

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7157 HOUSE RESOURCES

Management Unit 7D

Goodpaster River

MANAGEMENT INTENT

General. This management unit will be retained in public ownership and managed for multiple use, with an emphasis on recreation and fish and wildlife values. The unit will remain open to mineral entry. The Goodpaster River corridor (Subunit 7D1) will be managed to maintain the existing character of the river. Special guidelines apply to surrounding forested land (Subunits 7D2 and 7D3) to minimize impacts of timber harvest and other activities on the river corridor.

DNR supports legislative designation for this management unit that is consistent with the management intent and guidelines of this plan.

Fish and Wildlife. This management unit is designated primary use fish and wildlife habitat. The Goodpaster River is one of only two known king salmon spawning streams in the upper Tanana drainage. The lowlands surrounding the river are wetland, providing year-round range and important calving grounds for moose. It also provides prime-rated habitat for black bears, furbearers, and waterfowl. Additionally, the upper stretches of the river provide prime-rated habitat for caribou, grizzly bear, and Dall sheep. The unit is predominantly rated as B1, with some B2 in the upper reaches of the river and at higher elevations (see *Glossary*).

Forestry. Timber harvest is an allowed use in Subunit 7D2, and a primary use in Subunit 7D3. The hillsides in this subunit are dominated by an extensive cover of white spruce saw and poletimber, with non commercial black spruce on the north slopes and high elevations. Timber harvest activities in this unit will maintain the existing character of the river corridor.

Within Subunit 7D1, timber harvest is restricted to personal-use harvest and salvage of burned or diseased timber. Timber sales for harvest of over 10,000 board feet are prohibited. No new roads may be constructed on state land for timber harvest in this subunit, or for access to timber harvest on other state lands (see access guideline below).

Within subunits 7D2 and 7D3, access will be limited to winter roads only (see access guideline below). Timber harvest will be designed to minimize impact to river scenery (see visual resources guideline below).

Minerals. The entire unit remains open to mineral entry. There is moderate to high mineral potential in this unit, particularly along the Eisenmenger Fork of the Goodpaster River, Tibbs Creek, and Michigan Creek. The only reported lode mining production in the Goodpaster District is from gold-antimony quartz veins near the head of Tibbs Creek. Active placer mining also occurs near the Goodpaster River at Central Creek, and along Tibbs Creek and its tributaries.

Recreation. Recreation is a primary use in subunits 7D1, 7D2, and 7D3. This management unit is designated primary use recreation. Much public recreation is related to hunting, fishing, and trapping. Recreation use also occurs by the landowners of the over 80 private parcels along the river. Good campsites exist along publicly owned stretches of the river.

To protect the existing character of the river, authorizations for commercial recreation activities on state land will be allowed if they are short-term and temporary. On the river corridor above Central Creek, a limited number of long-term authorizations for permanent commercial recreation facilities may be allowed. A limited number of public use cabins may be allowed along the river corridor if located to avoid conflicts with existing uses.

MANAGEMENT GUIDELINES

Management guidelines that apply to all state land are listed in Chapter 2. Some or all of those guidelines may apply to uses in this management unit. Special guidelines that apply only to this unit follow.

Access - Subunit 7D1. No new roads may be constructed on state land in this subunit, or across this unit for access to other state lands, except to access mining claims. Access routes to mining claims should avoid the corridor unless no feasible and prudent alternative exists.

Access - Existing Trails. The existing Goodpaster River Trail and Big Delta-Fortymile Trail can be used for traditional access (primarily winter use), but will not be upgraded to an all season road with unrestricted summer access.

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Access - Subunit 7D2 and 7D3. Construction of overland access routes in these management units will be limited to winter roads only (*see Glossary*). The access routes will be sited and managed to minimize possible use by ATVs in the summer. Specific actions that may be taken include:

- Require that winter use of the trail cross areas that are too wet to be passable in the summer, including across lakes or ponds wherever possible,
- Erect bollards or mounds, or dig a trench at the beginning of the trail to prevent summer use.

- All season roads will not be built to cross the Goodpaster River trail east of Quartz Lake (~~see management guidelines in units 7B and 7C~~)

Visual Impacts. Development activities within this unit shall be designed to minimize the visual impacts to the scenic values of the Goodpaster River Corridor (Subunit 7D₁).

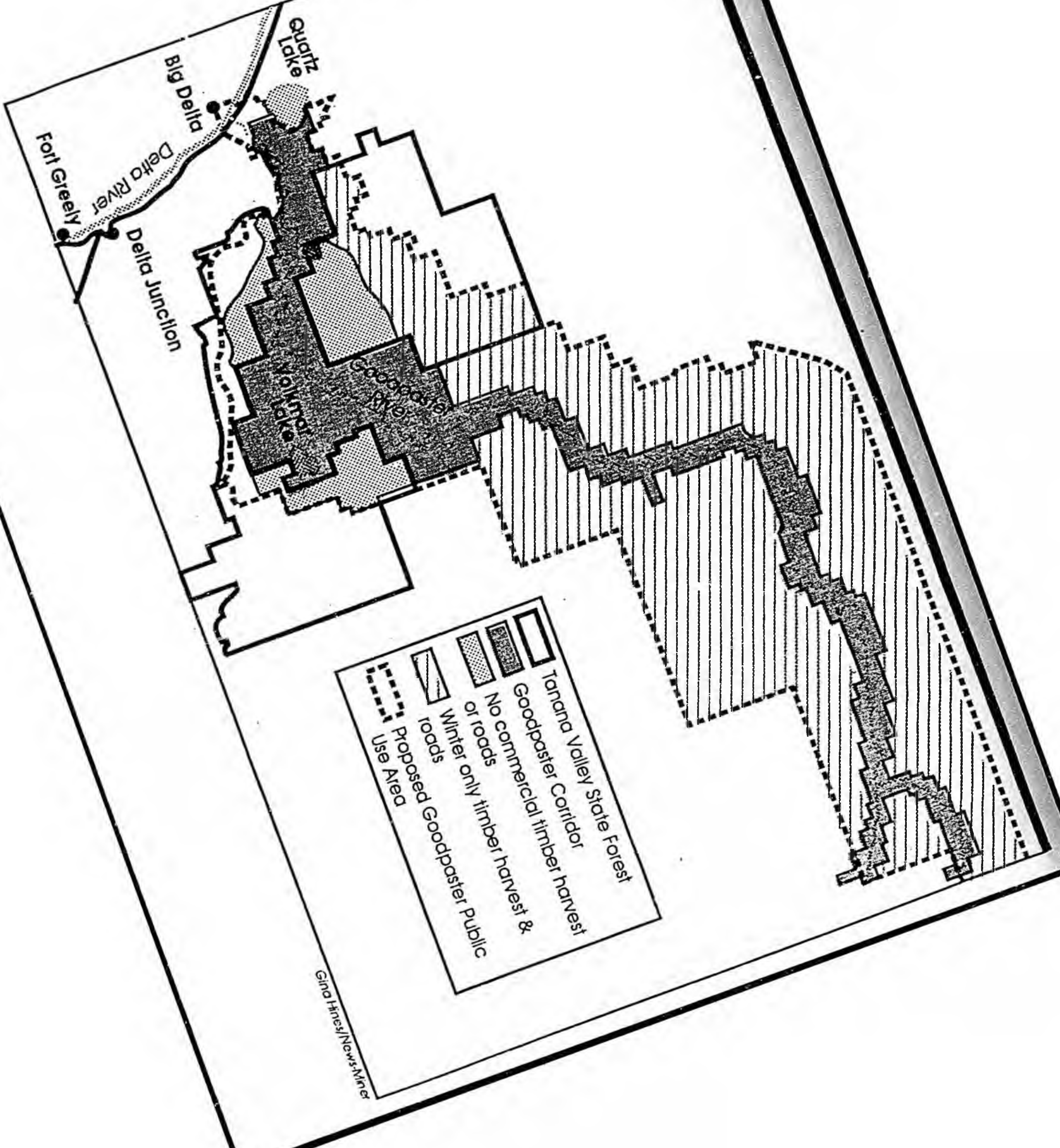
- Cutting units will be located so they minimize impacts on the viewshed from the river.
- There will be no timber harvest within a 200' leave strip along the Goodpaster River winter trail, except for the purposes of removing hazards.
- Cutting units and access shall be designed to blend into the natural landscape pattern. Type of harvest for cutting units will give consideration to topography and silvicultural requirements in meeting visual concerns. In the case of patch clearcuts, size and shape are recognized as primary concerns.
- Preliminary cutting unit design will be included in the Forest Management Report available for public and interagency review.







**LAND-USE DESIGNATION SUMMARY
MANAGEMENT UNIT 7D: GOODPASTER RIVER**

SUBUNIT	LAND USE DESIGNATIONS			COMMENTS
	Primary Surface Uses	Secondary Surface Uses	Subsurface ¹	
7D1 River corridor	Public recreation Wildlife habitat		Open	Land disposals Remote cabins New roads Commercial timber harvest
7D2	Public recreation Wildlife habitat		Open	Land disposals Remote cabins All-season roads in Goodpaster R. watershed
7D3	Forestry Public recreation Wildlife habitat		Open	Land disposals Remote cabins All-season roads in Goodpaster R. watershed

¹Subsurface designations refer to locatable minerals. All areas are available for leasing for leasable minerals, except as noted for coal.

²Other uses such as material sales, land leases, or permits that are not specifically prohibited may be allowed. Such uses will be allowed if consistent with the management-intent statement, the management guidelines of this unit, and the relevant management guidelines listed in Chapter 2.



	Tanana Valley State Forest
	Goodpaster Corridor
	No commercial timber harvest & or roads
	Winter only timber harvest & roads
	proposed roads
	Use Area

Gina Hines/News-Miner

Trustees for ALASKA

A Non-Profit, Public Interest, Environmental Law Firm

VIA TELEFAX

29 January 1991

Harold C. Heinze
Commissioner
Alaska Department of Natural Resources
400 Willoughby Ave
Juneau, Alaska 99801

Re: Lack of Authority - Goodpaster River Reconsideration

Dear Mr. Heinze:

Trustees for Alaska ("Trustees") recently received a copy of your January 3, 1991, memorandum to Gary Gustafson, Director Division of Land & Water and Bob Dick, State Forester, Division of Forestry, ordering reconsideration of the Tanana Basin Area Management Plan's Goodpaster River Management Unit 7D ("Goodpaster River Portion"). You cite 11 AAC 02.030 as authority for ordering this reconsideration. This provision (11 AAC 02.030) does not provide you with the authority to grant or decide "appeals" from or to reconsider Commissioner Swope's November 30, 1990 decision regarding any portion of the Tanana Basin Area Plan. Trustees urges you to read this letter carefully and suggests you promptly correct your erroneous application of the law in this area.

YOU HAVE NO AUTHORITY TO GRANT OR DECIDE AN APPEAL FROM COMMISSIONER SWOPE'S NOVEMBER 30, 1990 DECISION

You have no authority to grant an "appeal" from a previous commissioner's decision. The applicable regulation states:

A person adversely affected by a decision made by or with the written concurrence of the commissioner, which is the final administrative decision, may either (1) seek reconsideration in accordance with 11 AAC 02.020, or (2) appeal to superior court in accordance with the rules of court and to the extent permitted by applicable law. Any right to a judicial appeal is not affected by the failure to seek reconsideration.

11 AAC 02.010(d) (emphasis supplied). From this language, it is clear that there is no administrative "appeal" from a decision of a commissioner. Rather, any person claiming to be adversely

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affected must either (1) seek administrative reconsideration from the commissioner based on new or additional information;¹ or (2) seek judicial review of a commissioner's decision in Superior Court. Id. Except for reconsideration pursuant to 11 AAC 02.020, all administrative remedies (including administrative appeals) are by law not available for decisions made by the commissioner. As applied to Commissioner Swope's decision, an aggrieved person would have had to request reconsideration or file an appeal in Superior Court.

The finality of Commissioner Swope's decision is echoed in the definitions section of the regulations. Specifically, "appeal" is defined to be "a request to a director or the commissioner to review a subordinate's decision." 11 AAC 02.080(1) (emphasis supplied). In signing the November 30, 1990 decisions adopting the Tanana Basin Area Plan, including the Goodpaster River Portion, Mr. Swope acted in his capacity as commissioner of the Alaska Department of Natural Resources, the position you now hold. In this capacity, Commissioner Swope's decision is not a "subordinate's decision" within the meaning of 11 AAC 02.080(1). In short, you have no authority to grant or decide an "appeal" from Commissioner Swope's decision pursuant to 11 AAC 02.030. Thus, any person claiming that he or she was adversely affected by Commissioner Swope's decision must either seek reconsideration from you or judicial review from a Superior Court.

YOU HAVE NO AUTHORITY TO ORDER RECONSIDERATION OF COMMISSIONER SWOPE'S NOVEMBER 30, 1990 DECISION

Your authority to order reconsideration is highly limited and in this case, you have no authority to order reconsideration of Commissioner Swope's November 30, 1990 decision.

The applicable regulation states that "[a] person adversely affected by a decision made by . . . the commissioner may request the commissioner to reconsider the decision if the person has new or additional information relevant to the decision."² 11 AAC

¹ 11 AAC 02.020(a). See discussion of this section in the text below.

² As a fundamental matter, there is no indication in your memorandum that any "new or additional information" was brought to your attention which indicated that reconsideration was necessary. Your memorandum merely recognized the fact that the Goodpaster River Portion of the Tanana River Plan has been the subject of considerable and diverse public comment. This is an obvious fact which was certainly known to Commissioner Swope and the department at the time the November 30, 1990 decision was rendered. Absent legal justification, there is no authority for a new administration

02.020(a). Moreover, the regulations instruct that a "request for reconsideration must be received by the commissioner within 20 calendar days after the date of delivery of the decision as determined under 11 AAC 02.040(c) and (d)." Id. at 02.020(b).

To avoid confusion, the regulations explicitly define the term "date of delivery of a decision" in the following manner:

(d) If the appellant is a person to whom the department did not deliver a decision by personal service or registered or certified mail, the date of delivery is considered to be the . . . date the decision was signed.

Id. at 02.040(d).

The regulations dictate:

The commissioner will . . . order or deny reconsideration within 30 calendar days after the date of delivery of the decision as determined by . . . 11 AAC 02.040(d). If the commissioner takes no action during the 30-day period, the request for reconsideration is considered denied. Denial of a request for reconsideration is the final administrative decision of the department for purposes of appeal to superior court.

Id. at 02.020(c) (emphasis supplied).

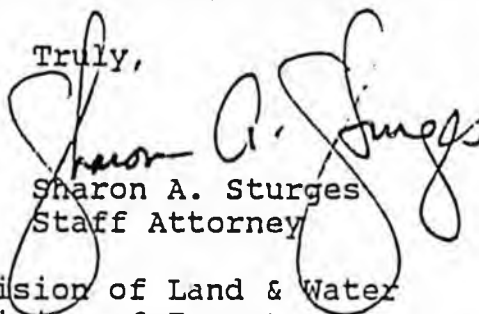
In the present case, Commissioner Swope signed his decision on November 30, 1990. The Department of Natural Resources did not personally serve any person requesting reconsideration in this case. Nor did the Department of Natural Resources provide any person requesting reconsideration with a copy of Commissioner Swope's decision by registered or certified mail. Thus, the controlling date of delivery of Commissioner Swope's decision is November 30, 1990, the date the decision was signed. 11 AAC 02.040(d). Therefore, you had thirty calendar days from November 30, 1990, or until December 30, 1990, in which to order reconsideration of Commissioner Swope's decision. In light of the fact that December 30, 1990, fell on a Sunday, however, you would have had until the following Monday, December 31, 1990, to order reconsideration of Commissioner Swope's decision. You failed to order reconsideration by that date and your failure to order reconsideration by December 31, 1990 renders a request for

to order reconsideration of a previous commissioner's decision.

reconsideration denied by operation of law.³ Thus, after December 31, 1990, a person claiming that they were "aggrieved" by the decision would have only one option -- to file an appeal in the Superior Court seeking judicial review of Commissioner Swope's decision.

We hope this letter has provided some guidance on the law in this area and urge you to contact Trustees if you have any questions concerning this letter or any other matter. Trustees assumes your action was an oversight and expects you to address your misapplication of the law in the immediate future.

Truly,


Sharon A. Sturges
Staff Attorney

cc: Gary Gustafson, Director Division of Land & Water
Bob Dick, State Forester Division of Forestry
Anna Plager, Project Manager
Ed Fogels, Asst. Project Manager

³ Even assuming December 31, 1990, and January 1, 1991, were state recognized holidays, your authority to order reconsideration expired on January 2, 1991, and since you did not order reconsideration by that time, any request for reconsideration would be deemed denied by operation of law.

4/11/10

GOODPASTER RIVER PROPERTY HOLDERS ASSOCIATION

991 Vail View Drive, Fairbanks, Alaska 99712

February 9, 1991

The Honorable Mark Boyer
House of Representatives
P. O. Box V
Juneau, Alaska 99811

Dear Representative Boyer:

We appreciate your introduction of HB 94 protecting the traditional use of the Goodpaster River.

As you and Senator Fahrenkamp had advised us some time ago, it was critical to future legislation that the Tanana Basin Plan emerge with acceptable language. With great effort (on our part) that has been accomplished. It is important to note that while the plan is acceptable, it is barely acceptable.

It is fortunate that you are chairing the subcommittee reviewing the Department of Natural Resources (DNR) budget. We wish to be involved and kept informed in that process, particularly where it involves the Division of Forestry. Please let us know of budget meetings and hearings where we may be involved. We would appreciate receiving a copy of the forestry budget for review.

There is a perception that the public wishes the state budget be drastically cut. The Hickel administration has stated it will reduce the size of government and the legislative research agency has revealed that forest management is a drain on the state operating budget. We feel these are justifications for major cuts in the Division of Forestry's budget.

As you are aware, we are unhappy with the whole planning process, much less last minute actions required to make the planning team respond to public sentiment, and the Cowper administration to keep its promises. These include last minute concessions we were forced to make to Commissioner Swope. We believe a review and investigation of how DNR conducts area plans is needed. The investigation needs to be broad, but we are particularly interested in how public input is accounted for, and how it is actually used in plans which are already bureaucratically predetermined. Possible misrepresentation of scientific and other data by state agencies involved in the process demands investigation. The House Resources Committee may be an appropriate group to accomplish this and we will work with Representative Moyer, but we would like your support.

Representative Mark Boyer
Page 2
February 9, 1991

Once again, we are grateful for your introduction of HB 94 and will appreciate your vigorous efforts for its passage. We recognize that the bill may not become law this session, but passage through the House seems likely. Please let us know how we may help.

Sincerely,



John Huber, Jr.
Acting Secretary, GRPHA

cc: Senator Fahrenkamp
Representative Koponen
Representative Moyer

Alex/ML/good

FRIENDS OF THE GOODPASTER
P.O. Box 60312, Fairbanks, Alaska 99706

December 19, 1990

Senator Bettye Fahrenkamp
P.O. Box V
Juneau, Alaska 99811

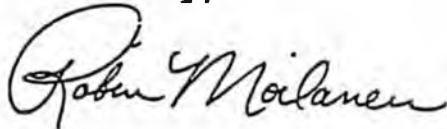
Dear Senator Fahrenkamp,

The purpose of this letter is to acquaint you with the existence of our recently formalized 'Friends of the Goodpaster' organization. The Friends of the Goodpaster is an ad hoc committee consisting of interior residents who primarily do not own property on or near the Goodpaster River but are users of the river and are interested in maintaining the existing character of the area. Over the past several years, many of us have been signers of petitions protesting roads and timber cutting, and supporting current usage.

Our purpose for organization is to support legislation and management plans which will manage the river for wildlife habitat and recreation purposes. While we are a distinctly separate group, we do share common interests and goals with the Goodpaster River Property Holders Association. Barry Haight will represent us in Juneau.

Our steering committee consists of Steve Moilanen, Todd Davis, Tom Helmers, Bill Bembry and myself. We plan to add a couple more interested individuals. I look forward to working with you and hope you will keep us informed on any developments regarding the Goodpaster. If I can be of any assistance please let me know.

Sincerely,



Robin Moilanen
Chairperson

cc: Governor Walter Hickel
Senator Steve Frank
Representative Niilo Koponen
-Representative Mark Boyer
Representative Mike Miller
Representative Tom Moyer
Representative Bert Sharp
Commissioner Heinze
Department of Natural Resources

AM

2/16/91

Mr. Cliff Davidson
Chairman, House Resources Committee
17th Alaska Legislature, First Session

Dear Mr. Davidson,

We are writing to you in support of H.B. 94 and its purpose to protect and enhance renewable wildlife and recreation resources of the Goodpaster River system in Interior Alaska. Our family has used this area for more than three decades. During this time we have seen hundreds of thousands of state land set aside for agricultural development in the Delta area adjacent to the Goodpaster. We have also seen the establishment of the Tanana Valley State Forest abutting the Goodpaster River system including several million acres. In addition we have seen state lands increased in "Forest" designations to enhance allowable annual harvest quotas.

Compared to all these designations, it appears that the stated intent of H.B. 94 is very modest: to establish a protection and enhancement system aimed at preserving, fostering, and utilizing outdoor recreational resources and affecting slightly more than 100,000 acres in the core of the Goodpaster River system. Passing this bill would provide a balance in state land designations for the area, which is in the interest of all Alaskans.

We ask your careful consideration of this bill and urge you to steer it along lines that provide a balanced land use for the region. We are very concerned that this river system continue to be used and managed as one of Alaska's finest outdoor recreation areas in Interior Alaska. Once such an area is drastically changed, it is lost forever to future generations to enjoy.

Thank you very much for considering our point of view as you address our concerns and other challenges during your legislative leadership for Alaskans in this very important era of Alaskan history.

Sincerely yours,
James W. Matthews

James W. Matthews
1072 McGrath Rd.
Fairbanks, Alaska 99712

cc: Rep. Mark Boyer, Niilo Kopenen, Tom Moyer


A. M. 19008

TANANA BASIN AREA PLAN



To: Planning Team Members
Special Distribution List (see other side)

Date: January 23, 1991

From: Anna Plager 
Project Manager

Re: Tanana Basin Area
Plan Update

Commissioner Heinze has decided to return the Management Unit 7D portion of the plan to the planning team for reconsideration (see attached memo). The rest of the plan remains in effect. I will be contacting prospective working group members to discuss process and participants for reconsidering Goodpaster.

We will probably delay the final printing of the plan until the Goodpaster reconsideration has been resolved. In the interim, we will have a library copy of TBAP (without Management Unit 7D) available that may be checked out or copied as needed. A newsletter will be sent to the TBAP general mailing list informing others of the plan adoption, the Goodpaster reconsideration, and the delayed printing.

Also enclosed is the final summary of planning team meeting #7.

Alaska Department of Natural Resources

Land & Resources Section
3700 Airport Way
Fairbanks, Alaska 99709
(907) 451-2700



Alaska Department of
**NATURAL
RESOURCES**

Distribution list:

Planning Team Members--

Matt Robus	ADFG
Diane Stevens	DCRA
Kris DuBois	DEC
Ed Arobio	DNR-Agriculture
Steve Clautice	DNR-Forestry
John Wood	DNR-Mining (alternate)
Mitch Henning	DNR-Mining
Kris O'Connor	DNR-Oil & Gas
Nancy Welch	DNR-Land & Water Management
Mike Lee	DNR-Parks & Outdoor Recreation
Norm Piispanen	DOT&PF
Tom Duncan	FNSB

Others--

Tom Bundtzen	DNR-DGGS (technical advisor)
Lisa Jaeger	TCC
Barry Haight	GRPHA
Ed Packee	
Steve Jones	Denali Borough Planning Committee
Gordon Mahar	Denali Wilderness Safaris
Richard Gumm	Common Ground-Alaska
Roger Burggraf	Alaska Miners Association
Jack McCombs	Salcha River Property Owners Association
Dick Shultz	State Senator
Betty Fahrenkamp	State Senator
Mark Boyer	State Representative
Tom Moyer	State Representative

MEMORANDUM



Alaska Department of
**NATURAL
RESOURCES**

STATE OF ALASKA

TO: Gary Gustafson, Director
Division of Land & Water
Bob Dick, State Forester
Division of Forestry

DATE: January 3, 1991

FILE NO.:

TELEPHONE: 465-2400

FROM: Harold C. Heinze
Commissioner

HC

SUBJECT: Goodpaster River
Reconsideration

Pursuant to 11 AAC 02.030, I have reconsidered the adoption decision for the Tanana Basin Area Plan's Goodpaster River Management Unit 7D. Because of the diversity and amount of public comment received during the last review period, I am remanding this matter to you for further proceedings. Please return this matter to the planning team for reconsideration, including additional public review as needed.

cc: Anna Plager, Project Manager

RECEIVED

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DIV OF LAND & WATER
ANCHORAGE

TANANA BASIN AREA PLAN UPDATE
Planning Team Meeting #7

November 28, 1990
Department of Natural Resources Building, Fairbanks

Attendance

Anna Plager	DNR Tanana Basin Area Plan
Ed Fogels	DNR Tanana Basin Area Plan
Marty Welbourn	DNR DLW - Land and Resources
Nancy Welch	DNR Division of Land and Water
Steve Clautice	DNR Division of Forestry
Mike Lee	DNR Division of Parks and Outdoor Recreation
Ed Arobio	DNR Division of Agriculture
Matt Robus	Department of Fish & Game, Habitat Division
Norm Piispanen	Department of Transportation & Public Facilities
Diane Stevens	Department of Community and Regional Affairs
Tom Duncan	Fairbanks North Star Borough
Rick Solie	Senator Steve Frank's Office
Jack McCombs	Salcha River Property Owners Association
Chris Maisch	Menasha Corp.
Andy Miscovich	State Board of Forestry
Dick Shultz	State Representative
Roger Burggraf	
Edmond Packee	

The TBAP planning team and additional representatives as noted met in the DNR Conference Room from 1:00 pm to 5:30 pm on November 28.

PRELIMINARIES

The agenda was reviewed and revised to add time for comments from the public and other representatives present at the meeting. Anna distributed several handouts to the team, and asked everybody to take a few minutes to review them. She then asked the team for comments on the summary of planning team meeting #6. The following comments were offered:

- Diane said that the wording for the Traditional Uses section for the Subregion 2 summary was missing a sentence. She felt that the team had agreed to reword, not delete, the sentence pertaining to subsistence. Diane agreed to draft up some suggested wording for review.

- Diane suggested changing the paragraph referring to the recommendation to re-evaluate agriculture/settlement lands during the next update. The paragraph would begin "It was determined that..." instead of "The team agreed that..."
- Ed Packee asked the team if their decision to drop the salvage exemption for the Goodpaster corridor was based in part on the lack of access under their proposal. It was agreed that this did affect their decision, and the meeting summary should reflect this.
- Ed Packee asked that the wording for the discussion on proposed additions to the state forest be clarified. He felt that it was unclear that these additions were for the state forest. The team agreed that this should be clarified.

With these changes, the summary of planning team meeting #6 was approved.

PROPOSALS FROM PREVIOUS ISSUES

Buffers

The team discussed the proposed new buffer guideline. Norm wanted to ensure that this guideline would not interfere with highway maintenance. Ed Packee suggested that the word "protect" be changed to "maintain and enhance." The team agreed to the following wording:

A 300-foot buffer from centerline on each side of the roadway should be managed to maintain or enhance scenic views along the highway. Development activities such as timber harvesting and land-use authorizations may be allowed within this buffer if the activity is designed to maintain or enhance the scenic values of the highway corridor, and to provide opportunities for viewing background scenery. This guideline will not preclude highway maintenance and improvement.

Shorelands

The team reviewed the proposed text for Subregion 8 - Remnant Rivers. The following changes were agreed to:

- In the second paragraph of the management intent, the word "rivers" will be changed to "shorelands".
- A paragraph will be added explaining that no maps are included for this subregion, and that the TBAP Easement Atlas (when completed) will show most of the navigable rivers in the planning area.
- The guideline for Director's Policy 91-03 will be reworded to apply also to future amendments of that policy.

Settlement

Representative Shultz and Ed Packee both stated that Tok residents did not want additional state disposals in the Tok area as there was currently a glut of private property on the market. Nancy Welch said that DLW has stopped all over-the-counter sales in the Tok area in response to public input.

Anna distributed some proposed settlement wording for Chapter 1 and the Appendix. Anna noted that the Chapter 1 chart needs to be completed. The chart also needs an explanation that acreages offered in past sales are not included.

Diane asked that Chapter 1 wording on the distribution of land disposals be clarified. The team agreed to rewrite the last sentence in the second paragraph to say, "The department should offer land disposals in a variety of locations, within the constraints of public demand and available funding."

Nancy clarified the Appendix wording, changing "feasibility" to "physical capability" when considering problems that may eliminate projects (first sentence, third paragraph). The rest of the settlement text was approved by the team.

Except for one change, the team agreed to the proposed wording for the Chapter 4 recommendation for settlement evaluation during the next update. The paragraph will begin with "At a minimum, all settlement lands..."

Trails

After reviewing the proposed Chapter 4 Trails wording, the team agreed to several changes. The revised wording follows:

The original TBAP identified numerous important trails in the planning area and called for development of a plan for managing these trails. As an alternative to a management plan, the TBAP Update proposes that the trails listed in TBAP be mapped (see Appendix __, List of Important Trails in the Planning Area). A series of 1:250,000 scale maps showing these trails will be developed upon completion of this update. These maps will be made available to the public.

An interagency team should recommend if an easement or a publicly owned buffer should be used to maintain the integrity of each trail. The guidelines for Trail Management in Chapter 2 (PAGE ?????) will be used to determine whether buffers or easements should be used to maintain the integrity of these trails on a case-by-case basis.

The department is also preparing an atlas that will show where public easements provide access across private land to state and federal public land.

GOODPASTER

Anna reviewed the Goodpaster proposal that went out for the final notice, and asked the team if they had any questions or comments. Copies of the earlier planning team proposal (briefing paper 8/21/90) were also distributed.

Ed Packee voiced his objection to the meeting between Commissioner Swope and Barry Haight. Ed said that he was not allowed to participate in this meeting, and that because the final Goodpaster decisions were made at this meeting, the meeting should have been open to the public.

Diane Stevens said DCRA has to seriously consider the new comments from the City of Delta Junction and the Deltana Community Corporation in reviewing the Goodpaster proposal since this is the first time municipal or community organizations have formally expressed a position on this issue.

Representative Shultz gave a brief overview of the history of the Goodpaster issue, and read a letter that he sent to Commissioner Swope. Representative Shultz made the following points:

- Senator Fahrenkamp's Goodpaster legislation has never moved from committee, and never will. Usually legislators don't introduce legislation that affects land management in another legislator's district.
- Commissioner Swope's proposal is not a good one, and is a result of political pressure. The legality of the commissioner's proposal is questionable because the process circumvented certain people's involvement.
- He is confident that the Goodpaster decision will be turned around by the next administration.
- This issue can be resolved, but only if local communities are involved. Also, the planning team must hold meetings in Delta.

Representative Shultz thanked the team for their hard work on such a controversial issue. He expressed his hopes that the process will continue, and he felt confident that solutions can be reached.

Roger Burggraf voiced his opposition to the enlargement of the no-harvest/no-new access areas.

Chris Maisch said he was observing as a representative of the Menasha Corporation to get a better idea of how the state goes about making resource decisions.

Andy Miscovich, a member of the State Board of Forestry, said that it was the duty of the commissioner to manage the state's resources for the benefit of all Alaskans. Andy said that with his new proposal, the commissioner is not doing this.

Ed Packee, representing himself, made the following points:

- He is concerned about the process. Public input was ignored, and the process was flawed even before the planning team began their work.
- The commissioner's proposal does not provide recreation for "the common person." The common person cannot afford a large river boat to access the Goodpaster.
- The commissioner's proposal is designed to block access. Access is needed to utilize the fishery and recreation resources of the Goodpaster.
- The commissioner's proposal is a result of the Governor's paying back of favorites.
- No socio-economic study was done for this update, as required by statute.
- Each cubic foot of wood in the Delta area is worth \$8-\$10 in "value-added" products. This would be worth approximately \$100 million/year if a mill was located in Delta Junction.
- The plan should not be signed by the commissioner because an adequate analysis of the resources was not done.

Planning Team's Recommendations

The planning team unanimously agreed on the following points:

- There was not enough time to adequately review the comments received during the final notice period.
- There was strong public support for additional public review.
- The comments were diverse, and were not overwhelming toward either side.

The following are each agency's recommendations and comments on the Goodpaster proposals (the July planning team proposal mentioned below is the one summarized in the 8/21/90 briefing paper):

Division of Forestry

Steve felt that the team did not have enough time to adequately review all the comments received during the final notice. The team cannot make an informed decision without taking more time to review these comments.

The division generally supports the July planning team proposal, but feels that even this may need some work after additional public review before it can be finalized.

Department of Fish and Game

Matt also felt that we did not have enough time to review all the comments.

ADF&G supports the July planning team proposal. Eliminating timber harvest in the Goodpaster watershed will perpetuate unproductive habitat. Keeping a large block of land locked up is not the best scenario. Nature will take care of the habitat in the long-run, but the short-run best-scenario would be for ADF&G and DOF to work together to manage for more productive habitat. The planning team's proposal went a long way to achieving this. River boats are potentially more of a threat to habitat than the logging.

Department of Environmental Conservation

Although a representative from DEC was not present, Kris Dubois had communicated DEC's position to Anna before the meeting. DEC supports the July planning team proposal.

Division of Mining

Although a representative from DOM was not present, Mitch Henning had communicated DOM's position to Anna before the meeting. DOM takes no position on the proposals as long as mining access is protected.

There was some uncertainty among team members as to how any of the proposals would affect access to mining claims.

Division of Agriculture

DOA does not have a position on the proposals. As a planning team member, Ed Arobio supported the July planning team proposal. Also, he needed more time to review comments.

Department of Community and Regional Affairs

DCRA generally supports the July planning team proposal, but feels it may need some work after additional public review before it can be finalized.

Department of Transportation and Public Facilities

DOT&PF has not been very involved with this issue. Their only concern is that we don't lock ourselves into a RS2477 policy that we can't live with.

Division of Parks and Outdoor Recreation

DPOR's main concern was that the proposal that went out for final notice could hinder recreational development near Quartz Lake.

Fairbanks North Star Borough

FNSB has no position on the proposals. As a planning team member, Tom Duncan supports the July planning team proposal.

Division of Land and Water

DLW supports the proposal that went out for final notice, and emphasizes that the Goodpaster winter trail must remain open to existing uses.

Anna will communicate the planning team's recommendation to the commissioner in a briefing paper, along with all the comments and petitions received.

OTHER ISSUES (comments received during final notice period)

Salcha River

The planning team reviewed letters from Mr. Jack McCombs and the Salcha River Property Owners Association (SRPOA) regarding the proposed new forestry designation near the Salcha River. Mr. McCombs also spoke to the team in person. Both Mr. McCombs and the SRPOA said that the recreational values of the river are still threatened by this forestry designation, even though the designation has been pulled back an additional 1-2 miles from the river. Mr. McCombs and the SRPOA asked DNR to delete the forestry designation, or at a minimum restrict access to winter-only, through the state forest to the south.

Most team members were in favor of keeping the designation - the timber values need to be identified, and most of the recreation activity occurs in the river corridor away from the forestry land (Jack agreed with this). Diane felt we should drop the designation in response to public comments. After some discussion, it was agreed that the designation should remain, but that access should be restricted to winter-only, through the state forest to the south.

Marty suggested that the access guideline for this subunit should be prefaced with "To protect adverse impacts on the Salcha River..." There were no objections.

Minerals Designation

Anna asked the team to address Usibelli Coal Mine, Inc.'s letter. Usibelli commented that the Lignite Homestead area (Subunit 4D2) and part of the adjacent Subunit 4F2 (Public Recreation/Wildlife Habitat) both had very high coal potential. Usibelli recommended redesignating these areas to reflect the high coal potential. Anna has spoken with Mitch, who agrees that these areas have high coal potential.

Nancy agreed that we should not offer land for disposal if the area has high coal potential. She was reluctant to give up the area entirely, as there may be portions of the area that have lower coal potential and may be suitable for settlement. The team agreed to re-designate the settlement area (Subunit 4D2) to high-value resource management, with settlement, minerals, and wildlife habitat as important values. The small section of Subunit 4F2 will become part of Subunit 4D1 (Minerals/Wildlife Habitat).

Matt addressed Usibelli's comments regarding fish habitat in Lignite Creek. Matt said he reviewed the information on Dolly Varden and Grayling rearing areas near Lignite Creek, but concluded that the current plan wording was accurate, and should not be changed. There was no objection to this.

Toklat Springs

Ed Fogels briefed the team on the agreement on the road-prohibition within the Toklat Springs Subunit (301) reached by Norm and Matt: roads will still be prohibited within the Toklat Springs subunit, but a re-evaluation of this prohibition will be included in the Chapter 4 list of issues to address in the next update. There were no objections.

Miscellaneous

Ed Packee summarized his comments on the TBAP Update in general:

- Social and economic factors were not adequately addressed during the update process.
- The average person would have had a hard time following this process.
- TBAP needs more resource information available, perhaps in an appendix.
- The planning team has ignored the bark beetle issue. Foresters need the flexibility to go in and harvest an infested area before the trees are killed.
- DNR policy seems to have been to try and get around Article VIII of the State Constitution.
- The planning team needs to look at the overall productivity of the land when making decisions.

- The way the plan uses the term "forestry" makes it look like the bad guy. The term "forestry" should be replaced with "timber harvest."
- Ed hopes his comments can be used constructively, to improve the process.

Anna said that we will review Mr. Packee's detailed comment letter and correct any mistakes that he has pointed out. We will also include additional information such as updated population figures.

THE TEAM ADJOURNED AT 5:30 PM.

TANANA BASIN AREA PLAN



To: Planning Team Members
Special Distribution List (see other side)

Date: December 31, 1990

From: Anna Plager, Project Manager *AP*
Ed Fogels, Asst. Project Manager *EF*

Re: Tanana Basin Area
Plan Update

The final plan update was signed by the commissioners of DNR and DF&G on November 30, 1990. Our final briefing paper is enclosed for your information—you may want to use it to brief new administration people. The plan was signed by the commissioner in two parts: 1) the TBAP Update, without Management Unit 7D (the Goodpaster River Unit), and 2) Management Unit 7D only. A request for reconsideration of the entire plan has been submitted to Commissioner Heinze by Mr. Edmond Packee. We have not heard the commissioner's official response.

Also enclosed is the final summary for planning team meeting #6, and the draft summary for our last planning team meeting (#7). Please review meeting #7 summary carefully, especially to make sure your Goodpaster comments are correctly reflected. We need your comments by January 15th to prepare the final meeting #7 summary.

Alaska Department of Natural Resources

Land & Resources Section
3700 Airport Way
Fairbanks, Alaska 99709
(907) 451-2700



Alaska Department of
**NATURAL
RESOURCES**

Yol sent back to Div of Inventory for reevaluation

Distribution list:

Planning Team Members--

Matt Robus	ADFG
Diane Stevens	DCRA
Kris DuBois	DEC
Ed Arobio	DNR-Agriculture
Steve Clautice	DNR-Forestry
John Wood	DNR-Mining (alternate)
Mitch Henning	DNR-Mining
Kris O'Connor	DNR-Oil & Gas
Nancy Welch	DNR-Land & Water Management
Mike Lee	DNR-Parks & Outdoor Recreation
Norm Piispanen	DOT&PF
Tom Duncan	FNSB

Others--

Tom Bundtzen	DNR-DGGS (technical advisor)
Lisa Jaeger	TCC
Barry Haight	GRPHA
Ed Packee	
Steve Jones	Denali Borough Planning Committee
Gordon Mahar	Denali Wilderness Safaris
Ron Swanson	DNR-Land & Resources
Marty Welbourn	DNR-Land & Resources
Dee Koester	DNR-Land & Resources
Dick Mylius	DNR-Land & Resources
Richard Gumm	Common Ground-Alaska
Roger Burggraf	Alaska Miners Association
Jack McCombs	Salcha River Property Owners Association
Dick Shultz	State Representative

TANANA BASIN AREA PLAN



BRIEFING PAPER: TANANA BASIN AREA PLAN UPDATE

December 5, 1990

Purpose To update the area plan for 14 million acres of state-owned and state-selected land in the Tanana Basin. The update

- Incorporates new resource information;
- Clarifies plan decisions for confusing or unclear policies; and
- Resolves specific issues in known problem areas.

Major Issues Over 15 major issues were addressed, including:

- New state selections review
- Nenana River corridor management
- Goodpaster River watershed management
- Recommended legislative and administrative designations
- Delta-Salcha Area Plan update
- Consistency with the Fairbanks North Star Borough Comprehensive Plan and Recreational Trails Plan

Process	Spring 1989	Issues identified
	Summer, Fall 1989	Data collected
	Winter 1989-90	Plan revisions proposed
	Spring 1990	Public review conducted
	Summer 1990	Comments reviewed; draft plan prepared
	Fall 1990	Final review conducted; changes adopted

Participants The Planning Team consists of representatives from the divisions of the Department of Natural Resources, the Department of Community and Regional Affairs, the Department of Environmental Conservation, the Department of Fish and Game, the Department of Transportation and Public Facilities, and the Fairbanks North Star Borough.

Throughout the process, planning staff met with representatives from local governments, Native corporations and organizations, interest groups, and individuals. The general public reviewed proposed changes at public meetings in the spring of 1990, and were welcome at all planning meetings. Special community meetings were held in the Nenana and Goodpaster river areas to address specific issues.

Current Step Following the public meetings in Spring 1990 and the public comment period, the plan was revised. The final 30-day public notice was held in Fall 1990, final changes were made and the plan was signed by the commissioners of DNR and DF&G on November 30, 1990. The updated plan will guide management of state land within the planning area. The plan can be modified and amended as needed in response to new information or changing demands.

TANANA BASIN AREA PLAN



1990 UPDATE

Goodpaster River Briefing Paper

December 10, 1990

Final Plan Proposal:

- Within the Goodpaster River Subunit-7D1 (approximately 119,000 acres), no timber harvest over 10,000 board feet and no new roads.
- Existing access, and access to mining claims will be allowed.
- No land disposals within the watershed.
- Within the watershed, timber harvest will be accessed by winter road only and will follow special scenic guidelines, and winter roads will be designed to minimize summer ATV use.
- DNR supports legislative designation for the Goodpaster River that is consistent with the management intent and guidelines in the final plan.

Final Notice Comments:

Supporting the final plan proposal were

- Goodpaster River Property Holders Association
- Salcha River Property Owners Association
- Alaska Center for the Environment
- Susitna Valley Association
- three individuals
- a petition with 1426 signatures
- a form letter with 219 copies

Cliff - you can expect people testifying in support of this bill

Supporters say this proposal would protect the entire watershed ecosystem; manage for all forest values, not just logging; reduce conflicts between logging and existing traditional uses; and better balance habitat and recreation values with existing agriculture and forestry development in the Delta region.

Opposing the final plan proposal were

- Deltana Community Corporation
- City of Delta Junction
- Tok Chamber of Commerce
- Tanana Valley State Forest Citizen Advisory Committee
- three individuals

Cliff - you can expect these people to work against this testifying against bill

(continued)

- a petition with 950 signatures
- two requests for additional public hearings
- resubmittal of an earlier petition of 227 signatures

Opponents of the proposal say that access is needed for other owners and resource uses; all season access is needed; more employment is needed; and the proposal wastes fire suppression investment, undermines the planning process and advisory committee work, and causes further friction without adequate review.

Planning Team Recommendations:

For the Goodpaster issue, the team agreed on three points:

- they need additional time to review the large volume of public comments received during the final period;
- the public comments were strongly divided;
- additional time is required for a more comprehensive public review of the final proposals (for example, City of Delta, Tok residents, and the Deltana Community Corporation requested additional public hearings).

The team did not reach a consensus on appropriate management and guidelines for the area. The departments of Fish & Game and Environmental Conservation were the only team members to officially oppose the final plan proposal. However, the planning team as a whole did not recommend the Goodpaster issue for adoption at this time. The majority of team members expressed more support for the original planning team proposal (July 1990) as better reflecting the diversity of public opinion. They expressed concern about the process and the changes made by the commissioner late in the process. This did not allow enough time for adequate public involvement and planning team review.

Final Decision:

The plan was adopted on November 30, 1990, with no changes to the Goodpaster River management.

Management Unit 7D

Goodpaster River

Management Intent

General. This management unit will be retained in public ownership and managed for multiple use, with an emphasis on recreation and fish and wildlife values. The unit will remain open to mineral entry. The Goodpaster River corridor (Subunit 7D1) will be managed to maintain the existing character of the river. Special guidelines apply to surrounding forested land (Subunits 7D2 and 7D3) to minimize impacts of timber harvest and other activities on the river corridor.

DNR supports legislative designation for this management unit that is consistent with the management intent and guidelines of this plan.

Fish and Wildlife. This management unit is designated primary use fish and wildlife habitat. The Goodpaster River is one of only two known king salmon spawning streams in the upper Tanana drainage. The lowlands surrounding the river are wetland, providing year-round range and important calving grounds for moose. This management unit also provides prime-rated habitat for black bears, furbearers, and waterfowl. Additionally, the upper stretches of the river provide prime-rated habitat for caribou, grizzly bear, and Dall sheep. The unit is predominantly rated as B1, with some B2 in the upper reaches of the river and at higher elevations (see Appendix A, *Glossary*).

Forestry. Timber harvest is an allowed use in Subunit 7D2, and a primary use in Subunit 7D3. The hillsides in this subunit are dominated by an extensive cover of white spruce saw and poletimber, with non commercial black spruce on the north slopes and high elevations. Timber harvest activities in this unit will maintain the existing character of the river corridor.

Within Subunit 7D1, timber harvest is restricted to personal-use harvest and salvage of burned or diseased timber. Timber sales for harvest of over 10,000 board feet are prohibited. No new roads may be constructed on state land for timber harvest in this subunit, or for access to timber harvest on other state lands (see access guideline below).

Within subunits 7D2 and 7D3, access will be limited to winter roads only (see access guideline below). Timber harvest will be designed to minimize impact to river scenery (see visual resources guideline below).

Minerals. The entire unit remains open to mineral entry. There is moderate to high mineral potential in this unit, particularly along the Eisenmenger Fork of the Goodpaster River, Tibbs Creek, and Michigan Creek. The only reported lode mining production in the Goodpaster District is from gold-antimony quartz veins near the head of Tibbs Creek. Active placer mining also occurs near the Goodpaster River at Central Creek, and along Tibbs Creek and its tributaries.

Recreation. Recreation is a primary use in subunits 7D1, 7D2, and 7D3. This management unit is designated primary use recreation. Much public recreation is related to hunting, fishing, and trapping. Recreation use also occurs by the landowners of the over 80 private parcels along the river. Good campsites exist along publicly owned stretches of the river.

To protect the existing character of the river, authorizations for commercial recreation activities on state land will be allowed if they are short-term and temporary. On the river corridor above Central Creek, a limited number of long-term authorizations for permanent commercial recreation facilities may be allowed. A limited number of public use cabins may be allowed along the river corridor if located to avoid conflicts with existing uses.

Management Guidelines

Management guidelines that apply to all state land are listed in Chapter 2. Some or all of those guidelines may apply to uses in this management unit. Special guidelines that apply only to this unit follow.

Access - Subunit 7D1. No new roads may be constructed on state land in this subunit, or across this unit for access to other state lands, except to access mining claims. Access routes to mining claims should avoid the corridor unless no feasible and prudent alternative exists.

Access - Existing Trails. The existing Goodpaster River Trail and Big Delta-Fortymile Trail can be used for traditional access (primarily winter use), but will not be upgraded to an all season road with unrestricted summer access.

Access - Subunit 7D2 and 7D3. Construction of overland access routes in these management units will be limited to winter roads only (*see Glossary*). The access routes will be sited and managed to minimize possible use by ATVs in the summer. Specific actions that may be taken include:

- Require that winter use of the trail cross areas that are too wet to be passable in the summer, including across lakes or ponds wherever possible,

-
- Erect bollards or mounds, or dig a trench at the beginning of the trail to prevent summer use.
 - All season roads will not be built to cross the Goodpaster River trail east of Quartz Lake.

Visual Impacts. Development activities within this unit shall be designed to minimize the visual impacts to the scenic values of the Goodpaster River Corridor (Subunit 7D1).

- Cutting units will be located so they minimize impacts on the viewshed from the river.
- There will be no timber harvest within a 200' leave strip along the Goodpaster River winter trail, except for the purposes of removing hazards.
- Cutting units and access shall be designed to blend into the natural landscape pattern. Type of harvest for cutting units will give consideration to topography and silvicultural requirements in meeting visual concerns. In the case of patch clearcuts, size and shape are recognized as primary concerns.
- Preliminary cutting unit design will be included in the Forest Management Report available for public and interagency review.

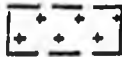
**LAND-USE DESIGNATION SUMMARY
MANAGEMENT UNIT 7D: GOODPASTER RIVER**

SUBUNIT	LAND USE DESIGNATIONS			COMMENTS
	Primary Surface Uses	Secondary Surface Uses	Subsurface ¹	
7D1 River corridor	Public recreation Wildlife habitat		Open	Land disposals Remote cabins New roads Commercial timber harvest
7D2	Public recreation Wildlife habitat		Open	Land disposals Remote cabins All-season roads in Goodpaster R. watershed
7D3	Forestry Public recreation Wildlife habitat		Open	Land disposals Remote cabins All-season roads in Goodpaster R. watershed

¹Subsurface designations refer to locatable minerals. All areas are available for leasing for leasable minerals, except as noted for coal.

²Other uses such as material sales, land leases, or permits that are not specifically prohibited may be allowed. Such uses will be allowed if consistent with the management-intent statement, the management guidelines of this unit, and the relevant management guidelines listed in Chapter 2.

LEGEND



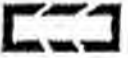
Tanana Valley State Forest



Goodpaster River Corridor



Limited Harvest & Access Areas
(3 numbered on map)

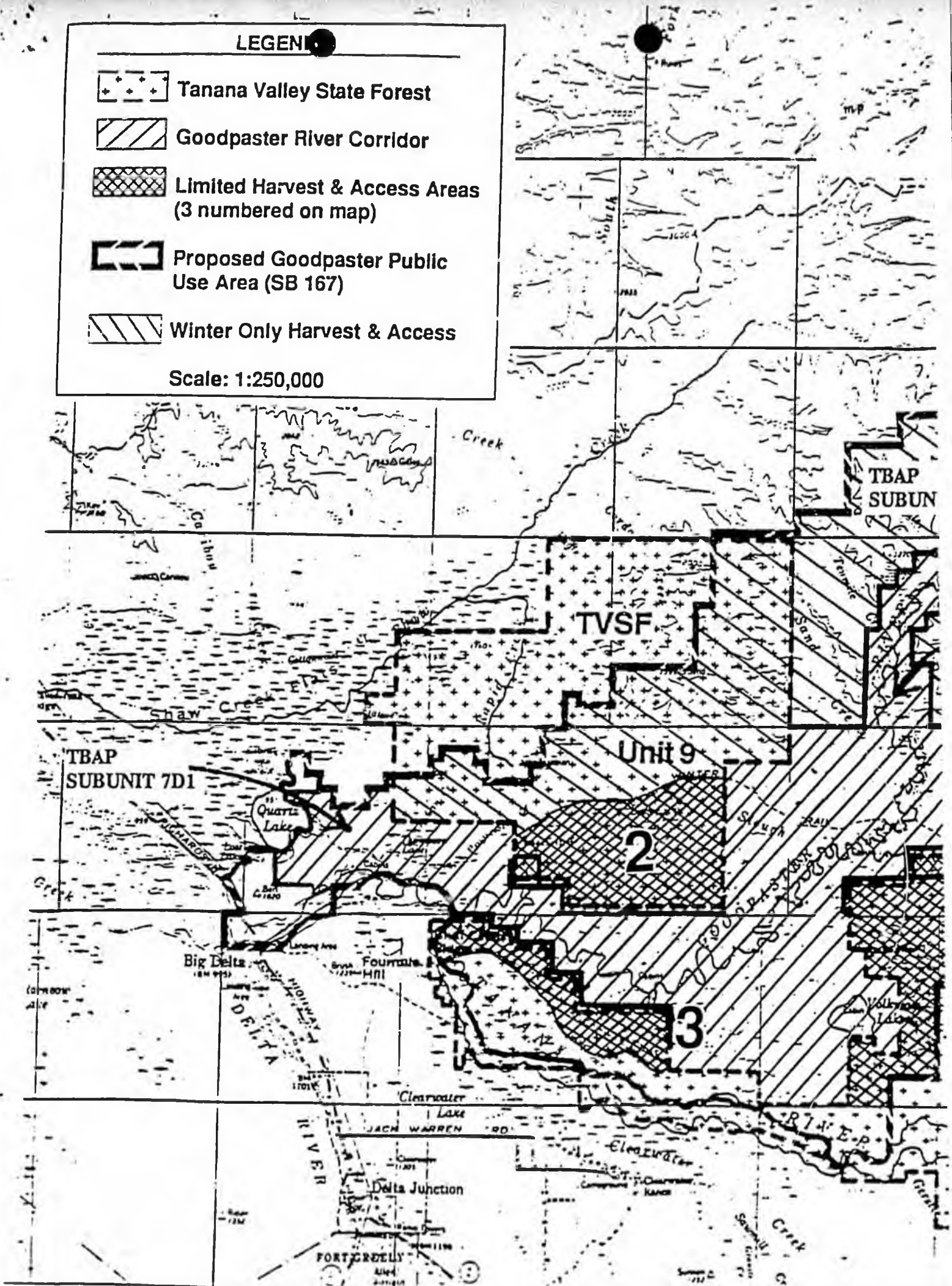


Proposed Goodpaster Public Use Area (SB 167)



Winter Only Harvest & Access

Scale: 1:250,000



TBAP
SUBUNIT 7D2

TBAP
SUBUNIT 7D1

TBAP
SUBUNIT 7D2

TBAP
SUBUNIT 7D1

Black
Mountain

TVSF

Unit 10

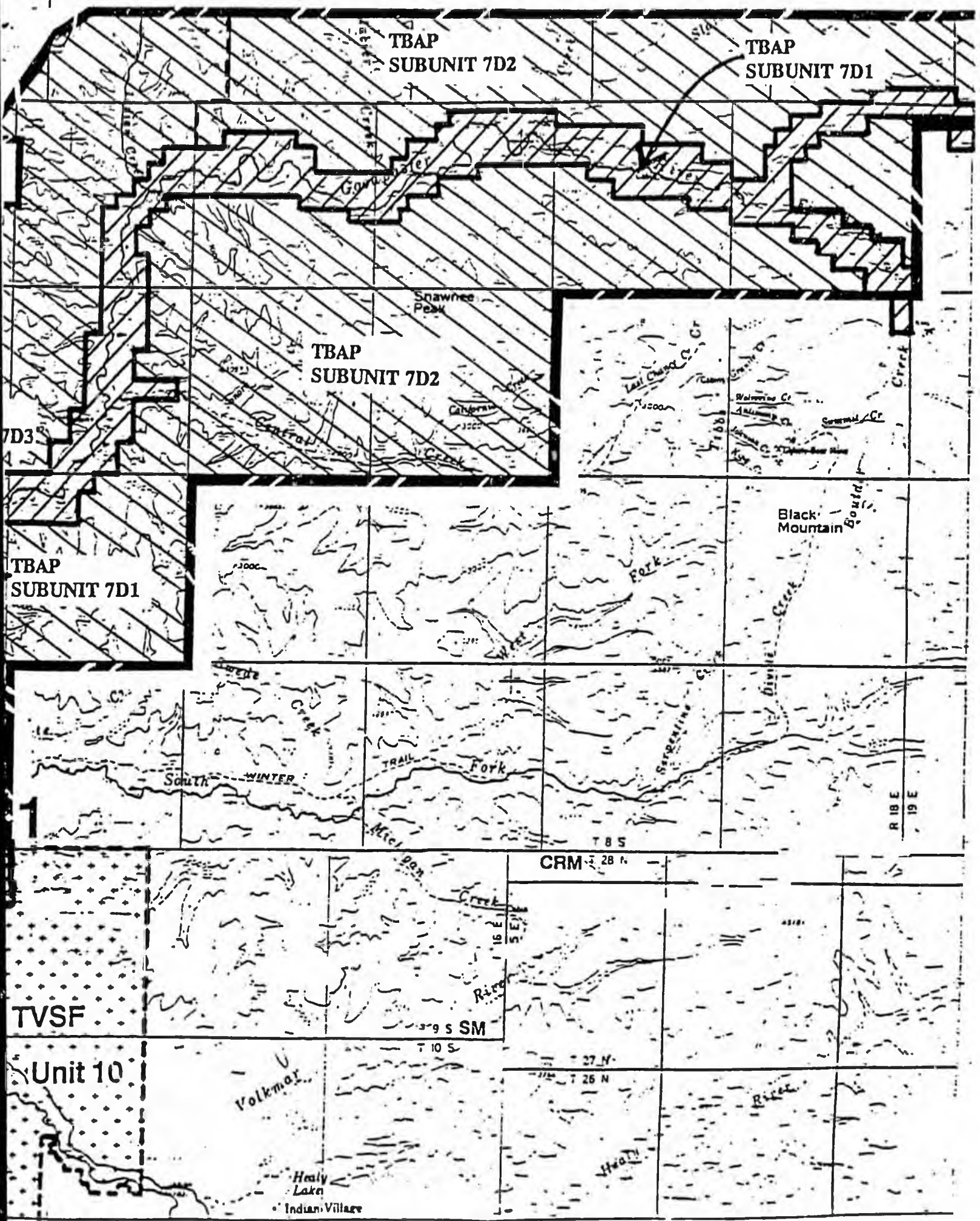
CRM 28 N

39 S SM

27 N

25 N

R 18 E
19 E





TELECOPY COVER SHEET

Delta Junction Legislative Information Office

Office - (907) 895-4236

Fax - (907) 895-5017

TO: House Resource Com. FAX: _____ PHONE: _____

FROM: (Xenon) McNeil PHONE: 895-4668

INSTRUCTIONS: _____

RECEIVED: Date 2/21/91 Time _____

SENT: Date 2/21/91 Time _____

DISPOSAL OF ORIGINAL: Discard _____ Hold for Pickup _____

NUMBER OF PAGES: 1 (Not counting cover sheet)

SENT BY: Liz



Alaska State Legislature

Please enter into the record my testimony to the House Resources
 committee name
Goodpaster Public
 committee on HB 94 - Use Area, dated February 21, 1991
 bill/subject

I wish to state that I oppose this bill for the following reasons: 1) Everything covered under "purpose" of this bill is already in place. The Fish & Game Dept. over the fish protection and Natural Resources over the land - timber cutting- road building - etc. 2) This lock-up area includes lands which have no impact on the Goodpaster River and therefore should not be included in the lock-up. There are more property owners on Quartz Lake than there are on the Goodpaster River - yet the rights of the Quartz Lake property owners will be denied by this lock-up, to protect the homes of the Goodpaster land owners. There may come a time when the Quartz Lake property owners will want a road around Quartz Lake to access their property. 3) Quartz Lake is some six miles from the Goodpaster River and a 500 foot ridge separates the Quartz Lake basin from the Goodpaster and Tanana River drainage. A Valdez Exxon case oil spill could take place in Quartz Lake and not one drop of oil would find its way into either the Goodpaster River or the Tanana River. A major fire or logging project could occur in the Quartz Lake Basin and not one piece of debris would ever find its way into the Goodpaster or Tanana River. The property owners at Quartz are not, at present, thinking of building a road to their property, but this option should not be denied to them because home owners in another watershed want to exclude all others from their area. 4) I believe RS 7344 (Trails and Right-of-Ways), a federal law, requires that the Goodpaster trail remain open to the public and the public maintains the right to improve the trail for their use. This would lead one to believe that the Goodpaster winter trail is subject to be turned into a road if/when desired and/or necessary. I doubt the state has a right to close this trail/road and prevent its upgrading to a usable road. 5) Are the hundreds of Delta residents who signed petitions against this lock-up to be completely ignored in favor of a few land owners?

Signed:

Lester L. McGeer
 Testifier

Self
 Representing (Optional)

2740 Old Business Hwy. Delta Junction
 Address

895-4668
 Phone No.

DNR

41.23.210

(1) watershed land: all state land other than state forest land, within the Goodpaster River watershed as reflected in the Goodpaster River Management Unit 7D of the 1990 update of the Tanana Basin Area Plan approved by the Commissioner on November 30, 1990 and more particularly described as follows;

All of the following townships lying outside of the Fairbanks North Star Borough and outside of the Yukon Charley Rivers National Preserve

T. 3 S. R. 17 E., F.M.

T. 3 S. R. 18 E., F.M.

T. 4 S. R. 13 E., F.M.

T. 4 S. R. 14 E., F.M.

T. 4 S. R. 15 E., F.M.

T. 4 S. R. 16 E., F.M.

T. 4 S. R. 17 E., F.M.

T. 4 S. R. 18 E., F.M. and excepting that portion described in 41.23.210 (2)

T. 4 S. R. 19 E., F.M.

T. 4 S. R. 20 E., F.M.

All of the following townships

T. 5 S. R. 20 E., F.M.

T. 6 S. R. 15, 16, 17, 18, 19 & 20 E., F.M.

T. 7 S. R. 15, 16, 17 & 18 E., F.M.

T. 8 S. R. 15 & 17 E., F.M.

All of the following townships except those portions lying within the river corridor described in 41.23.210 (2)

T. 5 S. R. 14, 15, 16, 17, 18 & 19 E., F.M.

T. 6 S. R. 14 E., F.M.

T. 7 S. R. 13 & 14 E., F.M.

The following sections and fractions of sections

Sec. 6, T. 5 S. R. 21 E., F.M. lying outside Yukon Charley River National Preserve

Sec. 1 thru 4, 9 thru 16, 21 thru 28 and 33 thru 36 T. 6 S. R. 13 E., F.M.

Sec. 18, 19, 29, 30, 31 & 32 T. 6 S. R. 21 E., F.M.

Sec. 1 thru 44, N1/2 of 25 and 26 thru 35 T. 7 S. R. 19 E., F.M.

Sec. 6, 7, 18, 19, and W1/2 of 5 T. 7 S. R. 29 E., F.M.

Sec. 1 thru 34 T. 8 S. R. 18 E., F.M.

Sec. 2 thru 9, 16 thru 21, 28, 29 & 30 T. 8 S. R. 19 E., F.M.

Sec. 1, 2, 12 and N1/2 of 3 T. 9 S. R. 11 E., F.M.

Sec. 1 thru 18 and 22 thru 27 T. 9 S. R. 12 E., F.M.

Sec. 4 thru 9, W1/2 of 10, 14 thru 23, N1/2 of 26 and 28 thru 33 T. 9 S. R. 13 E., F.M.

Sec. 31 thru 36 T. 28 N. R. 5 E., C.R.M.

02/19/91 08:25

9077622529

ANCH DLWM

+++ JUNO COM OFFICE

003/004

(1) Cont.

Sec. 31 thru 36 T. 28 N. R. 6 E., C. R. M.
Sec. 5 & 6 T. 27 N. R. 5 E., C. R. M.

02/18/91 08:25 9077822529

ANCH DLWM

+++ JUNO COM OFFICE 004/004

41.23.210

(2) river corridor land: all state land within the Goodpaster River Corridor up to state forest land and Quartz Lake as reflected in the Goodpaster River Management Unit 7D of the 1990 update of the Tanana Basin Area Plan approved by the commissioner on November 30, 1990 and more particularly described as follows:

SE1/4 Sec. 34, S1/2 Sec. 35, and S1/2 Sec. 36 T. 4 S. R. 18 E., F.M.

Sec. 12, 13, 14, SE1/4 of 15, 22, W1/2 of 23, SW1/4 of 26, 27, 34 and W1/2 of 35 T. 5 S. R. 14 E., F.M.

Sec. 7 thru 10, 13 thru 18, 24, N1/2 of 23 and NE1/4 of 22 T. 5 S. R. 15 E., F.M.

Sec. S1/2 of 1, S1/2 of 2, S1/2 of 3, SE1/4 of 4, 8 thru 12, NW1/4 of 15, N1/2 of 16, 17, 18 and N1/2 & SW1/4 of 19 T. 5 S. R. 16 E., F.M.

Sec. 7, 8, 9, S1/2 of 10, S1/2 of 11, 13 thru 16, N1/2 of 17, NE1/4 of 23 and N1/2 of 24 T. 5 S. R. 17 E., F.M.

Sec. N1/2 of 1, N1/2 & SW1/4 of 2, 3, S1/2 of 4, 8, NW1/4 of 9, 17 thru 22, S1/2 of 23, 25, 26, N1/2 & SE1/4 of 27, E1/2 of 35 and 36 T. 5 S. R. 18 E., F.M.

Sec. 5, N1/2 of 6 and N1/2 of 8 T. 5 S. R. 19 E., F.M.

Sec. W1/2 of 2, 3, SE1/4 of 9, 10, W1/2 of 11, 15, E1/2 of 16, E1/2 of 21, 22, S1/2 of 23, S1/2 of 24, 27, 28, E1/2 of 32, 33 and W1/2 of 34 T. 6 S. R. 14 E., F.M.

E1/2 of Sec. 1 T. 6 S. R. 18 E., F.M.

Sec. E1/2 & SW1/4 of 1, S1/2 of 2, E1/2 & SW1/4 of 10, 11, W1/2 & NE1/4 of 12, N1/2 of 14, 15, E1/2 of 21, 22, W1/2 of 26, 27, E1/2 of 28, E1/2 of 33, 34 and W1/2 of 35 T. 7 S. R. 13 E. F.M.

Sec. W1/2 & NE1/4 of 4, 5, 6, N1/2 of 7, N1/2 of 8 and NW 1/4 of 9 T. 7 S. R. 14 E., F.M.

Sec. 14, 16, 17 and 20 thru 29 easterly of Quartz Lake and Northerly of the Tanana River T. 8 S. R. 10 E., F.M.

Sec. 19, 20, 21 and 28 thru 35 T. 8 S. R. 11 E., F.M.

Sec. 11 thru 14, 12 thru 26, 35 and 36 T. 8 S. R. 12 E., F.M.

Sec. 1 thru 24 and 27 thru 32 T. 8 S. R. 13 E., F.M.

Sec. 1, 2, N1/2 of 3 and 12 T. 9 S. R. 11 E., F.M.

Sec. 1 thru 18 and 22 thru 27 T. 9 S. R. 12 E., F.M.

Sec. 4 thru 9, W1/2 of 10, 14 thru 23, N1/2 of 26 and 28 thru 33 T. 9 S. R. 13 E., F.M.



Division of Forest Sciences
School of Agriculture and Land Resources Management
University of Alaska Fairbanks
Fairbanks, Alaska 99775-0080
(907)474-7188

February 26, 1991

TO: Representative Cliff Davidson, Chair, and
Members, House Resources Committee

FROM: Glenn Juday, Assistant Professor of Forest Ecology

SUBJECT: HB 94, Goodpaster River Area

Glenn Juday

I would like to place on the record some information about important natural resources on state-owned lands in the Goodpaster River - Volkmar Lake region that are part of the Tanana Basin Planning Area and the Tanana Valley State Forest. In my view these special values justify the allocation of these sites to the Goodpaster Public Use Area designation in HB 94.

In 1985 I conducted a study as part of the Tanana Valley State Forest (TVSF) planning process to identify important natural features and propose Research Natural Areas (RNAs) to represent them. One of the TVSF RNAs established as a result of that work is Volkmar Bluffs, depicted on the Figure 3.6 from page 3-53 of the July 1987 Public Review Draft of the TVSF Forest Management Plan.

Volkmar Bluffs and the lower Goodpaster area are situated in the second driest climate region of Alaska. On low elevation south-facing bluffs the climate becomes too dry for trees to survive. The Volkmar Bluffs RNA was selected as an example of these dry south bluff grasslands and the forest-grassland transition. Unlike the typical south bluff grasslands that are maintained by the carving action of the Tanana River that causes an oversteepened slope, the Volkmar Bluffs are maintained on relatively gentle slopes by a dry climate and wildfire.

The bluff grassland plant communities in the Goodpaster area are poorly known, so an associate and I set up three permanent transects to sample and document the vegetation. We discovered a new grassland plant community in Alaska, the obtuse sedge-purple reed bentgrass/ clump-flowered fleabane (*Carex obtusata*-*Calamagrostis purpurea*/ *Erigeron caespitosus*) type .

The significance of these findings is:

The Volkmar Bluffs grasslands appear to be an analogue of what much of interior Alaska would be like if the predicted global warming (and drying) were to take place.

(continued)

HB

|||

ALASKA STATE LEGISLATURE
REPRESENTATIVE MIKE NAVARRE

Co-Chair
House Finance Committee
P.O. Box V
Juneau, Alaska 99811
(907) 465-3779

April 11, 1991

Memorandum

TO: Representative Cliff Davidson, Chairman House Resources

FROM: Representative Mike Navarre 

SUBJECT: House Bill 111 An Act relating to the lending authority and loans of the Commercial Fishing and Agriculture Bank; and providing for an effective date.

.....

I would like to request a hearing on HB 111 at your earliest convenience. It passed out of Labor and Commerce on April 5, with 3 do pass and 3 no recommendation.

Under current statute CFAB can only extend loans to its members. This change in statute will allow CFAB to make small loans (under \$25,000) to non-members.

This bill will allow CFAB to serve the financial needs of Alaska commercial fisherman in Western Alaska and in fisheries such as Aluetian-Yukon-Kuskokwim fisheries.

Membership in CFAB involves the purchase of capital stock, extensive documentation, and a recordkeeping and communications burden which are costly to all involved. This bill reduces this dramatically.

This bill also expands the ability to use entry permits as collateral to proposed small loans. This has been a longstanding practice with CFAB.

DISTRICT 5

34824 K-Beach Road • Soldotna, Alaska 99669 • (907) 262-7642



PRINTED ON RECYCLED PAPER

HB 111: "An Act relating to the lending authority and loans of the Commercial Fishing and Agriculture Bank; and providing for an effective date."

The department encourages the intent to foster further development of our commercial fisheries industry, especially geographic areas which may discourage normal lending sources. It is our understanding that this type of development activity is the foundation upon which CFAB was built.

We do question, but are not opposed to, the exemption provisions of membership to be qualified for a loan. One of the fundamental elements in the well-being of any cooperative is the support of its members and, in turn, the coop's membership service. It may be in the best interest of not only the success of CFAB but fisheries development to expand membership rather than dilute it.

The department encourages passage of HB 111.

Glenn A. Olds Spec. Asst. #

Glenn A. Olds, Commissioner

Date: 2-28-91

**DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

P.O. Box Y, Juneau, Alaska 99811
(907) 465-3867 or 465-2450
FAX (907) 465-2029

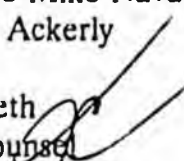
Deliveries to: 240 Main Street
Court Plaza, Room 500
Mail Stop 3101

MEMORANDUM

February 22, 1991

SUBJECT: House Bill 111, expanding the lending authority of the Commercial Fishing and Agriculture Bank -- sectional analysis

TO: Representative Mike Navarre
ATTN: Tom Ackerly

FROM: Jack Chenoweth
Legislative Counsel 

Under current law, the Commercial Fishing and Agriculture Bank issues membership stock and the bank's authority to make loans extends only to its members.

Bill section 1 adds a new section to the statutes establishing the Commercial Fishing and Agriculture Bank to authorize the bank to make small loans to qualified borrowers who are not bank members. The loans are authorized "to facilitate the development of commercial fisheries in geographic areas in which factors . . . do not encourage normal lending activities." A small loan authorized by the section may not exceed \$25,000, and the total amount of bank assets that may be made available as small loans may not exceed 8% of the bank's capital. Small loans may be made for any purpose for which the bank is currently allowed to make loans. Because of probable limited loan demand from residents of sparsely populated areas, the section authorizes the bank to contract for the servicing of these loans and sets parameters as to whom the bank may contract with.

*

The remaining changes include both collateral amendments and changes requested by the bank (or recommended by this office) to change the statutes applicable to the bank to improve its lending practices.

As a prerequisite to a Commercial Fishing and Agriculture loan for the purchase of a limited entry permit under current law, the Commercial Fishery Entry Commission must first certify that the borrower qualifies as a permit transferee. Bill section 2

Representative Mike Navarre
February 22, 1991
Page 2

extends that requirement to limited entry permits that would be purchased under the proposed small loan program.

Current law spells out conditions under which a limited entry permit may be used as loan collateral. The amendment made by bill section 3 adding a reference to "AS 44.81.225" expands the ability to use entry permits as collateral to proposed small loans. (The inclusion of reference in the same bill section to "AS 44.81.235" is remedial and is intended to expand the existing procedure under which the bank acquires a permit lien to the statute under which the bank may make loans for fishing-related needs other than for the purchase of a limited entry permit. The other word changes set out in the bill section are by way of clean-up.)

With its addition of a reference to "AS 44.81.225," bill section 4 expands the remedy of current law by which a loan debtor may avoid foreclosure of a limited entry permit given as security for a bank loan by nominating another person to assume the note to entry permits offered as collateral for small loans. (Again, the inclusion of reference in the same bill section to "AS 44.81.235" is intended to make the foreclosure-avoidance remedy applicable to bank loans for fishing-related needs other than for the purchase of a limited entry permit.)

The principal purpose of bill section 5 is to extend the bank's general deficiency collection rights to small loans made under AS 44.81.225. (In addition, as a recommended drafting change, by the inclusion of reference to "AS 44.81.235," this bill section would confirm the bank's collection rights to bank loans for fishing-related needs other than for the purchase of a limited entry permit.)

Bill section 6 gives the measure an immediate effective date.

JC:gc
91-088.glc

FISCAL NOTE

No. 1
 Bill Version CSHB 111(L&C)
 (H) Publish Date: 4/5/91

STATE OF ALASKA
 1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act relating to the lending BRU: Banking, Securities & Corporations
authority and loans of CFAB Component: Banking & Securities
 Sponsor: Rep. Navarre
 Requestor: _____ COMPONENT SERIAL NO.

1	2	3	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
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
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: William F. Kirkpatrick, Director Phone: 465-2521
 Division: Banking, Securities & Corporations Date: 2/28/91
 Approved by Commissioner: Glenn A. Olds *Glenn A. Olds* Spec. Asst. IT
 Agency: Department of Commerce & Economic Development Date: 2-28-91

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



UNITED FISHERMEN OF ALASKA

211 4th Street, Suit 112
Juneau, AK 99801
907-586-2820
Fax# 907-463-2545

February 26, 1991

POSITION PAPER IN SUPPORT OF HOUSE BILL 111

MEMBER ASSOCIATIONS

Alaska Crab Coalition
Alaska Independent Fishermen's
Marketing Association
Alaska Longline Fisherman's
Association
Alaska Trollers Association
Bering Sea Fishermen's Association
Bristol Bay Driftnetters Association
Concerned Area 'M' Fishermen
Cook Inlet Aquaculture Association
Copper River Fishermen's Cooperative
Cordova District Fishermen United
Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association
Northern Southeast Regional
Aquaculture Association
Peninsula Marketing Association
Petersburg Vessel Owners Association
Prince William Sound
Aquaculture Association
Prince William Sound Seiners Association
Seafood Producers Cooperative
Southeast Alaska Seiners
Southern Southeast Regional
Aquaculture Association
United Cook Inlet Drift Association
United Southeast Alaska Gillnetters
Western Alaska Cooperative
Marketing Association

The United Fishermen of Alaska
wholeheartedly supports House Bill 111.

This proposed legislation would broaden the
lending capabilities of the commercial
Fishing and Agriculture Bank, from the
standpoint that for loans under \$25,000, the
small borrower would not have to become a
member of this cooperative bank.

The simplification of the lending procedure
would be particularly beneficial to the
fishing industry in Western Alaska where the
potential borrower might be intimidated by
the involved concept and paper work involved
in becoming a member of the bank. It would
also provide a needed service to the fishing
industry where loans are not always readily
available for necessary improvements.

The eight percent cap provided in the
legislation would prevent CFAB from adverse-
ly affecting the other commercial lending
institutions while providing a needed
service to Alaskan commercial fishermen.

The United Fishermen of Alaska urge you to
support this needed service to the commer-
cial fishing industry.

March 22, 1991

FOR COMPANION BILL W. TWR
SENATE

Senator Fred Zharoff
Post Office Box V
Juneau, Alaska 99811

Dear Senator Zharoff,

For the Community Enterprise Development Corporation of Alaska and its members, I wish to voice our support for Senate Bill No. 92. This Bill, if passed, would allow the Alaska Commercial Fishing & Agriculture Bank to make \$25,000 commercial fishing loans.

Please allow me to tell you something about Community Enterprise Development Corporation of Alaska (CEDC). CEDC, formed by the Federal Government in 1968, is a non-profit organization designed to promote economic development in rural Alaska. We have 168 rural organizations who are members of CEDC, and the geographic areas which our members come from range from Sitka to Barrow.

One of the programs which we have, and is perhaps the most visible one in rural Alaska is our EDA Boat Loan Program. CEDC inherited this program from the Alaska Native Foundation in 1983. It is now the most creditable Federal Loan Program in rural Alaska. This program gives Western Alaska Fishermen, who otherwise could not qualify for a commercial bank loan, alternative financing for their boats. Since 1983, ninety four fishermen received financing worth \$1,123,973 for boats and gear from CEDC.

Our program has, and will continue to have a positive economic impact in Western Alaska. However, we do have restrictions with this program, and this is why we support Senate Bill No. 92.

Our loan fund is small, and on an average we can only make 10 new boat loans per year. We cannot make loans outside of Western Alaska. Also, because we can not take fishing permits as collateral, we do not make permit loans. Within our service area the average fishing permit is worth from \$12,000-\$25,000.



CEDC


Community Enterprise Development Corporation of Alaska

Based on the number of inquiries that we get from fishermen outside of our service area. And due to limitations in our program. We can see there is adequate need for small fishing boats, and fishing permit financing in and outside of our service area.

CEDC and CFAB share a common interest with commercial fishermen. We both would like to see fishermen meet their goal of self-sufficiency. If this bill passes, this goal will be more attainable for the small boat fishermen.

Sincerely,

COMMUNITY ENTERPRISE DEVELOPMENT
CORPORATION OF ALASKA



Perry R. Eaton
President & CEO

What is CFAB?

Alaska Commercial Fishing and Agriculture Bank (CFAB) began operations in 1980. Its sole mission is to provide financing of all kinds to the commercial fishing industry and the agriculture industry (including timber) in Alaska.

What kinds of loans and repayment programs are available from CFAB?

CFAB can make loans for almost any fishing-related or farming-related purpose. The most common purposes are the purchase, modification, or refinancing of a vessel; purchase of a limited entry permit; gear, engine, or equipment replacement or upgrade; general operating capital; and fish processing, etc. There are no "standard" repayment terms or programs — we work with each applicant to determine a repayment schedule appropriate to that particular loan transaction.

Who may borrow from CFAB?

In order to be eligible for consideration as a CFAB borrower, an applicant must be commercially involved in one of the industries mentioned earlier. An individual applicant must be a bona fide Alaska resident. A partnership must be comprised of Alaska residents. If the applicant is a corporation, the majority ownership and control must rest with Alaskans. There are some exceptions to the latter rule for companies which are involved in shorebased fish processing.

Eligibility, however, is only a first step. To obtain a CFAB loan, an applicant must be found by CFAB to be capable and creditworthy within the context of the specific loan request. The standards used by CFAB are essentially the same as those of any responsible lender. However, CFAB's specialized purposes, and the experience we have gained, may permit us to consider a broader range of applicants than do most other lenders.

Who owns CFAB?

CFAB is a cooperative. This means that each borrower becomes an owner through a modest purchase of CFAB stock when a loan is made. The State of Alaska is also an owner. CFAB was established by a special Alaska statute, and the State made an initial investment of "seed money" — that money is expected to be returned to the State as borrowers' ownership grows.

Does that mean the State operates CFAB?

CFAB's statute provides for it to be operated as a private cooperative rather than as a State agency. Its basic policies and directions are established by a seven-person Board of Directors, which hires professional management and staff to operate the business. Five of the Directors must be borrower-owners of CFAB and are elected by the total borrower-ownership. The other two Directors are appointed by the Governor of Alaska. All Directors' terms are for three years. CFAB holds an ownership meeting each year - borrower-owners have the opportunity to vote on important matters, to receive reports from Directors and management, and to elect Directors. The State's stock is non-voting, although CFAB provides periodic reports to State officials.

Where does CFAB get its money to loan?

CFAB is not limited as to its source of funds. Since its inception, CFAB has borrowed funds for re-lending from the Federal Farm Credit System.

What is CFAB's interest rate and how is it set?

Although CFAB occasionally makes fixed rate loans, the vast majority of its loans are on a variable rate basis. That is, the rate will change — up or down — as CFAB's costs change. There is no single initial rate — the initial rate is based on the kind of loan involved. Most important, we use a procedure to objectively analyze the credit-worthiness of each individual applicant, which permits us to offer the most favorable interest rates to the most desirable risks. CFAB's interest rates overall are set to provide sufficient income to pay its own interest costs and operating expenses and to provide a small margin. Since CFAB is a cooperative, any margin which is actually produced is either returned to the borrower-owners or otherwise used to their benefit.

— EXCERPTED FROM A CFAB BROCHURE. —

Alaska State Legislature
House of Representatives

PO BOX 886
BETHEL AK 99559
(907) 543-3541

OURING SESSION
PO BOX V
JUNEAU, AK 99811
(907) 485-4527



COMMITTEES
CHAIRMAN
SPECIAL COMMITTEE ON
MILITARY & VETERANS AFFAIRS
MEMBER
LABOR & COMMERCE
RESOURCES

FINANCE SUBCOMMITTEES
MILITARY & VETERANS AFFAIRS
PUBLIC SAFETY

Representative Juan M. Juan

March 27, 1991

TO: REP. DAVID FINKELSTEIN, CHAIRMAN
LABOR AND COMMERCE COMMITTEE

FM: REP. IVAN M. IVAN *I/MJ*

RE: HB 111 Subcommittee

Reps. Parnell, Taylor, and I met on March 11, 1991, regarding HB 111 and following discussion recommend two amendments.

1. Section 1(a): delete "... in geographic areas in which factors such as..." and insert "where" in its place.
2. Section 1(d): add, "a profit or nonprofit Native corporation", to the sentence, "... the bank may contract or make other arrangements with a public agency, ..., or another legal entity..."

A committee substitute has been drafted with the recommended changes and Reps. Parnell, Taylor, and I recommend its adoption.

I believe the concerns regarding HB 111 at this level have been addressed and is ready for consideration by the full committee.

Copies: Labor & Commerce committee members
Reps. Parnell and Taylor

DISTRICT 25

AKIAGNAK, AKIAK, ATMAJUTLIAK, BETHEL, CHEFORNAK, EEK, GOODNEWS BAY, KASIGLUK, KIPNUK, KONGIQANAK, KWETHLUK, KWILLINGOOK, MEKOYAK, NAPAKIAK, NAPASKIAK, NEWTOK, NIGHTMUTE, NUNAPITCHUK, OSCARVILLE, PLATINUM, QUINHAGAK, TOOKSOOK BAY, TUNTUTULIAK, TUNUNAK

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HB 111

Revision Date: _____ Department Affected: _____

Title: LEADING AUTHORITY + LAWS BRU: _____

OF CPAB Component: _____

Sponsor: REP. NAVARRE

Requestor: HOUSE LABOR + COMMERCE COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
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	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: NONE

ANALYSIS: (Attach a separate page if necessary.) HB 111 AFFECTS THE ALASKA COMMERCIAL FISHING + AGRICULTURE BANK ONLY. NO FISCAL IMPACT TO ANY STATE AGENCY IS EXPECTED.

Prepared By: BILL HALL, BUSINESS DEV. SERVICES Phone: 276-2007
Division: CPAB Date: 2-25-91

Approved by Commissioner: A.J. Hall
Agency: ALASKA COMMERCIAL FISHING + AG. BANK Date: 2-25-91

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

ALASKA STATE LEGISLATURE
REPRESENTATIVE MIKE NAVARRE

Co-Chair
House Finance Committee
P.O. Box V
Juneau, Alaska 99811
(907) 465-3779

February 22, 1991

Memorandum

TO: Representative David Finklestein, Chair L&C Committee

FROM: Representative Mike Navarre 

SUBJECT: House Bill 111 An Act relating to the lending authority and loans of the Commercial Fishing and Agriculture Bank; and providing for an effective date.

.....
PURPOSE of HB 111

Under current statute CFAB can only extend loans to its members. This change in statute will allow CFAB to make small (under \$25,000.00) loans to non-members.

Benefits of this Legislation

- 1. Effective Service-** This legislation will allow CFAB to serv the financial needs of Alaska commercial fishermen in Western Alaska and in fisheries such as the Aluetian-Yukon-Kuskokwim fisheries.
- 2. Reduce Burden-** Membership in CFAB involves the purchase of capital stock, extensive documentation, and a recordkeeping and communications burden which are costly to all involved. This bill reduces this burden dramatically.
- 3. Confirm Longstanding Practice-** Expands the ability to use entry permits as collateral to proposed small loans. This has been a longstanding practice with CFAB.

DISTRICT 5

34824 K-Beach Road • Soldotna, Alaska 99669 • (907) 262-7842



PRINTED ON RECYCLED PAPER

February 21, 1991

Draft Background - Sectional Analysis Provided by CFAB
House Bill 111

The overall purpose and intent of Section 1 is to open up potential avenues and opportunities for CFAB to more effectively serve the financial needs of Alaska commercial fisherman in Western Alaska and in fisheries such as those known as the Aleutian-Yukon -Kuskokwim (AYK) fisheries. Those fisheries typically require a relatively small capital investment and the financing needs are commensurately modest. CFAB intends to offer to public, non-profit, and/or private agencies in those fisheries or geographic areas the opportunity to process, service, and/or participate in small loans to local commercial fisherman.

Paragraphs (b) and (c) are to establish parameters and to make clear the intent that CFAB's activity under this section will be a limited portion of its total business and not a potential burden to the structure and purposes mandated by AS 44.81 in total. The amount of CFAB's total capital will vary (presumably upward) over time. It is presently about \$37.0 million, so the potential extent of this effort would not exceed approximately \$3,000,000.

Paragraph (b) (1) is the only part of this legislation which provides an opportunity or feature which CFAB does not now have. CFAB is structured as, and was intended by its founding legislation to be, a cooperative. AS

44.81 provides that each borrower must be "a member of the bank." Membership in (i.e., ownership of) CFAB involves the purchase of capital stock, extensive documentation , and a recordkeeping/communications burden which is costly for both CFAB and its borrower; those costs and burden are a very real impediment to small loans. Paragraph (b) (1) will relieve this small segment of CFAB's business of that impediment and enhance the feasibility of Small Loan Fund structure.

Section 2 provides that an individual wishing to purchase a limited entry permit, and whose purchase is to be financed by CFAB under section 1 of this legislation, must meet the basic permit holder standards expressed in the State's limited entry law.

Section 3 addresses the section of CFAB's statute that describes the procedure by which CFAB obtains a lien on a limited entry permit, and has a twofold purpose. First, the references to AS 44.81.225 will make it possible for a loan funded through section 1 of this legislation to be secured by a pledge of a limited entry permit.

The second purpose is to formally codify a longstanding practice and to remedy an existing technical deficiency. CFAB makes two general kinds of loans which may properly be secured by a limited entry permit. The first, based on the authority of AS 44.81.210(a)(20), is a loan to finance the purchase of a permit. The second, premised on AS 44.81.235, is a loan for almost any other fishing related need. While AS 44.81.230, as it now exists, provides a specific procedure through which the bank acquires permit lien for a loan to purchase a limited entry permit, CFAB's statute

is silent with regard to the procedure related to the second type of loan mentioned above. In practice, CFAB and the Limited Entry Commission have adhered to the same procedure for both kinds of loans; Section 3 will confirm that practice to be the Legislature's intent.

Section 4 and 5 correct a drafting error in previous legislation and also extend certain of CFAB's collection rights and borrowers' rights related to permit loans to loans which may be made under Section 1 of this legislation. With regard to the first point: AS 44.81.250(d), as it exists, refers to the loans under AS 44.81.210(a)(20) or 44.81.230. This is effectively redundant, in that both sections cited are related only to loans for the purchase of limited entry permits. The addition of "44.81.235" will standardize both CFAB's and its borrowers' rights for all loans secured by permit liens and which become in default.



UNITED FISHERMEN OF ALASKA

211 4th Street, Suit 112
Juneau, AK 99801
907-586-2820
Fax# 907-463-2545

February 26, 1991

POSITION PAPER IN SUPPORT OF HOUSE BILL 111

MEMBER ASSOCIATIONS

Alaska Crab Coalition
Alaska Independent Fishermen's
Marketing Association
Alaska Longline Fisherman's
Association
Alaska Trollers Association
Bering Sea Fishermen's Association
Bristol Bay Driftnetters Association
Concerned Area 'M' Fishermen
Cook Inlet Aquaculture Association
Copper River Fishermen's Cooperative
Cordova District Fishermen United
Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association
Northern Southeast Regional
Aquaculture Association
Peninsula Marketing Association
Petersburg Vessel Owners Association
Prince William Sound
Aquaculture Association
Prince William Sound Seiners Association
Seafood Producers Cooperative
Southeast Alaska Seiners
Southern Southeast Regional
Aquaculture Association
United Cook Inlet Drift Association
United Southeast Alaska Gillnetters
Western Alaska Cooperative
Marketing Association

The United Fishermen of Alaska
wholeheartedly supports House Bill 111.

This proposed legislation would broaden the lending capabilities of the commercial Fishing and Agriculture Bank, from the standpoint that for loans under \$25,000, the small borrower would not have to become a member of this cooperative bank.

The simplification of the lending procedure would be particularly beneficial to the fishing industry in Western Alaska where the potential borrower might be intimidated by the involved concept and paper work involved in becoming a member of the bank. It would also provide a needed service to the fishing industry where loans are not always readily available for necessary improvements.

The eight percent cap provided in the legislation would prevent CFAB from adversely affecting the other commercial lending institutions while providing a needed service to Alaskan commercial fishermen.

The United Fishermen of Alaska urge you to support this needed service to the commercial fishing industry.

HB

131



Alaska State Legislature

HOUSE OF REPRESENTATIVES
COMMITTEE ON RESOURCES

POUCH V
JUNEAU, ALASKA 99811
(907) 485-3715

HOUSE RESOURCE COMMITTEE
LETTER OF INTENT
FOR
HB 131

It is the intent of the Legislature that this legislation not affect existing rights held by private interests, or affect the ability of land owners to access and use their property. Nothing in this legislation is intended to prohibit the establishment of aquaculture facilities allowed under state law.

Clyff Davidson

Chair, House Resources
March 12, 1991

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FACSIMILE: (907) 586-2754

March 5, 1991

The Honorable Cliff Davidson, Chair
House Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Representative Davidson:

Subject: HB 131, which adds marine park units to the Alaska State Park System.

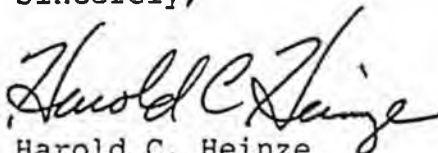
Position: The Department has no objection to this bill, nor a sense of urgency, to see the islands designated as a marine park. If the marine park is established, we will have a responsibility to develop a management plan. The attached zero fiscal note presumes that DNR will be allowed to delay the preparation of that plan.

Background: This bill will establish the Channel Islands State Marine Park encompassing 18 islands within 20 miles of Juneau. The land is currently under federal ownership. The transfer to the state is authorized under Section 6(a) of the Statehood Act as part of the 400,000 acres which can be selected for community expansion and recreation areas. It allows for aquaculture facilities under certain conditions. It requires consultation with Native Corporations to resolve potential conflicts regarding cultural and historic sites.

DNR is required to develop a management plan for the park within 5 years. The State must also provide adequate and feasible access across the park to private land. Under this designation, mining access and activities are not restricted in lands adjacent to parks.

Recommendation: The Department has no objection to the designation of these islands as a state marine park.

Sincerely,



Harold C. Heinze
Commissioner

*Volunteer moratorium
on additional*

cc: Committee Members
Senator Duncan
Representative Ulmer
Representative Hudson
Bruce Kendall, Legislative Liaison, Office of the Governor
Carl Rosier, Commissioner, Department of Fish and Game

**STATE OF ALASKA
1991 LEGISLATIVE SESSION**

BILL NO. HB 131

Revision Date: 4-Mar-91 Department Affected: Natural Resources
 Title: Additions to Marine Parks in Juneau BRU: Parks & Recreation Management
Area Components: Parks Management
 Sponsor: Representative Ulmer
 Requestor: House Resources COMPONENT SERIAL NO. 452

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of Current year impact: Negligible

ANALYSIS:

HB 131 will have a net-zero impact. The existing statute (AS 41.21.302) requires that a plan be written within five years of a marine park's establishment. Work on a plan will be deferred until later in the five year term. Help in managing the new marine park will be sought from local volunteers.

Prepared by: Pete Panarese Phone: 762-2602
 Division: Parks & Outdoor Recreation Date: 4-Mar-91
 Approved by Commissioner: Harold Heinze Date: 28-Feb-91
 Agency: Department of Natural Resources

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

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

March 5, 1991

TO: Rep. Cliff Davidson, Chairman
House Resources Committee

FROM: Rep. Fran Ulmer

RE: HB 131

Channel Islands Marine Parks Designation

This legislation designates 16 islands in the Juneau area as the Channel Islands State Marine Park, in accordance with present statutory authority under AS 41.21.300

The Channel Islands State Marine Park Bill is based on the recommendation of the of the Juneau Area State Parks Advisory Board and the Division of Parks and Recreation which have stated that such a designation is necessary to ensure that these areas are managed for the purposes outlined by the state when it selected these areas from the federal government under the Statehood Act. Creation of the Channel Island Marine Park is included in the Advisory Board's annual request to the legislature.

This designation is also a result of last year's legislative resolution, SCR 42, calling for development of a Marine Park network along the Inside Passage. The resolution directed the State of Alaska to work cooperatively with the Province of British Columbia and the U.S. Forest Service in development of the network. British Columbia has already established an extensive Marine Parks system.

The main purpose of a Marine Park is to maintain fish and wildlife values, support and promote tourism and recreation, and preserve the cultural and scenic values of the area.

District 4B — Juneau

P.O. Box V • Juneau, Alaska 99811-3100 • (907) 465-4947

Information on SB114 and HB131 to create additional State Marine Parks in the Juneau Area (Juneau Channel Islands and Shelter Island Additions) Feb-1991

Background

Section 6(a) of the Statehood Act allows the state to select up to 400,000 acres of National Forest land for the purposes of community expansion (essentially lands to be disposed of) and for creating recreation areas. The priority for allocating these state land selections will be community expansion (disposals) but the state did decide some years ago to utilize about ten percent of the acreage to create state marine parks. Alaska's marine parks program is copied from (and was planned in cooperation with) Washington State and the Province of British Columbia's similar systems. Washington now manages about 55 state marine parks; British Columbia has about 25 provincial marine park sites. Alaska's state park system currently manages 33 marine parks and the proposed legislation would add an additional unit to this program.

What is a Marine Park ?

A marine park can be characterized as legislatively designated units of the state park system which are protected small, scenic coves, bays, bights, beaches, where people tend to land float planes, anchor their boats and use for kayak camping. These recreation sites are often spaced a day's travel distance apart for boaters and are places where the clamming, fishing, camping or picnicking is excellent. Eventual developments could include mooring floats, a few tables and fire places on the beach, a simple pit toilet building, some public rental cabins and perhaps elevated tent platforms and firewood shelters.

Proposed marine parks are normally already popular spots with the public and would not be sold or disposed of by the state; instead, their recreation and scenic values will be preserved for all citizens to use.

What Types of Uses Would be Allowed?

The purposes and allowable uses for marine parks are outlined in AS 41.21.300-306. They are created to:

- (1) Maintain natural, cultural and scenic values.
- (2) Maintain fish and wildlife resources and lawful existing uses of these resources.
- (3) Promote and support recreation and tourism in the state.

Hunting, sport fishing and commercial fishing and trapping are

Post-It™ brand fax transmittal memo 7671		# of pages > 3
To: PARLIASBY DYN	From: BILL GARRY	
Co.	Co. STATE PARKS	
Dept. REP LUMER	Phone # 465-4663	
Fax # 465-2278	Fax # 465-2492	

**JUNEAU AREA STATE PARKS ADVISORY BOARD
FY 1992 Legislative Briefing Paper**

A summary of the Juneau Area State Parks Advisory Board's funding priorities for the coming fiscal year is outlined below.

Gruening State Park:

Acquisition and development Amalga Harbor properties including Gruening Historic Park planning and development and purchase of Butts property. This is currently in the Department's five-year plan.

- A. Support the efforts of the Alaska Department of Fish and Game, the City and Borough of Juneau and the Alaska Department of Parks and Outdoor Recreation to purchase property in the Amalga Harbor area for a public rec area.

Rationale: This is the only remaining piece of private property on the lower Peterson Creek/Salt Chuck shore near Amalga Harbor. Purchase of this property will maintain the integrity of the park-like atmosphere in the Gruening Historic Park and insure public access to the lagoon.

Funding: 1) CIP of \$1,500,000

1990 Facility and Trail Maintenance Funding

Support funding for maintenance of state park trails and marine parks in the Juneau vicinity. Specifically, support funding for trail maintenance crews, purchase of a new boat (built in Alaska) to patrol and maintain facilities at marine parks, refurbishing of the Oliver Inlet Tram, and maintaining the Gruening Historic site.

- Funding:
- 1) CIP of \$20,000 for boat
 - 2) Operating budget increment of \$25,000 for supplies and personal services

Wickersham State Historic Site

Support funding to keep the site open. A plan for exhibit development, collection and care should be approved and carried out.

Rationale: The collection and house are of increasing

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
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Alaska State Legislature

HOUSE OF REPRESENTATIVES



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District 4B — Juneau

PO Box 1 • Juneau, Alaska 99811-3100 • (907) 465-4947

March 5, 1991
HB 131
Page Two

The designation of a marine park protects and maintains all present activities such as boating, hunting, fishing, hiking, camping, mining and trapping. It also prohibits the sale or disposal of land by the state.

HB 131 is truly parks with a small "p". But I believe it's a designation that promises long term benefits for both Alaska's residents and visitors.

Thank you for your prompt consideration.

a:hb131prk.res

Information on SB114 and HB131 to create additional State Marine Parks in the Juneau Area (Juneau Channel Islands and Shelter Island Additions) Feb-1991

Background

Section 6(a) of the Statehood Act allows the state to select up to 400,000 acres of National Forest land for the purposes of community expansion (essentially lands to be disposed of) and for creating recreation areas. The priority for allocating these state land selections will be community expansion (disposals) but the state did decide some years ago to utilize about ten percent of the acreage to create state marine parks. Alaska's marine parks program is copied from (and was planned in cooperation with) Washington State and the Province of British Columbia's similar systems. Washington now manages about 55 state marine parks; British Columbia has about 25 provincial marine park sites. Alaska's state park system currently manages 33 marine parks and the proposed legislation would add an additional unit to this program.

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- (2) Maintain fish and wildlife resources and lawful existing uses of these resources.
- (3) Promote and support recreation and tourism in the state.

Hunting, sport fishing and commercial fishing and trapping are

expressly allowed; the Fish and Game Department will continue to manage fish and wildlife programs. Aquaculture facilities and access to private lands and mineral claims and leases are permitted.

These are parks with a "small p" which consume small acreages and are user oriented.

Why Have Marine Parks Been Established?

To protect popular areas for increasing numbers of local boaters.

To respond to increased tourist demand for Alaska destinations.

To provide the majority of people an opportunity to enjoy the beauties of Alaska's shorelines.

To ensure access to prime public land for shore-related experiences to future water users.

To set aside exceptional protected anchorages.

To create an overnight park system for water users.

Southeast RECREATION GUIDE															
SOUTHEAST REGION OFFICE															
400 Willoughby Bldg., 3rd Floor															
Juneau, Alaska 99801 (907) 465-4563															
Unit #	Unit Name	Acreage	CAMP SITES *	CAMPERING LIMIT (DAYS)	PICNIC SITES	TOILETS	DRINKING WATER	PICNIC SHELTERS	TRAILS	HISTORICAL FEATURES	BOAT LAUNCH	FISHING	NEAREST COMMUNITY	Location	
S O U T H E A S T	1 Totem Bight SHP	11							Tr	II			Ketchikan	10 Tongass Road	
	2 Refuge Cove SRS	13		14	T							F	Ketchikan	8.7 Tongass Road	
	3 Settlers Cove SRS	38	12	11		W		Tr				F	Ketchikan	18 N. Tongass Road	
	4 Pioneer Park SRS	3			T	W		Tr					Sitka	2 Halibut Road	
	5 Baranof Castle SHS	1								H			Sitka	Lincoln Street	
	6 Halibut Point SRS	22			9	T	W	S	Tr	H		F	Sitka	4.4 Halibut Road	
	7 Old Sitka SHP	51							Tr	I	II	B	F	Sitka	7.5 Halibut Road
	8 Juneau Trail System ST	15							Tr	H		F	Juneau	Juneau Area	
	9 Johnson Creek SRS	65												Juneau	15.5 N. Douglas Hwy.
	10 Wickersham SHS	5									II			Juneau	7th Street
	11 Point Bridget SP	2,800							Tr			F	Juneau	38.5 Glacier Hwy.	
	12 Chilkoot Lake SRS	80	32	7		W	S			II	B	F	Haines	10 Lutak Road	
	13 Portage Cove SRS	7	9	7	3	T	W					F	Haines	1 Beach Road	
	14 Chilkat SP	6,045	15	15		W	S	Tr			B	F	Haines	7 Mud Bay Road	
	15 Ak-Chilkat Bald Eagle P.	49,320										F	Haines	8-30 Haines Hwy.	
	16 Mosquito Lake SRS	5	10	15		T	W					B	F	Haines	27.2 Haines Hwy.
	17 Gruening SHP	12									II		F	Juneau	24 Glacier Hwy.
SOUTHEAST ALASKA STATE MARINE PARKS															
18 Dall Bay SMP	585										F	Ketchikan	Gravina Island		
19 Thom's Place SMP	1,198										F	Wrangell	Wrangell Island		
20 Beecher Pass SMP	660										F	Wrangell	Mitkof Island		
21 Joe Marc Island SMP	62										F	Wrangell	Sumner Strait		
22 Security Bay SMP	500										F	Petersburg	Chatham Strait		
23 Taku Harbor SMP	700										F	Juneau	Stephens Passage		
24 Oliver Inlet SMP	560				T		Tr		B	F	Juneau	Admiralty Island			
25 Funter Bay SMP	162										F	Juneau	Admiralty Island		
26 Shelter Island SMP	3,560			6	T		Tr				F	Juneau	Lynn Canal		
27 St. James Bay SMP	10,220										F	Juneau	Lynn Canal		
28 Sullivan Island SMP	2,163										F	Juneau	Lynn Canal		
29 Chilkat Islands SMP	6,560										F	Haines	Lynn Canal		
30 Magoun Islands SMP											F	Sitka	Krestof Sound		
31 Big Bear/Baby Bear SMP											F	Sitka	Penit Strait		

Post-It™ brand fax transmittal memo 7671		# of pages = 3
To: PARLABY DW	From: BILL GARRY	
Co.	Co: STATE PARKS	
Dept: REP LEMER	Phone # 465-4663	
Fax # 465-2278	Fax # 465-2492	

**JUNEAU AREA STATE PARKS ADVISORY BOARD
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Support funding to keep the site open. A plan for exhibit development, collection and care should be approved and carried out.

Rationale: The collection and house are of increasing

BY SEN. DUNCAN, Szymanski

1 IN THE SENATE

2 SENATE CONCURRENT RESOLUTION NO. 42
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 Urging the governor to work cooperative-
6 ly with the Province of British Columbia
7 and the United States Forest Service in
8 proposals for the development of a
9 network of marine parks along the Inside
10 Passage.

11 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 WHEREAS the Ministry of Forests of the Province of British Columbia is
13 developing an Inside Passage Strategic Plan to establish a system of marine
14 parks along the protected waterways used by the British Columbia ferries
15 between Port Hardy on Vancouver Island and Prince Rupert; and

16 WHEREAS the state has developed a system of marine parks in recent
17 years on the protected waterways of Southeast Alaska; and

18 WHEREAS the United States Forest Service manages substantial amounts
19 of land within the national forests in Southeast Alaska that would offer
20 substantial opportunities for marine recreation; and

21 WHEREAS use of the Inside Passage by boaters has been increasing at a
22 steady rate; and

23 WHEREAS there would be a substantial public benefit from a more coor-
24 dinated approach to the planning, development, and marketing of the oppor-
25 tunities within the facilities operated by the state as well as the Prov-
26 ince of British Columbia and the United States Forest Service; and

27 WHEREAS the state marine parks as well as those identified for study
28 by the Province of British Columbia provide suitable anchorage for small,
29 self-contained boats at distances frequently possible for a day's journey

HB

134

7-LS0421ND ✓
Chenoweth
3/11/91

CS FOR HOUSE BILL NO. 134 ~~(134)~~
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

Offered:
Referred:

Sponsor(s): HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to the effective date of the veterans' land discount applicable to state
2 land and to land discounts allowed under that program; and providing for an effective
3 date."

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

5 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

6 (1) AS 38.05.058, enacted by sec. 6, ch. 181, SLA 1978, established a land discount
7 program. The state's land discount program authorized a progressively reduced purchase price for state
8 land acquired for residential use based on the applicant's number of years of residence in the state. The
9 program established a maximum discount on the purchase price of the land that an applicant might claim.

10 (2) In 1979, the state's land discount program authorized by AS 38.05.058 was amended
11 by secs. 23 - 25, ch. 85, SLA 1979, to increase the maximum discount that an applicant who was a
12 qualified veteran could claim under that program.

13 (3) In *Gilman v. Martin*, 662 P.2d 120 (Alaska 1983), the Alaska Supreme Court
14 considered the granting of a land discount by a municipal ordinance based on the applicant's length of

1 * Sec. 3. APPLICABILITY. (a) This Act applies only to persons who qualified for the veterans'
2 land discount of AS 38.05.940, enacted by sec. 48, ch. 152, SLA 1984, and made retroactive to April 1,
3 1983, by sec. 2 of this Act, and who, after March 31, 1983, and before July 6, 1984, purchased from
4 the state land for which the discount may apply.

5 (b) For land that a person purchased from the state after March 31, 1983, and before July 6,
6 1984, to which the veterans' land discount of AS 38.05.940, enacted by sec. 48, ch. 152, SLA 1984, and
7 made retroactive to April 1, 1983, by sec. 2 of this Act, applies, a person may not claim both the benefit
8 of the maximum land discount authorized to veterans by the provisions of former AS 38.05.058, enacted
9 by secs. 23 - 25, ch. 85, SLA 1979, and the benefit of the veterans' land discount of AS 38.05.940.

10 (c) The Department of Natural Resources shall credit, without interest, to the account of a person
11 who qualifies for the veterans' land discount under sec. 2 of this Act an amount equal to the difference
12 between the amount of the original purchase price of the land and an amount equal to that purchase price
13 with application of the discount authorized by AS 38.05.940. If the amount of the credit exceeds the
14 persons's remaining payment obligation to the state, or if the person does not have a remaining payment
15 obligation to the state, the Department of Natural Resources shall pay, without interest, to the person the
16 amount in excess of the person's remaining payment obligation.

17 (d) The veterans' land discount authorized by the retroactive application of AS 38.05.940,
18 authorized by sec. 2 of this Act, applies to land transferred to the University of Alaska. As to the
19 application of the discount to this land,

20 (1) the University of Alaska shall provide the credit authorized by (c) of this section to
21 persons who qualify for it; and

22 (2) the commissioner of natural resources shall reimburse the University of Alaska for
23 the total amount of all credits allowed for persons under (1) of this subsection.

24 (e) The provisions of this Act do not apply to a person who

25 (1) obtained land using a veterans' land discount under former AS 38.05.058 or under
26 AS 38.05.940 whether the person obtained the discount directly or by assignment;

27 (2) obtained land for which the discount authorized by this Act may apply if the person
28 has relinquished the land or the land has been the subject of default or foreclosure; or

29 (3) obtains land by assignment.

30 * Sec. 4. IMPLEMENTATION OF THIS ACT. (a) The commissioner of natural resources shall
31 publish, at least once a week for at least four successive weeks in newspapers of general circulation

7-LS0851ND ✓
Utermohle
3/8/91

CS FOR HOUSE BILL NO. 176 ()
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Funding Information:	General Fund	\$50,000
	Other Funds	<u>-0-</u>
		\$50,000

Sponsor(s): HOUSE SPECIAL COMMITTEE MILITARY AND VETERANS' AFFAIRS

A BILL

FOR AN ACT ENTITLED

1 "An Act making a special appropriation to the Department of Natural Resources for
2 refunds to certain veterans who purchased state land; and providing for an effective date."

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

4 * Section 1. Contingent upon the enactment into law of a bill passed by the Seventeenth Alaska State
5 Legislature that authorizes the refund of excess amounts paid by certain applicants for the veterans' land
6 discount program, the sum of \$50,000 is appropriated from the general fund to the Department of
7 Natural Resources for refunds of excess payments made by certain veterans who retroactively qualify
8 for the veterans' land discount of AS 38.05.940 and who, after March 31, 1983, and before July 6, 1984,
9 purchased land from the state for which the discount may apply.

10 * Sec. 2. The appropriation made by this Act lapses June 30, 1993.


11 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).



Alaska State Legislature

HOUSE RESOURCES COMMITTEE

P.O. Box V
State Capitol
Juneau, Alaska 99811
(907) 465-3715

TO: House Resources Committee Members
FROM: Representative Cliff Davidson, Chairman 
DATE: 13 March 1991
SUBJECT: CS for HB 134 and HB 176

For your information, attached are proposed committee substitutes for two bills in the Resources Committee today.

STATE OF ALASKA
1991 LEGISLATIVE SESSION

No.
Bill Version: CSHB 134 (MLV)
(H) Publish Date: 3/1/91

Revision Date: Feb. 25, 1991 Department Affected: Natural Resources
Title: Veterans Land Discount Applicable BRU: Land & Water Management
to state land Components: Land & Water Management
Sponsor: House Military & Veterans Affairs
Requestor: House Military & Veterans Affairs COMPONENT SERIAL NO. 451

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	14.2	21.3				
TRAVEL						
CONTRACTUAL	12.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	26.2	21.3	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	26.2	21.3				
FEDERAL FUNDS						
OTHER						
TOTAL	26.2	21.3	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY	1.0	1.0				

Estimate of Current year impact:

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Ron Swanson Phone: 762-2680
Division: Land & Water Management Date: Feb. 25, 1991
Approved by Commissioner: Harold Heinze Date: Feb. 25, 1991
Agency: Department of Natural Resources

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

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

FEB 20 1991

DEPARTMENT OF NATURAL RESOURCES

February 20, 1991

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FACSIMILE: (907) 586-2754

The Honorable Ivan Ivan, Chair
House Military and Veterans Affairs Committee
P.O. Box V
Juneau, AK 99811

Dear Representative Ivan:

Subject: HB 134, which relates to the effective date for a state veteran's land discount program.

Position: The Department of Natural Resources supports this bill.

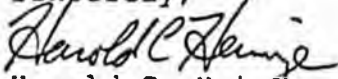
Background: In 1978, AS 38.05.050, which allowed residents a 5% discount on state land lottery purchases for each year of Alaska residency (up to 50% of the parcel purchase price), was enacted. In 1979, this law was amended to allow veterans an additional discount of up to 75% or \$37,500, whichever was less. The Kenai Peninsula Borough, under borough ordinance, offered a similar discount to purchasers of borough land. The borough program was challenged in court, and ruled unconstitutional by the Alaska Supreme Court on April 1, 1983. As a result of the court's ruling, and based on advice from the Attorney General, the Commissioner of Natural Resources determined that state land purchase discounts would be discontinued as of April 1, 1983.

The Legislature subsequently established a new veteran's land discount program that took effect on July 6, 1984. HB 134 would allow veterans who were not permitted to claim the veteran's discount between April 1, 1983 and July 6, 1984 to retroactively claim that discount.

Recommendations: To lessen the fiscal impact of this bill on DNR, (see attached fiscal note), we suggest establishing a time limit (60 days to 1 year) during which eligible veterans can apply to the department for the retroactive discount. Discount applicants should be required to document their eligibility for the program and provide parcel eligibility information. The department should be required to provide public notice about the program in newspapers throughout the state for a certain period of time (perhaps once a week for four consecutive weeks). We also recommend deletion of the word "apparently" from line 7 page 2 of the bill. The department ended the discount program on the advice of the Department of Law.

We look forward to working with you on this bill.

Sincerely,



Harold C. Heinze
Commissioner

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

STATE OF ALASKA
1991 LEGISLATIVE SESSION

No.
Bill Version: CSHB 134 (MLV)
(H) Publish Date: 3/1/91

Revision Date: Feb. 25, 1991 Department Affected: Natural Resources
Title: Veterans Land Discount Applicable BRU: Land & Water Management
to state land Components: Land & Water Management
Sponsor: House Military & Veterans Affairs
Requestor: House Military & Veterans Affairs COMPONENT SERIAL NO. 431

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	14.2	21.3				
TRAVEL						
CONTRACTUAL	12.0					
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	26.2	21.3	0.0	0.0	0.0	0.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	26.2	21.3				
FEDERAL FUNDS						
OTHER						
TOTAL	26.2	21.3	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY	1.0	1.0				

Estimate of Current year impact:

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Ron Swanson Phone: 762-2680
Division: Land & Water Management Date: Feb. 25, 1991

Approved by Commissioner: Harold Heinze Date: Feb. 25, 1991
Agency: Department of Natural Resources

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

Fiscal Note for CS HB 134 (M&VA), continued

Approximately 850 parcels of land were sold by the department between April 1, 1983 and July 6, 1984, the period of retroactivity established by this bill. Based on the results of past state land sales, approximately 35% of the 850 parcels could have been sold to veterans.

This fiscal note will allow the hire of a temporary Natural Resource Officer I (pay range 14) for 4 months in FY 92 and 6 months in FY 93. During FY 92, this person would prepare advertisements for display in newspapers throughout the state, as well as veteran's publications, and work with the Department of Military and Veterans Affairs to ensure that eligible veterans are notified about this retroactive land discount program. In FY 92 and FY 93, this person will process and adjudicate applications, and provide refunds to those who qualify for the program.

The contractual monies (300) will pay for the display ads in newspapers.

COMMITTEE COPY