for land that may be sold subject to a preference right. The new language appears on the last line of the first page and prevents a possible conflict within statutes. The remainder of the changes were technical drafting changes to clarify rather than change meaning.

Attached to this memo are materials on the federal Sport Fish Restoration Act.

SFI bulletin



Acct. Clk.	
Secretary	
Jan/Feb 1986	
File	

FEB 20 1986

SPORT FISH DIVISION
HEADQUARTERS

"The Quality of Fishing Reflects the Quality of Life"

THE SPORT FISH RESTORATION PROGRAM STATUS AND SFI CONCERNS

Introduction

The Federal Aid Division of the U.S. Fish and Wildlife Service (USFWS) recently announced that \$122,167,378 was deposited in the Wallop-Breaux Trust Fund during fiscal year 1985 (October 1, 1984 to September 30, 1985).

The Wallop-Breaux Amendments to the Federal Aid in the Sport Fish Restoration Act of 1950 (Dingell-Johnson) not only established the new Fund, but also modified and expanded two programs administered by the federal government—the Boating Safety Program, which is administered by the Department of Transportation, and the Sport Fish Restoration Program, which is administered by the Secretary of the Interior through the USFWS's Federal Aid Division. A notable example of the user benefits, user pays concept, monies are deposited in the Fund from three primary sources: a manufacturer's excise tax on fishing equipment (10 percent on most tackle items and 3 percent on trolling motors and certain types of fish finders); a portion of the federal tax on motorboat fuels; and import duties on fishing equipment, pleasure boats, and yachts. The Sport Fishing Institute initiated a Sport Fish Restoration Overview Project to monitor and evaluate progress on implementation of the Sport Fish Restoration Program and offers the following as a first year report.

History

The high expectations that fishery conservationists hold for the Sport Fish Restoration Program is reflected in their long and arduous battles for the 1950 Act and the more recent Wallop-Breaux Amendments.

Congressman Frank Buck (California) introduced into Congress the earliest precursor of the Federal Aid in Sport Fish Restoration legislation in 1939 modeled after the successful, popular Federal Aid in Wildlife Restoration Act of 1937. It was not until 1950 that the efforts of Congressmen John Dingell (Michigan), Edward Johnson (Colorado), members of the fishing tackle industry, and fishery conservationists worked together to bring about the Federal Aid in Sport Fish Restoration Act, popularly called the Dingell-Johnson (D-J) Act. Twenty-eight years later, in 1978, a new campaign was launched to expand the Act. But many roadblocks had to be overcome before the expansion was made palatable in the Wallop-Breaux Amendments and passed six years later in 1984. Due in large measure to the work of Senator Malcolm Wallop (Wyoming) and John Breaux (Louisiana), with assis-

tance from fishery conservationists and boating organizations, these obstacles were overcome. Finally, the Wallop-Breaux Amendments to the Act were not a year old before the federal Office of Management and Budget (OMB) proposed to withhold about two-thirds of the Wallop-Breaux Fund monies and undercut the legislation by changing its important permanent appropriations provision to an unstable annual appropriation mechanism. Proponents rallied to defeat this proposal in the fall of 1985, preserving all the provisions of the legislation.

Attention is now centered on the Federal Aid Division of USFWS and the state fishery agencies. The challenge of Wallop-Breaux now rests with these state/federal administrators, who will be working to develop more and better sport fishing opportunities while proving that U.S. anglers and boaters are getting their money's worth.

Sport Fishing Institute Concerns

The Sport Fishing Institute and the sport fishing industry have an abiding interest in the administration and implementation of the Sport Fish Restoration Program. This interest exists for two reasons. First, the goals of the Program and SFI are extremely similar. The stated mission of the Wallop-Breaux Amendments to D-J is that the federal government "shall aid the states in fish management and restoration projects" "where fish restoration and management projects" shall be construed to mean projects designed for the restoration and management of all species of fish which have material value in connection with sport or recreation in the marine and/or fresh waters of the United States. . . . This is similar to SFI's goal which is to develop more and better sport fishing opportunities through the application of fishery science and prudent fishery management. Second, SFI and the sport fishing industry have played major roles in the development of the Wallop-Breaux legislation. SFI was a staunch advocate for the creation of the D-J Act in 1950, a leader in the long battle to enact the Wallop-Breaux Amendments, and an avid defender of the new legislation against OMB attacks in 1985.

Due to the large stake that it has in the Sport Fish Restoration Program, SFI has conducted the Overview Project this past year and will continue the project into the future. The goals of the Project are to make SFI an effective watchdog and supporter of the Program to ensure that the Program's constituency (anglers, boaters, and industry) receive maximum benefits from Wallop-Breaux Fund dollars.

Boating and Fishing Access

Wallop-Breaux Amendments require that the states spend at least 10 percent of their annual apportionment on development of boating access. Many states plan on spending more than the mandatory amount to build new access areas or to upgrade existing sites. For example, Delaware will be refurbishing several existing coastal boating access facilities. Florida will renovate up to 20 existing sites and will construct at least three new boating access facilities each year. Iowa has an ambitious blueprint that includes construction of boating access, ten fish cleaning facilities in major state parks, and five fishing piers at large recreational areas within the state. In general, large, productive facilities, such as Ohio's newly opened Sandusky Bay boating and fishing access area on Lake Erie, built with \$700,000 of D-J funds (see SFI BULLETIN No. 370, November-December, 1985), will be more commonplace in the coming years.

SFI was an ardent supporter of the boating access provision and has been monitoring it closely. Approximately \$50 million of motorboat fuels taxes will be part of the total \$122 million available to states in fiscal year 1986. Clearly, boaters and anglers who use boats are responsible for a large share of Wallop-Breaux funds, and therefore should receive substantial access benefits. SFI has long advocated the wise use of access development to disperse angling pressure to improve angling quality. This access provision appears to be a golden opportunity for states to take a new look at access development as a management tool. SFI urges states to make full use of this provision to construct access where it provides the greatest public benefit, whether it be for renovating old, heavily used facilities or constructing new facilities in areas of high need demand but low access availability.

Aquatic Education

The Wallop-Breaux Amendments provide the states with an option to spend up to 10 percent of their annual apportionment on aquatic education projects. Many states, including Florida, Kansas, New Mexico, and Delaware, will use this opportunity to initiate new education efforts. Even the new and growing District of Columbia fishery program is preparing to use Wallop-Breaux Fund monies on a project that will teach District youth the fundamentals of resource management (the Amendments provide the District with monies, one-third of one percent of the Wallop-Breaux Fund, for the first time).

The education provision affords states a great chance to upgrade and develop their education activities. SFI advocates sound planning of education projects to best meet the needs of individual states. SFI also believes that states should use Wallop-Breaux funds to achieve a balanced education program featuring education in aquatic ecology, aquatic resource management, aquatic safety, and fishing.

Research

In the past, the states have used substantial amounts of their Dingell-Johnson monies on essential fact-finding activities. The Sport Fish Restoration Program will continue to fund significant state research, with some interesting new twists. For example, Alaska will gather data for the first time on its world class rainbow trout fisheries in Bristol Bay and the Kenai River. Iowa will survey statewide angling participation and assess the economic value of its fisheries. Missouri and Kentucky each plan on expanding their computer capa-

bilities to enable their managers to better store, access, and evaluate fisheries data. Several coastal states plan on committing Wallop-Breaux funds and state resources to augment the National Marine Fisheries Service's (NMFS) Marine Recreational Fishery Statistics Survey to obtain better estimates of angler participating and harvest.

Research, including inventories and surveys, has borne the brunt of Program criticism since the inception of the D-J Program in 1950. Critics have viewed D-J as a research-only Program, much of which was thought to be repetitive exercises of little value to fishery management.

SFI realizes that surveys, inventories, evaluations, and other forms of research are vital to well rounded state fishery programs. Yet it must be emphasized that Wallop-Breaux funded research should be the mission-oriented research aimed at sport fisheries improvement that is mandated by law, viz:

Sec. 2(a) "... research into problems of fish management and culture as may be necessary to efficient administration affecting fish resources; (b) The acquisition of such facts as are necessary to guide and direct the regulation of fishing by law, including the extent of the fish population, the drain on the fish supply from fishing and/or natural causes, the necessity of legal regulation of fishing, and the effects of any measures of regulation that are applied;"

To address the problem of poor perceptions of research by Program critics, SFI believes that states must clearly show in all project documentation (proposals, progress reports, and final reports) how their research activities are tied to their sport fishery management objectives.

Other Development Activities

New public fishing lakes are other great benefits of the Program. Georgia has begun work on the first new lake that is part of an exemplary 30-year plan to build ten new lakes in areas of the state where fishing pressure is high, but fishing opportunities are scarce. Many states will spend substantial portions of their Program allocations over the next few years on fish culture-enhancing projects. Virginia plans to refurbish antiquated warm water fish hatcheries, and Minnesota plans to upgrade its walleye rearing facilities. Nevada will be building a new \$6 million coldwater facility that will be capable of producing 1,000,000 trout per year. Montana has begun work on renovating and enlarging a warm/cool water hatchery at Miles City at an estimated cost of \$4.9 million. Some southeastern coastal states have expressed an interest in artificial reef development through Wallop-Breaux. California, North Carolina, Louisiana, and Florida are all investigating future reef plans and projects for both fresh and saltwater applications. These new projects will be funded at least in part with Wallop-Breaux Fund monies.

The above development projects are not panaceas for fish restoration and enhancement in the states: there are no substitutes for solid fisheries management, research, and habitat improvement activities. Yet these activities are vital for two reasons. First, the end products of each will unquestionably enhance sport fishing opportunities. Second, these construction projects provide important tangible benefits to user groups which should aid state agencies in building constituency support. Therefore, judicious use of Program funds on these types of projects should be encouraged.

Constraints to the Sport Fish Restoration Program

A fact that must be remembered by all who are concerned about the Sport Fish Restoration Program is that the plans and activities listed above will take time to reach fruition. State and federal administrators of the Program face numerous constraints, not only due to limited resources within their agencies, but also from outside forces acting on their agencies. Some of these constraints include: matching of Wallop-Breaux monies; state hiring ceilings; accounting challenges; and substitution of Wallop-Breaux funds for existing programs.

Matching of Wallop-Breaux Monies

States must either raise substantial new monies or produce in-kind contributions to provide the 1:3 state versus federal dollar match that is necessary to use Wallop-Breaux funds. Some states have moved to increase matching revenues in recent years. Delaware recently passed its first resident fishing license increase since 1969. Arizona added a \$2.00 surcharge to its non-resident fishing license in 1983. These actions will help both states considerably in matching Wallop-Breaux funds.

In-kind contributions may include outright donations or the dollar value of donated land, equipment, and volunteer labor. A good example of an in-kind match is the \$1 million that has been donated by the Gulf Coast Conservation Association to assist Texas in matching necessary Wallop-Breaux monies to build a large new addition on to the John Wilson Hatchery in Corpus Christi, Texas.

Several states have indicated that they will have difficulty in raising matching monies. In these states, the political climate is not suitable for raising license fees, general fund appropriations to the state fish agency, or other revenue increasing measures. SFI urges these states to strive to use in-kind contributions as much as possible. In-kind matching appears to hold much promise in helping states utilize fully their Wallop-Breaux Fund apportionments.

State Hiring Ceilings

Several states would like to hire additional fisheries personnel to carry out new projects, but face hiring ceilings imposed by state legislatures. In Virginia, Rhode Island, and California, for example, it will not matter if the state fishery agency can fund the new positions with license fees or Wallop-Breaux funds; at this time, these states are mandated not to put anyone else on the payroll. SFI urges states facing hiring ceilings to make prudent use of sub-contracting projects to private firms or universities to overcome state government restrictions.

Accounting Challenges

The new regulations imposed by Wallop-Breaux will add new accounting requirements to the old list of D-J and other federal requirements with which states must comply. To maintain eligibility for receiving Wallop-Breaux funds, states must meet both the old and new requirements, some of which are the following:

1. guarantee that fishing license fees are not being diverted away from their fishery programs;
2. spend at least 10% of each annual apportionment on boating access projects;
3. divide equitably "new" revenues (i.e., Wallop-Breaux revenues over and above those collected from D-J taxes)

between marine and freshwater projects based on the proportion of marine and freshwater angler numbers in coastal states;

4. document expenditures on each Program-funded project 90 days after the completion of the project; and
5. perform a major audit every year on all Program projects within their states.

It is incumbent on states to comply with the accounting requirements of the Wallop-Breaux legislation and other federal regulations which apply. If the state and federal administrators of the Program cannot accurately account for Program expenditures, the entire credibility of the Program will be jeopardized. SFI has learned of several cases where states are remiss or delinquent in conducting audits or accounting for project expenditures and are not in compliance with federal regulations. These situations must be rectified, and the accounting aspect of the Program must be tightened-up.

Substitution of Wallop-Breaux Funds for Existing Programs

This represents one of SFI's greatest concerns for the Program. SFI fears some state and federal agencies may attempt to fund existing fisheries or boating access projects by substituting Wallop-Breaux funds for existing funding sources. This clearly violates the spirit of the Wallop-Breaux Amendments to the Federal Aid in Sport Fish Restoration Act which requires that "additional funds resulting from expansion of the Sport Fish Restoration Program must be added to existing state fishery program funds and not as a substitute thereof" (from the Final Rule Implementing Amendments to the Federal Aid in Sport Fish Restoration Act, Federal Register, Vol. 50, No. 100, Friday, May 24, 1985). States must comply with this regulation, not only to maintain Program eligibility, but also to act in good faith to put the new monies to the uses intended by Congress. At the federal level, Wallop-Breaux funds must not be substituted for boating access funds from the Land and Water Conservation Fund administered by the Park Service, for the Anadromous Fish Conservation Program administered by USFWS and the National Marine Fisheries Service (NMFS), for the Marine Recreational Fishery Statistics Survey conducted by NMFS, and other such programs. This too would violate the spirit of the law and would break faith with the user groups who pay for and benefit from the Program.

Conclusion

The Sport Fish Restoration Program is on course and in action but is not without its problems. To ensure the long-term prosperity of the Program, state fishery agencies must strive to produce maximum, cost-effective benefits from their Wallop-Breaux dollars. Fiscal accountability by the states must be an integral part of the Program. The USFWS should strive to be reasonable and flexible in administering the Program, yet not so flexible as to permit states to be in non-compliance with Program requirements and continue to receive Program funds. Fishery conservation organizations and boating interests must help to guard the Program from being undercut at the federal level. In this regard, the Gramm-Rudman Deficit Reduction measure, recently signed into law by President Reagan, may pose Program supporters with a challenge in protecting Wallop-Breaux from budgetary attacks. OMB or congressional budget cutters may attempt to directly limit full allocation of Wallop-Breaux Trust Fund monies. Another scenario may see Congress keep Wallop-

Breaux intact and cut back other fishery and boating access programs and, in essence, use Wallop-Breaux funds as a substitute for the other program funds.

The Sport Fish Restoration Program is the "goose" that will be "laying the golden eggs" of increased sport fishing opportunities. All organizations that have a stake in the protection and wise utilization of aquatic resources, must meet the challenge of Wallop-Breaux to ensure the future of fishing and boating in America.

~~ENVIRONMENTAL CONSERVATION~~ AND THE PETROLEUM INDUSTRY

Recently, a report was prepared by the National Institute for Urban Wildlife for the American Petroleum Institute entitled, "Environmental Conservation and the Petroleum Industry." The report was authored by Daniel L. Leedy, Lowell W. Adams, and Louise E. Dove. The report is the result of information obtained from the major oil and gas companies in response to a questionnaire. It is not a technical document in that it has not delved deeply into the complex problems of pollution and pollution control, or the intricate interactions of ecosystems. However, it does recognize a wide variety of environmental influences and describes approaches the industry has taken to make its operations compatible with the environment.

The forward to the publication is written by C.R. "Pink" Gutermuth. Pink, an articulate historian of the conservation movement, has received numerous awards for his conservation work, and is a former Vice President of the Wildlife Management Institute. He was very active in the conservation movement when it was not the "in thing." Pink used the forward to describe the evolution and formation of the American Petroleum Institute's Conservation Liaison Committee. The Conservation Liaison Committee was created in 1960, and in its 25 years of existence, has been a valuable communication tool between the petroleum industry and the conservation/environmental community.

Among its very important activities, the Conservation Liaison Committee has arranged annual tours for the conservation community of ecologically important areas that are impacted by the petroleum industry. These annual trips have provided the community with an opportunity to witness how the petroleum industry operates. The tours permit the conservation community to do investigative reporting and analysis of very sensitive petroleum industry impacted areas.

The Sport Fishing Institute (SFI) has participated in a number of these tours and can attest to the value and importance of seeing things first hand. SFI is convinced that the petroleum industry seeks to have a friendly relationship with the conservation/environmental community and more importantly, to have a favorable relationship with the environment that they impact. It is impressive to witness the tremendous amount of money spent, and care expended, in minimizing and restoring the sites impacted by oil and gas production.

The report treats a variety of issues dealing with the compatibility of: onshore oil and gas development with the environment, offshore oil and gas development with the environment, other oil and gas operations with the environment, royalties and grants relating to wildlife conservation, protecting the urban environment, and protecting archaeological, historical, and cultural values. The report also includes

a handy reference for further reading.

The report is not intended to be an exhaustive nor objective analysis of the relationship between the petroleum industry and the environment. However, it can be said that the information is presented in an interesting and informative manner. It is up to the reader to evaluate the report's content. Copies can be obtained from the American Petroleum Institute at: 1220 L Street, N.W., Washington, D.C., 20005. Address your inquiries to Keith G. Hay, Conservation Director of the Conservation Liaison Committee.

NATIONAL ARTIFICIAL REEF PLAN RELEASED

The National Artificial Reef Plan, required by the National Fishing Enhancement Act, Public Law 98-623, Title II, has been completed by the National Marine Fisheries Service (NMFS).

Section 202 of the Act recognized that "... properly designed, constructed, and located artificial reefs ... can enhance the habitat and diversity of fishery resources." The law established a national policy to promote and facilitate responsible and effective efforts to establish artificial reefs. It will: 1) enhance fishery resources to the maximum extent practicable; 2) facilitate access and utilization by United States recreational and commercial fishermen; 3) minimize conflicts among competing uses of waters covered under the Act and the resources in such waters; 4) minimize environmental risks to personal health and property; and 5) be consistent with generally accepted principles of international law and shall not create any unreasonable obstruction to navigation.

To accomplish these purposes, Congress directed the Secretary of Commerce to develop and publish a long-term plan. The National Artificial Reef Plan was formulated by federal agencies involved in reviewing and approving federal permits for artificial reef construction, and with assistance from states and local governments, Regional Fishery Management Councils, and Marine Fisheries Commissions, industry, artificial reef authorities, and the public.

The plan serves three major functions. First, based on the best available scientific information, it provides guidance to individuals, organizations, and government agencies on technical aspects of artificial reef planning, design, siting, construction, and management.

Second, the Plan is a guide and technical reference for federal and state agencies involved in artificial reef permitting and management, to help meet the national standards and objectives established by the Act. The Act requires the Secretary of the Army to ensure that siting, construction, monitoring, and arrangement of artificial reefs are conducted in a manner consistent with standards set forth in the Act. The Secretary of the Army must consider the Plan when issuing an artificial reef permit and notify the Secretary of Commerce of any need to depart from the Plan.

Third, the Plan encourages and provides guidance for developing detailed, site-specific, regional, state, and local artificial reef plans that focus on criteria for specific conditions.

Compiled by Richard Stone of NMFS, the Plan represents a team effort by a large number of knowledgeable experts on artificial reefs. The Plan is an important step for artificial reef development in this country. Developers will now have a policy to work from, removing much of the

Alaska Recreational Fishery Access, Enhancement and Development

Need:

Alaska, with a population of 510,554 people (1983) and land-mass of 586,412 square miles (1/5th the size of the contiguous lower 48 States), has a severe access problem. Although the state has over 3,000,000 lakes and 365,000 miles of rivers, it has only about 2500 miles of state maintained paved, 2960 miles of unpaved roads and 8400 miles of local government and specialty (includes National Park Service and military) roads. Access to the states fish and wildlife resources is severely restricted and inadequate. This ~~limited access results in concentration of fishing effort, habitat degradation, restricted management options and social conflicts.~~

However, even with limited road access to fishery resources, fishing is still the most popular outdoor passtime in Alaska. Of the 335,608 anglers who fished in 1984, 71% were Alaska residents and 29% were non-residents. This represents a 6% increase in resident anglers and a 15% increase in non-resident anglers over 1983. Since 1977 the average annual increase in anglers has been 8% (7% for resident anglers and 11% non-resident anglers).

Fishing is concentrated along the road system and near the population centers. Of the 1,366,837 angler-days fished in 1984, 1,341,658 (98%) were expended in the Southcentral region of Alaska, 326,138 (24%) were expended in the Southeast region, and 199,041 (14%) were expended in the Arctic-Yukon-Kuskokwim region. The Cook Inlet area, within the Southcentral region, had 1,109,727 days (80%) of the State's total sport fishing and the Kenai Peninsula had 668,161 angler-days or 36% of the State total. The Koonak River alone had 270,422 angler-days of use or 14% of the State total.

For all its lakes, streams and anglers, ~~the state has only 31 boat launching facilities statewide.~~ A few private launch ramps also exist. This limited boat access concentrates fishing to areas near the launching facilities, creates traffic congestion problems, and destroys needed habitat as a result of overcrowding. On busy days boat owners often must wait for extended periods of time to launch their boats and then drive up to 1 mile to park their cars and trailers before going fishing. A lengthy wait also accompanies removal of boats from the water.

~~Identified access problems~~ include

1. Insufficient parking at limited access points which results in illegal parking along public roads creating a safety hazard and unauthorized parking on private property;
2. Limited access sites which force walk-in use across private property to popular fishing locations. Repeated use creates unwanted trails, accumulation of garbage and general destruction of the aesthetic value of the private property;

1. High use of inadequate or undeveloped boat launch facilities which destroys habitat through stream and bank degradation, siltation, misuse of private property to access water sites and illegal parking of boat trailers;

2. The degradation of existing sites through excessive use which creates sanitation problems, social conflicts and loss of aesthetic values.

The goal of this project is to increase or improve public access for fishing through the purchase of lands, development of facilities, and enhancement of state lands and waters.

Objectives.

1. To provide angler and boat access to recreational fishing waters;

2. To construct, develop, improve and maintain facilities and lands acquired or used by recreational anglers;

3. To increase and/or improve the quality of habitat for sport fish;

4. To provide necessary support facilities for the administration, or management of recreational fisheries.

Expected Results and Benefits:

A. Acquisition of lands and access opportunities (rights-of-way and easements) will ensure dedicated accessibility to the fishery resources for the public.

B. Acquired sites will be managed and operated to provide primary benefits to the recreational angler and boater and help in distributing angler effort throughout a greater area of a particular fishery or among suitable fisheries.

C. Additional access sites will allow more anglers to participate in a fishery, and will allow those who presently use a fishery to reduce conflict by dispersing effort over a larger area and reducing congestion on existing sites.

Additional sites may allow anglers to reach fisheries not presently accessible from existing locations (e.g. acquiring a suitable site that favors a boat launching facility) thereby increasing management options for harvest regulation.

D. Allow development of new fisheries.

Facility developments will improve the aesthetic qualities of the recreational fishery and lessen impacts on the environment. This will be accomplished by: providing the necessary camping, eating and sanitary facilities for public use; improved access to accommodate vehicle and

foot traffic; increased vehicle and trailer parking and paving of such areas thereby reducing conflict; maintaining streambank integrity; and, reducing siltation and pollution.

Field support facilities, when required, will allow proper supervision of select fisheries in terms of fishery monitoring and data acquisition. Habitat improvements should increase fish production and expand waters available for enhancement.

Approach:

Land Acquisition/Access.

Land will be acquired by fee-title purchase, lease, or right-of-way/easements for the purposes of public access, boat launching ramps, parking lots, and camping facilities. Land will be also acquired by willing seller/buyer negotiations and in accordance with P.L. 91-646 Uniform Relocation and Real Property Acquisition requirements.

Operational Plans will be submitted with the Project Agreements for acquisition of land parcels and will conform to FA Manual requirements, Chap 10 Land Acquisition. Examples of information to be provided:

1. The soil characteristics, topography, and vegetative communities.
2. The surface waters, mineral and water rights.
3. The fish and wildlife species, abundance and distribution on the property.
4. Existing capital developments, use of area by landowners or lessees.
5. Use of area by the public (types of use, man-days expended, harvest of fish and wildlife, etc.).
6. Pertinent planning and administration related to lands in the vicinity.
7. Summary of appropriate hydrologic, engineering, geologic or other technical investigations that support the property's suitability for development.
8. Cooperative Agreements relating to project objectives.

Priorities for acquisition or improvement of access will include, but not be limited to:

1. ~~Economic importance.~~ Importance to the local community;
2. Public importance. The number of people who use the area, the man-days of effort expected, safety factors, trespass problems and distance from metropolitan areas;

~~3~~ Biological/Ecological importance. Will site provide access to new fisheries, suitability of site, ability of resource to accommodate existing and potential use, etc;

~~4~~ Political significance. Are matching funds being provided by local interests, or have political decisions (funding) prescribed priority to the project.

Development.

Development activities will include the construction, modification or improvement of access sites. Such activities may include, but not be limited to, ~~land clearing, access road construction, boat launching ramp construction, trail development, hard surfacing (e.g., black top) of parking areas and access roads, addition to ramps, and/or construction of floats and piers, navigational aids, mooring buoys, bank stabilization projects, sanitary and camping facilities, and other amenities that provide needed public services for sport fishing purposes.~~

Field support facilities will be considered on a case-to-case basis for special fisheries. This activity may construct ~~sheds to house seasonal employees,~~ conducting creel censuses, or caretakers, and include necessary support items such as water, sewer, electrical and other services.

Procedures for facilities requiring user fees, concessions, caretakers or custodians will be incorporated in Operational Plans and submitted at the time of acquisition with the Project Agreement.

Habitat improvements will incorporate construction of water level stabilization structures, weirs and barriers to control ingress and egress of fish, or for ecological improvements to waterways and standing waters. In many instances, nonproductive or marginal waters may only require structures to provide water level stabilization and/or control of fish movement when associated with stocking to provide an acceptable fishery. Jobs developed under this project will have detailed operational plans, and materials lists as required for the activity.

For all construction items costing more than \$100.00, a qualified engineer will approve engineering plans and estimates, approve the feasibility determination, supervise the construction, and furnish a report of final inspection. All other construction activity will apply acceptable engineering standards commensurate with the level of complexity and magnitude involved.

Enhancement.

Enhancement in this project refers to improvements in the properties discussed in this document under the Land Acquisition/Access and Development sections.

Location. Statewide

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

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

January 28, 1987

The Honorable Arliss Sturgulewski, Chair
Senate Community and Regional Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Sturgulewski:

Subject: Creation of a public access fund and providing for public access to recreation areas - SB 62.

Response: I heartily endorse the creation of a public access fund as described in this bill and the concurrent recognition that access to public waters is important to the economy and the people of the state. The provision of this bill which allows Alaskans to contribute directly to the public access fund is an excellent idea.

Section 4 confirms the department's understanding that exchanges are one tool available for access acquisition.

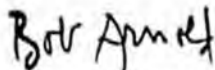
Section 2 contains intent acceptable to the department, but may not provide sufficient leeway to address actual onsite situations.

Recommendation:

Problem taken care of in CRA CS. - MJA
Amend Section 2 so that the 50 foot easement and 1 mile access standards can be waived when determined inappropriate to the situation. I believe the language in AS 38.05.127 (copy enclosed) is a preferred approach.

Please let me know if I may provide additional information.

Sincerely,



Judith M. Brady
Commissioner

Enclosure

cc: Committee Members
Governor's Legislative Liaison



STATE OF ALASKA
OFFICE OF THE GOVERNOR
BILL ANALYSIS

DEPARTMENT Fish and Game	DIVISION Commissioner's Ofc.	BILL NUMBER SB 62	SPONSOR Sturqulewski, et.al
DEPARTMENT POSITION Support with amendments <i>Amendments addressed in CS</i> <i>MJK</i>			
PREPARED BY Louis S. Bandirola	DATE 1/29/87	COMMISSIONER'S SIGNATURE <i>[Signature]</i>	DATE 1/29/87

SUMMARY

OTHER AGENCIES AFFECTED BY BILL Department of Natural Resources Department of Revenue, DOT&PF	CONSTITUENT GROUP(S) AFFECTED BY BILL General public, specifically recreational boaters and other resource users.
ORGANIZATIONAL SUPPORT FOR BILL Alaska Sport Fishing Association Alaska Flyfishers	ORGANIZATIONAL OPPOSITION TO BILL Unknown

FISCAL IMPACT: NONE FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT
To assure state retention of public lands along all water bodies during dispatch to private use and provide long term funding of recreational water access acquisitions.

ANALYSIS OF BILL/PROGRAM EFFECTS
Assures retention of public lands along all water way for recreational resource use.
Through establishment of "Public Access Fund" assures continuing revenue for public access to aquatic resources.
Requires state participation through federal Sport Fish Restoration Program at determined level by Department of Fish and Game.

AMENDMENTS PROPOSED
See Attachment

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 62
Publish Date: _____

REQUEST: _____

Revision Date: _____
Title: Public Access to Recreation
Areas _____
Sponsor: Sturgulewski
Requestor: Senate C & RA

Agency Affected: Department of Revenue
BRU: Treasury
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker **MB**
Division: Treasury

Phone: 465-2350
Date: January 30, 1987

Approved by Commissioner: [Signature]
Agency: Department of Revenue

Date: 2/17/87

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 62

REQUEST: _____

Publish Date: _____

Revision Date: _____

Agency Affected: Revenue

Title: An act relating to Public Access
to Recreation Areas

BRU: Permanent Fund Dividend

Sponsor: Sturgewlewski, Kertulla

Components: Recreational use of state

Requestor: Community & Regional Affairs

waterway

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS/CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared by: Sally Smith *Sally Smith*
Division: Public Services

Phone: 465-2392
Date: February 2, 1987

Approved by: *hmr*
Commissioner: _____
Agency: Revenue

Date: 2/17/87

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management & Budget
- Impacted Agency(ies)
- Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 62

Publish Date: _____

REQUEST _____

Revision Date: _____

Title: An act relating to public access
to recreation areas

Sponsor: Sturgulewski, Kerttula, et al

Requestor: C & RA

Agency Affected: Revenue

BRU: Administration and Support

Components: Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	15.1	6.6	6.6	6.6	6.6
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	6.0	6.0	6.0	6.0	6.0
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	21.1	12.6	12.6	12.6	12.6
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	21.1	12.6	12.6	12.6	12.6
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	21.1	12.6	12.6	12.6	12.6

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared By: Erwin B. Jones
Division: Administrative Services

Phone: 465-2313

Date: 2/6/87

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/6/87

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 62
2/6/87

Assumptions:

- 1) It is assumed that the provision Sec. 3 would only be effective for PFD years 1988 and thereafter. This assumption is necessary because the 1987 PFD applications are already being printed, and will be shipped in 3 weeks. The addition of the option envisioned by this bill will cause major revisions to the construction of the packet, and would most certainly cause re-bidding of the printing project. The result would be a late filing period and significant program costs and public confusion and discontent. Alternatively, the creation of a separate form would create substantial new program costs, not addressed in this fiscal note, and considerable public confusion.

It is assumed that the Department of Revenue may comply with the above section of the bill by providing a "check-off" on the 1988 PFD form itself, or an attendant schedule.

- 2) The choice, once made on the PFD application, is irrevocable for that year.
- 3) The dividend is still subject to attachment and general assignment. Only after those attachments and assignments are satisfied will this pledge be recognized.
- 4) Given the language of Sec. 3, line 15-17, I assume that any required appropriation for administrative costs would be a general fund appropriation, since the public access fund would be an account in the general fund.

Program Summary

The application for the 1988 PFD would be revised, providing for a "check-off" for the public access fund, and explaining the option to all applicants.

The Document Processing group will need to review applications for the donation option and the data entry section will be keying additional information on each application. This will be accomplished by extending a seasonal Data Entry Clerk I by three months.

Data capture programs, batch programs, screen programs, history files and all other DP programs in the PFD system would be modified to record the potential choice and to direct payment to the fund. The PFD applicant choosing to contribute to the fund would be notified by mail at the time of PFD distribution that the contribution had been paid directly to the public access fund. The accounting controls on the dividend fund and the warrant issues will become much more complicated by the introduction of myriad warrant amounts. The Department of Fish & Game would be provided an accounting of the number of applicants contributing to the public access fund each year, and the total amount transferred to the fund. The attached schedule provides a breakdown of the estimate of man-hours required to accomplish the programming.

1. Positions

1 PPT Analyst/Programmer IV, R 19 at \$4,281.06/Mo.
including salary and benefits for 2 months = \$8.5

This position will augment the regular DP staff to perform the system analysis and programming required, as described above. This funding would be needed for design and programming only, with maintenance of the changes and new programs to be done by current staff.

1 PPT Data Entry Clerk I, R 8 at \$2,221.64/Mo
including salary and benefits, for 3 months = \$6.6

This position would perform the equivalent additional data capture (ongoing requirement)

TOTAL Personal Services \$15.1

2. Other Expenditures:

a) Travel - None. \$-.0-

b) Contractual - Add an additional page to the PFD booklet to display the contribution choice available. Although the Department was able to squeeze the Olympic Fund check-off on the existing form, the addition of another option, however simple, will require another printed page. (on-going requirement) \$-6.0-

c) Supplies - None. \$-.0-

d) Equipment - None. Will use existing work areas \$-.0-

TOTAL EXPENDITURES \$21.1

3. Funding - General Fund.

4. Section Cost Analysis - N/A.

Computations - N/A.

Economic Impact - N/A.

Impact on Local Government - N/A.

Attachments: Summary of Data Processing Requirements.

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 62
Summary of Data Processing Requirements
2/6/87

Wang data entry processing	75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer
IBM Update jobs	30.0 hours
Includes:	Edits Batch listings Log sheets
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the Public Access Fund, and to account for the reserve necessary due to returned and cancelled PFD warrants.
Miscellaneous	45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.
TOTAL HOURS	300.0 hours

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7 1

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SB 71

Publish Date: 1-20-87

Revision Date: _____
 Title: Management of sand and gravel resources
 Sponsor: Rules Committee
 Requestor: Legislative Budget & Audit Committee

Agency Affected: _____
 BRU: Geology, Energy & Mining
 Components: Minerals/Materials Development

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		61.2	63.3	65.5	67.8	70.2
TRAVEL		10.0	8.0	8.0	8.0	8.0
CONTRACTUAL		30.0	72.7	72.5	72.2	69.8
SUPPLIES		10.0	5.0	4.0	2.0	2.0
EQUIPMENT		20.0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		131.2	150.0	150.0	150.0	150.0

CAPITAL						
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REVENUE	*See attached					
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FUNDING: (Thousands of Dollars)

GENERAL FUND		131.2	150.0	150.0	150.0	150.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached

Prepared by: Randall Updike Phone: 688-3555
 Division: Mining & Geological & Geophysical Surveys Date: 1-13-87
 Approved by Commissioner: Judith M. Brady Date: 1-13-87
 Agency: Natural Resources

Distribution (by preparer): Virginia Stonkus
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)
 Senate Secretary

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 71

This would be an ongoing project to be administered by the Division of Mining and Geological and Geophysical Surveys.

	FY 88	FY 89	FY 90	FY 91	FY 92
100 - Civil Engineer, PFT	61.2	63.3	65.5	67.8	70.2
Costs for existing PCN 2040					
200 travel to various communities to ascertain needs, currently used sources, methods of acquisition, and management issues. Travel to Fairbanks, Anchorage, and Juneau to administer project and interface with other agencies.	10.0	8.0	8.0	8.0	8.0
300 map and air photo production, printing costs; helicopter and fixed wing aircraft reconnaissance; drilling and excavation contracts.	30.0	73.7	72.5	72.2	69.8
400 laboratory and field supplies (sample bags, samplers, etc.)	10.0	5.0	4.0	2.0	2.0
500 equipment: resistivity meter with dial recorder (15.0); office furniture (5.0)	20.0	0	0	0	0

reflect the uncertainties and risks associated with ultimately the estimated future net reserves.

under the circumstances of the particular case, Mobil was a refiner rather than a reseller.

Reservation

well

ed in a Rocky Mountain unit operating agreement, a well of which is required by the final order of an authorized representative of the Department of Interior. Rocky Mountain Unit Agreement Form 1 (Undivided Interest) May, 1954, Section 1 REATISE § 920.3.

(1) That which is newly created and reserved from a grant, e.g. an easement reserved in the grant of land. See EXCEPTION.

(2) In Canada, the term "reservation" is used to describe a permit from the government for geological and geophysical surveys. The holder of a reservation who complies with applicable regulations may convert a part of the holdings under the reservation to leases. See CROWN RESERVE; CROWN RESERVE DRILLING RESERVATION; DRILLING RESERVATION.

Reservation Price

customer

customer who purchases gas for resale. See Fort Pierce Utility v. Federal Power Comm'n, 526 F.2d 993 at 995 (5th Cir. 1975).

A minimum price set by the U.S. Geological Survey for a competitive lease of Outer Continental Shelf Lands. See Logue, Sweeney and Willett, "Optimal Leasing Policy for the Development of Outer Continental Shelf Hydrocarbon Resources," 51 *Land Economics* 191 at 204 (1975).

Reserve

is

urchased by a pipeline company for resale as opposed to pipeline gas (q.v.) which is transported by the pipeline for Florida Economic Advisory Council v. Federal Power Comm'n, 51 F.2d 643 (D.C. Cir. 1957), cert. denied, 356 U.S. 959 (1958).

That portion of the identified resource from which a usable mineral and energy commodity can be economically and legally extracted at the time of determination. The term *ore* is used for reserves of some minerals. 2 *OCS Oil and Gas—An Environmental Assessment*, A Report to the President by the Council on Environmental Quality (April 1974) at p. 10.

See also, CROWN RESERVE; RESERVES.

Reserve added realization method (RAR method)

restrictions

INATION AND RE SALE RESTRICTIONS.

poses of 1974 Federal Energy Office regulations designed to protect the domestic petroleum distribution system and protect independent refiners by freezing all petroleum supplier obligations, a reseller was a middleman between a crude oil producer and a refiner. No substitution was permitted when a crude oil producer sold directly to a refiner, but a crude oil producer was permitted to substitute resellers provided the new reseller offered refiners a right of first refusal to continue to purchase the crude oil. 10 C.F.R. § 211.63(d)(1)(iv). Although this term was used throughout the petroleum allocation regulations, it was left undefined. See *Basin, Inc. v. Mobil Oil Corp.*, 526 F.2d 1199 (Temp. Emer. Ct. of App. 1980), holding that

A method of allocating exploratory costs between different products. See Joseph, "Background and Analysis of Trial Examiner's Decision in Phillips Case," 11 *Sw. Legal Fdn. Oil & Gas Inst.* 1 at 19 (1960).

For other methods of allocating costs, see ACCOUNTING METHODS.

Reserved oil payment

An OIL PAYMENT (q.v.) which is reserved in the transfer of an interest in oil and gas. For example, a reserved oil payment may be

created when executing a lease or when assigning the working interest in a lease.

Prior to the Tax Reform Act of 1969, a reserved oil payment was entitled to the percentage depletion allowance. *Comm'r v. Fleming*, 82 F.2d 324 (5th Cir. 1936). The use of reserved oil payments was essential in the A-B-C TRANSACTION (*q.v.*). Since 1969 the sale of a mineral interest subject to a reserved oil payment is treated as a sale subject to a mortgage.

See also, CARVED OUT OIL PAYMENT.

Reserve index formula

A proration formula for natural gas. See *Cities Service Gas Co. v. State Corporation Comm'n*, 205 Kan. 655 at 660, 472 P.2d 257 at 261, 38 O.&G.R. 379 at 385 (1970), 207 Kan. 43, 483 P.2d 1123, 38 O.&G.R. 402 (1971).

Reserve life index

A measure of the estimated life of reserves calculated by dividing the proven reserves at the end of a year by the production during that year. *Northern Natural Gas Co. v. O'Malley*, 174 F.Supp. 176, 10 O.&G.R. 423 (D. Neb. 1959), *rev'd*, 277 F.2d 128, 12 O.&G.R. 355 (8th Cir. 1960).

For the relationship between the reserve life index and authorized depreciation of a pipeline see *Memphis Light, Gas & Water Division v. Federal Power Comm'n*, 504 F.2d 225 (D. C. Cir. 1974)

Reserves

The unproduced but recoverable oil and/or gas in place in a formation which has been proven by production.

For a study of the problem of estimating American oil and gas resources, see Wildavsky and Tenenbaum, *The Politics of Mistrust* (1981).

For a study of production and reserves in the Soviet Union and other member countries (Poland, Romania, Hungary, the German Democratic Republic, Czechoslovakia, and Bulgaria) of COMECON (the Council for Mutual Economic Assistance), see Park, *Oil and Gas in Comecon Countries* (1979).

See also, ASSIGNMENT OF RESERVES; CONTRACTED RESERVES; CROWN RESERVE; DEDICATION OF RESERVES; DEMONSTRATED RESERVES OR RESOURCES; DISCOVERIES; ESTABLISHED RESERVES; EXTENSION; GAS BEHIND THE PIPE; HYPOTHETICAL RESERVES OR RESOURCES; IDENTIFIED

RESOURCES; IDENTIFIED-SUBECONOMIC RESERVES OR RESOURCES; INDICATED ADDITIONAL RESERVES; INDICATED RESERVES OR RESOURCES; INFERRED RESERVES OR RESOURCES; LIFE INDEX; MEASURED RESERVES OR RESOURCES; ORIGINAL OIL IN PLACE; PARAMARGINAL RESERVES OR RESOURCES; PROBABLE RESERVES; PRODUCTIVE CAPACITY OF CRUDE OIL; PROVABLE RESERVES; PROVED ACREAGE; PROVED DEVELOPED RESERVES; PROVED UNDEVELOPED RESERVES; PROVEN RESERVES; PROVEN TERRITORY; RECOVERABLE OIL-IN-PLACE; RECOVERY FACTOR; RESERVE; RESERVE LIFE INDEX; RESOURCE; REVISIONS; R/P RATIO; SEMI-PROVEN TERRITORY; SPECULATIVE RESERVES OR RESOURCES; SUBMARGINAL RESERVES OR RESOURCES; ULTIMATE RECOVERY; UNDISCOVERED RESOURCES; UNPROVEN AREA; VOLUMETRIC METHOD OF ESTIMATING RESERVES.

Reserves/production ratio

The ratio of proven reserves to annual production, expressed in years' supply.

Reserves recognition accounting

An accounting method prescribed by the Securities and Exchange Commission under which changes in proved reserve quantities, changes in selling prices and future production and development costs, and actual expenditures for property acquisition and exploration activities are recognized in the results of oil and gas producing activities in the year in which they occur. This accounting method has been criticized as containing a number of simplifying assumptions which, by their nature, call into question the economic significance of the resulting data. The results reached under this method include the valuation of additions and revisions to proved reserves during the year, without consideration given to oil and gas produced and sold, and hence the results differ significantly from funds provided or required by current exploration, development, and production operations and from net income of the exploration and production segment presented under generally accepted accounting principles. *Standard Oil Company (Indiana) Annual Report: 1980* at p. 52.

See also, ACCOUNTING METHODS

Reservoir

(1) A porous, permeable sedimentary rock containing commercial quantities of oil or gas. Three types of reservoirs are encountered: (a)

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX 3-2000
JUNEAU, ALASKA 99802-2000
PHONE: (907) 465-4100

February 18, 1987

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

Dear Senator Coghill:

This letter responds to the request made by Bruce Geraghty, of your staff, on February 17 concerning Title 16 authorities over sand and gravel removal.

The Alaska Statutes, Title 16, give the Department of Fish and Game discretion to approve, deny, or condition permits for various activities that affect fish, wildlife, or their habitat. Specifically, the Habitat Division issues permits to ensure fish passage in waters of the state (AS 16.05.840) and to maintain and protect the biological integrity of anadromous fish waters (AS 16.05.870).

With regard to sand and gravel removal, a Title 16 fish habitat permit is required if the proposed activity would obstruct fish passage, either physically or behaviorally, in any fish-bearing waters or would affect anadromous fish waters. Fish habitat permits may be issued with conditions designed to provide for the proper protection affected fish, or their habitat.

If you need additional information, please feel free to contact me.

Sincerely,



Don W. Collinsworth
Commissioner



Official Business

Alaska State Legislature

Senate

P.O. BOX V
State Capitol
Juneau, Alaska 99811

2-25-87

MEMO

To: Members, Senate Resources Committee
From: Beth Kerttula
Re: SB-71, Sand and Gravel

Enclosed is a memo from Richard Bradley concerning the use of the word "reserve" in SB-71.

Although the memo is vintage "Bradley-ese" I think that we are safe in saying that SB-71 will not cause a lock-up of state land.

Senator Kerttula is amenable to changes in SB-71, should the committee wish, but wanted you to have the memo.

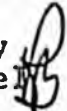
STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 17, 1987

SUBJECT: Sand and gravel resources: SB 71
TO: Senator Jalmar Kerttula
FROM: Richard A. Bradley
Legislative Counsel 

Beth asked that I comment on a question that has arisen under SB 71.

She has proposed some language modifying SB 71 in a committee substitute under discussion. I have suggested to her that the language that I heard her read did not measurably change what is there now.

But she also asked about the "reservation" question.

The answers there seem fairly simple.

It seems clear that this law is a fairly weak reed to build a "reservation" system on. The existing laws continue. AS 38.05.300 provides that state land may not, except by Act of the legislature, be closed to multiple entry use if more than 640 acres are involved in a single site. To some extent, AS 38.05.300 is an implementation of a constitutional policy-- compare art. VIII, sec. 7 of the Alaska Constitution.

On the other hand, I assume that it will also continue to be true that state land may not be disposed of until it is classified for the disposal; if the commissioner identifies land as being uniquely valuable for sand and gravel resources and knowingly does not classify the land for disposal, there is some kind of ad hoc reservation. It may be changed by a stroke of the commissioner's pen. And it seems to resolve the concerns that Beth described to me.

If I may be of further assistance, please advise.

RAB:csh
c7/063

MEMORANDUM

State of Alaska

DEPT. OF NATURAL RESOURCES, DIV. OF LAND & WATER MGMT., SOUTHCENTRAL REGION

TO: Laurel Murphy
DOM/DGGS

DATE: January 21, 1987

THRU: Tom Hawkins *THH*
Director *THH*

FILE NO

TELEPHONE NO: 762-2270

FROM: Margaret J. Hayes *MJH*
Regional Manager

SUBJECT: Material Site
Identification

*REVISED
2/2/87
BK*

The Southcentral Region of the Division of Land and Water Management receives numerous requests from members of the public for material sources. It has become apparent from these requests that the viability and diversity of the economy in the southcentral region of Alaska depend heavily on the continuous availability of economically accessible sources of gravel and rip rap. Unfortunately, this Division does not have the time or sufficient personnel to identify potentially valuable material sources on state land or land available for state selection.

Nowhere is this more evident than in the Chugach National Forest (CNF) where DNR is currently developing the Prince William Sound plan which will determine which lands to select and how these lands will be used and managed. Thus, I request that the Division of Mining, Geological and Geophysical Surveys identify potential material sites, first in CNF and second, throughout our region. The material sites generally should be located no farther than three miles (one way) from a maintained road, railroad or tidewater. Gravel sites should contain enough material of road building and concrete aggregate quality that extraction can continue for a minimum of 10 years at an annual rate of 30-120,000 cubic yards, depending on local needs. More specific areas within CNF and the southcentral region where sites are most desirable will be provided by SCRO Retained Lands personnel and through the Prince William Sound planning process.

Since the 1987 construction season is rapidly approaching, it would be most beneficial if a list of known material sites on state Ta'd and patented land in CNF could be prepared by May 1, 1987. It also would be helpful if another list that encompasses all of the known sites in the southcentral region could be completed by October 30, 1988.

Although finding construction quality gravel, sand and rip rap sites in CNF and the southcentral region is the main priority, identifying and locating commercial grade limestone deposits by October 30, 1988 would be a valuable secondary goal. If the SCRO had an inventory of economically feasible limestone sources, it might be able to make them available for development and thereby promote the profitability of agriculture in the southcentral region. Presently, all of the agriculture limestone used in our region is imported from the "Lower 48". This means that limestone selling for \$16.75/ton at a Washington State pit costs the Alaskan farmer \$120.00 to \$160.00/ton. The cost is excessive precluding the use of lime in large agricultural developments like Pt. McKenzie and thus greatly reduces crop productivity and diversity. In urban areas such as Anchorage, homeowners are often discouraged from applying optimum amounts of lime to their lawns and gardens because of the price (\$6.00/50 lb. bag). Of course, any money that is spent paying for imported lime leaves the Alaskan economy.

Memo to Laurel Murphy
January 21, 1987
Page 2

Although not as commercially important as gravel or limestone, sources of building quality marble, slate pumice, flagstone, granite and similar construction materials need to be identified in CNF and throughout the southcentral region. It makes little sense to import these building materials if economically developable sites can be found in the southcentral region near land or water transportation corridors. For example, on January 12, 1987, a spokesman for Alaska Brick Company, a major Anchorage masonry supply firm, said that although 90% of its building stone was imported, Alaskan stone would be used even if slightly more expensive because it would be readily available and no large inventory would be needed. Using every possible indigenous material to build our homes and businesses is one more step towards diversifying the Alaskan economy and lessening future dependence on oil revenues.

In conclusion, compiling inventories of sites in the southcentral region for all of the materials discussed in this memo will help our effort to manage state lands more efficiently, serve the public better and improve the local economy.

cc: Prince William Sound Planning Team

KAR:blq/0550b

Alaska State Legislature

Senate Resources Committee



Sen. John B. (Jack) Coghill, Chairman
Sen. Paul Fischer, Vice-Chairman
Sen. Lloyd Jones
Sen. Arliss Stungulewski
Sen. Jim Duncan
Sen. Fred Zharoff
Sen. Dick Eliason

Box V
Juneau, Alaska 99811
(907) 465-4907

MEMORANDUM

TO: Members of the Senate Resources Committee

FROM: Resource Committee Staff

RE: SB 71; An Act relating to the management of sand and gravel resources.

DATE: February 14, 1987

This legislation would provide for the "identification, inventory and reserve of sand and gravel resources" on state lands.

The Department of Natural Resources supports this bill with one recommendation; that the word "reserve" be exchanged for "classification."

The sponsor has ~~no~~ objection to the word change.

DNR's fiscal note provides for one (1) full time position, travel expenses, resource assessment expenses, field supplies and equipment, totaling 131.2 thousand in FY 88, and 150.0 thousand in succeeding years.

In addition to DNR's fiscal note and comment letter, also included in your bill packet are: the existing AS 38.04.060, and a memorandum to Senator Jay Kerttula with its accompanying report by the Division of Legislative Finance.

Staff's knowledge of the problem this legislation addresses, indicates that considerable savings to the state treasury may be realized by passage of this bill. One area of savings would actually come in the form of increased revenue from the sale of the state's sand and gravel resources, due to an accurate accounting of the resource before the sale takes place. Another area would be in construction cost overrun litigation, which is often based on cost increases associated with materials sites designated by the state in construction projects, being unable to meet state's design and /or construction specifications, for the particular state project.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

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

February 13, 1987

The Honorable Jack Coghill
Chairman
Senate Resources Committee
Alaska State Legislature
Post Office Box V
Juneau, AK 99811

Dear Senator Coghill:

Subject: Senate Bill 71, relating to the management of sand and gravel resources.

Position: The Department of Natural Resources supports the establishment of a systematic program to identify and inventory sand and gravel resources as described in SB 71.

Background: This bill requires the Commissioner of Natural Resources to identify, inventory, and reserve sand and gravel resources to assist efforts to obtain sand and gravel for transportation systems, large-scale developments, and populated areas.

Recommendation Because the meaning of "reserve" in line 12 of the bill is unclear, the department recommends that a definition or clarifying language be added

There may be cases in which the land containing the sand and gravel deposit is better suited for purposes other than sand and gravel extraction. Instructing the department to classify sand and gravel deposits in its land use planning process would provide additional protection from competing uses, but allow the department some discretion in "reserving" deposits. A solution to this problem would be to delete "reserve" and insert "classification."

Also, the term "reserve" could be interpreted to mean that sand and gravel deposits could not be included in land exchanges or even sold to private parties.

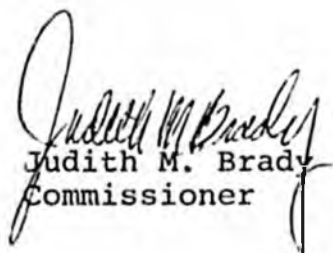
Senator Coghill

-2-

February 13, 1987

If you would like additional information or have any questions,
please contact my office.

Sincerely,



Judith M. Brady
Commissioner

cc: Commissioner Rocky Gutierrez
Acting Director Laurel Murphy
Director Tom Hawkins

2/13-sand

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

MEMORANDUM

Date: November 28, 1986

TO: Senator Jay Kerttula, Chairman
Legislative Budget and Audit Committee

FROM: W. Tom Maher, Fiscal Analyst
Division of Legislative Finance

The attached report, prepared at your request, provides an assessment of the management of State owned sand and gravel resources. Your concern that additional efforts need to be applied towards the management of sand and gravel resources is well founded. The need for improving the overall management of these resources has been recognized by members of the Legislature, the Department of Natural Resources, and Governor Sheffield. Nevertheless, at this date no significant improvements can be noted.

Employees of the Department of Natural Resources and the Department of Transportation and Public Facilities were very helpful during the preparation of this report. These are the people who deal with the problems of sand and gravel management on a daily basis, but lack the direction, high-level priority, and funding commitment necessary to make improvements.

The report offers recommendations for the consideration of the Legislative Budget and Audit Committee. There are no doubt other options available that can be considered. If I can be of further assistance in drafting items called for in the recommendations, or you wish to discuss this report in general, please let me know.

Attachments

A REPORT ON THE MANAGEMENT OF STATE OWNED SAND AND GRAVEL RESOURCES

This report, prepared at the request of the Chairman of the Legislative Budget and Audit Committee, provides a brief assessment of the management of state owned sand and gravel resources. The prudent management of sand and gravel requires the state to actively pursue the process of identifying and setting aside the long-term reserves needed for transportation systems, urban areas, and potential large-scale developments. These sand and gravel reserves, necessary for construction as well as maintenance, must be identified prior to the commitment of land for other uses. In many areas of the state, lands have been classified, developed, or simply traded without the adequate appraisal of sand and gravel potential. As a result, sand and gravel must be shipped longer distances with increased costs for both state and private users. In some instances, potential state revenue can be lost and certain development projects may be made less feasible.

BACKGROUND

Concern over the state's management of sand and gravel resources is not new. SCR 44, introduced in 1984, identified numerous shortcomings in the management of these resources and generated a fiscal note which requested a three year project for sand and gravel resource management. This resolution failed to pass the Senate Finance Committee and first year funding of \$140,000 was not provided. In 1983, Governor Sheffield's statement of goals provided that "increasing demand for sand and gravel resources compel adequate inventory and active management of those materials", however these priorities have failed to be addressed at the departmental level.

By statute, the Department of Natural Resources (DNR) is charged with all matters affecting the exploration and development of sand and gravel resources. Within the DNR, the Division of Geology and Mining (formerly the Divisions of Mining and Geological and Geophysical Surveys) is empowered to determine the potential of these resources. The Division of Land and Water

Management is responsible for the actual permitting and sale. The Department of Transportation and Public Facilities (DOTPF) is the primary state agency using sand and gravel, while the Alaska Railroad depends mostly on deposits obtained through transfer from the Federal government.

Revenue from the sale of sand and gravel fluctuates largely in response to the development needs of the oil industry. DNR reports the following net revenues (less the 5% to public schools) for sand and gravel sales:

FY 83	\$3,614,130
FY 84	\$2,477,417
FY 85	\$2,587,722
FY 86	\$2,222,294
FY 87 to date	\$4,830,638 (1)

(1) Revenue for FY 87 to date reflects the accounting spread of FY 86 revenue from Kuparuk.

In addition, it is estimated that DOTPF uses between three to six million dollars a year of sand and gravel for construction and maintenance obtained by permit or interagency land management agreement from the Division of Land and Water Management.

THE STATUS OF SAND AND GRAVEL RESOURCE MANAGEMENT.

The state has inadequate knowledge of the actual location or quantity of sand and gravel available for use on state lands. Further, there is no coordinated, long-term analysis of the future availability of sand and gravel resources needed for transportation systems, urban areas, or large-scale development.

Through large-scale mapping projects, the Division of Geology and Mining has identified areas that may contain the potential for sand and gravel resource development. The amount of funding actually spent in earlier fiscal years on sand and gravel development is difficult to determine because this funding is budgeted within other projects. The Division of Geology and Mining has been requested to provide a summary of these past expenditures. For FY 87, \$1,180,700 was appropriated for state-wide Mineral and Material Development, including sand and gravel resources. However, there are many other priorities competing for this funding and therefore the division does not plan to spend any funding directly on sand and gravel development. DNR's approach has been to provide a detailed analysis of sand and gravel potential only when an actual need for the material occurs. A program has never been implemented for a long-term needs assessment. According to department officials, much of the baseline data has not been collected that is essential for future management of sand and gravel resources. Early in the FY 88 budget process, the Division of Mining and Geology proposed a new, three-year project to fill

these data voids. However, this project, requiring first year funding of \$131,200 was not brought forward when rated with other divisional priorities.

For FY 87, the Division of Land and Water Management was appropriated \$354,400 for Material Sales, which is the project under which sand and gravel sales are conducted and the public need for these resources is addressed.

Not enough effort is directed towards sand and gravel programs and coordination between state agencies is poor.

The Division Land and Water Management, due to lack of funding, is unable to adequately monitor the private sale of sand and gravel in order to assure that the state is getting paid for all resources extracted. Additionally, the Division of Land and Water Management does not have the staffing to provide DOTPF with the level of service necessary to provide a reasonable turn-around time for permit processing, yet DOTPF uses an estimated six million dollars of these resources a year (FY 86 estimate).

In 1981 DOTPF received a capital appropriation of \$1,665,000 for the development of a Material Information System (MINS). On a statewide basis, MINS supplies all available and pertinent data on over 1200 of DOTPF's existing sand and gravel sites and provides easy access to this information on the state's mainframe computer. This system, developed independently from DNR, was tailored to fit DOTPF's operational needs. It is not presently designed to anticipate the long-term needs for sand and gravel. However, MINS represents a major achievement in DOTPF's ability to manage sand and gravel resources which have become increasingly difficult to obtain within project time frames. MINS is also capable of assimilating data for material sites under private ownership, including sites managed by other local, state, or federal agencies. The capabilities of this system to improve DNR's management of sand and gravel resources appear to have been unexplored. It is possible that MINS could be redesigned to provide the DNR with a computerized base to begin the inventory of current sand and gravel reserves. Unfortunately, the MINS system is now being shut down because the balance of this project's funding was reappropriated during the 1986 legislative session. For DOTPF'S needs, this system could be continued for a one-time cost of approximately \$100,000 with \$75,000 per year thereafter in maintenance/support.

RECOMMENDATIONS

Necessary improvements in the management of Alaska's sand and gravel resources will require a reassessment of budgetary priorities by both the Governor and the Legislature. Additional funding within DNR may not be needed. If increased funding is necessary, the use of program receipts could be considered. Cooperation and communication between DNR, DOTPF, and the Alaska Railroad will be essential.

Alaska Statute 24.20.201 (6) empowers the Legislative Budget and Audit Committee to "make recommendations concerning appropriations, their expenditure and the fiscal policies and procedures of state government to the governor when appropriate, and to the legislature".

Specific options available to the Legislative Budget and Audit Committee follow:

(1.) prepare a letter to the Governor expressing the concerns of the Committee on the management of sand and gravel resources and requesting the development of a long-term plan to identify, inventory, and set aside the resources necessary for transportation systems, urban areas, and large-scale developments. A draft motion for Committee use has been prepared and is attached to this report.

(2.) prepare a resolution/joint resolution for introduction to the Fifteenth Legislature. A copy of the resolution introduced in 1984 is attached.

(3.) draft legislation amending A.S. 44.37.020., *Duties of the Department of Natural Resources*, to specifically address the department's responsibilities for the management of sand and gravel resources.

DRAFT

Fourteenth Legislature - Second Session Legislative Budget and Audit Committee

Motion # _____

Alaska Statute 24.20.201 (6) empowers the Legislative Budget and Audit Committee to "make recommendations concerning appropriations, their expenditure and the fiscal policies and procedures of state government to the governor when appropriate, and to the legislature".

The Legislative Budget and Audit Committee therefore finds:

the state has inadequate knowledge of the actual location or quantity of sand and gravel resources available for use on state lands;

there is no coordinated, long-term analysis of the future availability of sand and gravel resources needed for transportation systems, urban areas, or potential large-scale developments;

not enough effort is directed towards sand and gravel programs and coordination between state agencies is poor;

for Fiscal Year 1986, revenues generated from the sell of state sand and gravel resources contributed over two million dollars to the general fund and for Fiscal Year 1987, revenues are estimated at over five million dollars. In addition, for Fiscal Year 1986, the estimated value of these materials used by the Department of Transportation and Public Facilities was more than six million dollars;

sand and gravel represent critical resources needed for the development of the state.

The Legislative Budget and Audit Committee requests the Governor to address the concerns of the Committee relating to current and future status of sand and gravel resource management. Further, the Legislative Budget and Audit Committee requests the Governor and the Commissioner of the Department of Natural Resources to prepare for submittal to the Legislature, a plan for Fiscal Year 1988, including costs, which provides for the systematic identification, inventory and reserve of sand and gravel resources with particular emphasis on the needs of transportation systems, urban areas and large-scale developments. This plan, is intended to include the administration of sand and gravel resources used by the Department of Transportation and Public Facilities and the Alaska Railroad.