

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7621 SENATE RESOURCES

Susitna Valley Association

9600 Slalom Drive Anchorage, Alaska 99516 346-1943

SUSITNA VALLEY REMOTE RECREATION/TOURISM

ECONOMIC SUMMARY

In 1987, the Susitna Valley Association (SVA) conducted an economic survey of existing activities and businesses which utilize the remote, roadless portions of the Susitna Valley. The results of this study confirm that the existing remote recreation and tourism industry is a major contributor to the economy of Southcentral Alaska.

AIR CHARTER SERVICES Estimated gross income for 38 services operating out of Anchorage, Big Lake, Palmer, Talkeetna, and Willow.	\$13 million/year
REMOTE COMMERCIAL LODGES Estimated gross income for 52 remote lodges throughout the Valley.	\$10 million/year
PRIVATE PILOTS Maintenance and operating expenditures for 2,000 planes.	\$ 7 million/year
HOTELS/MOTELS Income from 3% of occupied rooms in Anchorage during June-October.	\$ 9 million/year
SPORT FISHING From 1986 ADF&G figures for the Susitna Valley.	\$11 million/year
SPORT HUNTING From 1989 ADF&G estimate for bear and moose hunting in the Susitna Valley.	\$20 million/year

	\$70 million/year*

* Due to the "overlap" of sport fishing and hunting figures with air charter, remote lodge, and hotel/ motel income figures, SVA estimates the total value of the existing Susitna Valley remote recreation and tourism industry to be between \$50 million and \$70 million per year. This does not include the economic activity generated by commercial fishing due to the harvest of fish spawned and reared in the Susitna drainage, which was estimated by ADF&G to be over \$17 million in 1986.

MAR 4 1991

March 2, 1991

PO Box 2176
Palmer, Alaska

Senator Lloyd Jones
Chair Senate Resources Committee
Pouch V
Juneau, Alaska

Dear Senator Jones,

At your convenience, I would appreciate hearing your views on SB 124, for a Susitna Valley Remote Recreation Area, if I could stop by your office on Friday morning, March 8.

As I indicated in an earlier letter, I urge you to schedule early consideration of this bill before the Resources committee.

Thank you,


Mike Bronson

February 24, 1991



PO Box 2176
Palmer, Alaska
99645

Senator Lloyd Jones
Chair Senate Resources Committee
State Senate
Pouch V
Juneau, Alaska

Dear Senator Jones,

Please consider SB 124 to establish the Susitna Valley Remote Recreation Area. I would appreciate your scheduling it for a Resource Committee hearing as soon as possible.

Quite a few people in my area are anxious to see the Remote Recreation Area put in place. The main purpose of the bill is to protect the current valuable recreation uses of the area. Its main effect is to preclude the state's plans for large-scale logging; it has no affect on the state's current rules for mining, land disposals, or fish and game harvesting, however. Most of the use of the remote parts of the Susitna Valley is by the 50 lodges in the area, sportfishermen, other recreationists, and the hundreds of private landowners. These interests are both long-standing and widespread in the Susitna Basin west of the road system and want a dedicated land base free of the prospect of large timber sales.

Continued small state timber sales near the roads, together with a dedicated Susitna Remote Recreation Area, is the best way to satisfy the demand for both local wood products and remote commercial and personal recreation. Like others who have been using the Susitna Valley, I want to see the state's timber sales restricted to sites closer to the highway system. I have floated and flown through the Susitna Valley and I appreciate that I can still jump off the end of the road so close to my home in Wasilla. The large timber sales currently allowed under state land use plans are inappropriate because they (1) are not economic, and (2) they would directly detract from current businesses and other users in the Susitna Basin. In contrast, smaller timber sales near the road system, which is the current practice and which continue at the rate of about 70 acres per year, is feasible and does not threaten the more valuable recreation uses to the west.

Sincerely,

Mike Bronson



February 1991

NEWSLETTER

Summary of Public Comments

Dear Citizen,

The process of developing guidelines to protect and manage the forest resources of the Susitna Valley has been difficult and controversial. Managing state lands and forests to provide jobs, habitat, wood, recreation areas, and other benefits is a fundamental part of the Department of Natural Resources' mission. As the public comments show, this is not an easy task, but it is important to the people who live, work, and play in the Susitna Valley. We greatly appreciate your input and help throughout this project.

This report summarizes public comments on the public review draft of the Susitna Forestry Guidelines. Comments were gathered from public meetings, letters, comment sheets provided at the meetings, and phone calls. Public meetings were held in Alexander Creek, Anchorage, Wasilla, Willow, Skwentna, Talkeetna, Trapper Creek, and Tyonek from January 5 to January 19, 1991. The public comment period was open from mid-December to January 28, 1991.

The summary is organized into two sections. The first section gives an overview of the "hot topics". These are the issues that were most commented on and the most controversial. The second section highlights other important comments that were received. Please understand that we will consider any advice, no matter what its source, no matter how unconventional. If it makes sense for managing state lands, we'll use it. If it does not make sense it would be irresponsible for us to use it. We will send you a copy of all public comments and responses to the comments along with the notice proposing adoption of the final guidelines.

Over 185 people attended the public meetings and many comments were recorded. More than 115 written comments were received, along with a few phone calls.

If you have any questions on this summary, or on the planning process, please contact:

Martha Welbourn, Project Manager
Department of Natural Resources,
Division of Land and Water
P.O. Box 107005
Anchorage, AK 99510-7005
(907) 762-2660



Once again, we appreciate your comments on the draft and look forward to working with you to complete the guidelines.

The following topics are the ones that are most controversial. Most of the comments addressed these subjects. The "hot topics" include large-scale timber harvesting and increased road construction, the boundary between Phase I and Phase II land, the Susitna Area Plan update, and harvesting near private land.

■ *Timber Harvesting and Road Building*

Many of the comments focus on large-scale timber harvesting and increased access and road building. Most said that if any timber harvesting takes place, that it should be locals doing the harvesting, and Alaskans benefitting from this economically, not outside interests.

Almost all the comments received on large harvesting projects are against it. A few support increased harvesting within the constraints of the guidelines, and a few support increased harvesting without the restrictions that the guidelines will impose. Most requested that "large-scale" and "small-scale" be given a definition in terms of acreage. Most comments support continued small-scale operations with the benefits staying in the local communities. These same individuals generally do not feel that any type of large-scale operation is compatible with the valuable recreation/tourist industry that the valley supports. Commenters often stated that they came to the valley to escape large development and like the valley's wilderness character.

Many of the comments state that increased road building will adversely affect the remote/wilderness characteristic of the valley that brings tourists there from all over the world. These individuals support continued small-scale operations close to existing road systems. Others feel that harvesting should be allowed in remote areas of the valley. They say the timber access roads will allow more tourists to visit and experience the resources of the Susitna Valley, plus allow small-scale operators to earn a living and contribute to the valley's economy. A few feel that more road access will make it possible for everyone, not just those with an airplane, snowmachine, or money, to see this part of Alaska.

■ *Phase I and Phase II Boundary*

Another area that received numerous comments was the location of phase I and phase II boundaries, what is considered as remote, and changing of the boundaries. Several individuals state that "remote" and "near existing access" need to be clearly defined.

Most of the people commenting on this issue feel that everything west of the Big Susitna River and south of the Petersville Road should be included in Phase II

where new timber roads will not be allowed for the next 10 years. Many people feel that it is okay to have commercial operations within 5 miles of existing road systems. A couple of individuals feel that by allowing logging to occur in remote areas, the new roads will encourage economic growth and allow equal access for all. Several say that listing remote areas within phase I encourages development before benefits have been identified.

■ *Susitna Area Plan Update & Economic Study*

Many people support using the Susitna Forestry Guidelines to regulate harvesting, if harvesting is allowed. Others see the guidelines as a plan to harvest vast portions of the Susitna Valley. However, many agree that the Department of Natural Resources still needs to decide where harvesting is and is not allowed. Since the Susitna Area Plan update will address this issue, many urge the Department of Natural Resources to update the plan immediately. Some want areas removed from forestry designations, while a few want new forestry areas added. A few comments urge the Department of Natural Resources to complete the Susitna Area Plan update before the Susitna Forestry Guidelines are implemented. A few pointed out that the Susitna Forestry Guidelines update should incorporate any new resource material available.

Many people feel that a comprehensive economic study should be completed before the Susitna Forestry Guidelines are implemented. This study should address the cost/benefit ratio of logging compared with the cost/benefit ratio of recreation/tourism in the Susitna Valley. Most of these commenters feel that an economic study will show that large-scale logging is not an appropriate use.

■ *Private Land*

We received many comments about rules for notifying private landowners about nearby timber sales. All who commented said that the 1/4-mile notification radius is too small. Suggested distances necessary are from 1 mile to 10 miles, with 2 miles being the most frequently mentioned minimum.

Many commented that a 200-foot buffer that allows single-tree selection is not enough to protect private land. Many suggest a no-cut buffer of 200 feet or greater surrounded by a single-tree selection buffer. A few feel that no buffer is necessary because state land is land for all, not for individual property owners. Several people requested a better definition for single-tree selection. How many single trees can loggers select in these areas? Blowdown is a concern for a few if harvesting is allowed adjacent to private land.

OTHER IMPORTANT TOPICS

Comments were received on a wide range of topics that are very important but less controversial. Topics not listed here include timber on agricultural lands, use of experimental forests, protection of wetlands, and fire as a management tool. These topics will be included in the list of comments and the planning team will respond to all comments.

■ *Fish and Wildlife*

Fish and wildlife protection and enhancement is a concern to many people. While most comment that timber harvest, and the associated new growth, will benefit animals such as moose, some support maintaining old growth forest for animals such as marten. Proper fire management was mentioned several times as a method to ensure quality moose habitat.

Comments concerning harvesting and buffers around bald eagle nests are split. Some feel that the 330-foot buffer is adequate, while others feel that it should be larger and that harvests should be limited to times when there are no eagles present.

■ *Forestry*

While most commenters support sustained yield management, some question whether or not this is practical in boreal forests. Others think that up to 400 acres per year can be harvested sustainably.

Funding and enforcement issues were raised several times. Most of those that commented on this believe that enforcement is not currently adequate and should be stricter. Participants questioned how the Department of Natural Resources and Division of Forestry will fund enforcement activities. They also ask how enforcement will be carried out, who will do the enforcement, and what the penalties will be for those not following the guidelines.

Most of the comments received concerning the timber base state that the quality of timber in the Susitna Valley is generally poor, that the timber base given in the Susitna Forestry Guidelines is substantially higher than it actually is, and that any harvesting, other than small-scale operations, will not be economically feasible. Commenters recommend excluding resource management lands, buffers along rivers, lakes, and streams, and other no-cut areas from the summary of lands that can be harvested.

Comments on rotation length are split on whether or not the Susitna Forestry Guidelines' rotation lengths are realistic. Some feel that they are good, others feel that they are optimistically short, while some feel that they are too long and should be based on the type of product desired (wood chips, for example). Some mention that little information ex-

ists concerning rotation periods in northern climates and that more research is needed.

■ *Personal Use Wood*

Most of the individuals that commented on personal use areas feel that they are a good idea and would like more such areas. A few feel that user fees for personal use wood are too low and do not pay for the costs of managing such areas, and that increased commercial harvest will provide for more personal use wood through clean-up efforts. A few said that fees are too high in remote areas.

■ *Recreation*

A lot of folks commented specifically on recreation. Most of these state that large-scale logging and remote or wilderness recreation are not compatible. Folks generally feel that road building, associated with logging, will destroy the very thing that recreational users seek. A few individuals feel that the Forest Practices Act is more than enough to protect recreational uses.

■ *Buffers Around Rivers, Lakes, and Streams*

Most people who commented on buffers along waterways favor increasing the no-cut buffer. Suggested buffer widths range from between 200 feet to 1 mile. Individuals generally feel that protection of visual quality and fish and wildlife values requires a larger buffer. A few feel that the state should not restrict their management capabilities by setting definite buffer widths, and should not be stricter than the Forest Practices Act.

■ *Timber Sale Design*

Almost all of the comments on harvesting techniques oppose clear cutting and recommend selective cutting or single-tree harvesting instead. Reasons given for opposing clear-cutting are damage to scenic quality, incompatibility with tourism, and environmental degradation.

Of comments made on pesticide use, half think that pesticides should be prohibited from use. Some say that pesticides should be used only if absolutely necessary. One states that buffers around waterbodies should be increased and that more studies are needed regarding pesticide use.

Comments on reforestation are split. Some feel replanting is necessary to improve the quality of second growth, some feel more data is needed on reforestation, and others oppose introduction of exotic species for reforestation.

Summary of Public Comments

NEWSLETTER



Alaska Department of Natural Resources
Land & Resources Section
P.O. Box 107005
Anchorage, Alaska 99510-7005

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 9
ANCHORAGE, ALASKA

MIKE BRONSON
PO BOX 2176
PALMER AK 99645

600 East Glenwood
Wasilla, Ak. 99687
February 25, 1991

MAR 2 1991

Lloyd Jones, Chairman of the Senate Resource Committee
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Dear Senator Jones:

RE: Legislation Regarding the Creation of the Susitna Valley Remote
Recreation Area

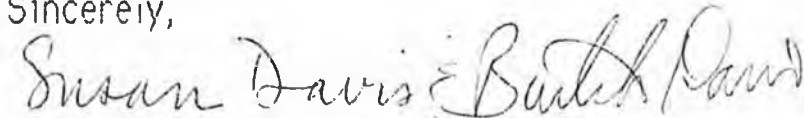
I whole-heartedly support the creation of the Susitna Valley Remote
Recreation Area.

Many tourists are drawn to this area because of its "remote" nature. The
building of roads and logging in this area would mean economic disaster to
those who make their livings due to the remoteness of the area.

We have a lot to be proud of in Alaska. Many of the states in the lower 48
have sacrificed their remote areas to development. In many ways, it is
our lack of development that attracts people to our state every year (an
economically feasible industry...tourism) Why destroy a feasible industry
for one that is not?

Again, I strongly support the creation of the Susitna Valley Remote
Recreation Area. Thank you for listening.

Sincerely,



Susan and Burtch Davis
(907) 373-5091

cc: Mat-Su Borough Assembly

February 21, 1991

PO Box 2176
Palmer, Alaska
99645

Senator Lloyd Jones
Chair Senate Resources Committee
State Senate
Pouch V
Juneau, Alaska

Dear Senator Jones,

Please consider SB 124 to establish the Susitna Valley Remote Recreation Area. I would appreciate your scheduling it for a Resource Committee hearing as soon as possible.

Quite a few people in my area of Palmer and Wasilla are anxious to see the Remote Recreation Area put in place. Its main effect is to preclude the state's plans for large-scale logging in the forested areas outside of the existing road network. The bill has no affect on the state rules for mining, land disposals, or fish and game harvesting. The main purpose of the bill is to protect the current valuable recreation uses of the area, both in the form of the 50 lodges in the area and by sportfishermen, other recreationists, and the hundreds of private landowners out there. These interests represent long-standing and intense uses of the Susitna Basin west of the road system.

Like these people, I want to see the state's timber sales restricted to sites more accessible by the highway system. I have floated and flown through the Valley and I appreciate that I can jump off the end of the road so close to my home. Large timber sales out there are inappropriate because they (1) are not economic, and (2) they are a direct detriment to the current users. Cutting on state lands in the Mat-Su Borough has been about 70 acres per year over the last 10 years, according to Jim Eleazer of the Division of Forestry. In my opinion, this acreage and much more is available near existing roads where local loggers have been cutting for a long time.

Sincerely,



Mike Bronson

376-3642

SEN. JONES

SENATOR CURT MENARD, MEMBER
SENATE RESOURCES COMMITTEE
PO BOX V
JUNEAU, AK 99811

3-7-91

RE: SB 124

DEAR CURT,

THANK YOU FOR THE RESPONSE TO MY MESSAGE
REGARDING SENATE BILL 124, THE SUSITNA VALLEY
REMOTE RECREATION BILL.

FIRST, I WANT TO MAKE IT CLEAR TO YOU THAT I
OPPOSE THIS BILL AND THAT I DO NOT SPEAK
FOR THE DEPARTMENT OF NATURAL RESOURCES.

I AM COMMENTING AS A CONCERNED CITIZEN,
A VOTER, & A CONSTITUENT.

HERE ARE MY CONCERNS:

PAGE 1, LINE 7 - WHAT WILL THIS BILL PROTECT FISH
AND WILDLIFE HABITAT FROM? WHAT IS THE THREAT?
IS IT FEAR OF LOGGERS, RECREATIONAL VEHICLES,
MOBS FROM ANCHORAGE OR LOS ANGELES?

THE FOREST PRACTICES ACT DOES A DANDY JOB
OF PROTECTING FISH AND WILDLIFE HABITAT WITHIN
300 FEET OF STREAMS. THE DEPARTMENT OF FISH &
GAME'S HABITAT DIVISION DOES A GREAT JOB OF PROTECTING
FISH AND WILDLIFE HABITAT ELSEWHERE. I DO NOT SEE
THE NEED FOR THIS AREA TO BE PROTECTED BEYOND EXISTING
STATUTES, REGULATIONS, AND POLICIES. PERHAPS

PAGE

THE SPONSOR (SENATOR RODEX) COULD ELABORATE ON THE NEED FOR PROTECTION.

I AGREE THE STATE'S RESOURCES MUST BE MANAGED AND MAINTAINED, BUT THIS BILL PROHIBITS RESOURCE MANAGEMENT! I STRONGLY RECOMMEND THAT THE WORD "PROTECT" BE REMOVED FROM LINE 1 AND THE WORDS "AND FOREST RESOURCES" BE ADDED AFTER THE WORD "HABITAT".

PAGE 2 LINES 21, 22, 23, 26, 27, 28, 29 - THIS LANGUAGE IS DISCRIMINATORY BECAUSE IT PROHIBITS THE DISPOSAL OF TIMBER FOR COMMERCIAL USE UNLESS IT IS SOLD TO INDIVIDUALS AND COMMERCIAL FACILITIES FOR HOUSE LOGS AND FIREWOOD BY NEGOTIATED PERSONAL USE SALES. THE NATURAL RESOURCES ON THIS PARCEL BELONG TO ALL ALASKANS, NOT A SELECT FEW. I BELIEVE THOSE RESOURCES SHOULD BE AVAILABLE TO ALL, WITH SPECIAL PRIVILEGES FOR NONE. THERE IS A TERM FOR THE TYPE OF MANAGEMENT THIS BILL ESPOUSES - IT'S CALLED EXCLUSIONARY RESOURCE MANAGEMENT.

PAGE 2, LINES 30, 31 PAGE 3 LINE 1 - WHO IS GOING TO PAY FOR THE MANAGEMENT OF WOODLOTS FOR LOCAL USE IN REMOTE COMMUNITIES? HEALTHY FORESTS ARE NO ACCIDENT SENATOR, AND PROPER FOREST MANAGEMENT COSTS THE GOVERNMENT MONEY. ARE THE SELF INTEREST GROUPS WHO ARE PUSHING THIS BILL GOING TO MANAGE, OR PAY FOR THE MANAGEMENT OF, THEIR WOODLOTS?

PAGE 2

FINALLY, IN VIEW OF THE PUBLIC OUTCRY
AGAINST THIS BILL LAST SESSION BY VALLEY
RESIDENTS WHEN IT WAS LABELED SB 430,
I AM INSULTED BY IT'S RE-INTRODUCTION
THIS SESSION.

I HAVE TAKEN NOTE THAT IT WAS NOT
INTRODUCED BY A VALLEY LEGISLATOR EITHER
TIME, AND I URGE YOU TO VOTE NO ON THIS
BILL. IT IS POOR PUBLIC POLICY TO LOCK
UP A LARGE RESOURCE BASE FOR A SELECT FEW.

SINCERELY,

Steven P. Stube

Po BOX 521155

1316 LK, AK 99652

992-7760

CC: SENATE RESOURCE COMMITTEE

SENATOR KERTUQA

REP. CARNEY

REP. LARSON

SENATOR RODEY

Susitna Valley

Susitna Valley Association
9600 Slalom Drive • Anchorage AK 99516 • 346-1943
P.O. Box 292 • Talkeetna AK 99676
P.O. Box 2176 • Palmer AK 99645

March 21, 1991

Senator Lloyd Jones
P.O. Box V
Juneau, Alaska 99811

Re: Susitna Valley Remote Recreation Area (SB 124)

Dear Senator Jones:

The purpose of SB 124, a bill to establish the Susitna Valley Remote Recreation Area, is to continue, and to enhance, the multitude of economic activities that currently exist in the Susitna Valley. The bill would create stability for the area by giving businesses and communities the confidence to make long term commitments toward their future.

This legislation would allow all the myriad of existing activities to continue, including all forms of traditional motorized and non-motorized access. It would also allow personal-use timber sales for individuals and commercial facilities, establishment of community wood lots, vegetation management for habitat enhancement, adequate and feasible access for all occupancies, construction of commercial recreation and tourism facilities, land disposals, and mining. Management of the Susitna Valley Remote Recreation Area would be by the Department of Natural Resources, with management of fish and wildlife by the Department of Fish and Game.

The Susitna Valley is an intensively used, year-round, remote recreation area that also supports a highly successful commercial fishery. It is a multiple use area that has developed a very complex pattern of business opportunities that channels millions of dollars into the Mat-Su, Anchorage and Kenai economies. The area is rich in fish and wildlife and scenic values. Although the valley lies only a short plane hop, boat trip, or snowmachine ride from the urban centers of southcentral Alaska, it provides a surprisingly remote experience for hundreds of thousands of residents and tourists alike.

It is this same area that the state has been analyzing during the past three years for large-scale commercial logging and related road building; uses which would have serious negative impacts on the broad variety of successful industries, activities, and communities currently co-existing in the valley. During those three years the public has repeatedly and consistently voiced its opposition to commercial logging and roading for this area, and has supported those provisions reflected in SB 124. We ask that you join us in supporting this legislation.

Loisann Reeder, President, Susitna Valley Association
Mike Bronson, President, Wasilla Chapter, Susitna Valley Association
Roberta Sheldon, President, Talkeetna Chapter, Susitna Valley Association

WHAT IS THE SUSITNA VALLEY ASSOCIATION?

The Susitna Valley Association formed in January 1988, in opposition to large state timber sales that were being proposed in the core of the Susitna Valley. It has evolved into an organization that strongly supports the recreation and tourism values of the Valley, and opposes commercial timber harvesting where it conflicts with those values.

The association formed primarily for three purposes:

- to serve as a contact for the state and Mat-Su Borough on timber harvesting plans for the Susitna Valley,
- to serve as a clearinghouse for dispersal of timber-related information to interested individuals and groups, and
- to serve as spokesperson on this issue when necessary and appropriate.

The association has grown into a coalition of over 4400 individuals, numerous businesses, and 67 organizations. There are active chapters in Wasilla, Talkeetna, and Anchorage. Over 700 SVA people are valley residents, and 27 percent of the coalition organizations are Mat-Su groups.

The association is broad-based, representing a wide diversity of interests. In addition to people who own property in the Susitna Valley, there are people with business interests such as commercial fishermen, guides and outfitters, river charter services, lodge owners, air taxi operators, people in the tourism industry, and business people who support those businesses. There are people with recreation interests such as pilots, boaters, hunters, fishermen, skiers, sightseers, bikers, mushers, snowmachiners, and photographers. There are environmentalists and conservationists; people with health interests, and public land policy interests. And simply people who think large-scale logging in proximity to Southcentral Alaska's largest population centers will create unacceptable negative impacts. The interests and concerns are as varied as the individuals involved. Clearly, opposition to commercial timber harvesting in the Susitna Valley is a far-reaching issue of deep public concern that involves the entire community.

Dated: March 1991

Susitna Valley Association 9600 Slalom Drive Anchorage, AK 99516 346-1943
Susitna Valley Association, Wasilla Chapter P.O. Box 2176 Palmer, AK 99645
Susitna Valley Association, Talkeetna Chapter P.O. Box 292 Talkeetna, AK 99676

MAR 14 1991

2521 Banbury Dr.
Anchorage, AK. 99504
March 14, 1991

Senator Lloyd Jones
Chair, Resources Committee
P.O. Box V
Juneau, AK. 99811

Dear Sen. Jones;

We are writing to request your support of SB 124 re: the Susitna Valley Remote Recreation Area. As property owners in the Mat-Su Borough, we are greatly disturbed by the Department of Natural Resources plan for large scale commercial logging of this area. The wilderness characteristics of this popular area must be preserved for the continued use, enjoyment and growth of tourism and recreational uses. The large scale logging as now planned is simply not compatible with these uses. In addition to causing a large amount of environmental damage, the economic ^{benefits} of logging are relatively short-lived, while the benefits of tourism and recreational uses can last indefinitely. These uses currently provide approximately \$50 million per year to the economy of south central Alaska. Let's not kill the goose that laid the golden egg.

Thank you for your consideration of this bill.

Sincerely,

Jane Schlittler

Norman Schlittler



APR 2 1991

HIGHWAY USERS FEDERATION OF ALASKA

P.O. BOX 92065

ANCHORAGE, ALASKA 99509-2065

March 25, 1991

The Honorable Lloyd Jones
State Senate
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Re: HUFA

Dear Senator Jones:

This letter regards S.B. 124 "An Act Establishing the Susitna Valley Remote Recreation Area."

Wording in the proposed legislation seems intent on another lock-up of lands primarily for use by few. Exclusion of main access road corridors could have a disastrous impact on future needed development related to energy and other resources.

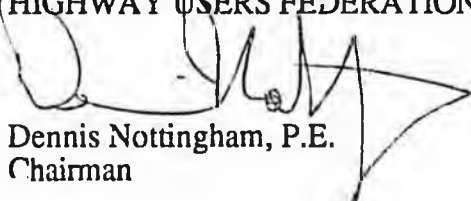
Presently, for example, there are at times no access to the Beluga Power Plant--a prime source of power to the Railbelt. HUFA has proposed for some time an access road to Beluga shown as Road No. 3 on the enclosed brochure.

Legislation that would limit "common sense" as related to transportation should not be considered and we recommend no action on S.B. 124.

Should you have any questions relating to this or other transportation issues, please contact me at (907) 561-1011, or write to 1506 West 36th Avenue, Anchorage, Alaska 99503.

Sincerely,

HIGHWAY USERS FEDERATION OF ALASKA



Dennis Nottingham, P.E.
Chairman

DN/dt/89072

Enclosure



n o r t h s t a r

r i v e r b o a t s e r v i c e s

P.O. Box 870728 • Wasilla, AK 99687 • (907) 373-6086

March 27, 1991

Senator Lloyd Jones
P.O. Box V
Juneau, Alaska 99811

Dear Senator Jones:

I have again reviewed the Susitna Basin Recreation Rivers Management Plan and I wonder what in the world we're doing. I backtracked to November of 1988 and read "Why do we need the Plan?". It states in part "The purpose of the legislation are maintenance and enhancement of land and water in the corridors for recreation; management, protection and maintenance of fish and wildlife populations and habitat on a sustained basis; continued recreation and economic uses".

What we are looking at today is a plan which prohibits the use of hundreds of certain boats on hundreds of miles of rivers and streams. The plan also restricts hunting, use of firearms and equal access to the resource. I fail to see the enhancement of recreation and economic uses in that.

For all these years, most of the affected streams such as the Talkeetna, Deshka, Lake Creek, and the Little Su have done great in dictating how far a boater would go with a particular boat. Yet the plan now is to outlaw many boats on these streams for miles and miles.

I fail to see the "enhancement" of my "recreation: in this, in fact, I feel discriminated against simply because of the type of boat I have been using for years. I plan to keep using my boat and I am opposed to regulations which prohibit that use.

Therefore, at this time I am asking that you support Senate Bill #166. Thank you.

Sincerely yours,

Jeffrey L. Bowman

SENATOR JONES
SB 124

MAR 22 1991

Mail Drop

Page 4, The Frontiersman - Friday, March 22, 1991

Flush timber bill

Editor:

The Susitna Valley Remote Recreation Bill, known as Senate Bill 430 last session, and Senate Bill 124 this session has reared its ugly head once again.

This bill is the epitome of exclusionary resource management because it reserves the state forest resource on a huge tract of public land for the exclusive use of a few.

Sen. Pat Rodey, an Anchorage legislator, sponsored Senate Bill 124 because it is such poor public policy that none of our Valley legislators would introduce it.

This bill is the product of paranoid preservationists. For example, there is language in the bill that protects fish and wildlife habitat. But the bill does not indicate what the resource is to be protected from. The Susitna Forest Guidelines and existing statutes provide for the protection of habitat and streams without the passage of this bill.

This bill discriminates against everyone who does not dwell in or own land within the designated area because it prohibits the sale of timber unless it is sold to individuals and commercial facilities for personal use. This bill also prohibits the construction of roads necessary for resource development in the future.

I believe passage of this bill will take the Valley one step closer to being like Anchorage with a park on one side and the ocean on the other. It will also turn resource managers into resource police to keep the people who need the resource from accessing it.

Last session the public spoke out loud and clear against the adoption of this bill in testimony to the Senate Community and Regional Affairs Commit-

tee because they do not want more land locked up by political pressure from self-interest groups.

This bill is in the Senate Resources Committee. I encourage everyone to contact the committee members and ask that they vote no on SB124 and to put it where it belongs and flush it. The committee can be contacted at 465-4907.

*Judy Bryan
Big Lake*



Alaska Center for the Environment

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

March 14, 1991

Sen. Lloyd Jones
P.O. Box V
Juneau, AK 99811

RE: Susitna Valley Remote Recreation Area (SB 124)

Dear Sen. Jones:

I appreciated the opportunity to meet with you and Paula Terrel on March 6 to discuss the Susitna Valley Remote Recreation Area bill. Passage of this legislation would ensure the future of the \$50 million remote recreation and tourism industry, while allowing for reasonable growth in the local timber industry. The bill is supported by a broad coalition of businesses, interest groups, property owners, and other individuals.

The requirements for an economically feasible, moderately sized value-added wood products industry, as identified by the Department of Commerce and Economic Development, exceed the available timber resource in all of the Susitna Valley. However, according to recent resource data from the draft Susitna Forestry Guidelines, there is sufficient timber to allow for a ten to fourteen fold increase in existing Susitna Valley logging activities on state land outside the boundaries of the Area. Essentially, SB 124 ensures a future for the existing remote recreation and tourism industry while providing for growth in the existing timber industry.

We look forward to additional discussions with you and your staff about this issue.

If you have any questions or comments, please do not hesitate to contact me.

Sincerely,

Alan Phipps
State Lands Specialist

SUSITNA VALLEY REMOTE RECREATION AREA

Senate Bill 124

WHY DO WE NEED THE SUSITNA VALLEY REMOTE RECREATION AREA?

- The fish, wildlife, and scenic values of the roadless Susitna Valley support thriving remote recreation, tourism, and fishing industries worth over \$50 million a year to the Southcentral economy.
- Legislative designation as a "Remote Recreation Area" would greatly enhance the marketability of the Susitna Valley as a tourism and recreation destination, and would refocus the management emphasis from timber extraction to maintaining a healthy forest ecosystem which will protect the spectacular natural values critical to tourism.
- Recent data produced by the state shows there are not sufficient timber resources in the Valley to support a medium or large-scale value-added logging and wood processing industry.
- Comment during the recent Susitna Forestry Guidelines public meetings revealed overwhelming support for the continuation of the existing community lifestyles and resource uses, as well as the existing means of access, for the remote areas of the Susitna Valley.
- The Susitna Valley Remote Recreation Area legislation will provide the legislative direction necessary for reasonable expansion of the local timber industry while ensuring the survival of the existing remote recreation and tourism industry.

WHAT IS THE SUSITNA VALLEY REMOTE RECREATION AREA?

A portion of the state lands within the Susitna Valley would be legislatively designated as a "Remote Recreation Area".

Management: State lands would continue to be managed for multiple-use by the commissioner of the Dept. of Natural Resources, with management of fish and wildlife by the commissioner of fish and game.

Logging: The existing local logging industry would be able to expand on borough and private lands as well as state lands identified along the existing road system in the eastern and northern portions of the Valley. The harvest of timber on state lands which are actually located within the Remote Recreation Area boundaries would be limited to negotiated personal use sales for house logs and firewood for individuals and commercial businesses. Additional local wood needs would be met by individual use permits and establishment of community woodlots.

Moose: Vegetation management for habitat enhancement would not be precluded.

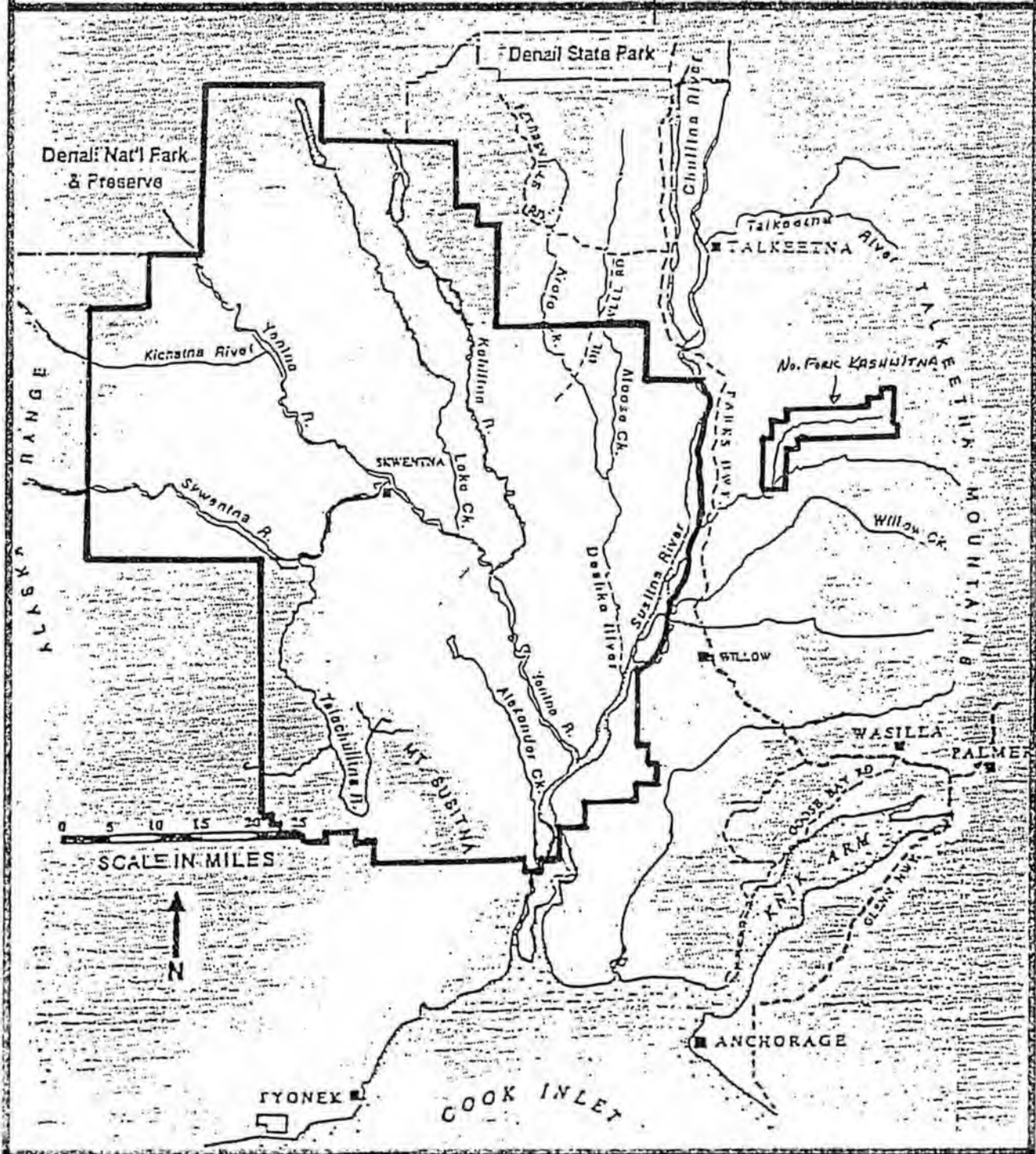
Traditional access: All means of traditional motorized and nonmotorized access would continue.

Non-traditional access: Road construction would be limited to local community roads not connected to the highway system. However, access to private and borough land, including road access if necessary, would be ensured. A potential transportation corridor which lies south of the proposed boundaries would not be affected.

Management plan optional: A management plan may be developed by the commissioner of DNR if necessary (1) to provide guidance for mining, access, facilities, and future land disposals, (2) to provide for the determination of incompatible uses, or (3) to authorize the construction and operation of commercial facilities on state lands.

The establishment of the Susitna Valley Remote Recreation Area will enable Alaskans to optimize the economic, social, and environmental benefits from state lands in the Susitna Valley.

SUSITNA VALLEY REMOTE RECREATION AREA



S B

1 2 6

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/19/91

FURTHER: Finance

Date of 5-Day Notice: March 7, 1991
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: April 13, 1992

Resources Committee considered SB 126

Review and reporting requirements of agencies of the state relating to the state mineral policy; efd.

and recommended:

- replace with _____ CS SB 126 (Res) same title
 attached amendment(s) new title
- _____ letter of intent adopted

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) DNR 4/13/92

zero fiscal note(s) DCED 4/13/92

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

[Signature]

[Signature]

[Signature]

[Signature]

OTHER RECOMMENDATIONS:

[Signature] (Do Pass)

Chair: Signature and Recommendation

STEVE FRANK

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

Alaska State Legislature



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

Senate

A handwritten signature in black ink, appearing to be "Steve Frank".

Work Draft of Senate Bill 126 (4/6/92)

Review and reporting requirements of agencies of the state relating to the state mineral policy

The work draft of Senate Bill 126 would require certain entities of the state to report annually to the commissioner of the Department of Natural Resources on inconsistencies with regard to their procedures and regulations applicable to mineral exploration and development that have occurred during the previous year. The commissioner would then compile and forward those reports to the legislature and the governor. In addition, every four years a cumulative report including all previously reported information would be required. The first four year report would be submitted at the beginning of the 1993 legislative session.

Legislation enacted in 1988 required all state agencies, boards and commissions to submit these reports, and the requirement was fulfilled in 1989.

The Alaska Minerals Commission has recommended that this procedure be repeated on an annual basis. This legislation would accomplish that goal, and it requires only affected agencies (those listed in the bill) to report. It also adds to the list the University of Alaska and the Alaska Railroad Corporation - entities that were not required to report in 1989.

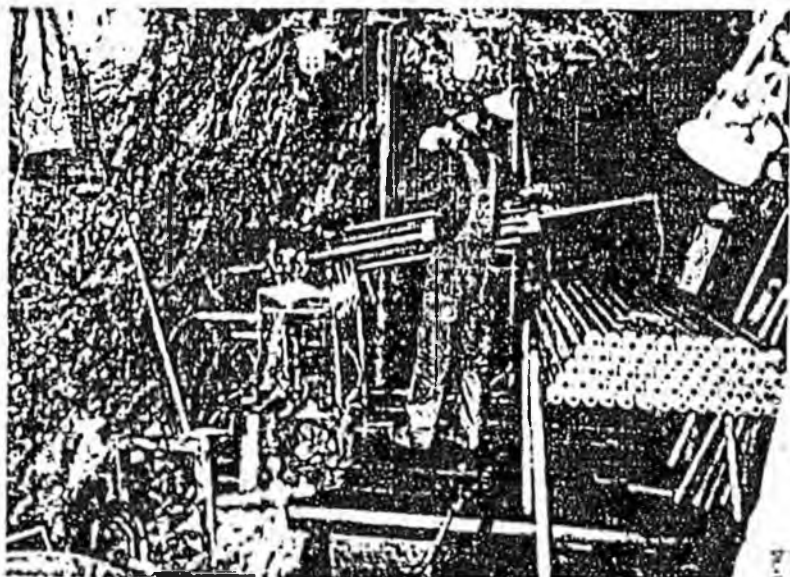
Senate Bill 126 would improve the Legislature's ability to track statutory and regulatory changes affecting the mineral industry.



Report of the
ALASKA
MINERALS
COMMISSION



JANUARY 1991



EXECUTIVE SUMMARY

Hard-rock mining made a very significant contribution to the minerals sector of the Alaskan economy in 1990 after a nearly 50 year period of relative dormancy. This trend will continue as the level of hard rock exploration has nearly doubled and many very promising deposits are near development decisions.

In contrast, production during 1990 from many small gold placer mines was only half that of 1989 due to new environmental constraints. Environmental regulations also played a role in the U.S. Borax Quartz Hill project near Ketchikan, which will be on indefinite hold due in part to adverse decisions on environmental permits.

The recommendations of the Alaska Minerals Commission address some of the more important and timely concerns of the mining industry. The order in which they are presented is prioritized to reflect the urgency with which they need to be addressed, but does not necessarily imply that later recommendations have diminished importance to the long term growth and health of the industry.

The 35 recommendations of the Alaska Minerals Commission are listed below:

I. TAXATION:

Recommendation #1: The Governor and Legislature should move to exempt in-place minerals from municipal taxation.

II. MENTAL HEALTH LANDS:

Recommendation #2: The Governor and the Legislature should make the prompt settlement of the Mental Health Lands lawsuit a top priority during the upcoming legislative session.

III. LAND ACCESS AND AVAILABILITY:

Recommendation #3: The Governor should direct the appropriate agencies to assert the state's rights on all known RS2477 trails as quickly as possible.

Recommendation #4: The Governor and Legislature should urge the U.S. Congress and federal administration to implement the provisions of the Alaska National Interest Lands Conservation Act (ANILCA) protecting prior existing rights and exemptions allowed in the act.

Recommendation #5: In conformity with sections 101d and 1326b of ANILCA, no more federal land in Alaska should be withdrawn from mineral entry by either wilderness designation or by de facto withdrawals such as the Areas of Critical Environmental Concern.

Recommendation #6: The State of Alaska should select some 2.5 million acres in the southern National Petroleum Reserve-Alaska (NPR-A).

IV. WATER QUALITY ISSUES:

Recommendation #7: The Governor should direct the Department of Environmental Conservation (DEC) to implement a policy that allows discharge water mixing zones to extend downstream to the point of the next substantiated use.

Recommendation #8: DEC should also be directed by the Governor to revise the water quality standards for turbidity to attainable levels.

Recommendation #9: The Governor should direct DEC to strongly resist attempts by EPA to force the State of Alaska to expand the list of waterbodies classified as threatened or impaired by nonpoint sources of discharge.

V. GEOLOGICAL AND GEOPHYSICAL MAPPING:

Recommendation #10: The Governor and the Legislature should invest at least \$5 million per year for at least 10 years to produce basic geologic and geophysical maps necessary for successful mineral exploration programs.

VI. OTHER STATE ISSUES:

STATE MINERAL POLICIES:

Recommendation #11: The Legislature and Governor should enact legislation redefining multiple use of state land and water, such as Senate Bill 35 which was submitted in the 16th Legislature.

Recommendation #12: The Governor should establish that, consistent with Section 1 of Article 8 of the State Constitution, mineral development is in the best interest of the State, and must be recognized in state land management actions.

Recommendation #13: The Legislature and Governor should enact legislation limiting withdrawals of land prior to mineral assessments similar to Senate Bill 34 which was submitted in the 16th Legislature.

Recommendation #14: All agencies which impact mining should be required by the Governor and Legislature to report their action regarding mineral land availability to the Commissioner of the Department of Natural Resources by October of each year as proposed in CSSB 178 during the 16th Legislature.

RESOURCE CABINET:

Recommendation #15: The Governor should include the Commissioner of the Department of Commerce and Economic Development as a member of the Resource Cabinet.

STATE LAND MANAGEMENT:

Recommendation #16: The Governor should review the statutory authority, administrative regulations, and current orders, actions and procedures of all state agencies and take such measures and actions necessary to eliminate overlapping or conflicting regulatory authority and duplication of permitting requirements.

COASTAL ZONE MANAGEMENT:

Recommendation #17: The Governor and Legislature should request the Attorney General's office to review the 1980 opinion precluding legislative oversight of the Coastal Management Program.

Recommendation #18: The Legislature should establish a schedule to update and reevaluate coastal management plans, recognizing resource development as an acceptable land-use option.

Recommendation #19: The Legislature should identify the future role and scope of authority of the coastal resource management programs and boards.

COAL ISSUES:

Recommendation #20: The Governor should initiate a review of coal development issues to establish a state coal policy that will provide direction for Alaska's domestic energy supply and for the expansion

DRAFT

State Lands Withdrawn
from Mineral Entry
by
Legislation or Administrative Action

A Report to the Division of Mining
Department of Natural Resources

ASR 90-0018

C. C. Hawley

April 30, 1990

Hawley Resource Group, Inc.
Anchorage, Alaska 99518

#300, 941 E. Dowling
Ph. (907)-562-4673. Fx 562-7284

procedural difficulties in first, not quantifying buffer procedures that will be used, and second, in not rectifying text and maps so that each indicates the same acreage. According to the plats, the acreage opened is about 28,000 not 42,000 acres. This type of action sets up a "Tract Book" problem, where text not book should rule.

Perhaps this issue could be resolved by using a buffer of mineral leasehold locations. At the least a time should be specified for surveying and correcting the text and graphic records.

CONCLUSIONS AND RECOMMENDATIONS

A substantial amount, about 8.5 million acres or about 10 percent of the state's land has been closed to mineral location. Only about 3 million acres of this total are closed by legislation. Because of loose definitions and problems raised by apparent incompatibility of uses, there appears to be potential to administratively close extensive acreage. Because of this it is timely to review 38.05.300 and establish guidelines for closures.

Closures should be reviewed periodically both to see if the reason for the closure still exists and also to see if there has been a change in knowledge of resource base that justifies reconsideration.

Although mineral potential is very difficult to assess, nevertheless there are procedures for determining mineral potential, and it is proposed that all large tracts proposed for either legislative or administrative closure be reviewed and, in many cases, studied in the field before an action is taken.

ACKNOWLEDGEMENTS

Many people in and out of state government furnished information or clarified policy during different administrations. Various parts of the report, including the interpretation of 38.05.300 were discussed with former Commissioners of Natural Resources Phil Holdsworth, C. F. Herbert, John Katz, and Esther Wunnicke, named chronologically in their service to the state.

Larry Bullis in the Department of Land and Waters keeps track of MCO-MOO (orders) for the Southcentral District and coordinates the sequence of numbers statewide. Larry has maintained these records for many years, and was always helpful in understanding the records. Bob Craig in the northcentral office helped on the northern land orders and specifically about the confused status of pipeline acreage. The office of Status Graphics in DNR in Anchorage also tracks orders statewide and Bud May, who has recently retired, was knowledgeable and helpful about orders in his section. John Wiles of the Division of Parks and Bob Stuvic

of Division of Mining furnished information used in the report.

REFERENCES CITED

DNR, Division of Land and Water Management (Gary C. Stein and others), 1987, Promised Land: A history of Alaska's Selection of its Congressional Land Grants: Special Publication, DNR, 250 p. issued May 1987

Leshy, John, 1987, The Mining Law; a Study in Perpetual Motion: Resources for the Future, Washington, D. C.

MEMORANDUM

To: Senator Steve Frank

From: Alaska Minerals Commission, E. Beistline *Eel*

Subject: SB 126, 17th Legislature, First Session
An Act relating to the review and reporting requirements of the State relating to the State Mineral Policy and providing for an effective date.

Date: March 12, 1991

Senate Bill #126 pertains to the Declaration of State Mineral Policy as stated in AS 44.99.110 which was created by the Legislature acting under Article VIII, Section 1 of the Constitution of the State of Alaska.

SB #126 amends AS 44.99.110 by requiring state agencies as listed in (e) of the Bill to review its administrative regulations and procedures applicable to mineral exploration and development to determine if there are deficiencies or inconsistencies that exist in deference to State Mineral Policy. Each agency listed in (e) is then required to forward findings, comments and recommendations to the Commissioner of Natural Resources for his assembling the information and forwarding the reports, unedited to the Governor and Legislature for appropriate review and action.

The essence of this bill was as stated in CSSB No. 178 in the Sixteenth Legislature - second session. The Alaska Minerals Commission first recommended such a bill in its January 1989 report.

A reason for obtaining and reviewing the information requested is to correct any inconsistencies that may exist that are in conflict with the State Mineral Policy. Thus one agency may have responsibilities in its specific area and in working toward accomplishing its objectives may inadvertently not recognize adverse cross over affects on another agency which in turn affects the states' mineral policy. Once such information becomes known, appropriate cooperative and coordinated action can be taken to resolve the issue. As examples, DFG may develop regulations that have cross over affects on DEC and DNR with reference to the States' Mineral Policy or the University of Alaska may take action that could have a cross over affect involving training of future leaders of the states' mineral industry. Also, an agency may develop regulations not realizing the affect it may have on the States' Mineral Policy.

If there are questions on the forgoing information or if additional information is needed, please contact the Alaska Minerals Commission. Thank you kindly for your positive action on the recommendation of the Minerals Commission.

March 12, 1991

For: Senator Lloyd Jones, Chairman Senate Resource Committee

The Alaska Minerals Commission endorses:

S.B. 126 - An Act relating to the review and reporting requirements of agencies of the state relating to the state mineral policy; and providing for an effective date.

S.B. 127 - An Act relating to the Use of State Land.

Earl H. Beistline

Earl H. Beistline, Chairman
Alaska Minerals Commission

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

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

March 11, 1991

The Honorable Lloyd Jones, Chair
Senate Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Senator Jones:

Subject: Senate Bill 126, which relates to the review and reporting requirements of the state agencies relating to state mineral policy.

Position: The Department supports this bill. The enactment of AS 44.99.110, the Mineral Policy Act, required in (2) that mineral development be encouraged through reasonable and consistent nonduplicative regulations and administrative stipulations. SB 126 is a vehicle for the resolution of deficiencies and inconsistencies of procedures in a number of state agencies.

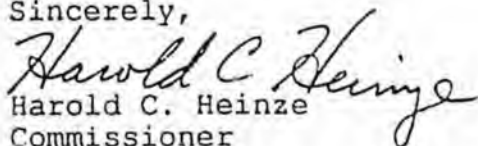
Background: The original Mineral Policy legislation specified "if inconsistencies or deficiencies are identified" during the subsequent ten month review period by state agencies, "a state department, board, commission or agency should work with mining interests, coastal resource service areas, the public and other resource users to propose solutions to the inconsistencies or deficiencies."

SB 126 requires that a named group of state agencies forward to the Commissioner of DNR by October 1 of each year comments and recommendations re the resolution of deficiencies and inconsistencies in its statutory authority, its administrative regulations and its procedures applicable to mineral exploration and development. Each of the named agencies shall also report on the progress made toward resolution of these inconsistencies that were identified in earlier reports.

The Commissioner shall assemble these reports and forward them, unedited, to the legislature within the first 10 days of the session.

Recommendation: The list of 8 specific agencies affected by this legislation should be expanded to include the Mental Health Lands Trust.

Sincerely,


Harold C. Heinze
Commissioner

cc: Committee Members
Senator Frank
Bruce Kendall, Legislative Liaison, Office of the Governor

SB 126
March 12, 1991

This legislation requires specific state agencies to review and report on their activities which impact mineral exploration and development. It is similar to HB 97; the difference being SB 126 specifies which state agencies are required to review and report, whereas HB 97 requires all state agencies to comply. In a position paper and analysis of HB 97 this department recommended it be amended to include only those state agencies which impact mining.

SB 126 would be amended to the Minerals Policy Act (AS 44.99.110). The changes implemented would make very positive improvements to the act. The small agency effort required to comply with the review and reporting requirement would make available significant data to the agency, administration, and legislature. These data could be used to help eliminate duplication of and conflicting state regulations and actions.

This type of legislation is recommended by the Alaska Minerals Commission. Furthermore, it is supported by this department.

Glenn A. Olds

Glenn A. Olds Spec. Asst. II

Commissioner,
Department of Commerce and Economic Development

DEPARTMENT OF FISH AND GAME POSITION PAPER

Bill No: Senate Bill 126

Sponsor: Senators Frank, Sturgulewski, Pearce, Uehling, and Jones

Division: Habitat

Bill Title: An Act relating to the review and reporting requirements of agencies of the state relating to the state mineral policy; and providing for an effective date.

Department Position: The department is neutral on this bill but does propose two amendments.

This measure would require each state resource agency, the Division of Governmental Coordination, University of Alaska, Alaska Railroad Corporation, Department of Commerce and Economic Development and any other agency designated by the Alaska Minerals Commission to annually review its statutory authority, administrative regulations and procedures applicable to mineral exploration and development to determine whether there are deficiencies or inconsistencies that must be addressed to comply with the Mineral Policy Act. It would further require that the Commissioner of Natural Resources assemble the comments, recommendations, and reports and forward them to the Governor and Legislature. The reporting requirements would sunset in 1995.

The bill serves as a followup to the Mineral Policy Act which required a similar, one-time, exercise. As worded, the proposed annual review does, however, invite year-to-year duplication in reporting that will require staff time to prepare and which does not appear to provide a commensurate benefit to the Legislature.

To avoid year-to-year duplication in an agency's reporting to the Legislature under this bill, it is suggested that the bill be amended to require the submission of previously unreported comments, recommendations, and progress. The following amendments are, therefore, proposed:

Line 9:

"I (c) Each agency listed in (e) of this section shall forward its previously unreported comments and . . ."

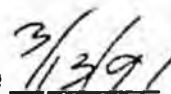
Line 13

"listed in (e) of this section shall also describe previously unreported [ON THE] progress that it has made on the resolution of . . ."

Commissioner's Signature



Date



FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: 03/12/91 Department Affected: Fish and Game
Title: Mineral Policy of the State BRU: Habitat
Component: Habitat

Sponsor: Senator Frank

Requestor: _____ COMPONENT SERIAL NO.

	4	8	6
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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: no impact on current year

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Frank Rue, Director Phone: 465-4105
Division: Division of Habitat Date: 3/12/91
Approved by Commissioner: *Steve Somerville*
Agency: Department of Fish and Game Date: 3/13/91

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

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: _____ Department Affected: Commerce & Economic Development

Title: State Agency Review and Report BRU: Economic Development

on Activities/Actions Which Effect Mining Component: _____

Sponsor: Senator Frank

Requestor: Senator Frank

COMPONENT SERIAL NO.

	8	0	1
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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						
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

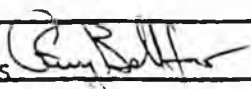
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) This Bill amends the Minerals Policy Act (AS 44.99.110) and requires State Agencies to review statutory authority, administrative regulations, and procedures applicable to the minerals industry. It is essentially an amended version of HB 97 incorporating this division's recommended changes. SB 126 is consistent with recommendations by the Alaska Minerals Commission.

Prepared By: Albert H. Clough, Development Specialist Phone: 465-2017

Division: Economic Development Date: March 12, 1991

Approved by Commissioner: Glenn A. Olds 

Agency: Department of Commerce and Economic Development Date: March 12, 1991

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

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: _____ Department Affected: Office of the Governor
 Title: "An Act relating to the review and reporting requirements of agencies..." BRU: Office of Management & Budget
 Sponsor: Sens. Frank, Sturgulewski, Pearch, Uehling, Jones Component: _____
 Requestor: Senator Frank COMPONENT SERIAL NO.

n	a		
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact: none

ANALYSIS: (Attach a separate page if necessary.)
 No fiscal impact on the Office of the Governor.

Prepared By: Michael A. Nizich, Director *M. Nizich* Phone: 465-3616
 Division: Division of Administrative Services Date: 3/11/91
 Approved by Commissioner: D. Max Hodel, Chief of Staff *D. Max Hodel*
 Agency: Office of the Governor Date: _____

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

FISCAL NOTE

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

BILL NO. SB 126

Revision Date: 4/13/92

Department Affected: Commerce & Econ. Dev.

Title: State Agency Review and Report on
Activities/Actions Which Affect Mining

BRU: Economic Development

Sponsor: Senator Frank

Component: _____

Requestor: Senator Frank

COMPONENT SERIAL NO.

	8	0	1
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER						
FUND SOURCE:	0	0	0	0	0	0
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.)
 This bill amends the Minerals Policy Act (AS 44.99.110) and requires state agencies to review statutory authority, administrative regulations, and procedures applicable to the minerals industry. It is essentially an amended version of HB 97 incorporating this division's recommended changes. SB 126 is consistent with recommendations by the Alaska Minerals Commission.

Prepared By: Albert H. Clough, Development Specialist Phone: 455-2017

Division: Economic Development Date: 4/13/92

Approved by Commissioner: Glenn A. Olds *[Signature]* 4-14-92

Agency: Department of Commerce & Economic Development Date: 4/13/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/OBR, Gov. Legis. Ofc., and Impacted Agency(ies)

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: _____
Title: Review and Reporting
Requirements re: State Mineral Policy
Sponsor: Senator Frank
Requestor: Senator Frank

Department Affected: DEC
BRU: Environmental Quality
Component: EQ Projects

COMPONENT SERIAL NO.

1	1	0	1	1	6
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EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0		
PART-TIME						
TEMPORARY						

Estimate of current year impact: **NONE**

ANALYSIS: (Attach a separate page if necessary.)

The department would perform this review with existing resources.

Prepared by: Janice Adair
Division: Commissioner's Office

Phone: 465-2600
Date: 3-12-91

Approved by Commissioner: *Jan Adair*
Agency: Dept of Environmental Conservation

Date: 2-17-91

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

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: _____ Department Affected: Commerce & Econ. Development
 Title: An act relating to the Review & Reporting Requirements of Agencies-State BRU: ARRC (Alaska Railroad Corporation)
 Component: Mineral Policy
 Sponsor: Sens. Frank, Sturgulewski, Pearce, Uehling & Jones
 Requestor: _____ COMPONENT SERIAL NO.

--	--	--	--

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
----------------	---	---	---	---	---	---

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: James B. Blasingame, Director of Administration Phone: 265-2680
 Division: ALASKA RAILROAD CORPORATION Date: 3/11/91
 Approved by Commissioner: Glenn A. Olds *[Signature]*
 Agency: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT Date: 3/12/91 *[Signature]*

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

SB 126
March 12, 1991

This legislation requires specific state agencies to review and report on their activities which impact mineral exploration and development. It is similar to HB 97; the difference being SB 126 specifies which state agencies are required to review and report, whereas HB 97 requires all state agencies to comply. In a position paper and analysis of HB 97 this department recommended it be amended to include only those state agencies which impact mining.

SB 126 would be amended to the Minerals Policy Act (AS 41.99.110). The changes implemented would make very positive improvements to the act. The small agency effort required to comply with the review and reporting requirement would make available significant data to the agency, administration, and legislature. These data could be used to help eliminate duplication of and conflicting state regulations and actions.

This type of legislation is recommended by the Alaska Minerals Commission. Furthermore, it is supported by this department.

Glenn A. Olds

Glenn A. Olds Spec. Asst. II

Commissioner,
Department of Commerce and Economic Development

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB126

Revision Date: _____
Title: Review and Reporting Requirements
relating to state mineral policy
Sponsor: Frank, Sturgulewski, et.al.
Requestor: _____

Department Affected: Department of Revenue
BRU: Revenue Operations
Component: Income and Excise Audit

COMPONENT SERIAL NO. | 1 | 1 | 3 |

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0		
PART-TIME	0.0	0.0	0.0	0.0		
TEMPORARY	0.0	0.0	0.0	0.0		

Estimate of current year impact: _____

ANALYSIS: Attach a separate page for analysis.

Prepared By: Carl Meyer *Carl Meyer* Phone: (907) 465-2320
Division: Income and Excise Audit Division Date: March 13, 1991

Approved by Commissioner: Lee E. Fisher *Lee E. Fisher*
Agency: Department of Revenue Date: 3/13/91

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

March 13, 1991

SB 126
FISCAL NOTE ANALYSIS
DEPARTMENT OF REVENUE

AS 44.99.110 contains a declaration of the mineral policy of the state with regard to state mineral resources including metals, industrial minerals, and coal. That policy establishes that mineral exploration and development be given fair and equitable consideration with other resource uses, be encouraged through reasonable and consistent nonduplicative regulations, be considered in developing a statewide transportation infrastructure system, be encouraged through appropriate public information, education, scientific research, technical studies, and University of Alaska program involvement, and that economic development of the state mineral industry be encouraged with Pacific Rim nations.

SB 126 would require the Department of Revenue, among others, to (1) review its statutory authority, regulations, and procedures applicable to mineral exploration and development to determine whether they comply with the state mineral policy, (2) to report any inconsistencies, and progress made on resolving previously identified inconsistencies, to the commissioner of natural resources on October 1 of each year, and (3) to work with mining interests, coastal resource areas, the public, and other resource users to propose solutions to any identified inconsistencies. The report would then be forwarded to the governor and the legislature within the first 10 days of each regular session of the legislature.

These review and reporting requirements would be repealed July 1, 1995 and would have no fiscal impact on the Department of Revenue.

STEVE FRANK
DISTRICT K
SEAT A

119 N. Cushman, Rm. 213
Fairbanks, Alaska 99701

While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 514

Alaska State Legislature

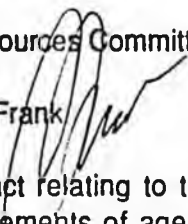


Senate

MEMBER
Finance Committee
Resources Committee
Legislative Council
Special Committee on Banking &
Economic Development

VICE-CHAIR
Community & Regional
Affairs Committee

TO: The Senate Resources Committee

FROM: Senator Steve Frank 

RE: SB 126 - "An act relating to the review and reporting requirements of agencies of the state relating to the state mineral policy"

DATE: March 13, 1991

Senate Bill 126 would require certain entities of the state to report annually to the commissioner of DNR on inconsistencies with regard to their procedures and regulations applicable to mineral exploration and development. The commissioner would then compile and forward those reports to the legislature and governor.

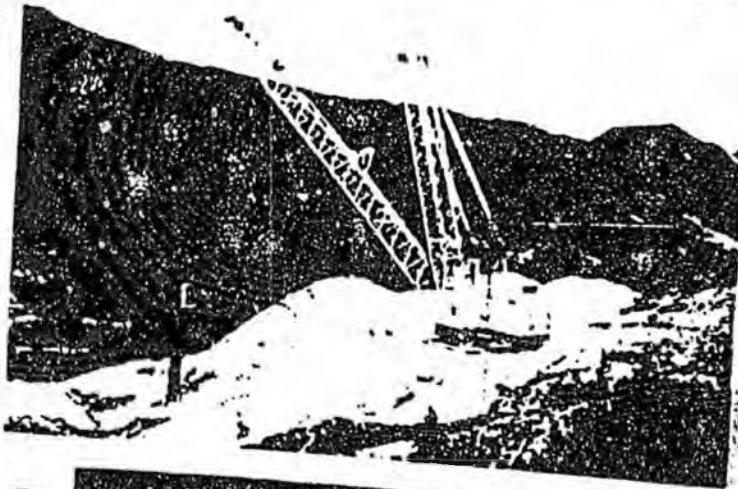
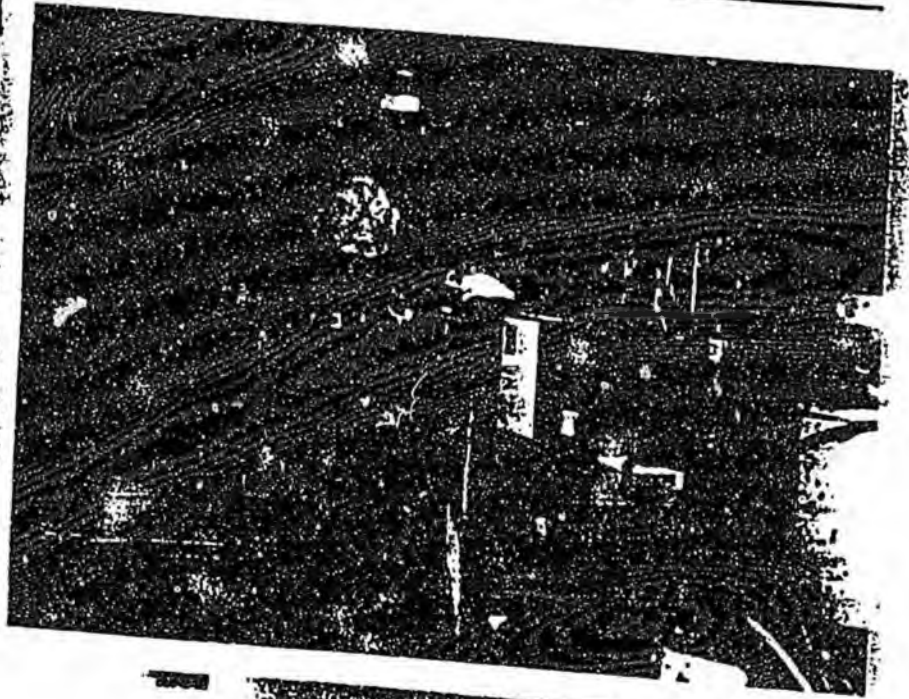
Chapter 138 SLA 1988 required all state agencies, boards and commissions to submit these reports on a one time only basis. That requirement was fulfilled in 1989. In their 1989 report, the Minerals Commission recommended that this reporting procedure be repeated annually. This bill would accomplish that goal, and it requires only affected agencies (those listed in the bill) to report. It also adds the University of Alaska and the Alaska Railroad Corporation to the list which are entities of the state that were not required to report in 1989.

Senate Bill 126 would heighten awareness and improve the Legislature's ability to track statutory and regulatory changes affecting the mineral industry.

I would appreciate your support of Senate Bill 126.

Alaska Minerals Commission

Report of the



January 1989



RECOMMENDATIONS OF THE ALASKA MINERALS COMMISSION

I. LEGISLATIVE PRIORITIES

Implementation of the 6(i) Court Decision

- The highest priority of the Alaska Minerals Commission is the fair and equitable implementation of the Alaska Supreme Court's interpretation of section 6(i) of the Alaska Statehood Act. (For a summary of the 6(i) issues and lawsuit, see Appendix C.)

The Commission supports the positions of both the Alaska Miners Association¹ and Governor Steve Cowper² on the following three critical aspects of any legislation to be enacted.

1. The traditional discovery, location and recordation system recognizes the unique nature of mineral resource development as well as the needs of individuals and companies carrying out mineral exploration and development. The right of self-initiation is guaranteed by the Alaska Constitution and no fundamental changes should be made in the way preferential minerals rights are initiated on state land.
2. Because of the long lead time commonly required between the discovery of a deposit and its initial production, there should be no arbitrary time limits placed upon the tenure of a mining claimant on state lands. This is especially important in Alaska where the need to construct basic infrastructure and to await financial and market "windows" will often result in longer development lead times than in more developed states and countries.
3. The setting of rental and/or royalty fees for mining claims on subject state lands should neither penalize claimants nor create disincentives for individuals or companies doing mineral exploration. In Alaska, exploration, development, capital and operating costs are commonly higher than in more developed states and countries. Alaska's cumulative mineral tax schedule, including existing corporate income taxes, mining license taxes and new rental and/or royalty fees should not unduly burden the small miner nor increase total development costs to the point where diminished economic feasibility precludes mine development or mineral exploration on subject state lands.

A fourth aspect of the implementation of the 6(i) court decision is the definition of lands to which the new legislative provisions will apply. The Commission agrees with Governor Cowper that it is in the interests of both the state and the mining industry that this aspect be resolved in a manner that minimizes the risk of lengthy and expensive litigation. As the Alaska Supreme Court ruled that the 6(i) provisions are applicable only to those state lands "known to be mineral in character at the time of state selection," the Commission also recommends that a clear definition of such lands be developed, and that workable and expeditious procedures be developed to allow timely classification of lands and claims subject to 6(i).

Finally, the Commission strongly recommends that proposed legislation implementing the 6(i) court decision be limited to only those issues specifically required by the court.

¹ *Communication from Richard A. Hughes, President, Alaska Miners Association to Governor Steve Cowper, September 9, 1988.*

² *Communication from Governor Steve Cowper to Richard A. Hughes, President, Alaska Miners Association, October 19, 1988.*

Allowance for Flexible Work Weeks

- The passage of legislation allowing work schedules to be set on the basis of project specific considerations will allow for more efficient use of labor and provide more desirable time-off patterns for employees. This will be particularly significant for mines in remote locations with employees who reside in communities distant from the work site.

Extension of Underground Work Hours

- Legislation is required to amend current statutes limiting shifts at the work face of underground mines from the current maximum of eight hours to a maximum of ten hours. The antiquated statute presently in effect does not recognize the implementation of modern safety programs and penalizes mine efficiency and employee time-off schedules on remote mining projects.

Multiple Use of State Lands

- The Commission would like to reemphasize four recommendations made in the Commission's 1987 report regarding the management of state lands.

1. Alaska Statute 38.05.300 should be amended as follows:

Classification of lands. (a) The commissioner shall, where considered necessary and proper, classify land for surface use. This section does not prevent reclassification of land where the public interest warrants reclassification, nor does it preclude multiple use of land whenever different uses are compatible. State land, water, or land and water area may not, except by act of the state legislature, be closed to multiple use or to mineral entry if the area involved contains more than 640 acres.

2. The Legislature should redefine, to conform with constitutional intent, the various definitions of "multiple use" in the Alaska Statutes to require the management of state lands for the use of all resources rather than allocating or selectively denying resource use.
3. The Legislature should only make closures of land to mineral entry where documented and demonstrated incompatible use is proven and only when preceded by a mineral assessment.
4. The Legislature and Governor should periodically review lands closed to mineral entry to assess the need for continued closure and, if there is no longer a compelling need for closure, return the land to multiple-use designation.

Amending the Reporting Requirements of the Minerals Policy Act.

- Sec. 44.99.110(2) should be amended to require each department, board, commission, or agency, including the University of Alaska, to fulfill its reporting requirements as set out in this section on an annual basis through 1994 rather than once only in 1989.

Industrial Minerals Inventory

- The Legislature should reintroduce and enact legislation similar to SB 71 (or companion legislation HB 69), Senate Concurrent Resolution 4 and House Concurrent Resolution 5 as introduced during the Second Session of the 15th Legislature. These bills and resolutions address the need for systematic identification, inventory and reserve of sand and gravel resources to meet the present and future needs of transportation systems, populated areas and large-scale developments within the state and Pacific Rim.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

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

March 11, 1991

The Honorable Lloyd Jones, Chair
Senate Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Senator Jones:

Subject: Senate Bill 126, which relates to the review and reporting requirements of the state agencies relating to state mineral policy.

Position: The Department supports this bill. The enactment of AS 44.99.110, the Mineral Policy Act, required in (2) that mineral development be encouraged through reasonable and consistent nonduplicative regulations and administrative stipulations. SB 126 is a vehicle for the resolution of deficiencies and inconsistencies of procedures in a number of state agencies.

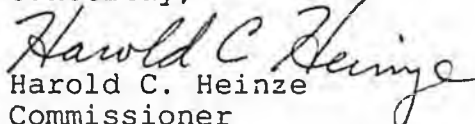
Background: The original Mineral Policy legislation specified "if inconsistencies or deficiencies are identified" during the subsequent ten month review period by state agencies, "a state department, board, commission or agency should work with mining interests, coastal resource service areas, the public and other resource users to propose solutions to the inconsistencies or deficiencies."

SB 126 requires that a named group of state agencies forward to the Commissioner of DNR by October 1 of each year comments and recommendations re the resolution of deficiencies and inconsistencies in its statutory authority, its administrative regulations and its procedures applicable to mineral exploration and development. Each of the named agencies shall also report on the progress made toward resolution of these inconsistencies that were identified in earlier reports.

The Commissioner shall assemble these reports and forward them, unedited, to the legislature within the first 10 days of the session.

Recommendation: The list of 8 specific agencies affected by this legislation should be expanded to include the Mental Health Lands Trust.

Sincerely,


Harold C. Heinze
Commissioner

cc: Committee Members
Senator Frank
Bruce Kendall, Legislative Liaison, Office of the Governor

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: 12-Mar-91 Department Affected: Natural Resources
 Title: State Mineral Policy Reporting BRU: Land & Water Management
 Components: Land & Water Management
 Sponsor: Senator Frank
 Requestor: Senate Resources COMPONENT SERIAL NO. 431

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	4.6	2.3	2.3	2.3	2.3	2.3
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	4.6	2.3	2.3	2.3	2.3	2.3

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	4.6	2.3	2.3	2.3	2.3	2.3
FEDERAL FUNDS						
OTHER						
TOTAL	4.6	2.3	2.3	2.3	2.3	2.3

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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: 12-Mar-91

Approved by Commissioner: Harold Heinze Date: 12-Mar-91
 Agency: Department of Natural Resources

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

Fiscal Note SB 26, continued.

	FY 92	FY 93
100 Personal Services		
Land & Water NRM I (Range 18A)	4.6	2.3
FY 92 -- for identification and assessment of existing statutes, regs. and procedures affecting mining (1 mo./yr.)		
FY 93 and beyond -- for updating the identification and assessment of statutes, regs. and procedures (.5 mo./yr.).		
Total	\$ 4.6	\$ 2.3

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: 13-Apr-92 Department Affected: Natural Resources
 Title: State Mineral Policy Reporting BRU: Land Management
 Components: Land Management
 Sponsor: Senator Frank
 Requestor: Senate Finance COMPONENT SERIAL NO. 431

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	4.6	2.3	2.3	2.3	2.3	2.3
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	4.6	2.3	2.3	2.3	2.3	2.3
CAPITAL						
REVENUE						
Funding Source:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	4.6	2.3	2.3	2.3	2.3	2.3
FEDERAL FUNDS						
OTHER						
Funding Source: 1007						
TOTAL	2.3	2.3	2.3	2.3	2.3	2.3

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of Current year impact:

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Ron Swanson Phone: 762-2680
 Division: Land Management Date: 13-Apr-92

Approved by Commissioner: Harold C. Heintz Date: 13-Apr-92
 Agency: Department of Natural Resources

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

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 126

Revision Date: 12-Mar-91 Department Affected: Natural Resources
 Title: State Mineral Policy Reporting BRU: Land & Water Management
 Components: Land & Water Management
 Sponsor: Senator Frank
 Requestor: Senate Resources COMPONENT SERIAL NO. 431

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	4.6	2.3	2.3	2.3	2.3	2.3
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	4.6	2.3	2.3	2.3	2.3	2.3

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	4.6	2.3	2.3	2.3	2.3	2.3
FEDERAL FUNDS						
OTHER						
TOTAL	4.6	2.3	2.3	2.3	2.3	2.3

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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: 12-Mar-91

Approved by Commissioner: Harold Heinze Date: 12-Mar-91
 Agency: Department of Natural Resources

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

STEVE FRANK
DISTRICT K
SEAT A

119 N. Cushman, Rm. 213
Fairbanks, Alaska 99701

White in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 514

Alaska State Legislature

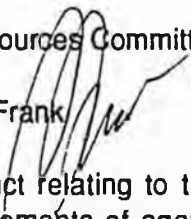


Senate

MEMBER
Finance Committee
Resources Committee
Legislative Council
Special Committee on Banking &
Economic Development

VICE-CHAIR
Community & Regional
Affairs Committee

TO: The Senate Resources Committee

FROM: Senator Steve Frank 

RE: SB 126 - "An act relating to the review and reporting requirements of agencies of the state relating to the state mineral policy"

DATE: March 13, 1991

Senate Bill 126 would require certain entities of the state to report annually to the commissioner of DNR on inconsistencies with regard to their procedures and regulations applicable to mineral exploration and development. The commissioner would then compile and forward those reports to the legislature and governor.

Chapter 138 SLA 1988 required all state agencies, boards and commissions to submit these reports on a one time only basis. That requirement was fulfilled in 1989. In their 1989 report, the Minerals Commission recommended that this reporting procedure be repeated annually. This bill would accomplish that goal, and it requires **only affected agencies** (those listed in the bill) to report. It also adds the University of Alaska and the Alaska Railroad Corporation to the list which are entities of the state that were not required to report in 1989.

Senate Bill 126 would heighten awareness and improve the Legislature's ability to track statutory and regulatory changes affecting the mineral industry.

I would appreciate your support of Senate Bill 126.

Summary of 1990 Land Classification Actions

UPDATED TANANA BASIN AREA PLAN

The Tanana Basin Area Plan was adopted by the Department of Natural Resources on April 4, 1985. The plan has since been updated and revised. The updated plan, which encompasses 14.8 million acres, was signed by the Commissioner of the Department of Natural Resources on November 30, 1990.

Table 2. Tanana Basin Update Classification Acreage

CLASSIFICATION	ACREAGE
Agriculture	164,840
Agriculture/Settlement	75,992
Forest	168,340
Forest/Public Recreation	19,040
Forest/Wildlife Habitat	631,026
Forest/Minerals/Public Recreation	25,920
Forest/Minerals/Wildlife Habitat	227,339
Forest/Public Recreation/Wildlife Habitat	291,568
Materials	15,740
Minerals	17,400
Minerals/Public Recreation	59,312
Minerals/Wildlife Habitat	1,282,520
Minerals/Public Recreation/Wildlife Habitat	700,433
Public Recreation	71,696
Public Recreation/Wildlife Habitat	3,513,574
Public Recreation/Transportation Corridor/Wildlife	10,880
Public Recreation/Water Resources/Wildlife Habitat	19,200
Reserved Use	1,920
Resource Management	1,831,050
Settlement	826,008
Water Resources	28,640
Wildlife Habitat	4,821,815
TOTAL	14,804,253

KASHWITNA MANAGEMENT PLAN

The Kashwitna Management Plan was adopted by the Department of Natural Resources on October 24, 1990. The Commissioner of the Department of Fish and Game signed the plan November 15, 1990. The plan amends the 1982 Lower Sub-Basin Area Plan (WSAP), in the Kashwitna Unit. The Kashwitna Management Plan also amends the Plan in the Iron Creek and Little Willow Creek subunits to consolidate agricultural homestead areas and to provide a habitat and recreation buffer along Little Willow Creek.

S B

1 2 7

DATE: 2/19/91

FURTHER: Finance

Date of 5-Day Notice: March 7, 1991
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: April 16, 1992

Resources Committee considered SB 127

Use of state land.

and recommended:

- replace with _____ CS SB 127 (Res) same title
- attached amendment(s) new title
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s) /Date:

Department(s) /Date:

fiscal note(s) DNR 3/12/91
SB

zero fiscal note(s) DNR 4/16/92
CS

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]
Chair: Signature and Recommendation

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF MINING

P.O. BOX 107016
ANCHORAGE, ALASKA 99510-7016
PHONE: (907) 762-2170

3700 AIRPORT WAY
FAIRBANKS, ALASKA 99709
PHONE: (907) 451-2790

March 12, 1991

Ms. Teresa Sager-Stancliff
Office of Senator Steve Frank
Mail Stop "V"
Juneau, AK 99811

RE: SB 127

Attached as per your request are examples of conflicts resulting from unequal consideration of multiple uses of state land. Specifically identified are cases where mining was impacted by other land uses.

I hope this is useful to you.

Sincerely,



Samuel M. Dunaway, Jr.
Acting Director

Attached

cc: Cindy Roberts

Areas where mineral entry on multiple use lands has been closed or restricted by land classification or legislative action.

1. **Hatcher Pass Area, Willow Creek Mining District**

- a. Reed Lakes area has moderate to high mineral potential for vein and porphyry copper-gold deposits and is closed to mineral entry. Recreational use has led to reclassification of state lands. Roads built by mineral development has allowed access for recreation use forcing mineral development out. The area has been closed to new mineral resource development under the Hatcher Pass Management Plan.

2. **Lake Creek, Susitna Recreation Rivers Plan, Yentna Mining District**

- a. Lake Creek was closed to mineral entry by the Susitna Area Plan. Lake Creek drains the Fairview Mtn.-Collinsville area, comprising the western portion of the Yentna Mining District. Recreational use is slowly forcing mining activities in the Yentna District to be curtailed and stopped. Lake Creek is considered to have good potential for the development of placer gold and pgm metals. A small portion of Lake Creek may be reopened to mineral entry under the Rec Rivers Management Plan.

3. **Tugidak Island, Critical Habitat**

- a. Beach placer gold deposits have been identified on Tugidak Island for many years. Numerous proposals to mine the southern beaches have been held in limbo because of seal haulout areas on the north and east sides of the island. The legislature in the late 1980's created the Tugidak Island Critical Habitat, which has made development of beach placer gold very difficult. The Island has been open to mineral entry but will soon be partially closed.

4. **Yentna Mining District, Kahiltna River, Cache Creek, and Peters Creek, Susitna Area Plan.**

- a. The areas around these drainages have been mined since the early 1900's. Roads built into the mining district for access for mining are now being used by recreational users and hunters creating conflicts between various user groups, area residents, and placer miners. Many feel that pressure from recreational users will force mining out of the area. SB 124 may directly affect this mining district and force the closure of existing mines. Creation of Denali State Park closed the eastern part of the Yentna Mining District to mineral location.

REPORT TO THE LEGISLATURE

**1991 STATE LAND CLASSIFICATION
LAND DISPOSAL BANK
LAND DISPOSAL INCOME ACCOUNT
MINERAL ORDERS**

JANUARY, 1992

**Walter J. Hickel
Governor
State of Alaska**

**Harold C. Heinze
Commissioner
Department of Natural Resources**

**Division of Land
P.O. Box 107005, Anchorage, Alaska 99510-7005**



1991 REPORT TO THE LEGISLATURE

**State Land Classification
Land Disposal Bank
Land Disposal Income Account
Mineral Orders**

January 1992

Prepared by
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Southcentral Region
for
Ron Swanson, Director
Division of Land

Walter J. Hickel, Governor
State of Alaska

Harold C. Heinze, Commissioner
Department of Natural Resources

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**REPORT:
STATE LAND CLASSIFICATION
LAND DISPOSAL BANK
LAND DISPOSAL INCOME ACCOUNT
MINERAL ORDERS**

Executive Summary

1991 REPORT TO THE LEGISLATURE

This report fulfills three requirements:

1. A report to the legislature on the status of land in the disposal bank, due on January 15 of each year. [AS 38.04.020(d)]
2. A report to the legislature which describes and shows the location of all classifications of state land made during the preceding year, due by February 1 of each year [AS 38.05.300(b)].
3. A report to the legislature reflecting all money deposited in the state land disposal income account during the prior fiscal year [AS 38.04.022(b)].

Although not a statutory requirement, the status of mineral closing orders is also included in this report.

SUMMARY

1. Land classification identifies the purposes for which state land is to be managed. All land classification actions are based on a land use plan prepared by the Department of Natural Resources. All classification categories are for multiple use, although a particular use may be considered primary. Land may be given a total of three classifications in combination.

Adopted plans cover over 83 million acres (55%) of all state land; or 69 million acres (80%) of state uplands. Other plans are now in progress. In 1991, the department classified 673,068 acres of state land. This increases the net total amount of land identified and tabulated as to classification categories to 87,639,308 acres as shown in Table 2 on page 11. An additional 10,800,000 acres of tide, shore, and submerged land has been classified by area plans but not tabulated as to specific classification categories. This brings the total of gross classified acreage to 98,439,308.

2. The Land Disposal Bank contains land classified for disposal. The total amount of land in the disposal bank as of December 31, 1991, equals approximately 549,732 acres: 210,620 acres for homesteads; 10,123 acres for subdivisions; 344,512 acres for agricultural disposal and 1,640 acres for commercial and industrial disposal. (30,878 acres of agricultural lands are included in both homesteads and agricultural disposal and are therefore subtracted to avoid double counting.)

CORRECTION

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

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3. The Land Disposal Income Account was established in the state general fund to receive revenue from the sale of state land. The legislature may appropriate money for implementation of state land disposal programs from this account. During the 1991 fiscal year, approximately 6.5 million dollars were deposited in this account.
4. Mineral Order data have been entered into this report under Part IV. The data shows the individual and accumulative mineral closure acreage totals through calendar year 1991. Mineral orders processed during 1991 are also shown separately on page 37.

I. STATE LAND CLASSIFICATION

PLANNING, CLASSIFICATION, AND MANAGEMENT

LAND AND RESOURCE PLANNING

All land classification actions are based on a land use plan prepared by the Department of Natural Resources. The planning process is described in Figure 1, on Page 4. Land use plans provide guidance for the use and development of state land and resources. State law requires that these plans be consistent with local governmental land use plans to the maximum extent determined to be consistent with state interests. The department prepares three types of land use plans: area plans, management plans, and site-specific plans.

Area plans, such as the 15.2-million acre Bristol Bay Area Plan, cover relatively large regions of the state. With participation by agencies and the public, resources are identified and land use values are determined. Area plans allocate state land for primary and secondary uses. To ensure multiple use and avoid conflicts, the allocations are accompanied by management intent statements which give direction to land managers and guidelines for applying specific land classifications. About 83 million acres of state land (uplands, tide, shore and submerged lands) are now covered by adopted area plans in populated as well as rural regions of the state. (See Figures 2 and 3.)

The table below shows ten completed area plans. Two previously completed area plans, Delta-Salcha (1982) was encompassed in the Tanana Basin Plan when it was recently updated. The Willow Sub-basin Area Plan will also be encompassed in the upcoming Susitna Area Plan update.

Completed area plans listed below show approximate state acreage within their planning areas. This acreage includes not only patented, tentatively approved, and selected state land which have come to the state under various federal land entitlements, but also shore, tide and submerged land granted under the federal Submerged Lands Act of 1953.

Table 1A: ADOPTED AREA PLANS	ACRES	COMPLETION DATE
Bristol Bay	15,250,000	1984
Copper River Basin	3,300,000	1986
Haines-Skagway	400,000	1979
Kuskokwim	16,000,000	1988
Northwest	16,000,000	1989
Prince William Sound	4,800,000	1988
Prince of Wales Island	1,072,000	1990
Southwest Prince of Wales Island (amended)	1,010,225	1990
Susitna	9,500,000	1985
Tanana Basin (Update)	15,304,000	1990
Willow Sub-Basin	402,830	1982
TOTAL	83,039,055*	

* Includes 13,050,000 acres of shore, tide, and submerged land.

Table 1B:	AREA PLANS IN PROGRESS	PROJECTED COMPLETION DATE
	Kenai Area Plan	April, 1994
	Central Southeast Area Plan	October, 1994
	Yakataga Area Plan	June, 1993
	Juneau Area Plan	July, 1992

Management plans, such as the 115,000-acre Matanuska Valley Moose Range Management Plan, are more detailed than area plans and usually cover smaller areas. The process for preparing a management plan is similar to that of an area plan.

Management Plans are written to resolve issues in more detail than the land use decisions resulting from an area plan. Management plans may consider a smaller area in greater detail or provide direction for a specific resource decision within a larger area.

Table 1C:	ADOPTED MANAGEMENT PLANS	COMPLETION DATE
	Susitna Forest Management Guidelines	October, 1991
	Susitna Recreation Rivers	June, 1991
	Shorelands of Togiak National Wildlife Refuge	May, 1991

Table 1D:	MANAGEMENT PLANS IN PROGRESS	PROJECTED COMPLETION DATE
	Tumagain Arm Management Plan	January 1994

Site-specific plans are more detailed than area or management plans and usually cover a relatively small area. Site-specific plans ordinarily address a specific land use such as would be necessary to properly classify an area for a timber sale, lease, material sale, etc. The process for preparing a site-specific plan is similar in some aspects to the preparation of an area or management plan.

CLASSIFICATION

Land classification is an integral step in the process of making Alaska's land available for public and private use. It serves to identify the purposes for which the land has been allocated.

All classification categories are for multiple use, although a particular use may be considered primary. In some cases, land may be assigned three classifications in combination. Uses are presumed to be compatible until proven otherwise. All of the categories also allow surface leasing, mineral locations, sale of materials and oil and gas leasing unless restricted by law, through a land use plan or mineral order. The settlement classification category provides for the sale of land and the agricultural classification provides for the sale of rights in the land for agricultural purposes. Public notice must be given prior to classifying or reclassifying land (AS 38.05.945).

State land, water, or land and water area may not be administratively closed to multiple use if the area involved contains more than 640 acres (AS 38.05.300). Larger, single purpose areas such as parks and critical habitat areas must be established by the legislature. All state land classifications now total about 99 million acres. Please refer to Figure 6 on page 8 which shows the progress of land classification over the ten years that this reporting has been required by the legislature.

In 1987, in the wake of the Supreme Court's decision in Alaska Survival, the legislature made major changes in the land use planning statute, AS 38.04.065. In August, 1989, the land planning and classification regulations (11 AAC 55) were amended to conform with the new law. These amendments dealt with procedures for revising land use plans, preparing a site-specific plan, and dealing with classification proposals such as a proposed addition to the land bank. The amendments also included a new classification category, waterfront development land, to distinguish tidelands suitable for commercial or industrial uses from land needed for residential uses.

Any land classified since September 1983 is open to locatable mineral entry unless the land is closed by law or a mineral closing order. Land classified in certain categories before September 1983 was automatically closed to mineral entry or required a mining lease before mining could begin. Such land retains its mineral entry restrictions or closure until it is reclassified.

LAND MANAGEMENT

Land use plans and the classifications that result from them are fundamental tools in achieving the department's basic goals of sound land and resource stewardship, responsible decision-making, and greater economic vitality and quality of life for Alaskans. The decisions made through planning and reflected in land classification help achieve these goals by ensuring that suitable land is acquired by the state, managed for the overall welfare and satisfaction of present and future generations, and made available for private development of resources where doing so benefits the state.

Plans recommend lands to select to fill the remainder of our 105 million acre land entitlement and lands to be relinquished. The state's land base is increasing annually through the transfer of land under federal land entitlements. As the state's entitlement nears fulfillment, the remaining selections become particularly important. Please refer to Figure 4, "Alaska Land Status" on Page 7, which illustrates Alaska's land entitlement and land classification status.

As Alaska's land base and population grow and stabilize, and as development in the state expands, demand for public and private use of state land increases tremendously. Planning is a primary mechanism used by the department to resolve competing demands, decide the best use, and minimize conflicts between coexisting multiple uses.

A basic decision the department must make is which lands will remain in state ownership and which should be offered for sale. Land use plans ensure that a sufficient amount of good quality land is offered for sale, and assists in the decision of which land to offer. Classification for settlement follows the plan and is the initial step in the formal process of land disposal.

Most land retained by the state is managed for public use. The department's plans give land managers guidance on such actions as granting permits, leases, material sales (i.e., sand and gravel) and rights-of-way. Statements of management intent for each area determine whether a proposed action should take place and guidelines specify how actions will be managed to protect other resources and minimize conflicts. Classification for retained land reflects the primary uses designated in area plans. Classification by itself does not give guidance for managing lands. Plans must be referred to for this guidance.

FIGURE 1.

PLANNING PROCESS

1. Identify Issues

Hold public meetings to identify issues and concerns in the area.

2. Gather Information

Throughout the planning process collect information about natural resources, present and past land use, land ownership, and the local economy.

3. Prepare and Evaluate Land Use Alternatives

Describe possible choices for managing state land based on public interests, local resources, and state policies. Describe the effects of each choice on goals for the management of an area.

4. Public Reviews Alternatives

Hold public meetings to review the land use choices and identify those that people prefer.

5. Prepare Draft Plan

The planning team and advisory board create a draft plan using public and agency comments. The agencies review the first draft and settle any land use conflicts that remain.

6. Public Reviews Draft Plan

Hold public meetings to provide the public the opportunity to comment on the draft plan and identify parts that need to be changed.

7. Prepare Final Plan

Review agency and public comments and revise the plan. The plan is prepared for publication.

8. Approve Plan

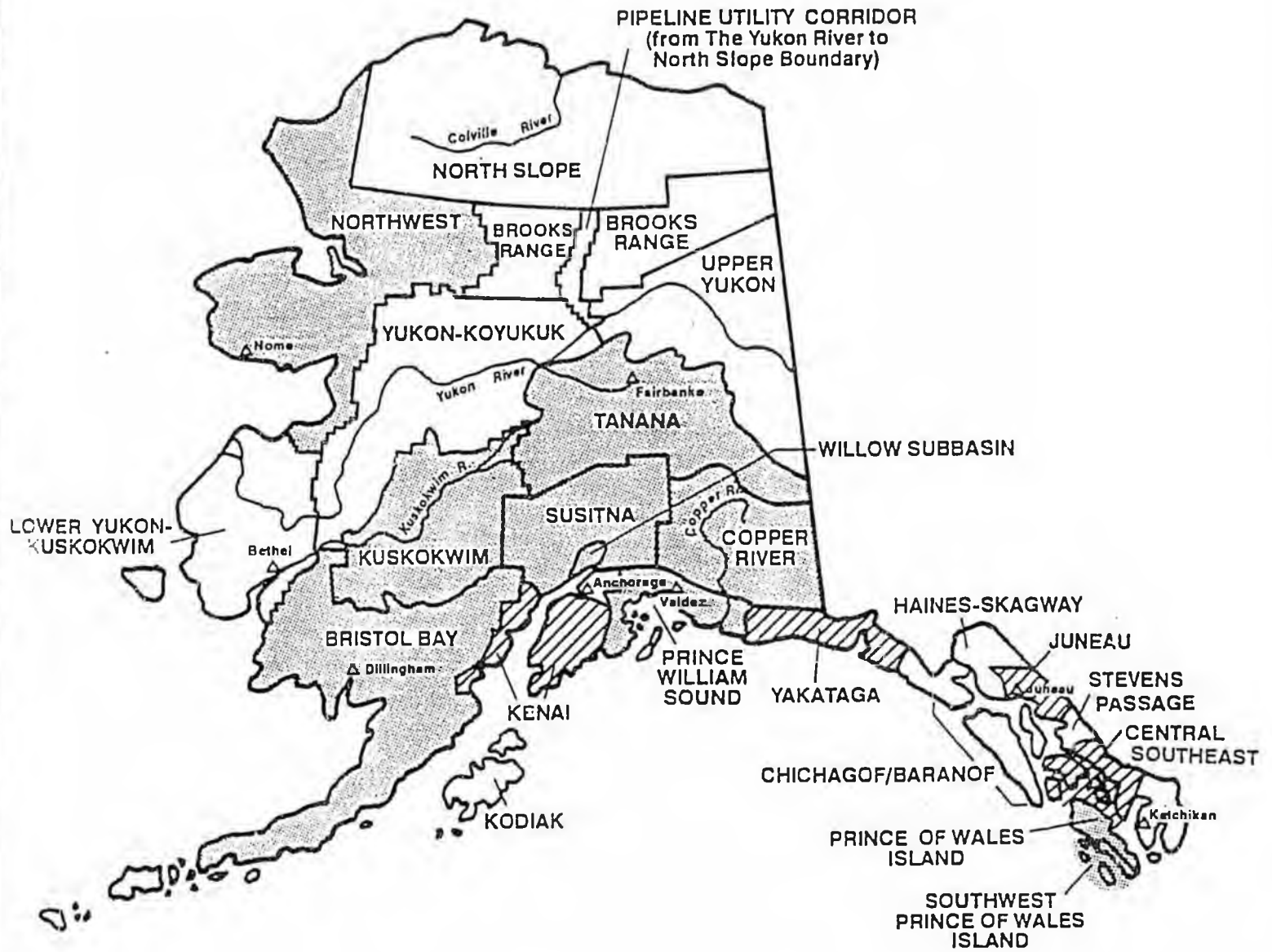
The Commissioner of the Department of Natural Resources approves and signs the plan.

9. Adopt and Implement Plan

The plan guides land management decisions in the planning area.

FIGURE 2

Alaska Department of Natural Resources AREA PLANS



December 1991



Alaska Department of
**NATURAL
RESOURCES**

AREA PLANNING STATUS




-  Completed area plans
-  Area plans in progress
-  Not scheduled for area plans at this time

FIGURE 3. Area Plan Status

TOTAL = 170.2 Million Acres (uplands, shore, tide & submerged lands)

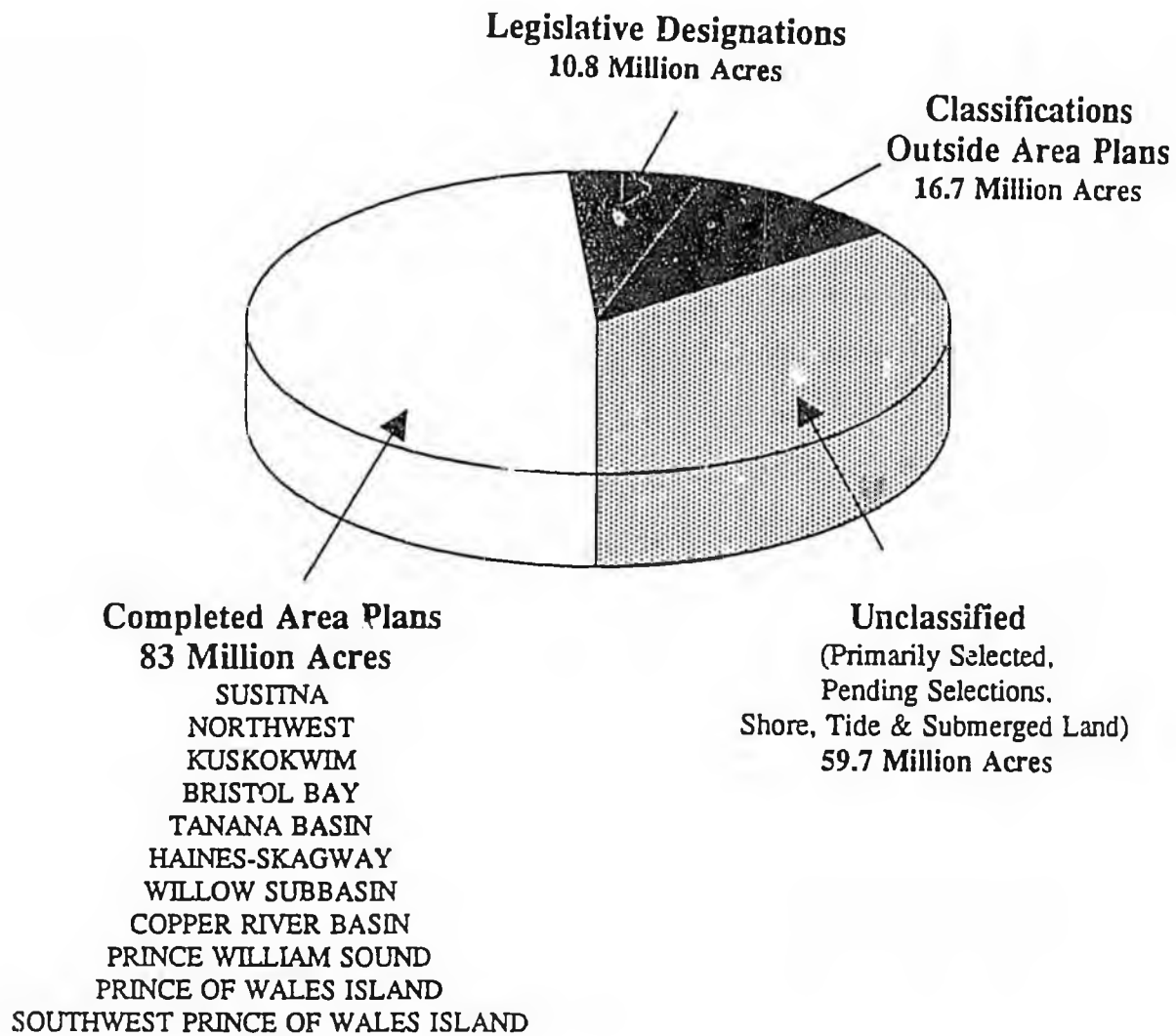


FIGURE 4. ALASKA LAND STATUS

DECEMBER 1991

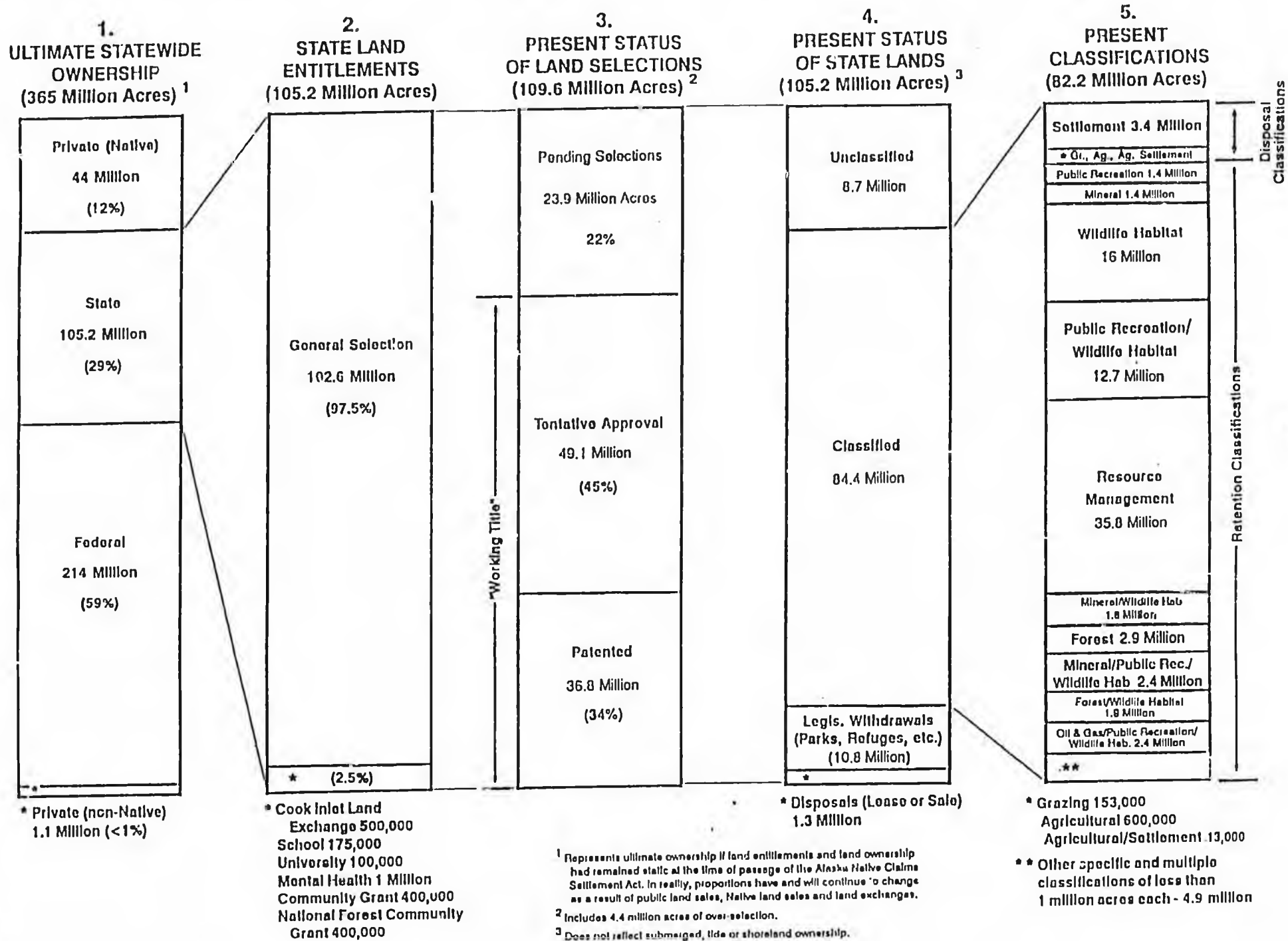


FIGURE 5. Progress of Area Plans

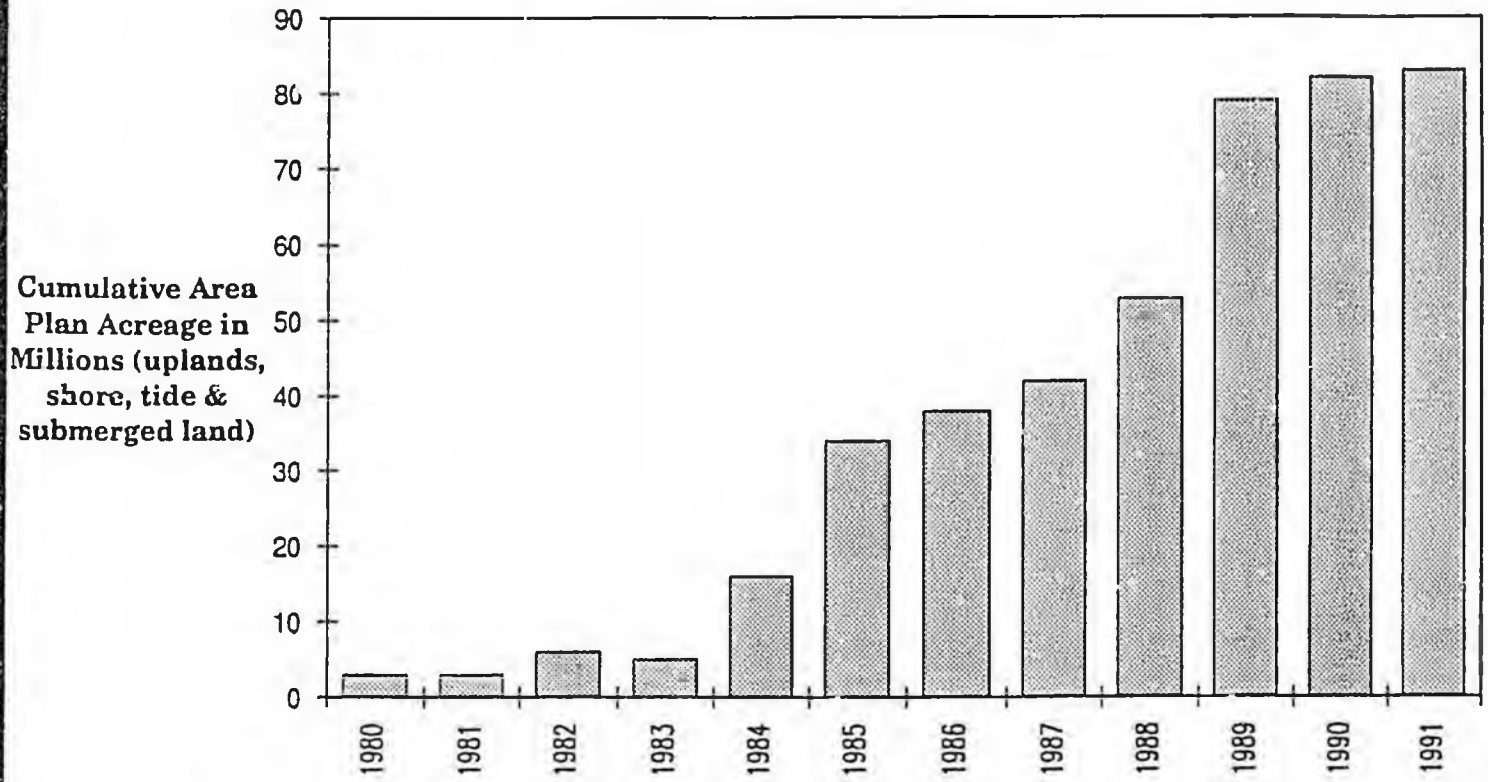
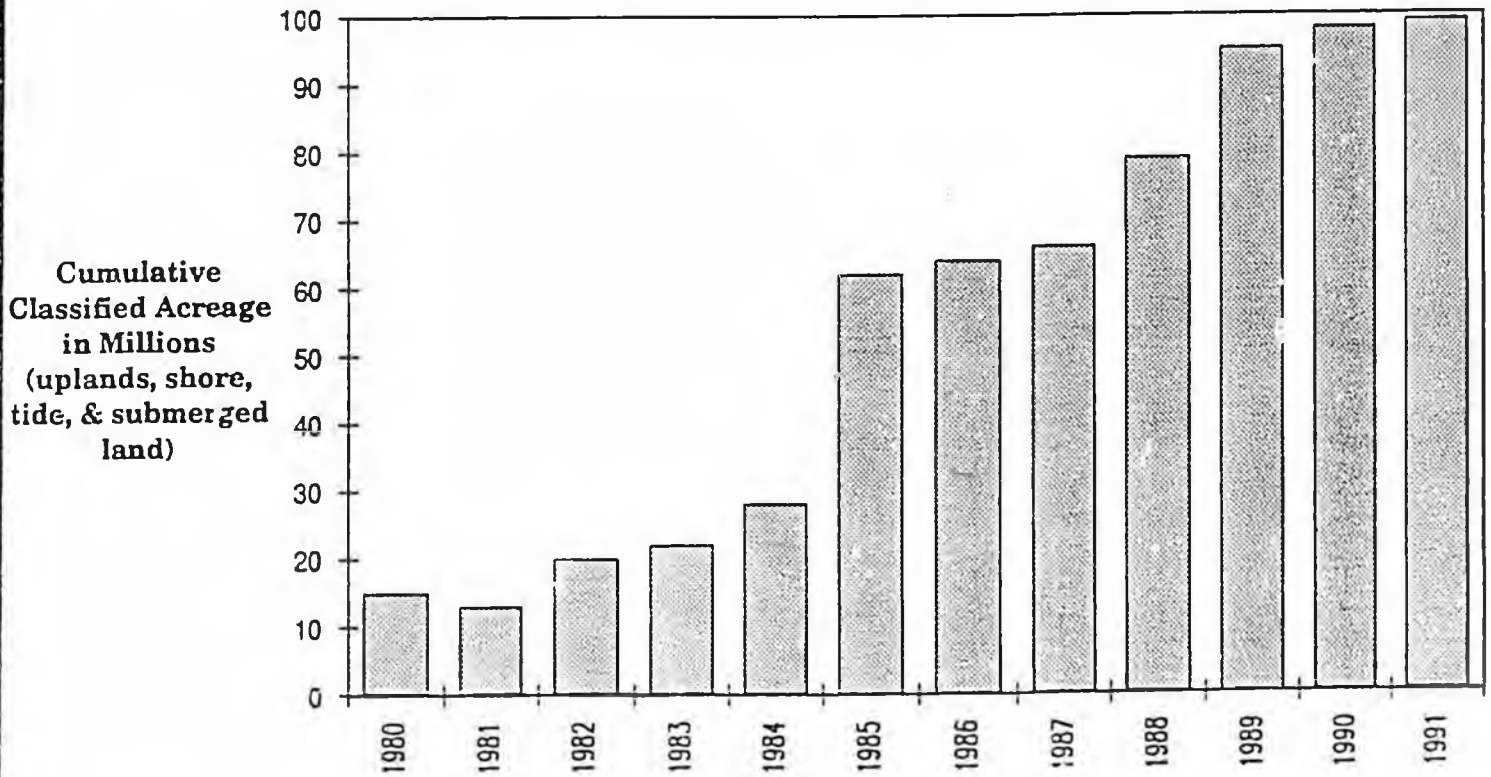


FIGURE 6. Progress of Land Classifications



SUMMARY OF 1991 LAND CLASSIFICATION ACTIONS

GOODPASTER AMENDMENTS TO THE TANANA BASIN AREA PLAN

On September 18, 1991, Commissioner Heinze signed the Tanana Basin Area Plan amendments for the Goodpaster River and Quartz Lake area. The amendments change the way that the Department of Natural Resources manages over 930,000 acres of state land. The amendments were necessary because the Tanana Basin Area Plan Update that was adopted in November of 1990 did not provide a stable balance of land use.

SUSITNA BASIN RECREATION RIVERS MANAGEMENT PLAN

On June 28, 1991, Commissioner Harold Heinze adopted the Susitna Basin Recreation Rivers Management Plan. The state will manage state land within the planning area consistent with the plan. The plan amends and supersedes the Susitna Area Plan and the Willow Sub-Basin Area Plan where those overlap with the Recreation Rivers described under AS 41.23.500. The plan classified about 243,000 acres as Public Recreation/Water Resources/Wildlife Habitat Land. However, most of this acreage had been previously classified under the two previously mentioned plans.

SUSITNA FOREST MANAGEMENT GUIDELINES

On October 23, 1991, Commissioner of the Department of Natural Resources, Harold Heinze, adopted the Susitna Forestry Guidelines. State agencies, the Mat-Su Borough and the public worked for three years to develop guidelines for managing state forest land in the Susitna Valley. The Guidelines were prepared by the Division of Land and the Division of Forestry of the Department of Natural Resources in cooperation with the Department of Fish and Game. The Guidelines direct management of forest resources, set standards for timber management and access, identify areas available for timber harvesting, summarize current timber volumes, and establish the annual allowable cut.

SHORELANDS OF TOGIK NATIONAL WILDLIFE REFUGE

On May 10, 1991, Commissioner Heinze adopted the guidelines of the Togiak National Wildlife Refuge Public Use Management Plan for state-owned shorelands in the Togiak National Wildlife Refuge and lower Goodnews River as a state land use plan under AS 38.04.065 and 11 AAC 55.010-030. The Department of Natural Resources will manage state shorelands within the Togiak National Wildlife Refuge and lower Goodnews River consistent with these guidelines.

BRISTOL BAY AREA PLAN AMENDMENT

Amendment No. 1 to the Bristol Bay Area Plan was signed by Commissioner Heinze on April 26, 1991 to classify 22,931 acres of unclassified state land located in the vicinity of Iliamna Lake and Kvichak River which were inadvertently omitted from classification when the plan was developed. The amendment classifies 4414 acres as Mineral/Public Recreation/Wildlife Habitat and 18,517 acres as Public Recreation/Wildlife Habitat.

CLASSIFICATION OF TIDE AND SUBMERGED LANDS

In addition to state-owned uplands, the Division of Land is the primary manager of sixty-five (65) million acres of tidelands, shoreland, and submerged lands acquired under the Submerged Lands Act of 1953.

The state may classify tide, shore and submerged lands into any appropriate state land classification. Preference is granted to the upland owner for the use of a tract of tideland, or tideland and contiguous submerged land which is seaward from the owner's upland property as long as the use is consistent with state interests. (A.S.38.05.850)

During 1991, the Southcentral Region classified as Resource Management/Wildlife Habitat approximately 400,000 acres of tide, shore, and submerged lands located in Cook Inlet; on the shore of Kodiak Island; and on the southeast shore of the Alaska Peninsula. The classification was undertaken to facilitate the continuation of the shore fisheries leasing program under the authority granted by House Bill 57, enacted by the State Legislature in 1991. House Bill 57 amended AS 38.04.082(b) authorizing the Director (until January 1, 1997) to classify land subject to leases for fisheries development in areas of the state where the Commissioner of the Department of Natural Resources has not adopted a land use plan under AS 38.04.065. The classification applies only to areas where setnet fishing is currently allowed under regulations of the Alaska Department of Fish and Game.

The Southcentral Region also classified about 1,555 acres of tide and submerged land as Wildlife Habitat in conjunction with the department's aquatic farming or mariculture program. These classifications were done under the program established by the legislature in 1988. An additional 550 acres of tide and submerged lands were classified as Waterfront Development in a number of smaller classification actions to facilitate the issuance of long-term leases for the development of commercial activities including the airport expansion project at Sand Point. During 1991, the Southeast Region also classified or reclassified approximately 5,000 acres of tide and submerged land.

Table 2. Statewide Land Classification Through 1991

Classification Acres	Acres Added	Acres Removed	Net Acreage Change	Total Acres 12/31/90	Total Acres 12/31/91
Agricultural Land	775	(4,160)	(4,160)	599,048	594,888
Agricultural/Settlement Land	0	0	(9,440)	22,754	13,314
Coal Land	0	0	0	2,560	2,560
Coal/Forest/Wildlife Habitat Land	0	0	0	89,573	89,573
Coal/Oil and Gas/Wildlife Habitat Land	0	0	0	52,010	52,010
Coal/Wildlife Habitat Land	0	0	0	69,750	69,750
Forest/Grazing/Public Recreation Land	0	0	0	618	618
Forest Land	2,000	(1,920)	8	2,916,073	2,916,081
Forest/Mineral/Wildlife	4,320	(49,260)	(44,940)	227,339	182,399
Forest/Oil & Gas/Wildlife Habitat Land	0	0	0	37,330	37,330
Forest/Public Recreation	9,600	0	9,600	0	9,600
Forest/Public Recreation/Water Resources	0	0	0	110,036	110,036
Forest/Public Recreation/Settlement	280	0	280	0	280
Forest/Public Recreation/Wildlife Habitat Land	5,760	0	5,760	833,345	839,105
Forest/Settlement Land	5,037	0	5,037	11,011	16,771
Forest/Transportation Corridor Land	0	0	0	6,280	6,280
Forest/Transportation Corridor/Settlement	0	0	0	46,296	46,296
Forest/Water Resource/Wildlife Habitat Land	0	0	0	3,040	3,040
Forest/Wildlife Habitat Land	13,798	0	13,798	1,939,878	1,953,676
Grazing	0	0	0	151,420	151,420
Grazing/Public Recreation/Water Resources Land	0	0	0	16,830	16,830
Grazing/Public Recreation/Wildlife Habitat Land	0	0	0	3,858	3,858
Heritage Resources	0	0	0	40	40
Heritage Resources/Public Recreation	3	0	3	0	3
Heritage Resources/Public Recreation/Wildlife Habitat	198	0	198	5,165	5,363
Heritage Res/Waterfront Development	12	0	12	0	12
Material Land	0	0	0	5,088	5,088
Material/Wildlife Habitat Land	0	0	0	680	680
Mineral Land	5,600	0	5,600	1,389,749	1,400,712
Mineral/Public Recreation Land	0	0	0	13,170	13,170
Mineral/Public Recreation/Wildlife Habitat Land	4,414	0	4,414	2,410,951	2,415,365

1991 Statewide Land Classification Table 2 (continued)

Classification Acres	Acres Added	Acres Removed	Net Acreage Change	Total Acres 12/31/90	Total Acres 12/31/91
Mineral/Settlement Land	0	0	0	1,040	1,040
Mineral/Transportation/ Wildlife Habitat Land	0	0	0	153,541	153,541
Mineral/Wildlife Habitat Land	12,240	0	12,240	1,820,985	1,833,225
Oil & Gas/Public Recreation/ Wildlife Habitat Land	0	0	0	2,396,537	2,396,537
Oil & Gas/Settlement Land	0	0	0	1,520	1,520
Oil and Gas/Wildlife Habitat Land	0	0	0	226,192	226,192
Public Recreation Land	13,756	0	13,756	1,445,682	1,459,438
Public Recreation/Resource Management Land	0	0	0	890	890
Public Recreation/Reserved Use	247	0	247	0	247
Public Recreation/Reserved Use/ Settlement	3,039	0	3,039	0	3,039
Public Recreation/Settlement Land	6,737	0	6,737	4,400	11,137
Public Recreation/Settlement/ Wildlife Habitat Land	375	0	375	18,575	18,950
Public Recreation/Transportation Corridor Land	0	0	0	4,480	4,480
Public Recreation/ Water Resources Land	0	0	0	9,890	9,890
Public Recreation/Water Resources/Wildlife Habitat Land	243,000	0	243,000	108,779	351,779
Public Recreation/ Wildlife Habitat Land	1,081,854	0	1,081,854	11,715,972	12,797,826
Reserved Use Land	197	0	197	533,512	535,709
Reserved Use/Settlement	3,475	0	3,475	0	3,475
Reserved Use/Settlement/ Water Resources	2,293	0	2,293	0	2,293
Reserved Use/Settlement/ Wildlife Habitat	245	0	0	0	245
Resource Assessment Land	0	0	0	150,000	150,000
Resource Management Land	485,865	(11,928)	473,937	35,370,295	35,844,232
Resource Management/ Wildlife Habitat	400,000	0	400,000	0	400,000
Settlement Land	28,437	(4,800)	23,637	3,380,726	3,404,363
Settlement/Public Recreation	2,340	0	0	2,340	2,340
Settlement/Wildlife Habitat Land	262	0	262	1,055	1,317
Settlement/Water Resources	335	0	335	0	335
Transportation Corridor	0	0	0	6,880	6,880
Transportation Corridor/ Wildlife Habitat Land	0	0	0	62,432	62,432
Waterfront Development	1,881	0	1,881	3,042	4,923

1991 Statewide Land Classification Table 2 (continued)

Classification Acres	Acres Added	Acres Removed	Net Acreage Change	Total Acres 12/31/90	Total Acres 12/31/91
Water Resources Land	0	0	0	108,455	108,455
Wildlife Habitat Land	601,126	0	601,126	15,567,981	16,169,107
Wildlife Habitat/Waterfront Development	860	0	860	0	860
Wildlife Habitat/Public Recreation/Water Development	5,684	0	5,684	0	5,684
Wildlife Habitat/Water Resources Land	655	0	655	943,800	944,455
Total	2,922,576	72,068	2,840,551	84,798,568	87,639,308*

* Except for the Bristol Bay Area Plan, the classification categories for the tide and submerged lands in area plans have not been tabulated. Therefore, the approximate 10,800,000 acres they represent are not included in the statewide totals.

APPENDIX

DESCRIPTION OF CLASSIFICATION CATEGORIES - 11 AAC 55

Agricultural Land. Land classified agricultural is, by reason of climate, physical features, and location, suitable for present or future agricultural cultivation or development and is intended for present or future agricultural use. When agricultural land is disposed of, only an agricultural interest may be conveyed.

Coal Land. Land classified coal is where known coal resources exist and development is occurring or is reasonably likely to occur, or where the coal potential has been determined to be high or moderate under 11 AAC 58.010.

Forest Land. Land classified forest is, or has been, forested and is suited for forest management because of its physical, climatic, and vegetative conditions.

Geothermal Land. Land classified geothermal is where known geothermal resources exist and where development is occurring or is reasonably likely to occur, or where there is reason to believe commercial quantities of geothermal resources exist.

Grazing Land. Land classified grazing is suitable in the cultivated or uncultivated state for supporting domestic livestock or reindeer.

Heritage Resources Land. Land classified heritage resources is where there is active preservation of, or research for, significant historical, prehistorical, paleontological, or other cultural values or where there is reason to believe that these values exist.

Material Land. Land classified material is land suitable for the extraction of common varieties of sand, gravel, stone, peat, clay, and similar materials.

Mineral Land. Land classified mineral is where known mineral resources exist and where development is occurring, or is reasonably likely to occur, or where there is reason to believe that commercial quantities of minerals exist.

Oil and Gas Land. Land classified oil and gas is where known oil and gas resources exist and where development is occurring, or is reasonably likely to occur, or where there is reason to believe that commercial quantities of oil and gas exist.

Public Recreation Land. Land classified public recreation is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways.

Reserved Use Land.

(1) Land classified reserved use is:

- (a) reserved for transfer to another governmental or nongovernmental agency that is performing a public service;
- (b) reserved for transfer through land exchange; or
- (c) designated for a public facility.

(2) Nothing in this section requires classification of land identified for a future land exchange under AS 38.50.