

ALASKA LEGISLATURE COMMITTEES FILES 1999-2000 8672

9983 HOUSE RESOURCES



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### SENATE BILL 7 ~ University Lands Bill

House Resources Committee  
February 7, 2000

Alaska Conservation Voters, formerly Alaska Conservation Voice, is a not-for-profit organization dedicated to protecting Alaska's environment through public education and advocacy. Our 40 member organizations represent over 21,000 registered Alaskan voters. ACV believes investment in our university system is critical for the state's continued economic prosperity and for enabling the state's participation in the developing intellectual and knowledge-based economy that is fueling our country's progress. We support funding that will guarantee a strong university system now and in the future.

ACV is pleased to see that the new draft Committee Substitute of SB 7 addresses several of our concerns with environmental impacts of this legislation, namely providing for consultation with ADF&G and requiring increased protection of riparian areas. Nevertheless, we continue to believe that SB 7 does not guarantee adequate or reliable funding for the university. Simply put, the university's full attention should be directed towards education, where it has expertise, and not be diverted towards the complex and often contentious arena of land management. We urge you to oppose this legislation and instead seek more effective, viable ways that address the imminent financial needs of the university.

We continue to have serious concerns with SB 7, including:

- It robs Alaskans of more effective opportunities to capitalize on our natural assets, rather than simply liquidating them to finance a specific state function.
- It is deleterious to local economies. Because the university must seek to maximize revenue, it has rapidly liquidated its existing timber assets and then exported these valuable Alaskan resources in the round at significant cost to local economies. During past timber sales, such as those at Yakataga, the university has ignored local processing and local hire opportunities.
- Because of the university's aggressive development policies, the bill threatens fish and wildlife resources, as well as the subsistence, recreational, and commercial uses that depend on them. It threatens community water sources and local use, expansion and planning options. At both the local and regional level, university land selections would further complicate confusing land ownership patterns and make sorting out the conflicts a costly and time-consuming process.
- Even with the language in the new draft Committee Substitute to ensure access, SB 7 may impact highly valued access rights on selected lands that the university chooses to sell to a third party or develop in such a way as to preclude access. Potentially at risk are the hunting, fishing, skiing, mushing, and innumerable other recreational and commercial activities that Alaskans depend upon.

Alaskans deserve a strong university for our children, BUT we urge you to support the university through appropriations, not through land giveaways like SB 7.

Susan Schrader,  
Conservation Advocate

Conserve Alaska. It's Only Natural.

# FISCAL NOTE

BILL NO. SB 7 (FIN)

**2000 LEGISLATIVE SESSION**

Revision Date (Note if correction)		Dept. Affected	<u>University of Alaska</u>
Title	<u>An Act relating to the University of Alaska and</u>	BRU	<u>University of Alaska</u>
	<u>university land, and authorizing selection of additional land.</u>	Component	<u>Statewide Services</u>
Sponsor	<u>Senate Judiciary</u>	Component Serial No.	<u>730</u>
Requester	<u>Senate Finance</u>		

**Expenditures/Revenues**

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services					
Travel					
Contractual	1,627.0	1,627.0	1,627.0	1,627.0	1,627.0
Supplies					
Equipment					
Land & Structures					
Grants & Claims					
Miscellaneous					
<b>TOTAL OPERATING</b>	<b>1,627.0</b>	<b>1,627.0</b>	<b>1,627.0</b>	<b>1,627.0</b>	<b>1,627.0</b>

CAPITAL EXPENDITURES					
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CHANGE IN REVENUES ( )					
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**FUND SOURCE**

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1005 GF/Program Receipts					
1037 GF/Mental Health					
1048 University Receipts	1,627.0	1,627.0	1,627.0	1,627.0	1,627.0
<b>TOTAL</b>	<b>1,627.0</b>	<b>1,627.0</b>	<b>1,627.0</b>	<b>1,627.0</b>	<b>1,627.0</b>

Estimate of any current year (FY99) cost: none

**POSITIONS**

Full-time					
Part-time					
Temporary					

**ANALYSIS:** *(Attach a separate page if necessary)*

This bill provides for the selection and conveyance to the University of Alaska of 250,000 acres of land conveyed to the state under the Alaska Statehood Act. A list of land to be conveyed is to be presented to the legislature within 30 days of the beginning of each regular session, with each list to contain at least 25,000 acres. The bill also provides that the University of Alaska shall bear all costs of selection, platting, surveying and conveyance. This fiscal note assumes that the minimum 25,000 acreage will be platted and surveyed each year, at an estimated cost of \$1,627. All costs will be paid from the university land grant trust fund as provided for in AS 14.40.400; related expenditures will also be reflected in the university's annual operating budget as university receipts.

Prepared by	<u>Pat Pitney, Director</u>	Phone	<u>474-5889</u>
Division	<u>UA Budget and Institutional Research</u>	Date	<u>2/4/99</u>
Approved by	<u>Pat Pitney, Director</u>	Date	<u>2/4/99</u>
Agency	<u>University of Alaska</u>		

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# FISCAL NOTE

**STATE OF ALASKA**  
**2000 LEGISLATIVE SESSION**

**BILL NO. CSSB 7(Fin) am**

Revision Date: 07-Feb-00 Dept Affected: Natural Resources  
 Title: An Act relating to the U. of A. and univ. land, & BRU: Minerals, Land and Water Development  
authorizing the U. of A. to select additional state land. Component: Land Sales & Municipal Entitlements  
 Sponsor: Sen. Taylor, et al.  
 Requestor: HRES Component Serial No. 2456

Expenditures/Revenues (inflation not included unless otherwise noted below) (Thousands of Dollars)

OPERATING EXPENDITURES	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
PERSONAL SERVICES	142.0	161.0	161.0	161.0	161.0	161.0
TRAVEL	15.0	15.0	15.0	15.0	15.0	15.0
CONTRACTUAL	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1,157.0</b>	<b>1,176.0</b>	<b>1,176.0</b>	<b>1,176.0</b>	<b>1,176.0</b>	<b>1,176.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (fund code)	see note					
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	30.0	32.0	32.0	32.0	32.0	32.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
I/A (University)	1,127.0	1,144.0	1,144.0	1,144.0	1,144.0	1,144.0
<b>TOTAL</b>	<b>1,157.0</b>	<b>1,176.0</b>	<b>1,176.0</b>	<b>1,176.0</b>	<b>1,176.0</b>	<b>1,176.0</b>

Estimate of any current year (FY00) cost: \$ N/A

**POSITIONS**

FULL-TIME	3	3	3	3	3	3
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

This fiscal note is the minimum necessary for DNR to process land selections and conveyances to the University of Alaska. Costs could be higher depending on what lands are selected and the level of controversy relating to individual parcels. Most costs for the conveyance work will be paid for by the University using Interagency Receipts; however, this money still must come from state funds.

For FY 01, staff will include 2 mos. of a Natural Resource Manager I, 12 mos. Natural Resource Officer (NRO) II, and 12 mos. NRO I who will help identify parcels for University selection, check land status and land records, prepare public notice, respond to public inquiries, negotiate with the University, and perform other tasks to prepare land lists. Includes 6 mos. for a Land Surveyor I to prepare survey instructions and contracts for survey. Large [cont.]

Prepared by: Robert M. Loeffler Phone: 907-269-8600  
 Division: Mining, Land and Water Date: 07-Feb-00  
 Approved by Commissioner: [Signature] Date: 2-7-00  
 Agency: Natural Resources

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**ANALYSIS [continued]:**

contractual expenditures reflect the cost to survey parcels. FY 02 and following years include the above costs, plus costs to issue title documents.

\* Note: It is impossible to project how much revenue these conveyances will generate for the University, and will be lost to the state, without knowing exactly what lands will be transferred. However, it can be assumed the University will select the most valuable parcels it can find. The effect is to divert a significant revenue stream out of the general fund, where it would have been available for those public purposes the Legislature deemed most important in a given year, into the hands of the Board of Regents for strictly university purposes. Also, by removing the most valuable parcels from the state's asset base, the bill reduces one of the most important incentives for local government to incorporate: the opportunity to select top-quality commercial, residential, and industrial land for municipal ownership under AS 29.65.

# FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. CSSB 7(FIN) AM

Revision Date/Time (Note if correction) 2/4/00 Dept. Affected Fish and Game  
 Title INCREASE LAND GRANT TO UNIV. OF ALASKA BRU Habitat  
 Component Habitat  
 Sponsor Senator Taylor  
 Requester House Resources Component No. 486

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	64.5	64.5	64.5	64.5	64.5	64.5
Travel	3.5	3.5	3.5	3.5	3.5	3.5
Contractual	1.5	1.5	1.5	1.5	1.5	1.5
Supplies	0.5	0.5	0.5	0.5	0.5	0.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	70.0	70.0	70.0	70.0	70.0	70.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>

Estimate of any current year (FY2000) cost: \_\_\_\_\_

**POSITIONS**

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The Habitat Division will require one additional habitat biologist III to conduct reviews of the fish and wildlife values and public uses of these resources on the lands proposed for conveyance to the university. These reviews will be used by DNR to evaluate whether or not conveyance of specific parcels out of the public domain is in the best interests of the state. Assumptions: 1) many university selections will be in remote locations requiring travel from ADF&G offices; 2) between 25,000 and 62,500 acres will need review by ADF&G each year; and 3) field reviews will only be affordable for those parcels thought to be of highest value for continued production of fish and wildlife and public use of these resources.

Prepared by: Ken Taylor  
 Division: Habitat  
 Approved by: Commissioner Frank Rue  
 Agency: Department of Fish and Game

Phone: 465-4105  
 Date/Time: 2/4/00 3:55 PM  
 Date: 02/04/2000

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AMENDMENT #1  
HCS CS SB 7 (RES)

OFFERED BY: Representative Beverly Masek

**Page 4, lines 26-28:**

Insert "not" after "shall"

Replace "unless" for "if"

Replace "acts to approve" for "does not disapprove"

New sentence to read:

A list of selections submitted shall not be considered approved for conveyance to the University of Alaska [if] unless the legislature [does not approve] acts to approve the list during the legislative session during which the list was submitted.

New Text Underlined [Deleted Text Bracketed]

**SB 7**  
**Resources Committee Substitute**  
**1-LS0072/S**

**Page 5, line 3:**

Current statute allows municipalities to select only vacant, unappropriated, unreserved (VUU) land within their boundaries, but allows the University to select any state land.

The change would bring the University on the same selection level as the municipalities in certain cases.

When talking to DNR we learned that there are only seven municipalities (Kenai, Lake & Peninsula, Yakutat, Denali, Aleutians East, North Slope and Northwest Arctic), mostly in western Alaska, who have not selected most of their land. This is could be from a number of reasons: when they were incorporated, how much land they selected prior to statehood, or if they were waiting on USGS maps to be completed before making their selections.

We tried to make the change specific to those seven municipalities by setting the requirement that unless the municipalities have at least 80% of their land entitlement the University is only allowed to select VUU land in their boundaries.

In the case of the Lake & Peninsula Borough, the entitlement is greater than the VUU land available.

**Page 6, line 20:**

Protects public interest in special lands. This amendment is spurred by the situation in Cape Yakataga when the University logged the thin strip of forest between mountain and the ocean, thus killing any possible habitat between the two.

**Page 7, line 23:**

Protects public access to University conveyed lands.

**Page 8, line 31 - Page 9, Line 5:**

Protects public access to University conveyed lands.

**Page 9, line 6:**

The University will have the same mineral management requirements as on state land.

Page 13, line 22:

The University will be subject to riparian management standards as required on state lands under the Forest Practices Act.

100 foot buffers on ALL anadromous streams south of The Alaska Range and on coastal forest areas.

## Calendar No. 131

106TH CONGRESS  
1ST SESSION**S. 744**

[Report No. 106-61]

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

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**IN THE SENATE OF THE UNITED STATES**

MARCH 25, 1999

Mr. MURKOWSKI introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

JUNE 2, 1999

Reported under authority of the order of the Senate of May 27, 1999, by Mr. MURKOWSKI, with an amendment

[Omit the part struck through and insert the part printed in *italic*]

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**A BILL**

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

## 1 SECTION 1. FINDINGS AND PURPOSES.

2 (a) FINDINGS.—The Congress finds that—

3 (1) the University of Alaska is the successor to  
4 and the beneficiary of all Federal grants and convey-  
5 ances to or for the Alaska Agricultural College and  
6 School of Mines;

7 (2) under the Acts of March 4, 1915, 38 Stat.  
8 1214, and January 21, 1929, 45 Stat. 1091, the  
9 United States granted to the Territory of Alaska  
10 certain federal land for the University of Alaska;

11 (3) the Territory was unable to receive most of  
12 the land intended to be conveyed by the Act of  
13 March 4, 1915, before repeal of that Act by sec.  
14 6(k) of the Alaska Statehood Act (Public Law 85-  
15 508, 72 Stat. 339);

16 (4) only one other state land grant college in  
17 the United States has obtained a smaller land grant  
18 from the federal government than the University of  
19 Alaska has received, and all land grant colleges in  
20 the western states of the United States have ob-  
21 tained substantially larger land grants than the Uni-  
22 versity of Alaska;

23 (5) an academically strong and financially se-  
24 cure state university system is a cornerstone to the  
25 long-term development of a stable population and to

1 a healthy, diverse economy and is in the national in-  
2 terest;

3 (6) the national interest is served by transfer-  
4 ring certain federal lands to the University of Alaska  
5 which will be able to use and develop the resources  
6 of such lands and by returning certain lands held by  
7 the University of Alaska located within certain fed-  
8 eral conservation system units to federal ownership;

9 (7) the University of Alaska holds valid legal  
10 title to and is responsible for management of lands  
11 transferred by the United States to the Territory  
12 and State of Alaska for the University and an ex-  
13 change of lands is consistent with and in furtherance  
14 of the purposes and terms of, and thus not in viola-  
15 tion of, the Federal grant of such lands.

16 (b) PURPOSES.—The purposes of this act are—

17 (1) to fulfill the original commitment of Con-  
18 gress to establish the University of Alaska as a land  
19 grant university with holdings sufficient to facilitate  
20 operation and maintenance of a university system  
21 for the inhabitants of the State of Alaska; and

22 (2) to acquire from the University of Alaska  
23 lands it holds within federal Parks, Wildlife Refuges,  
24 and Wilderness areas.

1 SEC. 2. LAND GRANT.

2 (a) Notwithstanding any other provision of law and  
3 subject to valid existing rights, the University of Alaska  
4 ("University") is entitled to select up to 250,000 acres  
5 of federal lands or interest in lands in or adjacent to Alas-  
6 ka as a grant. The Secretary of the Interior ("Secretary")  
7 shall promptly convey to the University federal lands se-  
8 lected and approved in accordance with the provisions of  
9 this Act.

10 (b)(1) Within 48 months of the enactment of this  
11 Act, the University of Alaska may submit to the Secretary  
12 a description of lands or interests in lands for conveyance  
13 under subsection (a). The initial selection may be less than  
14 or exceed the maximum amount of the grant and the Uni-  
15 versity may add or delete lands or interest in lands during  
16 this period, except that selections shall not exceed 275,000  
17 acres at any one time.

18 (2) The University may select lands validly selected  
19 but not conveyed to the State of Alaska or to a Native  
20 Corporation organized pursuant to the Alaska Native  
21 Claims Settlement Act (85 Stat. 688), except that these  
22 lands or interests in lands may not be approved or con-  
23 veyed to the University unless the State of Alaska or the  
24 Native Corporation relinquishes its selection in writing.

25 (3) The University may not make selections within  
26 a Conservation System Unit, as defined in the Alaska Na-

1 tional Interest Lands Conservation Act (16 U.S.C. 3101),  
2 or in the Tongass National Forest except within lands  
3 classified as LUD III or LUD IV by the United States  
4 Forest Service and limited to areas of second growth tim-  
5 ber where timber harvest occurred after January 1, 1952.

6 (4) The University may make selections within the  
7 National Petroleum Reserve-Alaska ("NPRA"), except  
8 that—

9 (A) no selection may be made within an area  
10 withdrawn for village selection pursuant to section  
11 11(a) of the Alaska Native Claims Settlement Act  
12 for the Native villages of Atkasook, Barrow, Nuiqsit  
13 and Wainwright;

14 (B) no selection may be made in the Teshekpuk  
15 Lake Special Area as depicted on a map dated  
16 March 24; and

17 (C) No selections may be made within those  
18 portions of NPRA north of latitude 69 degrees  
19 North in excess of 92,000 acres. Notwithstanding  
20 any other provision of this Act, no selection may be  
21 made within such area during the two year period  
22 extending from the date of enactment of this act.  
23 The Secretary shall attempt to conclude an agree-  
24 ment with the University of Alaska and the State of  
25 Alaska providing for sharing NPRA leasing revenues

1       within the two year period. If the Secretary con-  
2       cludes such an agreement, he shall transmit it to the  
3       Congress, and no selection may be made within such  
4       area during the three year period extending from the  
5       date of enactment of this Act. If legislation has not  
6       been enacted within three years of the date of enact-  
7       ment of this Act approving the agreement, the Uni-  
8       versity of Alaska may make selections within such  
9       area. An agreement shall provide for the University  
10      of Alaska to receive a portion of annual revenues  
11      from mineral leases within NPRA in lieu of any land  
12      selections within NPRA north of latitude 69 degrees  
13      North, but not to exceed ten percent of such reve-  
14      nues or \$9 million annually, whichever is less.

15      (5) Within forty-five (45) days of receipt of a selec-  
16      tion, the Secretary shall publish notice of the selection in  
17      the Federal Register. The notice shall identify the lands  
18      or interest in lands included in the selection and provide  
19      for a period for public comment not to exceed sixty (60)  
20      days.

21      (6) Within six months of the receipt of such a notice  
22      the Secretary shall accept or reject the selection and shall  
23      promptly notify the University of his decision, including  
24      the reasons for any rejection. A selection that is not re-

1 jected within six months of notification to the Secretary  
2 is approved without further action.

3 (7) The Secretary may reject a selection if the Sec-  
4 retary finds that the selection would have a significant ad-  
5 verse impact on ability of the Secretary to comply with  
6 the land entitlement provisions of the Alaska Statehood  
7 Act or the Alaska Native Claims Settlement Act. (43  
8 U.S.C. 1601) or if the Secretary finds that the selection  
9 would have a direct, significant and irreversable adverse  
10 effect on a Conservation System Unit as defined in the  
11 Alaska National Interest Conservation Act.

12 (8) The Secretary shall promptly publish notice of an  
13 acceptance or rejection of a selection in the Federal Reg-  
14 ister.

15 (9) An action taken pursuant to this Act is not a  
16 major federal action within the meaning of section  
17 102(2)(C) of Public Law 91-190 (83 Stat. 852, 853).

18 (c) The University may not select federal lands or in-  
19 terest in lands reserved for military purposes or reserved  
20 for the administration of a federal agency, unless the Sec-  
21 retary of Defense or the head of the affected agency agrees  
22 to relinquish the lands or interest in lands.

23 (d) The University may select additional lands or in-  
24 terest in lands to replace lands rejected by the Secretary.

1 (e) Lands or interest in lands shall be segregated and  
2 unavailable for selection by and conveyance to the State  
3 of Alaska or a Native Corporation and shall not be other-  
4 wise encumbered or disposed of by the United States  
5 pending completion of the selection process.

6 (f) The University may enter selected lands on a non-  
7 exclusive basis to assess the oil, gas, mineral and other  
8 resource potential therein and to exercise due diligence re-  
9 garding making a final selection. The University, and its  
10 delegates or agents, shall be permitted to engage in assess-  
11 ment techniques including, but not limited to, core drilling  
12 to assess the metalliferous or other values, and surface  
13 geological exploration and seismic exploration for oil and  
14 gas, except that exploratory drilling of oil and gas wells  
15 shall not be permitted.

16 (g) Within one year of the Secretary's approval of  
17 a selection, the University may make a final decision  
18 whether to accept these lands or interest in lands and shall  
19 notify the Secretary of its decision. The Secretary shall  
20 publish notice of any such acceptance in the Federal Reg-  
21 ister within six months. Effective on the date that such  
22 notice is published, all right, title, and interest of the  
23 United States in the described selection, including the  
24 right to transfer, assign, alienate, exchange, grant, deed,  
25 lease or otherwise convey any or all present or future in-

1 terest in the lands or interest in lands shall vest in the  
2 University.

3 (h) Lakes, rivers and streams contained within final  
4 selections shall be meandered and lands submerged there-  
5 under shall be conveyed in accordance with section 901  
6 of the Alaska National Interest Lands Conservation Act  
7 (94 Stat. 2371, 2430; 43 U.S.C. 1631).

8 (i) Upon completion of a survey of lands or interests  
9 in lands subject to an interim approval, the Secretary shall  
10 promptly issue patent to these lands or interest in lands.

11 (j) The Secretary of Agriculture and the heads of  
12 other Federal departments and agencies shall take  
13 promptly such actions as may be necessary to assist the  
14 Secretary implementing this Act.

15 **SEC. 3. RELINQUISHMENT OF CERTAIN UNIVERSITY OF**  
16 **ALASKA HOLDINGS.**

17 (a) As a condition to any grant provided by section  
18 2 of this Act, the University shall convey to the Secretary  
19 those lands listed in "The University of Alaska's Inholding  
20 Reconveyance Document" and dated ~~April 24, 1997~~ *May*  
21 *17, 1999*.

22 (b) The University shall begin conveyance of the  
23 lands described in subsection (a) upon approval of selected  
24 lands and shall convey to the Secretary a percentage of  
25 these lands approximately equal to that percentage of the

1 total grant represented by the approval. The University  
2 shall not be required to convey to the Secretary any lands  
3 other than those listed in subsection (a). The Secretary  
4 shall accept quitclaim deeds from the University for these  
5 lands.

6 **SEC. 4. JUDICIAL REVIEW.**

7 The University of Alaska may bring an appropriate  
8 action, including an action in the nature of mandamus,  
9 against the Secretary for violation of this Act or for review  
10 of a final agency decision taken under this Act. An action  
11 pursuant to this section may be brought in the United  
12 States District Court for the District of Alaska within two  
13 (2) years of the alleged violation or final agency decision.

14 **SEC. 6. STATE MATCHING GRANT.**

15 (a) Notwithstanding any other provision of law and  
16 subject to valid existing rights, the University may, in ad-  
17 dition to the grant made available in section 2, select up  
18 to 250,000 acres of federal lands or interests in lands in  
19 or adjacent to Alaska to be conveyed on an acre-for-acre  
20 basis as a matching grant for any lands granted to the  
21 University by the State of Alaska after the date of enact-  
22 ment of this Act.

23 (b) Selections of lands or interests in lands pursuant  
24 to this section shall be in parcels of 25,000 acres or great-  
25 er.

1       (c) Grants made under this section shall be subject  
2 to the terms and conditions applicable to grants made  
3 under section 2 of this Act.

Calendar No. 131

106TH CONGRESS  
1ST SESSION

**S. 744**

[Report No. 106-61]

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**A BILL**

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

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JUNE 2, 1999

Reported with an amendment

106TH CONGRESS  
1ST SESSION

# H. R. 2958

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 1999

Mr. YOUNG of Alaska introduced the following bill; which was referred to the Committee on Resources

---

## A BILL

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS AND PURPOSES.**

4 (a) FINDINGS.—The Congress finds that—

5 (1) the University of Alaska is the successor to  
6 and the beneficiary of all Federal grants and convey-  
7 ances to or for the Alaska Agricultural College and  
8 School of Mines;

1           (2) under the Acts of March 4, 1915, 38 Stat.  
2           1214, and January 21, 1929, 45 Stat. 1091, the  
3           United States granted to the Territory of Alaska  
4           certain federal land for the University of Alaska;

5           (3) the Territory was unable to receive most of  
6           the land intended to be conveyed by the Act of  
7           March 4, 1915, before repeal of that Act by sec.  
8           6(k) of the Alaska Statehood Act (Public Law 85-  
9           508, 72 Stat. 339);

10          (4) only one other state land grant college in  
11          the United States has obtained a smaller land grant  
12          from the federal government than the University of  
13          Alaska has received, and all land grant colleges in  
14          the western states of the United States have ob-  
15          tained substantially larger land grants than the Uni-  
16          versity of Alaska;

17          (5) an academically strong and financially se-  
18          cure state university system is a cornerstone to the  
19          long-term development of a stable population and to  
20          a healthy, diverse economy and is in the national in-  
21          terest;

22          (6) the national interest is served by transfer-  
23          ring certain federal lands to the University of Alaska  
24          which will be able to use and develop the resources  
25          of such lands and by returning certain lands held by

1 the University of Alaska located within certain fed-  
2 eral conservation system units to federal ownership;

3 (7) the University of Alaska holds valid legal  
4 title to and is responsible for management of lands  
5 transferred by the United States to the Territory  
6 and State of Alaska for the University and an ex-  
7 change of lands is consistent with and in furtherance  
8 of the purposes and terms of, and thus not in viola-  
9 tion of, the Federal grant of such lands.

10 (b) PURPOSES.—The purposes of this act are—

11 (1) to fulfill the original commitment of Con-  
12 gress to establish the University of Alaska as a land  
13 grant university with holdings sufficient to facilitate  
14 operation and maintenance of a university system  
15 for the inhabitants of the State of Alaska; and

16 (2) to acquire from the University of Alaska  
17 lands it holds within federal Parks, Wildlife Refuges,  
18 and Wilderness areas.

19 **SEC. 2. LAND GRANT.**

20 (a) Notwithstanding any other provision of law and  
21 subject to valid existing rights, the University of Alaska  
22 (“University”) is entitled to select up to 250,000 acres  
23 of federal lands or interest in lands in or adjacent to Alas-  
24 ka as a grant. The Secretary of the Interior (“Secretary”)  
25 shall promptly convey to the University federal lands se-

1 lected and approved in accordance with the provisions of  
2 this Act.

3 (b)(1) Within 48 months of the enactment of this  
4 Act, the University of Alaska may submit to the Secretary  
5 a description of lands or interests in lands for conveyance  
6 under subsection (a). The initial selection may be less than  
7 or exceed the maximum amount of the grant and the Uni-  
8 versity may add or delete lands or interest in lands during  
9 this period, except that selections shall not exceed 275,000  
10 acres at any one time.

11 (2) The University may select lands validly selected  
12 but not conveyed to the State of Alaska or to a Native  
13 Corporation organized pursuant to the Alaska Native  
14 Claims Settlement Act (85 Stat. 688), except that these  
15 lands or interests in lands may not be approved or con-  
16 veyed to the University unless the State of Alaska or the  
17 Native Corporation relinquishes its selection in writing.

18 (3) The University may not make selections within  
19 a Conservation System Unit, as defined in the Alaska Na-  
20 tional Interest Lands Conservation Act (16 U.S.C. 3101),  
21 or in the Tongass National Forest except within lands  
22 classified as LUD III or LUD IV by the United States  
23 Forest Service and limited to areas of second growth tim-  
24 ber where timber harvest occurred after January 1, 1952.

1 (4) The University may make selections within the  
2 National Petroleum Reserve-Alaska ("NPRA"), except  
3 that—

4 (A) no selection may be made within an area  
5 withdrawn for village selection pursuant to section  
6 11(a) of the Alaska Native Claims Settlement Act  
7 for the Native villages of Atkasook, Barrow, Nuiqsit  
8 and Wainwright;

9 (B) no selection may be made in the Teshekpuk  
10 Lake Special Area as depicted on a map dated  
11 March 24; and

12 (C) No selections may be made within those  
13 portions of NPRA north of latitude 69 degrees  
14 North in excess of 92,000 acres. Notwithstanding  
15 any other provision of this Act, no selection may be  
16 made within such area during the two year period  
17 extending from the date of enactment of this act.  
18 The Secretary shall attempt to conclude an agree-  
19 ment with the University of Alaska and the State of  
20 Alaska providing for sharing NPRA leasing revenues  
21 within the two year period. If the Secretary con-  
22 cludes such an agreement, he shall transmit it to the  
23 Congress, and no selection may be made within such  
24 area during the three year period extending from the  
25 date of enactment of this Act. If legislation has not

1       been enacted within three years of the date of enact-  
2       ment of this Act approving the agreement, the Uni-  
3       versity of Alaska may make selections within such  
4       area. An agreement shall provide for the University  
5       of Alaska to receive a portion of annual revenues  
6       from mineral leases within NPRA in lieu of any land  
7       selections within NPRA north of latitude 69 degrees  
8       North, but not to exceed ten percent of such reve-  
9       nues or \$9 million annually, whichever is less.

10       (5) Within forty-five (45) days of receipt of a selec-  
11       tion, the Secretary shall publish notice of the selection in  
12       the Federal Register. The notice shall identify the lands  
13       or interest in lands included in the selection and provide  
14       for a period for public comment not to exceed sixty (60)  
15       days.

16       (6) Within six months of the receipt of such a notice  
17       the Secretary shall accept or reject the selection and shall  
18       promptly notify the University of his decision, including  
19       the reasons for any rejection. A selection that is not re-  
20       jected within six months of notification to the Secretary  
21       is approved without further action.

22       (7) The Secretary may reject a selection if the Sec-  
23       retary finds that the selection would have a significant ad-  
24       verse impact on ability of the Secretary to comply with  
25       the land entitlement provisions of the Alaska Statehood

1 Act or the Alaska Native Claims Settlement Act. (43  
2 U.S.C. 1601) or if the Secretary finds that the selection  
3 would have a direct, significant and irreversable adverse  
4 effect on a Conservation System Unit as defined in the  
5 Alaska National Interest Conservation Act.

6 (8) The Secretary shall promptly publish notice of an  
7 acceptance or rejection of a selection in the Federal Reg-  
8 ister.

9 (9) An action taken pursuant to this Act is not a  
10 major federal action within the meaning of section  
11 102(2)(C) of Public Law 91-190 (83 Stat. 852, 853).

12 (c) The University may not select federal lands or in-  
13 terest in lands reserved for military purposes or reserved  
14 for the administration of a federal agency, unless the Sec-  
15 retary of Defense or the head of the affected agency agrees  
16 to relinquish the lands or interest in lands.

17 (d) The University may select additional lands or in-  
18 terest in lands to replace lands rejected by the Secretary.

19 (e) Lands or interest in lands shall be segregated and  
20 unavailable for selection by and conveyance to the State  
21 of Alaska or a Native Corporation and shall not be other-  
22 wise encumbered or disposed of by the United States  
23 pending completion of the selection process.

24 (f) The University may enter selected lands on a non-  
25 exclusive basis to assess the oil, gas, mineral and other

1 resource potential therein and to exercise due diligence re-  
2 garding making a final selection. The University, and its  
3 delegates or agents, shall be permitted to engage in assess-  
4 ment techniques including, but not limited to, core drilling  
5 to assess the metalliferous or other values, and surface  
6 geological exploration and seismic exploration for oil and  
7 gas, except that exploratory drilling of oil and gas wells  
8 shall not be permitted.

9 (g) Within one year of the Secretary's approval of  
10 a selection, the University may make a final decision  
11 whether to accept these lands or interest in lands and shall  
12 notify the Secretary of its decision. The Secretary shall  
13 publish notice of any such acceptance in the Federal Reg-  
14 ister within six months. Effective on the date that such  
15 notice is published, all right, title, and interest of the  
16 United States in the described selection, including the  
17 right to transfer, assign, alienate, exchange, grant, deed,  
18 lease or otherwise convey any or all present or future in-  
19 terest in the lands or interest in lands shall vest in the  
20 University.

21 (h) Lakes, rivers and streams contained within final  
22 selections shall be meandered and lands submerged there-  
23 under shall be conveyed in accordance with section 901  
24 of the Alaska National Interest Lands Conservation Act  
25 (94 Stat. 2371, 2430; 43 U.S.C. 1631).

1 (i) Upon completion of a survey of lands or interests  
2 in lands subject to an interim approval, the Secretary shall  
3 promptly issue patent to these lands or interest in lands.

4 (j) The Secretary of Agriculture and the heads of  
5 other Federal departments and agencies shall take  
6 promptly such actions as may be necessary to assist the  
7 Secretary implementing this Act.

8 **SEC. 3. RELINQUISHMENT OF CERTAIN UNIVERSITY OF**  
9 **ALASKA HOLDINGS.**

10 (a) As a condition to any grant provided by section  
11 2 of this Act, the University shall convey to the Secretary  
12 those lands listed in "The University of Alaska's Inholding  
13 Reconveyance Document" and dated May 17, 1999.

14 (b) The University shall begin conveyance of the  
15 lands described in subsection (a) upon approval of selected  
16 lands and shall convey to the Secretary a percentage of  
17 these lands approximately equal to that percentage of the  
18 total grant represented by the approval. The University  
19 shall not be required to convey to the Secretary any lands  
20 other than those listed in subsection (a). The Secretary  
21 shall accept quitclaim deeds from the University for these  
22 lands.

23 **SEC. 4. JUDICIAL REVIEW.**

24 The University of Alaska may bring an appropriate  
25 action, including an action in the nature of mandamus,

1 against the Secretary for violation of this Act or for review  
2 of a final agency decision taken under this Act. An action  
3 pursuant to this section may be brought in the United  
4 States District Court for the District of Alaska within two  
5 (2) years of the alleged violation or final agency decision.

6 **SEC. 6. STATE MATCHING GRANT.**

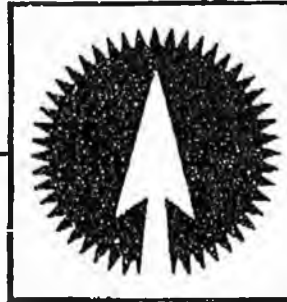
7 (a) Notwithstanding any other provision of law and  
8 subject to valid existing rights, the University may, in ad-  
9 dition to the grant made available in section 2, select up  
10 to 250,000 acres of federal lands or interests in lands in  
11 or adjacent to Alaska to be conveyed on an acre-for-acre  
12 basis as a matching grant for any lands granted to the  
13 University by the State of Alaska after the date of enact-  
14 ment of this Act.

15 (b) Selections of lands or interests in lands pursuant  
16 to this section shall be in parcels of 25,000 acres or great-  
17 er.

18 (c) Grants made under this section shall be subject  
19 to the terms and conditions applicable to grants made  
20 under section 2 of this Act.

○

## Alaska Forest Association, Inc.



111 STEDMAN SUITE 200  
KETCHIKAN, ALASKA 99901-6599  
Phone 907-225-6114  
FAX 907-225-5920

April 26, 1999

The Honorable Robin Taylor  
Alaska State Senate  
State Capitol  
Juneau, AK 99801

**Re: Support for SB7, University land selections**

Dear Robin:

Thank you for introducing Senate Bill 7 which will help to make Alaska's land grant university whole with respect to its land entitlement. One of the great errors made in the press of the statchood effort in 1959 was letting the federal government off the hook for additional land for the university. As you know, Senator Murkowski has introduced legislation in Congress to address that oversight. Your bill would mesh well with the pending federal legislation and help bring the University of Alaska's land entitlement in line with those of other land grant universities around the country.

The Alaska Forest Association has been on record in the past supporting grants of additional land to the University of Alaska. Senate Bill 7 also has the Association's full support. In addition to the direct benefit to the university itself, this measure can help improve the state's economy by creating opportunities for new development of natural resources.

SB 7 is carefully crafted legislation that addresses an important issue for the University of Alaska while protecting the prior existing rights of other landowners, leaseholders and claimants. This legislation is clearly in the best interest of Alaska. AFA urges its speedy passage into law.

Sincerely,

Jack H. Phelps  
Executive Director

cc: Senator Sean Parnell  
Senator John Torgerson  
Representative Brian Porter



Charlie Boddy  
Vice President Of Governmental Relations

February 1, 1999

Senator Robin Taylor  
Alaska State Legislature  
Vice-Chair Senate Resources  
Juneau, Alaska

Subject: Senate Bill No. 7, University of Alaska lands bill

Dear Senator Taylor,

Thank you for according me time last week to discuss the intrinsic worth of SB7. The effort to make the University whole as a land grant college is laudable.

Your staff worked with the resource community last year to make certain that lands already encumbered with leases, permits and the like - were not included as being available for selection. The current version maintains that provision.

From my perspective, the one provision still needed is a process which allows the legislature to approve the ultimate list of lands selected and agreed to be conveyed. By having the legislature approve all lands being transferred to the trust, a "best interest finding" will have been made on the selections, easing the timelines that might otherwise slow development and or conveyance ultimately of the lands.

Thank you for considering these comments. With best regards, I remain,

Sincerely,

Cc: Sen. Gary Wilken  
Sen. Pete Kelly

Monday 29 Mar 99

Juneau Empire

## Murkowski introduces another university land bill

THE ASSOCIATED PRESS

**FAIRBANKS** - U.S. Sen. Frank Murkowski has introduced a new bill in Congress that proposes to grant the University of Alaska an additional 500,000 acres of federal land.

Similar bills have failed three times in the past, but this time the Alaska Republican has added provisions to improve its chances of passage.

But the bill, introduced last week, still faces challenges.

Gov. Tony Knowles opposes a proposed matching contribution of up to 250,000 acres of state land. And despite some concessions, environmentalists still view the bill as an invitation for resource overdevelopment.

"This bill, at the heart of it, isn't about the University of Alaska," said Marc Wheeler, spokes-

man for the Southeast Alaska Conservation Council. "It's about taking public lands out of public hands."

Murkowski's latest version includes a provision that would block the university from selecting lands containing virgin, old-growth timber in Southeast Alaska. The bill also embraces a revenue-sharing concept proposed in January by Knowles.

"Logging in the Tongass and the issue of oil development in NPR-A were two leading complaints about the bill in 1997," said Murkowski spokesman Chuck Kleeschulte.


Murkowski has long said the University of Alaska was shorted as a land-grant institution, receiving only about 111,000 acres of federal land - a third of what it was originally promised.

DON YOUNG, CHAIRMAN

**U.S. House of Representatives**  
**Committee on Resources**  
**Washington, DC 20515**

February 3, 2000

The Hon. Robin Taylor  
Alaska Senate  
State Capitol  
Juneau, Alaska 99801-1182

  
Dear Senator Taylor:

Knowing of your interest in allocating land to support and enhance the higher educational mission of the University of Alaska, I wanted this opportunity to comment on H.R. 2958, a bill I introduced to provide a federal land grant to the institution. This legislation includes provisions of interest to the Alaska Legislature.

As you are aware, Alaska has not received its complete federal land grant. The history behind this issue began in 1915 when Congress reserved about 268,000 acres of public domain for the Alaska Agricultural College and School of Mines. The extremely slow pace of surveying prevented most of the land from being conveyed, so in 1929, Congress granted 100,000 acres more to the University. This brought the total land grant to just over 111,000 acres by the time the 1958 Alaska Statehood bill eliminated the original 1915 grant. The result is that Alaska's post-secondary education system is denied the resources and benefits of owning a substantial grant that other State systems enjoy.

H.R. 2958 will provide a 250,000 acre grant of federal land to complete the promise Congress originally made, and bring the university endowment of land up to par with that of other state institutions, all of which currently rank higher in terms of land grants received.

One of the substantive hurdles that must be cleared in order to advance a new federal land grant is the objection of opponents who believe that Congress intended the State, through its Statehood Act entitlement, to grant the university lands it was supposed to have received through the original 1915 congressional grant. For a number of reasons I believe this argument is flawed.

Nonetheless, a way to overcome this objection is by a provision I included in H.R. 2958 that will provide to the university system up to an additional 250,000 acres of federal land as long as the State of Alaska matches it on an acre-for-acre basis. Clearly, a State match would signal the commitment of the Legislature to augmenting the university's future through a combination of federal and State grants.

I trust this will explain the rationale behind H.R. 2958. Please do not hesitate to contact me if you have any comments or questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Don", written in black ink.

DON YOUNG  
Chairman

DY/cnf

# Alaska State Legislature

*Chairman,*  
Judiciary Committee

State Capitol  
Juneau, Alaska 99801-1182  
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50 Front Street  
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Ketchikan, Alaska 99901  
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*Senator Robin L. Taylor*

## SPONSOR STATEMENT CS SENATE BILL 7(FIN) am

**Relating to the University of Alaska and university land, and authorizing the University of Alaska to select additional state land.**

The University of Alaska system was created under federal authority as a land grant institution to provide for the higher education requirements of Alaska's people in perpetuity. Most colleges established under the land grant program were endowed with sizable land bases from which to generate income to be used for operating purposes. Unlike most institutions in the lower 48 states, the University of Alaska does not have the relatively larger population base and proximity to other support services that are so beneficial. The University of Alaska also suffers from a smaller pool of alumni and other normal sources of endowment income that many institutions rely on to help support operations, especially subsidies from teaching positions.

In the past decade several legislators have introduced legislation allowing the University of Alaska to select additional lands from the State. The purpose of all legislative attempts to provide more land for the University statewide system has been to provide more income producing assets as monetary resources are becoming scarcer and more unpredictable. This bill continues that effort to give the University of Alaska a larger more productive land base.

The provisions of SB 7 allow the University of Alaska to select 250,000 acres of state land. Land selected for transfer would include interests in minerals and to oil and gas subject to certain limitations. Certain lands would be exempt from selection, such as:

- lands subject to coal lease or where a lease application is pending;
- land reserved by law from the public domain;
- land included in a five-year proposed oil and gas leasing program; and,
- land that has a lease application pending.

All land must be selected by December 31, 2010.

District A:

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

To address concerns raised about continued access to this land, a provision was included in the bill that allows existing uses of the land to continue as long as they do not interfere with the university's use of the land.

Another provision that was included in the bill provides a first right of refusal for municipalities within which the university selects a parcel of land, if the municipality has a remaining entitlement. This provision, which was proposed by the sponsor at the request of the AML, now provides additional protection for municipalities. The bill currently exempts land that has been selected by a municipality, and allows the commissioner to withhold land that the commissioner believes a municipality might select.

In an endeavor to encourage local support, up to twenty percent (20%) of the income derived from lands conveyed as a result of this legislation is to be given to the campus or campuses in the region from which the earnings are derived if the local community contributes a like amount. This revenue is to be used for programs and services that support the development of natural resources within the region.

Sen. Frank Murkowski has again introduced federal legislation that would provide 250,000 acres of land to the University of Alaska and an additional 250,000 acres if the State of Alaska provides a 250,000 match. SB 7 meets the requirements of Senator Murkowski's bill for the local match.

It is the sponsor's hope that this legislation will enable the University of Alaska to begin making its way toward equal footing with other land grant universities around the Nation.

**SB**

**74**

Board of Game  
PO Box 25526  
Juneau, AK 99802

MAR 29 1999

FYI  
*Distributed by:  
Rep. Beverly Masek*

Honorable Beverly Masek, Vice Chair  
House Resources Committee  
State Capitol Building, Room 432  
Juneau, AK 99801-1182

March 24, 1999

Dear Representative Masek:

In official action at the March meeting of the Alaska Board of Game, the board has endorsed SB-74, same-day airborne for wolves by Department agents, and HB-114, eliminating the annual requirement for reauthorization of antlerless moose hunts.

The board recognizes the importance of predator control in managing Alaska's resources, and feels that the passage of Ballot Measure 3 in 1996 severely restricted the board's and the Department's ability to implement such action. By allowing Department personnel and agents to use same-day-airborne, and eliminating the "irreversible decline" clause, we feel that management of the state's wolves will be more readily attainable.

Regarding the reauthorization of antlerless moose hunts, the board agrees that the requirement to do so annually is a burden on the system. With our regional 2-year meeting cycle, the Department must have personnel travel long distances to address these reauthorizations. In cases where the hunt may not occur due to population estimates or bull:cow ratios, the hunt is reauthorized anyway, so that it is not lost in the future. By eliminating the annual reauthorization requirement, the board and Department will have more flexibility in using antlerless hunts in managing moose populations.

We encourage passage of both bills, and encourage distribution of this letter to other concerned legislators.

Sincerely,



Michael Fleagle,  
Member, Board of Game

# Alaska State Legislature

SENATOR

PETER KELLY

Mailing Address:

119 N. Cushman, Suite 201

Fairbanks, Alaska 99701

Senator\_Pete\_Kelly@legis.state.ak.us

(907) 456-8161



Senate

While in Juneau

State Capitol

Juneau, Alaska

99801-1182

(907) 465-2327

Senate District P

March 10, 1999

Representative Scott Ogan  
Co-Chairman  
Resources Committee  
State Capitol, Room 128  
Juneau, AK 99801

Dear Rep. Ogan,

I request that Senate Bill 74, "An Act Relating to Hunting on the Same Day Airborne", be scheduled for a hearing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pete Kelly".

Senator Pete Kelly

Attachment: Sponsor statement.

# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

No. 1  
Bill Version: SB74  
(S) Publish Date: 2/25/99

Revision Date: \_\_\_\_\_ Dept. Affected: Fish and Game  
Title: Same Day Airborne Hunting BRU: Wildlife Conservation  
Component: Wildlife Conservation  
Sponsor: Senator Pete Kelly  
Requester: Senate Resources COMPONENT SERIAL NO. 473

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY00	FY 01	FY 02	FY 03	FY 04	FY 05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<b>CHANGE IN REVENUES ( 1024 )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: \$ 0.0

**POSITIONS**

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

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Wayne Regelein, Director  
Division: Wildlife Conservation  
Approved by Commissioner: Dean Bruce Van  
Agency: Department of Fish and Game

Phone: 464-4190  
Date: 2/22/99  
Date: 2/22/99

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# Alaska State Legislature

## Senate



Official Business

State Capitol  
Juneau, AK. 99801-1182

**Senator Pete Kelly**

**Sponsor Statement**

**Senate Bill 74**

### **An Act Relating to Hunting on the Same Day Airborne**

**Sound Wildlife management dictates that predation pressure on a low or declining prey population is reduced far before the situation becomes an emergency. The current statutory language precludes this option. This means that the Board of Game and Department of Fish and Game cannot respond quickly to precipitous declines or to long-term declines in important prey populations, caused by weather or any other reason, even if consequences for thousands of Alaskans would be severe.**

**The current statute would preclude taking immediate action without board approval of a control program. In 1994 the department had to take immediate action to medicate or remove two louse-infected wolves that left the Kenai Peninsula in order to prevent the spread of lice to other parts of the state. While uncommon, such situations do occur and aerial shooting should remain a clear option.**

**The current wording of AS 16.05.783 has the appearance of allowing the Board of Game to authorize a wolf control program using aerial shooting, but the language chosen would make that nearly impossible without legal challenge. The use of the terms "adequate data", "no feasible solution" and "biological emergency" in AS 16.05.783(a)(1) are problematic from both biological and legal points of view. Rather than establishing workable standards for determining when predation control is appropriate, the language creates ambiguity in that regard, which will lead to endless legal challenges.**

**This bill would preserve the original stated intent of the 1996 ballot measure, but would more clearly provide the board and department the latitude to employ aerial shooting for management purposes. Management actions should not be considered "hunting" when performed by department personnel or persons acting as agents of the state.**

History and analysis.

I.

From 1959 through the early 1970's it was legal for the general public to take wolves the same day airborne, either by shooting from the air or from the ground immediately after landing. From the early 1970's through about 1990, it was legal for persons with a valid trapping license to shoot wolves only after landing. In the early 1990's, a regulation was adopted requiring a person to be more than 300 feet from an aircraft before shooting at a wolf.

For decades, public wolf harvests alone were sufficient to keep wolf predation on moose and caribou in many areas within reasonable limits. This was particularly true in open terrain such as on the North Slope, Western Alaska and in Game Management Unit 13, the Nelchina and copper river area.

In more heavily wooded areas like GMU 20A and 20B near Fairbanks and 20E in the Fortymile Country, public wolf harvests by same day airborne proved insufficient to control wolf predation. In these areas state wolf control programs using aerial shooting were authorized by the Board of Game and conducted by state personnel.

## II.

As mentioned, in areas of open tundra public same day airborne wolf shooting effectively controlled wolf numbers for the benefit of moose and caribou but in no way threatened the viability of wolf populations.

During state wolf control programs using aerial shooting, wolf numbers were efficiently controlled for a set number of years, usually 3 to 5 years. Moose, caribou and Dall sheep populations were allowed to recover and wolf control efforts were terminated.

5

Moose have increased and remained abundant in Units 20A, 20B and 20E following wolf control programs conducted from 1976 to 1986 in several of those areas. The Delta and Fortymile caribou herds also increased to useable abundance from historic population lows in the mid 1970's.

### III.

The primary flaw in the initiative is that the sponsors purported to make an allowance for necessary state wolf control programs employing same day airborne shooting, but in reality established criteria subject to endless legal challenges.

For example, the initiative requires the Commissioner to make written finding based on adequate data demonstrating that a biological emergency exists. No biologist ever considers their data to be adequate because fiscal constraints restrict sampling efforts. Seldom would a biologist conclude a cause and effect relationship between wolf predation and the beginnings of ungulate population declines. Their professionalism would be challenged.

The written findings require that there be no feasible solution other than airborne (wolf) control. There are always alternatives (sterilization, ground snaring, translocation, heavier bear and wolf harvests by the public, etc.) Whether they would be feasible or not could always be challenged in court.

\*Note: To be effective at halting and reversing a prey population decline, predation control needs to be timely applied. Endless court delays would condemn many management actions to failure if prey populations were allowed to decline too low.

The very definition of "Biological emergency" in the initiative is extremely problematic. It means that a wolf population is causing the irreversible decline of a prey population. Usually wolves are only part of the cause of decline along with weather, food availability and bear predation. Proving wolves to be solely responsible in court could be nearly impossible.]

Also, technically there is no such thing as an irreversible decline in a prey population. For instance, moose numbers may decline 90% in an area partially as a result of wolf predation. If, at extremely low levels, moose numbers increase by only a few animals, then the decline was not

irreversible, even though the population may never again be capable of supporting but a small fraction of former annual harvests without significant predation reduction to restore abundance.

- The given definition of a "biological emergency" does not include the current problem of dog lice investation spreading from wolves on the Kenai Peninsula to the thousands of wolves in the rest of Alaska. Aerial shooting may well be needed to halt the infestation, but the current law makes no such provision.

#### IV.

Given the current wording of the law, ADF&G would never be able to use aerial shooting to control wolf predation or to halt a disease or parasite infestation. Such actions must be applied in a timely fashion, over a sufficiently large area (about 3000 square miles) and remove enough wolves to reduce a population quickly (70 to 80% initial reduction) and then maintain the remaining wolf population at a low enough level to allow for prey recovery. Harvest exeeding 40% annually are needed to prevent a wolf population from increasing.

- The Knowles administration, like the Cowper administration, has exercised executive branch powers to prevent same day airborne shooting as a management technique so far (since 1994). Even if they were to change their policy in response to declining game numbers and constituent pressures, the current law would prohibit effective action.

## V.

SB74 deletes the problematic language that purports to allow, but actually prevents, the use of same day airborne shooting authorized by the Board of Game or the Commissioner. There would be less ambiguity and chance for successful litigation should the board and/or the commissioner authorize a same day airborne management action.

The amendments allowing a state management action are straightforward; not ambiguous and contorted like the initiative language and definitions.

Sec (b)(2) even provides the latitude for the board and commissioner to use qualified Alaskans in an approved control action even if they are not ADF&G employees. Qualified Alaskans, under permit, could act as "agents" of the State in compliance with the Federal Airborne Hunting Act. This is an

important fiscal consideration in situations where qualified permittees could provide considerable assistance in an approved management action.

#### Other Information

Many game populations in Alaska have suffered by neglect during the Knowles administration. Heavy predation has caused a widespread moose decline in the upper Kuskokwim drainage, and reduced calf recruitment is causing the Board of Game to consider moose hunting restrictions in Unit 13 important to thousands of Alaskan hunters. Moose have declined in the Brooks Range and on the North Slope and remain low in the Upper Yukon drainage.

These declines are impacting both rural and urban Alaskans. Subsistence preference is little solace when deadlines reach low levels.

**SB**

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## Enclosure 2

### Anticipated Facilities Remaining on the Tank Upgrade Rank List for FY00 Funding

Fac. ID	Fac. Name	Fac. Owner	Appl. Amt.
60	Tesoro Northstore # 114	TESORO ALASKA PETROLEUM C	\$49,200.00
108	PREWITT ENTERPRISES	PREWITT ENTERPRISES	\$7,332.00
112	Tesoro Northstore # 115	TESORO ALASKA PETROLEUM C	\$49,200.00
278	TALKEETNA PUBLIC SAFETY B	MATANUSKA SUSITNA BOROUGH	\$10,415.00
281	FISHHOOK PUBLIC SAFETY B	MATANUSKA SUSITNA BOROUGH	\$4,651.00
287	MEADOW LAKES PUBLIC SAF	MATANUSKA SUSITNA BOROUGH	\$2,865.00
345	DEPT OF PUBLIC WORKS	CITY OF FAIRBANKS-B KLEVEN	\$23,497.00
362	Tesoro Northstore # 204	TESORO ALASKA PETROLEUM C	\$49,200.00
364	NEKLASSON LAKE EARTH ST	ATT-ALASCOM INC ATTN: SAFET	\$30,774.00
520	KODIAK PUBLIC WORKS	CITY OF KCDIAK	\$9,300.00
590	REINDEER MT. LODGE	RON & ED HULL	\$54,600.00
593	7-ELEVEN #5	TESORO ALASKA PETROLEUM C	\$49,200.00
654	Tesoro Northstore # 56	TESORO ALASKA PETROLEUM C	\$49,200.00
743	Tesoro Northstore # 10	TESORO ALASKA PETROLEUM C	\$49,200.00
746	Tesoro Northstore # 9	TESORO ALASKA PETROLEUM C	\$49,200.00
779	Tesoro Northstore # 64	TESORO ALASKA PETROLEUM C	\$49,200.00
784	Tesoro Northstore # 59	TESORO ALASKA PETROLEUM C	\$49,200.00
790	7-ELEVEN #58	TESORO ALASKA PETROLEUM C	\$49,200.00
794	Tesoro Northstore # 61	TESORO ALASKA PETROLEUM C	\$49,200.00
797	Tesoro Northstore #67	TESORO ALASKA PETROLEUM C	\$49,200.00
1095	7-ELEVEN #102	TESORO ALASKA PETROLEUM C	\$49,200.00
1101	7-ELEVEN #106	TESORO ALASKA PETROLEUM C	\$49,200.00
1116	Tesoro Northstore # 112	TESORO ALASKA PETROLEUM C	\$49,200.00
1122	SEWARD TESORO	TESORO ALASKA PETROLEUM C	\$49,200.00
1125	HOMER SPIT TESORO	TESORO ALASKA PETROLEUM C	\$49,200.00
1127	RODGERS TESORO	TESORO ALASKA PETROLEUM C	\$49,200.00
1139	TALKEETNA EARTH STATION	ATT-ALASCOM INC ATTN: SAFET	\$47,500.00
1290	BUTTE PUBLIC SAFETY BUI	MATANUSKA SUSITNA BOROUGH	\$8,291.00
1300	SUTTON PUBLIC SAFETY BUI	MATANUSKA SUSITNA BOROUGH	\$7,963.00
1404	GARRETT'S #1	TESORO ALASKA PETROLEUM C	\$49,200.00
1435	SS & T TESORO	SAM GIBSON	\$47,500.00
1502	TESORO NORTHSTORE #11	TESORO ALASKA PETROLEUM C	\$49,200.00
1571	WOODS AIR FUEL	WOODS AIR FUEL	\$32,400.00
1812	COTTONWOOD PUBLIC SAFE	MATANUSKA SUSITNA BOROUGH	\$11,291.00
1985	Tesoro Northstore # 14	TESORO ALASKA PETROLEUM C	\$49,200.00
2729	ARCTIC SLOPE CONSULTING	ARCTIC SLOPE CONSULTING GR	\$47,500.00
2934	K BEACH CHEVRON	SAM E. GIBSON	\$47,500.00
2937	BROOKS FUEL	BROOKS FUEL - PAUL MERRIFIEI	\$53,400.00
Count: 38			\$1,479,979.00

Anticipated Facilities Remaining on the Tank Closure  
Rank List for FY00 Funding

Fac. No.	Facility Name	Owner Name	Application Amt.
17	TPI	PETRO STAR FUEL, INC.	\$21,000.00
25	PETERS CREEK TEXACO	DAWN WATER COMPANY	\$12,500.00
34	SOURDOUGH FUEL	PETRO STAR FUEL, INC.	\$24,000.00
60	Tesoro Northstore # 114	TESORO ALASKA PETROLEUM CO	\$10,800.00
82	CRESCENT HARBOR	CITY & BOROUGH OF SITKA	\$3,359.00
93	TMS EAGLE RIVER TERMINAL	LIDLAW TRANSIT INC	\$17,151.00
101	PETROLANE GAS SERVICE	Amerigas Propane LP	\$35,400.00
112	Tesoro Northstore # 115	TESORO ALASKA PETROLEUM CO	\$10,800.00
124	CITY OF HAINES	CITY OF HAINES	\$9,420.00
162	MARATHON MARINA	SHORESIDE PETROLEUM INC.	\$12,500.00
206	PETERSBURG MOTORS, INC.	PETERSBURG MOTORS, INC.	\$12,500.00
213	YAKUTAT EARTH STATION	ATT-ALASCOM INC ATTN: SAFETY SL	\$9,938.00
223	ERA HELICOPTERS Fairbanks Airport	ERA HELICOPTERS, INC.	\$12,500.00
262	WASILLA PUBLIC SAFETY BLDG.	MATANUSKA SUSITNA BOROUGH	\$2,071.00
264	USIBELLI COAL MINE INC.	USIBELLI COAL MINE INC.	\$19,531.00
267	USIBELLI COAL MINE INC.	USIBELLI COAL MINE INC.	\$42,522.00
277	LAKES PUB. SAFETY BLDG.(BREEDEN	MATANUSKA SUSITNA BOROUGH	\$3,799.00
278	TALKEETNA PUBLIC SAFETY BLDG.	MATANUSKA SUSITNA BOROUGH	\$7,563.00
281	FISHHOOK PUBLIC SAFETY BLDG.	MATANUSKA SUSITNA BOROUGH	\$3,955.00
285	BIG LAKE PUBLIC SAFETY BLDG.	MATANUSKA SUSITNA BOROUGH	\$3,448.00
287	MEADOW LAKES PUBLIC SAFETY BLDG.	MATANUSKA SUSITNA BOROUGH	\$7,420.00
296	OREN B. HUDSON	MUN OF ANCHORAGE - MERRILL FIEI	\$8,100.00
312	WINDY POINT MICROWAVE REPEATER	ATT-ALASCOM INC ATTN: SAFETY SL	\$4,831.00
319	TERN LAKE MICROWAVE REPEATER	ATT-ALASCOM INC ATTN: SAFETY SL	\$5,756.00
345	DEPT OF PUBLIC WORKS	CITY OF FAIRBANKS-B KLEVEN	\$12,500.00
347	FAIRBANKS FIRE STATION #4	CITY OF FAIRBANKS-B KLEVEN	\$2,376.00
350	Tesoro Northstore # 201	TESORO ALASKA PETROLEUM CO	\$10,800.00
354	FAIRBANKS PUBLIC SAFETY BUILDING	CITY OF FAIRBANKS-B KLEVEN	\$13,723.00
355	Tesoro Northstore # 202	TESORO ALASKA PETROLEUM CO	\$10,800.00
357	Tesoro Northstore # 203	TESORO ALASKA PETROLEUM CO	\$10,800.00
362	Tesoro Northstore # 204	TESORO ALASKA PETROLEUM CO	\$10,800.00
364	NEKLASSON LAKE EARTH STATION	ATT-ALASCOM INC ATTN: SAFETY SL	\$15,733.00
376	FMUS WELL STREET COMPLEX WAR	CITY OF FAIRBANKS-B KLEVEN	\$3,002.00
471	ERA LEASE # ADA02497 Prudhoe Bay	ERA HELICOPTERS, INC.	\$0.00
487	CORDOVA EARTH STATION	ATT-ALASCOM INC ATTN: SAFETY SL	\$9,038.00
524	KODIAK POLICE DEPARTMENT	CITY OF KODIAK	\$3,894.00
525	CITY GARAGE	CITY & BOROUGH OF SITKA	\$12,500.00
528	KODIAK FIRE DEPARTMENT	CITY OF KODIAK	\$11,680.00
549	BIRD POINT REPEATER	ATT-ALASCOM INC ATTN: SAFETY SL	\$4,335.00
581	7-ELEVEN #2	TESORO ALASKA PETROLEUM CO	\$10,800.00
585	NEW TRANSIT MAINTENANCE FACILITY	MOA FMD Municipality of Anchorage Pr	\$15,111.00
593	7-ELEVEN #5	TESORO ALASKA PETROLEUM CO	\$10,800.00
654	Tesoro Northstore # 56	TESORO ALASKA PETROLEUM CO	\$10,800.00
703	OLD TIME GROCERY #4	BCB ENTERPRISES	\$12,500.00
743	Tesoro Northstore # 10	TESORO ALASKA PETROLEUM CO	\$10,800.00
744	ANCHORAGE COLD STORAGE	ODOM CORP/JERRY DUNN DBA ANCI	\$12,500.00
746	Tesoro Northstore # 9	TESORO ALASKA PETROLEUM CO	\$10,800.00
779	Tesoro Northstore # 64	TESORO ALASKA PETROLEUM CO	\$10,800.00

784 Tesoro Northstore # 59	TESORO ALASKA PETROLEUM CO	\$10,800.00
790 7-ELEVEN #58	TESORO ALASKA PETROLEUM CO	\$10,800.00
797 Tesoro Northstore #67	TESORO ALASKA PETROLEUM CO	\$10,800.00
825 THRIFTY RENTA CAR	FLOYD & SONS INC	\$5,625.00
834 Tesoro Northstore # 12	TESORO ALASKA PETROLEUM CO	\$10,800.00
851 ANCHORAGE COLD STORAGE - DIVIS	ODOM CORP/JERRY DUNN DBA ANCI	\$12,500.00
859 ANCHORAGE COLD STORAGE - SHOF	ODOM CORP/JERRY DUNN DBA ANCI	\$12,500.00
1017 KETCHIKAN TOLL CENTER	ATT-ALASCOM INC ATTN: SAFETY SL	\$9,038.00
1095 7-ELEVEN #102	TESORO ALASKA PETROLEUM CO	\$10,800.00
1101 7-ELEVEN #106	TESORO ALASKA PETROLEUM CO	\$10,800.00
1105 7-ELEVEN #107	TESORO ALASKA PETROLEUM CO	\$10,800.00
1108 7-ELEVEN #110	TESORO ALASKA PETROLEUM CO	\$10,800.00
1114 FISHERS FUEL INC., BULK PLANT	FISHERS FUEL INC.	\$12,500.00
1116 Tesoro Northstore # 112	TESORO ALASKA PETROLEUM CO	\$10,800.00
1122 SEWARD TESORO	TESORO ALASKA PETROLEUM CO	\$10,800.00
1125 HOMER SPIT TESORO	TESORO ALASKA PETROLEUM CO	\$10,800.00
1127 RODGERS TESORO	TESORO ALASKA PETROLEUM CO	\$10,800.00
1139 TALKEETNA EARTH STATION & M.W.	ATT-ALASCOM INC ATTN: SAFETY SL	\$20,664.00
1170 ALYESKA SEAFOODS	ALYESKA SEAFOODS, INC.	\$12,500.00
1225 PACIFIC ALASKA FUEL SERVICES	PACIFIC ALASKA FUEL SERVICES	\$11,904.00
1254 LAIDLAW TRANSIT INC	LAIDLAW TRANSIT INC	\$29,913.00
1284 AWWU POINT WORONZOF WATER TF	AWWU- Maintenance Supt	\$24,900.00
1290 BUTTE PUBLIC SAFETY BUILDING	MATANUSKA SUSITNA BOROUGH	\$4,715.00
1300 SUTTON PUBLIC SAFETY BUILDING	MATANUSKA SUSITNA BOROUGH	\$5,626.00
1304 LAKES PUB. SAFETY BLDG.(BOGARD)	MATANUSKA SUSITNA BOROUGH	\$3,243.00
1310 MERRILL FIELD AIRPORT	M.O.A. - MERRILL FIELD AIRPORT	\$6,270.00
1317 MAT-SU BOROUGH MAINT. FACILITY	MATANUSKA SUSITNA BOROUGH	\$4,397.00
1347 FIRE STATION # 1	MOA FMD Municipality of Anchorage Prt	\$17,100.00
1404 GARRETT'S #1	TESORO ALASKA PETROLEUM CO	\$10,800.00
1409 NORTHWOOD STATION	MOA FMD Municipality of Anchorage Prt	\$19,050.00
1411 FOURTH & POST MAINTENANCE SHO	MOA FMD Municipality of Anchorage Prt	\$22,017.00
1417 MULDOON STATION	MOA FMD Municipality of Anchorage Prt	\$23,997.00
1435 SS & T TESORO	SAM E. GIBSON	\$12,500.00
1436 FIRE MAINTENANCE FACILITY	MOA FMD Municipality of Anchorage Prt	\$7,680.00
1439 FIRE STATION #11	MOA FMD Municipality of Anchorage Prt	\$16,602.00
1448 OLD TRANSIT MAIN ENANCE	MOA FMD Municipality of Anchorage Prt	\$50,517.00
1473 CAS & GO	CEM LEASING, INC. DBA PETROLEUM	\$12,000.00
1475 AVIS RENT A CAR	ALASKA RENT A CAR, INC.	\$7,167.00
1476 ERA AVIATION CENTER Hangar #1 Anc	ERA HELICOPTERS, INC.	\$13,500.00
1480 ERA HELICOPTERS, INC. Merril Field	ERA HELICOPTERS, INC.	\$36,542.00
1502 TESORO NORTHSTORE #11	TESORO ALASKA PETROLEUM CO	\$10,800.00
1524 ALASKA WEST EXPRESS	ALASKA WEST EXPRESS	\$2,037.00
1556 MATANUSKA TELLEPHONE ASSOC. IN	MATANUSKA TELEPHONE ASSOC. IN	\$12,000.00
1674 PEDRO DOME MICROWAVE REPEATE	ATT-ALASCOM INC ATTN: SAFETY SL	\$8,897.00
1738 AVIS	ALASKA RENT A CAR, INC.	\$5,370.00
1768 TEMSCO PENNINSULA POINT FACILIT	TEMSCO HELICOPTERS INC.	\$3,186.00
1775 TEMSCO HELICOPTERS INC.	TEMSCO HELICOPTERS INC.	\$2,640.00
1812 COTTONWOOD PUBLIC SAFETY BLDG	MATANUSKA SUSITNA BOROUGH	\$7,299.00
1813 WILLOW PUBLIC SAFETY BLDG.	MATANUSKA SUSITNA BOROUGH	\$5,436.00
1815 MSB ANIMAL CONTROL SHELTER	MATANUSKA SUSITNA BOROUGH	\$2,310.00
1890 WORLD WIDE MOVERS	WORLDWIDE MOVERS - L. HOUSEW(C	\$9,300.00
1909 HOLIDAY PAYLESS CAR RENTAL	ALASKA DIAL-A-CAR DBA PAYLESS C	\$12,500.00

1945 AWWU OPERATIONS & MAINTENANCE	AWWU- Maintenance Supt	\$22,500.00
1980 Tesoro Northstore # 68	TESORO ALASKA PETROLEUM CO	\$10,800.00
1982 Tesoro Northstore # 54	TESORO ALASKA PETROLEUM CO	\$10,800.00
1985 Tesoro Northstore # 14	TESORO ALASKA PETROLEUM CO	\$10,800.00
2106 FIRE STATION II	CITY OF KETCHIKAN	\$3,060.00
2142 AMERICAN LINEN	I.W.W. - ATTN: BILL WOODLAND	\$21,094.00
2209 TRANSIT GARAGE - BUS MAINTENANCE	FAIRBANKS NORTH STAR BOROUGH	\$11,850.00
2288 ALPINA GAS SERVICE (FORMERLY OLD RANDY HAHN)		\$12,600.00
2304 MUNICIPAL CEMETERY	MOA FMD Municipality of Anchorage Pr	\$8,406.00
2337 SITKA FIRE DEPARTMENT	CITY & BOROUGH OF SITKA	\$1,740.00
2348 MAT-SU BOROUGH SCHOOL DISTRICT	MATANUSKA SUSITNA BOROUGH	\$7,994.00
2349 MAT-SU BOROUGH SCHOOL DISTRICT	MATANUSKA SUSITNA BOROUGH	\$7,077.00
2372 MAPCO EXPRESS #5005	MAPCO EXPRESS	\$10,800.00
2396 CITY OF SELDOVIA	CITY OF SELDOVIA	\$12,500.00
2402 ARCTIC ACRES STORE	LYMAN BENSHOOF	\$8,079.82
2404 AEROTWIN HANGAR	CAROLE S MYERS c/o TCRS Inc	\$5,971.00
2418 LOWER RESERVOIR PUMP STATION	CITY OF KODIAK	\$3,894.00
2419 PILLAR CREEK PUMP STATION	CITY OF KODIAK	\$3,894.00
2454 ALASKA BUSH CARRIER INC.	ALASKA BUSH CARRIER INC.	\$32,400.00
2471 CITY MARKET	OMNI ENTERPRISES	\$12,500.00
2478 AIR TEK	AIR TEK	\$8,541.00
2519 HUB GAS	CEM LEASING, INC. DBA PETROLEUM	\$12,000.00
2643 NELSON ISLAND AREA SCHOOL	LOWER KUSKOKWIM SCHOOL DISTRICT	\$60,000.00
2729 ARCTIC SLOPE CONSULTING GROUP	ARCTIC SLOPE CONSULTING GROUP	\$12,500.00
2744 CHITINA FUEL AND GROCERY	ROSE MARY IVEY	\$12,500.00
2913 PAYLESS CAR RENTAL DBA ALASKA [	ALASKA DIAL-A-CAR DBA PAYLESS C	\$12,500.00
2914 PAYLESS CAR RENTAL DBA ALASKA [	ALASKA DIAL-A-CAR DBA PAYLESS C	\$12,500.00
2934 K BEACH CHEVRON	SAM E. GIBSON	\$12,500.00
2951 DENALI WILDERNESS LODGE	LYNN CASTLE, MASTER GUIDE, INC.	\$12,500.00
2962 MITKOF SALES & SERVICE	MITKOF SALES & SERVICE	\$12,500.00
count - 130	Total	\$1,561,698.82

## Cleanup Projects for FY00

### Municipal Facilities:

Owner	Facility Name	Fac. No.	Est. Cost
MATANUSKA TELEPHONE ASSOC. INC	MATANUSKA TELEPHONE ASSOC. IN	1556	\$ 120,000
CITY OF FAIRBANKS	FMUS WASTEWATER UTILITY PLANT	379	\$ 120,000
CITY OF UNALASKA	CITY OF UNALASKA	89	\$ 58,725
FAIRBANKS NORTH STAR BOROUGH F	WESCOTT POOL	1253	\$ 32,804
CITY OF CORDOVA	CORDOVA SMALL BOAT HARBOR	1757	\$ 36,180
ANCHORAGE MUNICIPAL LIGHT/POWE	MUNICIPAL LIGHT & POWER	73	\$ 120,000
ANCHORAGE MUNICIPAL LIGHT/POWE	ANCHORAGE MUNICIPAL LIGHT /POWE	1088	\$ 120,000
CITY OF HAINES	CITY OF HAINES	124	\$ 16,020
CITY OF KENAI	CITY OF KENAI-PUBLIC SAFETY BLDG	526	\$ 20,837
CITY OF KENAI	KENAI MUNICIPAL AIRPORT	532	\$ 27,003
CITY OF PALMER	CITY EQUIPMENT YARD	652	\$ 354,945
MOA FMD Municipality of Anchorage Prop	FOURTH & POST MAINTENANCE SHOP	1411	\$ 210,024
AWWU- Maintenance Supt	AWWU PUMP STATION #12	1292	\$ 381,000
CITY OF SELDOVIA	CITY OF SELDOVIA	2396	\$ 120,000
AWWU- Maintenance Supt	AWWU PUMP STATION #2	1288	\$ 93,420
ANCHORAGE TELEPHONE UTILITY	PLANT SERVICE COMPLEX	1355	\$ 227,391
ANCHORAGE MUNICIPAL LIGHT/POWE	MUNICIPALITY OF ANCHORAGE	1420	\$ 120,000
CITY & BOROUGH OF JUNEAU	JUNEAU AIRPORT	2157	\$ 120,000
MOA FMD Municipality of Anchorage Prop	KLATT MAINTENANCE STATION	1415	\$ 121,368
MATANUSKA TELEPHONE ASSOC. INC	MATANUSKA TELEPHONE ASSOC. INC	535	\$ 120,000
CITY & BOROUGH OF JUNEAU	JUNEAU PARKS AND RECREATION	2158	\$ 37,165
CITY & BOROUGH OF SITKA	CITY GARAGE	525	\$ 7,432
CITY & BOROUGH OF JUNEAU	EAGLECREST SKI AREA	1891	\$ 8,059
CITY & BOROUGH OF JUNEAU	PUBLIC WORKS UTILITY DIVISION	1177	\$ 5,850
CITY OF KODIAK	LOWER RESERVOIR PUMP STATION	2418	\$ 15,471
CITY OF KODIAK	PILLAR CREEK PUMP STATION	2419	\$ 44,751
CITY OF FAIRBANKS	FAIRBANKS FIRE STATION #4	347	\$ 120,000
CITY OF KODIAK	KODIAK FIRE DEPARTMENT	528	\$ 70,254
CITY OF KODIAK	KODIAK POLICE DEPARTMENT	524	\$ 15,471
CITY OF FAIRBANKS-B KLEVEN	FAIRBANKS PUBLIC SAFETY BUILDING	354	\$ 16,389
CITY OF FAIRBANKS	FMUS WATER PUMP STATION #7, 07U	2032	\$ 120,000
CITY OF FAIRBANKS	FMUS Pump Station #10	2035	\$ 120,000
CITY OF FAIRBANKS	FAIRBANKS MUNICIPAL UTILITIES SY	373	\$ 120,000
Count:	33		\$ 3,240,562

### SELF INSURED BUSINESSES:

Owner	Facility Name	Fac. No.	Est. Cost
ALAMO RENT-A-CAR, INC.	ALAMO RENT-A-CAR, INC.	1893	\$ 120,000
ALASKA AEROFUEL INC.	ALASKA AEROFUEL INC.	1529	\$ 38,286
ALASKA HELICOPTERS INC.	ERA AVIATION CENTER Hangar #3 Anc	1345	\$ 21,630
ALASKA WEST EXPRESS	ALASKA WEST EXPRESS	1524	\$ 4,267
ALYESKA SEAFOODS, INC.	ALYESKA SEAFOODS	1170	\$ 120,000
ANCHORAGE CHRYSLER CENTER INC.	ANCHORAGE CHRYSLER CENTER INC	161	\$ 120,000
ANDERSON TRUCKING SERVICE	ANDERSON TRUCKING SERVICE	2008	\$ 38,652
ARCTIC SLOPE CONSULTING GROUP	ARCTIC SLOPE CONSULTING GROUP,	2729	\$ 49,006
ATT-ALASCOM INC ATTN: SAFETY SUP	TALKEETNA EARTH STATION & M.W.	1139	\$ 18,046

Owner	Facility Name	Fac. No.	Est. Cost
ATT-ALASCOM INC ATTN: SAFETY SUP	GLENNALLEN REPEATER	333	\$ 17,005
ATT-ALASCOM INC ATTN: SAFETY SUP	PEDRO DOME MICROWAVE REPEATER	1674	\$ 14,587
ATT-ALASCOM INC ATTN: SAFETY SUP	TOK JUNCTION MICROWAVE REPEATER	209	\$ 16,452
AUTO SERVICE COMPANY, INC.	AUTO SERVICE CO., INC.	766	\$ 120,000
Chevron	CHEVRON STATION #92555	1787	\$ 167,044
Chevron	CHEVRON #96378	1764	\$ 64,884
Chevron	CHEVRON USA #98557	53	\$ 213,982
Chevron	CHEVRON #97764	64	\$ 99,499
Chevron	CHEVRON SERVICE STATION #9-2114	2954	\$ 19,977
Chevron	CHEVRON USA #95799	1778	\$ 92,345
Chevron	CHEVRON USA #98111	59	\$ 17,896
Chevron	CHEVRON USA #96097	1769	\$ 119,317
Chevron	CHEVRON USA #90430	12	\$ 43,041
Chevron	CHEVRON USA #94115	1784	\$ 95,143
Chevron	CHEVRON #91518	2837	\$ 63,427
Chevron	CHEVRON USA #99171	42	\$ 71,138
Chevron	CHEVRON SERVICE STATION #9-1893	2953	\$ 11,953
CHEVRON USA PRODUCTS - BOB GON	CHEVRON #97324	24	\$ 381,654
ERA HELICOPTERS, INC.	ERA HELICOPTERS Fairbanks Airport	223	\$ 420,715
ERA HELICOPTERS, INC.	ERA HELICOPTERS Juneau	477	\$ 438,879
HOMER ELECTRIC ASSOC., INC.	HOMER ELECTRIC ASSOCIATION	1261	\$ 48,187
KENAI AIR ALASKA, INC.	KENAI AIR ALASKA, INC.	985	\$ 120,000
KING CRAB, INC.	KING CRAB, INC.	632	\$ 120,000
LIDLAW TRANSIT INC	LIDLAW TRANSIT INC	1254	\$ 195,444
LIDLAW TRANSIT INC	TMS EAGLE RIVER TERMINAL	93	\$ 135,253
LYNDEN TRANSPORT INC.	LYNDEN TRANSPORT INC.	216	\$ 31,038
MAPCO EXPRESS	MAPCO EXPRESS - 5008	50	\$ 354,417
MAPCO EXPRESS	MAPCO EXPRESS - 5018	966	\$ 158,206
MAPCO EXPRESS	MAPCO EXPRESS #5017	1333	\$ 211,582
MAPCO EXPRESS	MAPCO EXPRESS #5022	2546	\$ 356,262
MAPCO EXPRESS	MAPCO EXPRESS #5007	1510	\$ 297,146
MAPCO EXPRESS	MAPCO EXPRESS #5003	14	\$ 263,739
MILCO INC.	FRONTIER SERVICE TEXACO	2483	\$ 12,000
PETRO STAR FUEL, INC.	SOURDOUGH FUEL - DELTA JUNCTION	1926	\$ 120,000
PROVIDENCE HOSPITAL	PROVIDENCE HOSPITAL	1947	\$ 157,676
RAIN PROOF ROOFING COMPANY, INC	RAIN PROOF ROOFING COMPANY, INC	286	\$ 18,233
SIGNATURE FLT. SUPPORT - AFSC, I	ANCHORAGE FUELING & SERVICE -PL	1270	\$ 443,139
TEMSCO HELICOPTERS INC.	TEMSCO HELICOPTERS INC.	270	\$ 6,904
TEMSCO HELICOPTERS INC.	TEMSCO HELICOPTERS INC.	1775	\$ 10,312
TESORO ALASKA PETROLEUM CO	Tesoro Northstore # 111	1112	\$ 545,250
TESORO ALASKA PETROLEUM CO	7-ELEVEN #104	1098	\$ 134,100
TESORO ALASKA PETROLEUM CO	NORTH ROAD KENAI TESORO	1138	\$ 68,400
TESORO ALASKA PETROLEUM CO	PETRO #1	1418	\$ 53,530
TESORO ALASKA PETROLEUM CO	Tesoro Northstore # 59	784	\$ 12,419
TESORO ALASKA PETROLEUM CO	EAGLE RIVER PARTS, INC	798	\$ 61,159
TESORO ALASKA PETROLEUM CO	Tesoro North store #101	84	\$ 99,697
TESORO ALASKA PETROLEUM CO	Tesoro Northstore # 15	1984	\$ 7,095
TESORO ALASKA PETROLEUM CO	Tesoro Northstore # 65	1981	\$ 37,800
TESORO NORTHSTORE	Tesoro Northstore # 201	350	\$ 120,000
TESORO NORTHSTORE	Tesoro Northstore # 61	794	\$ 189,000
TESORO NORTHSTORE	Tesoro Northstore # 12	834	\$ 120,000

Owner	Facility Name	Fac. No.	Est. Cost
TESORO NORTHSTORE	Tesoro Northstore # 52	648	\$ 120,000
TESORO NORTHSTORE	Tesoro Northstore # 3	588	\$ 40,500
TESORO NORTHSTORE	RODGERS TESORO	1127	\$ 120,000
TESORO NORTHSTORE	7-ELEVEN #107	1105	\$ 120,000
TESORO NORTHSTORE	Tesoro Northstore # 202	355	\$ 345,000
TESORO NORTHSTORE	7-ELEVEN #2	581	\$ 180,000
TESORO NORTHSTORE	Tesoro Northstore # 14	1985	\$ 120,000
TESORO NORTHSTORE	Tesoro Northstore # 53	651	\$ 395,000
TESORO NORTHSTORE	Tesoro Northstore # 203	357	\$ 253,000
TESORO NORTHSTORE	Tesoro Northstore # 114	60	\$ 120,000
TEXACO REFINING & MARKETING INC.	TEXACO SERVICE STATION	912	\$ 975,000
TEXACO REFINING & MARKETING INC.	TEXACO #75	878	\$ 186,197
UNOCAL Asset Management Group	UNOCAL #5057	23	\$ 57,870
UNOCAL Asset Management Group	UNOCAL #4581	6	\$ 117,900
UNOCAL Asset Management Group	UNOCAL #4652	11	\$ 116,235
UNOCAL Asset Management Group	MAPCO EXPRESS #5003	14	\$ 77,220
USIBELLI COAL MINE INC.	USIBELLI COAL MINE INC.	264	\$ 301,958
USIBELLI COAL MINE INC.	USIBELLI COAL MINE INC.	267	\$ 975,000
WORLDWIDE MOVERS	WORLD WIDE MOVERS	1890	\$ 408,000
Count: 79			\$ 12,555,693

### BUSINESSES NOT SELF-INSURED

Owner	Facility Name	Fac. No.	Est. Cost
LES ANDERSON	PENINSULA FORD, INC	2613	\$ 23,830
ADA STEPHENS / RICK STEVENS	PETERS CREEK CHEVRON	2587	\$ 15,577
ALASKA CLEANERS, INC.	ALASKA CLEANERS	821	\$ 19,863
ALASKA FARMERS COOPERATIVE, INC.	ALASKA FARMERS COOPERATIVE, INC.	1076	\$ 48,600
ALASKA MECHANICAL INC.	ALASKA MECHANICAL INC	186	\$ 34,186
ALASKA SALES & SERVICE INC. ATTN:	ALASKA SALES & SERVICE INC	1952	\$ 65,431
ALASKA SALES & SERVICE INC. ATTN:	NATIONAL CAR RENTAL	1255	\$ 12,068
ALASKA SALES & SERVICE INC. ATTN:	TRUCK CENTER	1959	\$ 7,233
AMP WAREHOUSE AGENCY	AMP WAREHOUSE AGENCY	2798	\$ 14,897
ANCHORAGE BAPTIST TEMPLE	ANCHORAGE BAPTIST TEMPLE	1145	\$ 16,089
ANCHORAGE BAPTIST TEMPLE	ANCHORAGE BAPTIST TEMPLE	1144	\$ 18,000
ARCTIC CIRCLE AIR (FORMERLY SEAG)	SEAGULL AIR SERVICE INC.	515	\$ 120,000
ARMSTRONG AIR SERVICE INC.	ARMSTRONG AIR SERVICE INC.	336	\$ 104,650
BERT SHAW	BERT SHAW	2176	\$ 22,500
BJS SERVICES INC.	BJ'S SERVICES INC.	2463	\$ 120,000
CARL & DARLENE HOOVER	Corner Station	1039	\$ 34,650
CEM LEASING, INC. DBA PETROLEUM	UNION PRODUCTS -AIRPORT STORAG	201	\$ 12,699
CENTRAL PLUMBING AND HEATING	CENTRAL PLUMBING AND HEATING	2290	\$ 120,000
CHARLES HIGGINS	PRINCESS TOURS BUS MAINT. GARAG	2127	\$ 39,016
CHET & KAREN ELDRIDGE	Delta Texaco	125	\$ 120,000
CLEAR SKY LODGE	CLEAR SKY LODGE	2361	\$ 120,000
COLLINS/BOYER ESTATE	OLD SUPER SUDS CARWASH	2948	\$ 120,000
CONTINENTAL MOTOR CO. INC.	CONTINENTAL MOTORS	647	\$ 18,938
CONTINENTAL MOTOR CO. INC.	CONTINENTAL MOTORS	2201	\$ 10,761
COPPER BASIN DISTRIBUTOR, INC	TAZLINA RIVER TRADING POST	1949	\$ 11,430
CORINNE Y. FOSTER	CACHE CREEK CHEVRON	328	\$ 120,000
D&A SUPERMARKETS, INC.	D&A SUPERMARKETS, INC.	2408	\$ 160,101
DAN PEARSON	YUKON TRADING POST	1119	\$ 120,000

Owner	Facility Name	Fac. No.	Est. Cost
DAWN WATER COMPANY	PETERS CREEK TEXACO	25	\$ 120,000
DENALI FUEL COMPANY	FUZZYS	542	\$ 42,008
DENNIS ILLIES	VALLEY COUNTRY STORE I	1988	\$ 120,000
DENNIS WISE	FIVE STAR AUTO	2720	\$ 360,000
DENNIS WISE	CORNERSTONE GAS	66	\$ 460,000
DENTECH-ATTN CHRIS HAMRE	RENT-A-WRECK	2004	\$ 4,981
EERO VOLKSWAGON OF ANCHORAGE	EERO VOLKSWAGEN OF ANCHORAGE	2503	\$ 15,120
EICHNER & EICHNER	BARBER & EICHNER	2645	\$ 12,700
EMPIRE AIRLINES, INC	EMPIRE AIRLINES HANGAR	2615	\$ 11,758
ERWIN ENTERPRISES C/O KEY BOOK	PAUL'S CHEVRON	928	\$ 31,295
EVERTS AIR FUEL	EVERTS AIR FUEL	425	\$ 180,000
FIRE LAKE FLYING CLUB INC.	FIRE LAKE FLYING CLUB	203	\$ 181,800
FRED HAMMON, STEPHEN HALL	WILDWOOD CHEVRON	514	\$ 39,240
FREDERICK J. BAILEY	BAILEYS RENTAL	2703	\$ 20,012
FRONTIER FLYING SERVICE	FRONTIER FLYING SERVICE	130	\$ 29,170
GARY D. BRADFORD	PENINSULA AUTOMOTIVE	2649	\$ 120,000
GERIK INC DBA RIDE N SHINE	RIDE N SHINE	2186	\$ 57,603
GO INVEST. DAB B&B TOOL SUPPLY	B & B TOOL SUPPLY	1914	\$ 37,992
GREEN ALASKA COMPANY	GREEN ALASKA CO.	387	\$ 178,830
HARRY H. ROSENCRANS	KNIK TEXACO	2540	\$ 21,150
HERMON BROTHERS CONSTRUCTION	HERMON BROTHERS CONSTRUCTION	787	\$ 22,725
HORRELL INVESTMENT INC	GLENNALLEN CHEVRON	2292	\$ 113,070
HUGH N. GRANT	GAS-N-GO	2269	\$ 46,054
IRENE PEARSON	LARRY'S CRESCENT SERVICE	750	\$ 13,410
ISAIAH E. LEWIS	GRATE LAND AUTO	2560	\$ 120,000
J. D. & S. RENTAL CENTER - JACK MAN	MANN'S SERVICE CENTER, INC.	639	\$ 42,641
JEAN KNOWLTON	CHUGIAK TEXACO	723	\$ 39,279
JEFF PETROVICH, PETRO PRODUCTS	PETRO PRODUCTS CO. INC. - OFFICE	129	\$ 120,000
JH&M INVESTMENTS	ANCHORAGE NISSAN JEEPI/EAGLE	2470	\$ 26,573
JOE & MARY BLACKARD	JOE & MARY BLACKARD	1066	\$ 130,126
JOE & MARY BLACKARD	MAT SU INC.	570	\$ 130,264
JOE & MARY BLACKARD	BUS BARN - TRANSPORTATION MARKI	1070	\$ 76,791
JOEL J. CARROLL	SUNNY CHEVRON SERVICE	413	\$ 120,000
JOHN E. HAXBY	EARL CHEVRON R.V. CENTER	1922	\$ 20,072
JULIUS & JUERGEN WUERTH	EUROPEAN MOTORS	2565	\$ 37,265
JULIUS & JUERGEN WUERTH	PACIFIC MITSUBISHI	2566	\$ 37,265
JUNEAU READY MIX INC.	JUNEAU READY MIX INC.	317	\$ 2,730
KENAI AIRPORT FUEL SERVICE, INC	KENAI AIRPORT FUEL SERVICE, INC	2187	\$ 40,241
KETCHIKAN AIR SERVICE INC.	Ketchikan Air Service	1335	\$ 14,885
KINGSTON PETERS	TUDOR CAR WASH	2451	\$ 120,000
LOOP SERVICES, INC.	NOBLE STREET TEXACO (RUSELLS TE	962	\$ 24,427
LYNN CASTLE, MASTER GUIDE, INC.	DENALI WILDERNESS LODGE	2951	\$ 120,000
MARITIME HELICOPTERS, INC.	MARITIME HELICOPTERS, INC.	864	\$ 14,652
MARK R. & DOLORES A. WILSON	HAMILTONS PLACE	2561	\$ 120,000
MIKE'S UNIVERSITY CHEVRON SERVICE	MIKE'S UNIVERSITY SERVICE INC.	956	\$ 120,000
MINDORO PARTNERS	TAB ELECTRIC, INC.	2541	\$ 120,000
MOUNTAIN CORPORATION	K & J AUTO	2616	\$ 49,254
MPH TRUST, C/O HOGE & LEKISCH	LOOMIS ARMORED INC.	394	\$ 10,082
NINILCHIK NATIVE ASSOCIATION	CLAM GULCH CHEVRON	1592	\$ 11,610
ODOM CORP/JERRY DUNN DBA ANCH	ANCHORAGE COLD STORAGE - BUTLE	853	\$ 120,000
OK Y. KIM - OCEANVIEW TEXACO	OK Y. KIM - OCEANVIEW TEXACO	752	\$ 120,000

Owner	Facility Name	Fac. No.	Est. Cost
PATRICK C. WEAVER	CURRYS CORNER	210	\$ 120,000
RANDY HAHN	ALPINA GAS SERVICE (FORMERLY OL	2288	\$ 276,840
RICHARD LIGHTNER	BADGER CHEVRON	1611	\$ 120,000
ROBERT BRATTRUD	FORMER ENSTAR LOT	2800	\$ 7,894
ROBERT GOETHALS	ROBAIR REPAIR	72	\$ 4,500
ROBINSON'S	ROBINSON'S	583	\$ 120,000
ROGER & JUDY BUTLER	GLENNALLEN CHEVRON	2423	\$ 21,488
ROGER STARR	LIGHTHOUSE CHEVRON	1650	\$ 43,766
RON & ED HULL	H & H TESORO	2701	\$ 198,171
SEEKINS FORD-LINCOLN-MERCURY, IN	SEEKINS FORD LINCOLN MERCURY IN	2459	\$ 136,683
SEND INTERNATIONAL OF ALASKA	GULKANA AIRPORT	1931	\$ 10,800
SISTERS CONSTRUCTION COMPANY	SISTERS CONSTRUCTION COMPANY	2644	\$ 49,472
SOUTHCENTRAL AIR, INC.	SOUTHCENTRAL AIR, INC.	431	\$ 63,000
STANLEY BROWN C/O PAXSON LODGE	PAXSON INN & LODGE	1938	\$ 24,975
STELLING ENTERPRISES	STELLING ENTERPRISES	2203	\$ 120,000
STEPHEN E. WARREN	C. & W. REPAIR	363	\$ 120,000
TCT COMMUNICATIONS, INC.	KENI RADIO STATION	2271	\$ 45,077
TEMSCO HELICOPTERS INC.	TEMSCO PENNINSULA POINT FACILITY	1768	\$ 19,229
THE HANGAR GROUP INC.	NORTHSHORE AVIATION - SITE #1	5	\$ 180,000
TRANS-PACIFIC RESOURCES, INC C/O	ARCTIC ANNEX BUILDING	2051	\$ 113,371
UNITED LUMBER COMPANY, INC.	UNITED BUILDING SUPPLY	1030	\$ 64,215
WALDEC ENTERPRISES, INC.	EAST ANCHORAGE AUTOMOTIVE (EAS	320	\$ 120,000
WENDELL J. NEFF, JR.	HEALY ROADHOUSE	404	\$ 67,910
WHITTIER PROPERTIES, INC.	ZIPMART -WHITTIER PROPERTIES	2924	\$ 126,000
WILLIAM E. DAM	SHORT'S TEXACO	18	\$ 120,000
William G. Knight Estate c/o Heller, Ehrma	BURTON CARVER BUS BARN	1121	\$ 139,212
WILLIAM MARLEY	THE ROOST	359	\$ 15,143
WILLIAM T. HEISLER CORP.	SAND LAKE SERVICE	189	\$ 225,000
YUKON EQUIPMENT, INC.	YUKON EQUIPMENT, INC.	2752	\$ 20,519
Count:	108		\$ 8,490,859

TOTAL FACILITIES:

220

Amount: \$ 24,287,114

# FISCAL NOTE

**STATE OF ALASKA  
1999 LEGISLATIVE SESSION**

**BILL NO. CSSB 128 (FIN) AM**

Revision Date/Time (Note if correction)		Dept. Affected	Law
Title	<u>"An Act .... relating to the storage tank assistance fund, to financial assistance for owners and operators of ..."</u>	<u>BRU</u>	<u>Civil Division</u>
Sponsor	<u>Senate Finance Committee</u>	Component	<u>Commercial; Environmental Law</u>
Requester	<u>House Resources Committee</u>	Component Serial No.	<u>2211; 2092</u>

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	84.2	56.2	56.2	56.2	56.2	56.2
Travel	0.3	0.2	0.2	0.2	0.2	0.2
Contractual	14.6	9.8	9.8	9.8	9.8	9.8
Supplies	1.3	0.9	0.9	0.9	0.9	0.9
Equipment	6.5					
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>106.9</b>	<b>67.0</b>	<b>67.0</b>	<b>67.0</b>	<b>67.0</b>	<b>67.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1079 Storg Tank	106.9	67.0	67.0	67.0	67.0	67.0
<b>TOTAL</b>	<b>106.9</b>	<b>67.0</b>	<b>67.0</b>	<b>67.0</b>	<b>67.0</b>	<b>67.0</b>

Estimate of any current year (FY99) cost:

**POSITIONS**

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

CSSB 128 (FIN) AM changes the storage tank assistance fund from a predominately grant program to a predominately loan program with limited grants available only to small businesses. This change would take effect July 1, 1999.

The changes to the storage tank assistance grant and loan program would create both initial startup costs and ongoing costs for the Department of Law. During the first year under the new provisions, Department of Law expenses would involve development of regulations and forms dealing with loan and grant program eligibility and administration. We would expect that some entities that would have qualified for a grant under the old program will not be able to qualify for either a grant or a loan under the new program, and that other entities will not qualify for the full amounts for which they could have qualified under the old program. These entities may find it difficult or impossible to bring their facilities into compliance; therefore, an increase in the demand for environmental enforcement actions and compliance

Prepared by Joan M. Kasson *Joan M. Kasson*  
 Division Attorney General's Office  
 Approved by Commissioner *Kadfor* Bruce M. Botelho, Attorney General  
 Agency Department of Law

Phone 465-5370  
 Date/Time 5/6/99, 10:39 AM  
 Date 5/6/99

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**ANALYSIS CONTINUATION**

agreements is expected. We would also expect a high default rate among loan recipients resulting in a continuing need for collection efforts. Collection efforts will be complicated by liability issues because the loan collateral may still be contaminated at the time of loan default.

The new workload generated by this bill would be split between the Civil Division's Commercial and Environmental Law sections, with Commercial handling loan issues and Environmental Law the environmental compliance issues. In the first year, three-quarters of an attorney position would be required, with the work equally divided between the sections. In the second, and subsequent years, once regulations development and other initial start-up work is complete, a half-time position is expected to be sufficient, with the workload continuing to be split equally between the sections.

Fiscal note costs are based on the department's FY00 standard full-time equivalent attorney cost schedule (\$133,926), and include clerical support, communications, space, supplies, data processing, and other normal overhead expenses. An additional \$6,500 for one-time equipment purchases, costs that cannot be included in the rate as overhead, are added in FY00 only, and as a practical matter, placed in Commercial with the new part time position. These costs would be split between the separate components as follows:

	FY00	FY01-FY05	PPT
Commercial	\$56.7	\$33.5	1
Environmental Law	<u>\$50.2</u>	<u>\$33.5</u>	
	\$106.9	\$67.0	

# FISCAL NOTE

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. CSSB 128 (FIN) am

Revision Date/Time (Note if correction) <u>5/6/99 12:41 PM</u>	Dept. Affected <u>Environmental Conservation</u>
Title <u>An Act relating to the storage tank assistance</u>	BRU <u>Spill Prevention and Response</u>
fund, replacing cleanup grant program with loan program	Component <u>Storage Tank Program</u>
Sponsor <u>Senate Finance</u>	
Requester <u>House Resources</u>	Component Serial No. <u>2063</u>

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	807.5	807.5	807.5	807.5	807.5	807.5
Travel						
Contractual	200.0	130.0	145.0	160.0	175.0	190.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>1,007.5</b>	<b>937.5</b>	<b>952.5</b>	<b>967.5</b>	<b>982.5</b>	<b>997.5</b>

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

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

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1007 I/A Receipts						
1052 Response Funds	227.2	227.2	227.2	227.2	227.2	227.2
1061 CIP Receipts	580.3	580.3	580.3	580.3	580.3	580.3
1079 Storage Tank Fund	200.0	130.0	145.0	160.0	175.0	190.0
<b>TOTAL</b>	<b>1,007.5</b>	<b>937.5</b>	<b>952.5</b>	<b>967.5</b>	<b>982.5</b>	<b>997.5</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time	15	15	15	15	15	15
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

See attached back up materials.

During the Senate floor debate, the fund transfer from the "470" fund to the Storage Tank Assistance Fund was deleted. This fiscal note is based on the assumption that the House version of the Conference Committee Action Report for HB 50 and HB 51 Front Section Appropriation for Item 6 will be adopted. It also assumes continuation level funding for the Storage Tank Program. DEC requests no increased costs over continuation level for SB 128 implementation. Additional funds are requested, however, for the Division of Investments to administer the new loan program and to pay for additional legal costs.

Prepared by <u>Larry Dietrick, Director</u>	Phone <u>465-5255</u>
Division <u>Spill Prevention and Response</u>	Date/Time <u>5/6/99 12:41 PM</u>
Approved by <u>Commissioner Michele Brown</u>	Date <u>5-6-99</u>
Agency <u>Department of Environmental Conservation</u>	

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**Part One:**

- Restore Reductions to continuation level for the Storage Tank Program to Manage Grants and Loans for Upgrades, Closures, and Cleanups

Current actions taken by the Senate reduce the state funding and staffing in the Storage Tank program by over 50%. SB128 changes the current program for clean up, upgrade and closure of storage tanks. Administration of this program is based on continuation staffing levels. SB 128 also continues the need for services provided by the Board of Storage Tank Assistance and its executive director. This fiscal note is consistent with the House version Conference Committee Action Report for HB 50 and HB 51 for Item 16 and restores reductions to continuation level for the Storage Tank Program.

Personal Services	807.5	
Travel	0.0	
Contractual	0.0	
Supplies	0.0	
Equipment	0.0	807.5
CIP Receipts	580.3	
Oil Haz Fund	227.2	807.5
Positions	15	

**Part Two:**

- Increased Costs for Managing a Loan Program

Addition of a loan program creates new costs for processing loans. The services include costs for loan examination, award, collection of repayments, and delinquent payments. The department will enter into a contract with Department of Commerce, Division of Investments to process the loans. First year costs for these services will be higher as loans are originated for tank upgrade, closures and clean ups. Loan costs originated in the second year only include cleanup projects since upgrade and closure projects would be complete. During the second and subsequent years it will be necessary to service all prior loans and originate 30 new cleanup loans. Loans are projected in the out years at 30 loans per year for a total of two million per year. These assumptions would be affected by the term of the loan. DEC would still approve the work plans, review eligible costs, oversee the projects for upgrade, closure and clean up work, and issue No Further Action letters so that properties can be placed into economic reuse. Other work such as the rule making and development of the loan program would be absorbed by the staffing restored under Part One.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Contractual	200.0	130.0	145.0	160.0	175.0	190.0

These funds will come from the Storage Tank Assistance Fund.

**Part Three:**

- Front Section, Fund Source Transfer, Money from Prevention Account of the "470" Fund to Storage Tank Assistance Fund

During the Senate floor debate, the fund transfer from the "470" fund to the Storage Tank Assistance fund was deleted with the understanding that the fiscal note for SB128 will contain this fund transfer. This fiscal note is consistent with the House version of the Conference Committee Action Report for HB50 and HB51 Front Section Appropriation for Item 6, Section 31. This transfer would then be increased by the amounts shown in Part 2 of this fiscal note for the loan program and for the additional costs shown in the Department of Law fiscal note. The sum of 5,796,556 would need to be appropriated from the oil and hazardous substance release prevention account (AS 46.08.010(a)(1)) to the storage tank assistance fund (AS 46.03.410) for the fiscal year ending June 30, 2000. The calculation for the transfer is shown below.

Calculation of the transfer amount

Assets		2,278,013	
A/R	Interfund Transfer	4,364,800	
A/R	Federal	80,781	6,723,594
<hr/>			
Less:			
Liabilities			(250,941)
Encumbrance Reserve			(946,593)
Appropriation Reserve			
	48530-99 Storage Tank Program	(1,457,276)	
	49020-03 Upgrade Private UST	(4,449,516)	
	49180-02 Private Owned UST	(188,729)	
	Funding Source - DAS	(136,600)	
	Funding Source - SPS	(500)	(6,232,622)
<hr/>			
Unearned Budgeted Revenue			
	48530-99 Storage Tank Program		
	Federal	712,494	
	CIP	93,112	
	OHSRPRF	266,000	1,071,606
<hr/>			
Unreserved Fund Balance			365,044

Proposed FY 00 Appropriations

FY 00 Operating STP	717,600	
Loan Program Costs SB128	200,000	
Department of Law	106,900	
FY 00 Operating DAS	136,600	
FY 00 Operating SPS	500	
FY 00 Capital STP	<u>5,000,000</u>	<u>6,161,600</u>

Transfer Need

5,796,556

FISCAL NOTE

STATE OF ALASKA  
1999 Legislative Session

NO. 4  
Bill Version: CS9B 128(FIN)  
(S) Publish Date: 5-4-99

Revision Date: 05/04/99  
Title: Storage Tank Assistance Fund  
Sponsor: Senate Finance Committee  
Requester: Senate Finance Committee

Dept. Affected Environmental Conservation  
BRU Spill Prevention and Response  
Component Storage Tank Assistance Fund

Component Serial No. \_\_\_\_\_

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY01	FY02	FY03	FY04	FY05
Personal Services	0.0					
Travel	0.0					
Contractual	250.0					
Supplies	0.0					
Equipment	0.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
<b>TOTAL OPERATING</b>	<b>250.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES	5,159.7					
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CHANGE IN REVENUES [ ]						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 00	FY01	FY02	FY03	FY04	FY05
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	0.0					
1005 GF/Program Receipts	0.0					
1061 CIP Receipts	450.0					
1079 Storage Tank Assistance Fund	(200.0)					
<b>TOTAL</b>	<b>250.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) costs: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS (Attach a separate page if necessary)

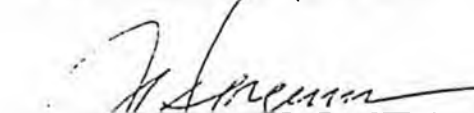
See Attached Sheet

\$250,000 operating expense for anticipated RSA to division of investments for the management of the loan portfolio.

Prepared By: SENATE FINANCE COMMITTEE

  
SENATOR SEAN PARNELL, CO-CHAIR

Date: 5/4/99  
Phone: 465-2995

  
SENATOR JOHN TORGERSON, CO-CHAIR

Date: 5/4/99  
Phone: 465-2828



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### **SPONSOR STATEMENT FOR SENATE BILL 128 "AN ACT RELATING TO THE STORAGE TANK ASSISTANCE FUND"**

Senate Bill 128 allows the legislature to appropriate money from the storage tank assistance fund for projects relating to governmental fuel storage tanks and converts the existing grant program to a loan program.

No other state has a grant program and providing grants to private entities for cleanup of their storage tank facilities does not make fiscal sense. Many states do have loan programs and providing an affordable loan program to private entities for the purpose of cleaning up problematic private fuel tanks is much more fiscally responsible. Dispensing loans instead of grants also encourages private entities to take greater care during the initial installation of fuel storage tanks.

DD\hn

Post-it <sup>®</sup> Fax Note	7671	Date	# of pages
To	DARWIN	From	JOHN B.
Co./Dept.		Co.	
Phone #	4119	Phone #	465-5219
Fax #		Fax #	

### Cleanup Grant Applications for FY00 Funding

(By FY99 Priority Rank)

Owner Name	Facility Name	Fac. No.	Rank	Application	
				Date	Amount
RICHARD LIGHTNER	BADGER CHEVRON	1611	1	10/27/95	120,000
MARK R. & DOLORES A. WILSON	HAMILTONS PLACE	2561	2	6/27/94	120,000
JEAN KNOWLTON	CHUGIAK TEXACO	723	3	12/21/93	39,279
LOOP SERVICES, INC.	NOBLE STREET TEXACO (RUSSELL)	962	4	12/28/94	24,427
RANDY HAHN	ALPINA GAS SERVICE (FORMERLY)	2288	5	12/19/95	276,840
William G Knight Estate c/o Heller, E	BURTON CARVER BUS BARN	1121	6	12/31/91	139,212
FIRE LAKE FLYING CLUB INC.	FIRE LAKE FLYING CLUB	203	7	6/20/95	181,800
JULIUS & JUERGEN WUERTH	EUROPEAN MOTORS	2565	8	12/29/92	37,265
STEPHEN E. WARREN	C. & W. REPAIR	363	9	12/10/93	120,000
FREDERICK J. BAILEY	BAILEYS RENTAL	2703	10	12/31/91	20,012
JOE & MARY BLACKARD	JOE & MARY BLACKARD	1066	11	12/31/92	130,126
STELLING ENTERPRISES	STELLING ENTERPRISES	2203	12	12/11/91	120,000
WILLIAM T. HEISLER CORP.	SAND LAKE SERVICE	189	13	12/29/93	225,000
CHET & KAREN ELDRIDGE	Della Texaco	125	14	12/29/93	120,000
JULIUS & JUERGEN WUERTH	PACIFIC MITSUBISHI	2565	15	12/29/92	37,265
KINGSTON PETERS	TUDOR CAR WASH	2451	16	2/28/98	120,000
DENNIS WISE	FIVE STAR AUTO	2720	17	4/1/92	360,000
MAPCO EXPRESS	MAPCO EXPRESS - 5008	50	18	12/20/91	354,417
DENNIS ILLIES	VALLEY COUNTRY STORE I	1988	19	12/20/93	120,000
FRED HAMMON, STEPHEN HALL	WILDWOOD CHEVRON	514	20	12/13/93	39,240
DAN PEARSON	YUKON TRADING POST	1119	21	9/8/94	120,000
EVERTS AIR FUEL	EVERTS AIR FUEL	425	22	12/2/93	180,000
TESORO NORTHSTORE	7-ELEVEN #201	350	23	6/27/96	120,000
HARRY H. ROSENCRANS	KNIK TEXACO	2540	24	4/7/94	21,150
WALDEC ENTERPRISES, INC.	EAST ANCHORAGE AUTOMOTIVE	320	25	2/25/92	120,000
HUGH N. GRANT	GAS-N-GO	2269	26	12/31/93	46,054
WILLIAM MARLEY	THE ROOST	359	27	12/30/91	15,143
CITY OF UNALASKA	CITY OF UNALASKA	89	28	12/31/91	58,725
MAPCO EXPRESS	MAPCO EXPRESS - 501B	956	29	12/20/91	158,206
KENAI AIRPORT FUEL SERVICES I	KENAI AIRPORT FUEL SERVICES	2187	30	12/31/91	40,241
JOE & MARY BLACKARD	MAT SU INC.	570	31	12/31/92	130,264
LAIDLAW TRANSIT INC	LAIDLAW TRANSIT INC	1254	32	12/27/91	195,444
DENNIS WISE	CORNERSTONE GAS	66	33	4/1/92	460,000
EMPIRE AIRLINES, INC	EMPIRE AIRLINES HANGAR	2615	34	12/27/91	11,758
COPPER BASIN DISTRIBUTOR, INC	TAZLINA RIVER TRADING POST	1949	35	12/28/93	11,430
JOEL J. CARROLL	SUNNY CHEVRON SERVICE	413	36	1/30/92	120,000
ARCTIC CIRCLE AIR (FORMERLY S	SEAGULL AIR SERVICE INC.	515	37	12/19/94	120,000
MOUNTAIN CORPORATION	K & J AUTO	2616	38	12/26/91	49,254
GO INVEST. DAB B&B TOOL SUPP	B & B TOOL SUPPLY	1914	39	12/30/91	37,992
FRONTIER FLYING SERVICE	FRONTIER FLYING SERVICE	130	40	6/29/94	29,170

Owner Name	Facility Name	Fac. No.	Rank	Application	
				Date	Amount
D&A SUPERMARKETS, INC.	D&A SUPERMARKETS, INC.	2408	41	4/27/93	160,101
COLLINS/BOYER ESTATE	OLD SUPER SUDS CARWASH	2948	42	6/30/94	120,000
CARL & DARLENE HOOVER	Corner Station	1039	43	8/20/93	34,650
UNOCAL Asset Management Group	UNOCAL #3057	23	44	12/31/91	57,870
CHEVRON USA PRODUCTS - BOB	CHEVRON #97324	24	45	6/8/94	381,654
Chevron	CHEVRON STATION #92555	1787	46	6/6/94	167,044
SEEKINS FORD-LINCOLN-MERCURY	SEEKINS FORD LINCOLN MERCURY	2459	47	12/29/94	136,683
EICHNER & EICHNER	BARBER & EICHNER	2645	48	12/29/92	12,700
STANLEY C TOWN C/O PAXSON LLC	PAXSON INN & LODGE	1938	49	12/31/93	24,975
FAIRBANKS NORTH STAR BOROUGH	WESCOTT POOL	1253	50	12/30/91	32,804
J. D. & S. RENTAL CENTER - JACK	MANN'S SERVICE CENTER, INC.	639	51	12/31/91	42,641
FUZZYS COMPANY	FUZZYS	542	52	12/27/91	42,008
CEM LEASING, INC. DBA PETROLEUM	UNION PRODUCTS -AIRPORT STC	201	53	12/27/91	12,699
PATRICK C. WEAVER	CURRYS CORNER	210	54	12/31/93	120,000
TESORO ALASKA PETROLEUM CO	TNS #111	1112	55	12/31/91	545,250
OK Y. KIM OCEANVIEW TEXACO	OK Y. KIM - OCEANVIEW TEXACO	762	56	11/19/93	120,000
ADA STEPHENS / RICK STEVENS	PETERS CREEK CHEVRON	2587	57	12/31/91	15,577
THE HANGAR GROUP INC.	NORTHSHORE AVIATION - SITE #	5	58	12/20/93	180,000
ROBINSON'S	ROBINSON'S	583	59	6/30/94	120,000
ISAIAH E. LEWIS	GRATE LAND AUTO	2560	60	4/16/96	120,000
UNITED LUMBER COMPANY, INC.	UNITED BUILDING SUPPLY	1030	61	3/5/91	64,215
MIKE'S UNIVERSITY CHEVRON SE	MIKE'S UNIVERSITY SERVICE INC	956	62	6/29/95	120,000
JOE & MARY BLACKARD	BUS BARN - TRANSPORTATION M	1070	63	12/31/92	76,791
CITY OF CORDOVA	CORDOVA SMALL BOAT HARBOR	1757	64	12/30/92	36,180
ANCHORAGE BAPTIST TEMPLE	ANCHORAGE BAPTIST TEMPLE	1145	65	12/31/91	16,089
ARMSTRONG AIR SERVICE INC.	ARMSTRONG AIR SERVICE INC.	336	66	12/27/93	104,650
MORRELL INVESTMENT INC	GLENNALLEN CHEVRON	2232	67	12/10/92	113,070
KETCHIKAN AIR SERVICE INC.	Ketchikan Air Service	1335	68	12/31/93	14,885
TESORO NORTHSTORE	7-ELEVEN #61	794	69	12/30/94	189,000
ANDERSON TRUCKING SERVICE	ANDERSON TRUCKING SERVICE	2008	70	12/24/91	38,652
LAIDLAW TRANSIT INC	TMS EAGLE RIVER TERMINAL	93	71	12/27/91	135,253
CLEAR SKY LODGE	CLEAR SKY LODGE	2361	72	12/27/93	120,000
CHARLES HIGGINS	PRINCESS TOURS BUS MAINT. GA	2127	73	12/31/91	39,016
CENTRAL PLUMBING AND HEATING	CENTRAL PLUMBING AND HEATING	2290	74	12/19/91	120,000
CORINNE Y. FOSTER	CACHE CREEK CHEVRON	328	75	12/31/91	120,000
WILLIAM E. DAM	SHORT'S TEXACO	18	76	11/27/95	120,000
TESORO ALASKA PETROLEUM CO	7-ELEVEN #104	1098	77	12/31/91	134,100
IRENE PEARSON	LARRY'S CRESCENT SERVICE	750	78	8/5/93	13,410
JH&M INVESTMENTS	ANCHORAGE NISSAN JEEPIEAGLE	2470	79	12/30/94	26,573
YUKON EQUIPMENT, INC.	YUKON EQUIPMENT, INC.	2752	80	12/30/91	20,519
ALASKA FARMERS COOPERATIVE	ALASKA FARMERS COOPERATIVE	1076	81	12/20/91	48,600
MARITIME HELICOPTERS, INC.	MARITIME HELICOPTERS, INC.	864	82	6/26/95	14,652

Owner Name	Facility Name	Fac. No.	Rank	Application	
				Date	Amount
MAPCO EXPRESS	MAPCO EXPRESS #5017	1333	83	12/20/91	211,582
TEXACO REFINING & MARKETING	TEXACO SERVICE STATION	912	84	12/24/91	975,000
RON & ED HULL	H & H TESORO	2701	85	12/27/91	198,171
NINILCHIK NATIVE ASSOCIATION	CLAM GULCH CHEVRON	1592	86	12/31/91	11,610
AMP WAREHOUSE AGENCY	AMP WAREHOUSE AGENCY	2798	87	12/24/91	14,897
Chevron	CHEVRON #96378	1764	88	6/6/94	64,884
ROBERT BRATTRUD	FORMER ENSTAR LOT	2800	89	9/19/91	7,894
TRANS-PACIFIC RESOURCES, INC	ARCTIC ANNEX BUILDING	2051	90	12/31/91	113,371
ALASKA SALES & SERVICE INC. A	ALASKA SALES & SERVICE INC	1952	91	12/2/91	65,431
ROGER STARR	LIGHTHOUSE CHEVRON	1650	92	6/21/96	43,766
TCT COMMUNICATIONS, INC.	KENI RADIO STATION	2271	93	6/30/94	45,077
JUNEAU READY MIX INC.	JUNEAU READY MIX INC.	317	94	12/31/92	2,730
TESORO ALASKA PETROLEUM CO	NORTH ROAD KENAI TESORO	1130	95	12/31/91	68,400
ERA HELICOPTERS, INC.	ERA HELICOPTERS Fairbanks Airp	223	96	12/31/91	420,715
SOUTHCENTRAL AIR, INC.	SOUTHCENTRAL AIR, INC.	431	97	12/27/93	63,000
MPH TRUST, C/O HOGE & LEKISC	LOOMIS ARMORED INC.	394	98	12/31/91	10,082
GREEN ALASKA COMPANY	GREEN ALASKA CO.	387	99	3/26/92	178,830
ALASKA MECHANICAL INC.	ALASKA MECHANICAL INC	186	100	12/30/91	34,186
Chevron	CHEVRON USA #98557	53	101	6/6/94	213,982
ANCHORAGE MUNICIPAL LIGHT/P	MUNICIPAL LIGHT & POWER	73	102	12/30/92	120,000
TEMSCO HELICOPTERS INC.	TEMSCO PENNINSULA POINT FAC	1768	103	12/31/91	19,229
JOHN E. HAXBY	EARL CHEVRON R.V. CENTER	1922	104	11/20/92	20,072
SISTERS CONSTRUCTION COMPA	SISTERS CONSTRUCTION COMPA	2644	105	11/29/91	49,472
HERMON BROTHERS CONSTRUC	HERMON BROTHERS CONSTRUC	787	106	12/31/91	22,725
ROGER & JUDY BUTLER	GLENNALLEN CHEVRON	2423	107	12/31/91	21,488
TESORO NORTHSTORE	7-ELEVEN #12	834	108	6/27/96	120,000
Chevron	CHEVRON #97764	64	109	6/6/94	99,499
ANCHORAGE MUNICIPAL LIGHT/P	ANCHORAGE MUNICIPAL LIGHT /P	1088	110	12/30/93	120,000
UNOCAL Asset Management Group	UNOCAL #4581	6	111	12/31/91	117,900
ANCHORAGE BAPTIST TEMPLE	ANCHORAGE BAPTIST TEMPLE	1144	112	12/31/91	18,000
GERIK INC DBA RIDE N SHINE	RIDE N SHINE	2186	113	6/24/94	57,603
CONTINENTAL MOTOR CO. INC.	CONTINENTAL MOTORS	647	114	12/31/91	18,938
TESORO NORTHSTORE	7-ELEVEN #52	648	115	6/27/96	120,000
WENDELL J. NEFF, JR	HEALY ROADHOUSE	404	116	12/13/93	67,910
BJS SERVICES INC.	BJ'S SERVICES INC.	2463	117	12/30/91	120,000
WHITTIER PROPERTIES, INC.	ZIPMART -WHITTIER PROPERTIES	2924	118	6/25/96	126,000
SIGNATURE FLT. SUPPORT - AFSC	ANCHORAGE FUELING & SERVICE	1270	119	12/26/91	443,139
ALASKA SALES & SERVICE INC. A	NATIONAL CAR RENTAL	1255	120	11/13/91	12,068
ALASKA AEROFUEL INC.	ALASKA AEROFUEL INC.	1529	121	12/31/93	38,286
ERA HELICOPTERS, INC.	ERA HELICOPTERS Juneau	477	122	12/31/91	438,879
MAPCO EXPRESS	MAPCO EXPRESS #5022	2546	123	12/20/91	356,262
SEND INTERNATIONAL OF ALASKA	GULIKANA AIRPORT	1931	124	12/31/91	10,800

Owner Name	Facility Name	Fac. No.	Rank	Application	
				Date	Amount
DENTECH-ATTN CHRIS HAMRE	RENT-A-WRECK	2804	125	12/31/91	4,981
BERT SHAW	BERT SHAW	2176	126	12/29/92	22,500
MINDORO PARTNERS	TAB ELECTRIC, INC.	2541	127	12/31/91	120,000
UNOCAL Asset Management Group	UNOCAL #4652	11	128	12/31/91	116,235
CONTINENTAL MOTOR CO. INC.	CONTINENTAL MOTORS	2201	129	12/31/91	10,761
CITY OF HAINES	CITY OF HAINES	124	130	4/15/94	16,020
TESORO NORTHSTORE	7-ELEVEN #3	588	131	12/30/94	40,500
ALASKA SALES & SERVICE INC. A	TRUCK CENTER	1959	132	11/18/91	7,233
GARY D. BRADFORD	PENINSULA AUTOMOTIVE	2649	133	12/30/91	120,000
ALAMO RENT-A-CAR, INC.	ALAMO RENT-A-CAR, INC.	1893	134	12/31/93	120,000
Chevron	CHEVRON SERVICE STATION #9-2	2954	135	6/6/94	19,977
ALASKA CLEANERS, INC.	ALASKA CLEANERS	821	136	3/20/92	19,863
CITY OF KENAI	CITY OF KENAI-PUBLIC SAFETY B	526	137	6/30/94	20,837
WORLDWIDE MOVERS	WORLD WIDE MOVERS	1890	138	12/30/91	408,000
CITY OF KENAI	KENAI MUNICIPAL AIRPORT	532	139	6/30/94	27,006
TEMSCO HELICOPTERS INC.	TEMSCO HELICOPTERS INC.	270	140	12/30/92	6,904
LYNN CASTLE, MASTER GUIDE, IN	DENALI WILDERNESS LODGE	2951	141	10/24/94	120,000
EERO VOLKSWAGON OF ANCHOR	EERO VOLKSWAGEN OF ANCHOR	2503	142	5/10/93	15,120
TESORO NORTHSTORE	RODGERS TESORO	1127	143	6/27/96	120,000
UNOCAL Asset Management Group	MAPCO EXPRESS #5003	14	144	12/31/91	77,220
Chevron	CHEVRON USA #95799	1778	145	6/6/94	92,345
Chevron	CHEVRON USA #98111	59	148	6/6/94	17,896
ERWIN ENTERPRISES C/O KEY BC	PAUL'S CHEVRON	928	147	12/30/94	31,295
CITY OF PALMER	CITY EQUIPMENT YARD	652	148	12/27/91	354,945
HOMER ELECTRIC ASSOC., INC.	HOMER ELECTRIC ASSOCIATION	1261	149	12/20/91	48,187
ARCTIC SLOPE CONSULTING GRC	ARCTIC SLOPE CONSULTING GRC	2729	150	12/30/91	49,006
ROBERT GOETHALS	ROBAIR REPAIR	72	151	1/19/94	4,500
PROVIDENCE HOSPITAL	PROVIDENCE HOSPITAL	1947	152	12/22/93	157,676
MAPCO EXPRESS	MAPCO EXPRESS #5007	1510	153	12/20/91	297,146
KENAI AIR ALASKA, INC.	KENAI AIR ALASKA, INC.	985	154	6/28/94	120,000
MOA FMD Municipality of Anchorage	FOURTH & POST MAINTENANCE S	1411	155	3/26/91	210,024
AWWU- Maintenance Supt	AWWU PUMP STATION #12	1292	156	12/31/91	381,000
JEFF PETROVICH, PETRO PRODU	PETRO PRODUCTS CO. INC. - OFI	129	157	6/30/94	120,000
TESORO NORTHSTORE	7-ELEVEN #107	1105	158	6/27/96	120,000
Chevron	CHEVRON USA #96097	1769	159	6/6/94	119,317
Chevron	CHEVRON USA #90430	12	160	6/6/94	43,041
USIBELLI COAL MINE INC.	USIBELLI COAL MINE INC.	264	161	12/31/91	301,958
Chevron	CHEVRON USA #94115	1784	162	6/6/94	95,143
ALASKA WEST EXPRESS	ALASKA WEST EXPRESS	1524	163	1/3/91	4,267
ALASKA HELICOPTERS INC.	ERA AVIATION CENTER Hangar #3	1345	164	12/20/93	21,630
MAPCO EXPRESS	MAPCO EXPRESS #5003	14	165	12/20/91	263,739
MILCO INC.	FRONTIER SERVICE TEXACO	2483	166	12/30/94	12,000

Owner Name	Facility Name	Fac. No.	Rank	Application	
				Date	Amount
CITY OF SELDOVIA	CITY OF SELDOVIA	2396	167	12/28/93	120,000
DAWN WATER COMPANY	PETERS CREEK TEXACO	25	168	6/30/94	120,000
TEMSCO HELICOPTERS INC.	TEMSCO HELICOPTERS INC.	1775	169	6/29/94	10,312
ODOM CORP/JERRY DUNN DBA AI	ANCHORAGE COLD STORAGE - B	853	170	12/31/93	120,000
AUTO SERVICE COMPANY, INC.	AUTO SERVICE CO., INC.	766	171	12/31/93	120,000
Chevron	CHEVRON #91518	2837	172	6/6/94	63,427
TESORO ALASKA PETROLEUM CO	PETRO #1	1418	173	12/31/91	53,530
AWWU- Maintenance Supt	AWW PUMP STATION #2	1288	174	12/31/91	93,420
USIBELLI COAL MINE INC.	USIBELLI COAL MINE INC.	267	175	12/31/91	975,000
TEXACO REFINING & MARKETING	TEXACO #75	878	176	12/24/91	185,197
TESORO ALASKA PETROLEUM CO	TNS #059	784	177	12/31/91	12,419
Chevron	CHEVRON USA #99171	42	178	6/6/94	71,138
ATT-ALASCOM INC ATTN: SAFETY	TALKEETNA EARTH STATION & M	1139	179	12/31/91	18,046
ANCHORAGE TELEPHONE UTILITY	PLANT SERVICE COMPLEX	1355	180	12/31/91	227,391
MOA SWS (Dup Owner)	MUNICIPALITY OF ANCHORAGE	1420	181	12/30/93	120,000
ATT-ALASCOM INC ATTN: SAFETY	GLENNALLEN REPEATER	333	182	12/31/91	17,005
TESORO ALASKA PETROLEUM CO	EAGLE RIVER PARTS, INC	798	183	12/31/91	61,159
KING CRAB, INC.	KING CRAB, INC.	632	184	6/30/94	120,000
TESORO NORTHSTORE	7-ELEVEN #202	355	185	12/30/94	345,000
PETRO STAR FUEL, INC	SOURDOUGH FUEL - DELTA JUNC	1926	186	12/24/91	120,000
TESORO ALASKA PETROLEUM CO	DISCOUNT TRUCK STOP TNS 101	84	187	12/31/91	99,697
TESORO NORTHSTORE	7-ELEVEN #2	581	188	12/30/94	180,000
CITY & BOROUGH OF JUNEAU	JUNEAU AIRPORT	2157	189	12/30/91	120,000
ATT-ALASCOM INC ATTN: SAFETY	PEDRO DOME MICROWAVE REPE	1674	190	12/31/91	14,587
Chevron	CHEVRON SERVICE STATION #9-	2953	191	6/6/94	11,953
ALYESKA SEAFOODS, INC.	ALYESKA SEAFOODS	1170	192	12/31/91	120,000
TESORO ALASKA PETROLEUM CO	7-ELEVEN #15	1984	192	12/31/91	7,095
TESORO NORTHSTORE	7-ELEVEN #14	1985	193	6/27/96	120,000
MOA FMD Municipality of Anchorage	KLATT MAINTENANCE STATION	1415	194	12/26/91	121,368
ANCHORAGE CHRYSLER CENTER	ANCHORAGE CHRYSLER CENTER	161	195	3/15/91	120,000
LYNDEN TRANSPORT INC.	LYNDEN TRANSPORT INC.	216	196	12/30/91	31,038
TESORO NORTHSTORE	7-ELEVEN # 53	651	197	12/30/94	395,000
TESORO NORTHSTORE	7-ELEVEN #203	357	198	12/30/94	253,000
TESORO ALASKA PETROLEUM CO	7-ELEVEN #65	1981	199	12/31/91	37,800
MATANUSKA TELEPHONE ASSOC	MATANUSKA TELEPHONE ASSOC	535	200	1/7/92	120,000
MATANUSKA TELEPHONE ASSOC	MATANUSKA TELEPHONE ASSO	1556	201	1/7/92	120,000
CITY & BOROUGH OF JUNEAU	JUNEAU PARKS AND RECREATIO	2158	202	12/30/91	37,165
CITY & BOROUGH OF SITKA	CITY GARAGE	525	203	12/31/92	7,432
TESORO NORTHSTORE	TNS #114	60	204	6/27/96	120,000
CITY & BOROUGH OF JUNEAU	EAGLECREST SKI AREA	1891	205	12/30/91	8,059
CITY & BOROUGH OF JUNEAU	PUBLIC WORKS UTILITY DIVISION	1177	206	12/30/91	5,850
CITY OF KODIAK	LOWER RESERVOIR PUMP STATI	2418	207	5/23/94	15,471

Owner Name	Facility Name	Fac. No.	Rank	Application	
				Date	Amount
CITY OF KODIAK	PILLAR CREEK PUMP STATION	2419	208	5/23/94	44,751
CITY OF FAIRBANKS	FAIRBANKS FIRE STATION #4	347	209	6/30/94	120,000
CITY OF KODIAK	KODIAK FIRE DEPARTMENT	528	210	5/23/94	70,254
CITY OF KODIAK	KODIAK POLICE DEPARTMENT	524	211	5/23/94	15,471
ATT-ALASKOM INC ATTN: SAFETY	TOK JUNCTION MICROWAVE REP	209	212	12/31/91	16,452
RAIN PROOF ROOFING COMPANY	RAIN PROOF ROOFING COMPANY	286	213	8/6/91	18,233
CITY OF FAIRBANKS-B KLEVEN	FAIRBANKS PUBLIC SAFETY BUIL	354	214	3/27/92	16,389
CITY OF FAIRBANKS	FMUS WATER PUMP STATION #7	2032	215	6/30/94	120,000
CITY OF FAIRBANKS	FMUS Pump Station #10	2035	215	6/30/94	120,000
CITY OF FAIRBANKS	FAIRBANKS MUNICIPAL UTILITIES	373	215	6/30/94	120,000
LES ANDERSON	PENINSULA FORD, INC	2513	216	10/21/92	23,830
CITY OF FAIRBANKS	FMUS WASTEWATER UTILITY PLA	379	217	6/30/94	120,000

Total No. of Ranked Applicants: 220

Total Amount: \$24,287,114

## Cleanup Fund States (Does not include States with Insurance Funds)

States/Territories	Cleanup Fund	Type	% Paid	# Staff	# Applications FY 99
Alabama					
Alaska	Yes	Grants & Reimb.	90%		
Arizona	Yes	Reimbursement	90%		
Arkansas	Yes	Loans			
California	Yes	Loans			
Colorado					
Connecticut	Yes	Reimbursement			
Delaware					
Florida	Yes				
Georgia					
Hawaii					
Idaho	Yes	Loans			
Illinois	Yes	Reimbursement			
Indiana	Yes	Reimbursement			
Iowa	Yes	Grants & Reimb.	100%		
Kansas					
Kentucky	Yes	Reimbursement			
Louisiana	Yes	Reimbursement			
Maine	Yes	Loans & Reimb.			
Maryland					
Massachusetts					
Michigan					
Minnesota	Yes	Reimbursement	100%		
Mississippi	Yes	Reimbursement			
Missouri					
Montana	Yes	Loans		16 staff (13 Loan Staff)	24
Nebraska	Yes	Reimbursement			
Nevada	Yes				
New Hampshire	Yes	Reimbursement			
New Jersey	Yes	Grants & Loans	100%	33 Staff (15 Loan Staff)	118
New Mexico	Yes	Reimbursement			
New York					
North Carolina	Yes	Reimbursement			
North Dakota					
Ohio	Yes	Reimbursement			
Oklahoma	Yes				
Oregon	Yes				
Pennsylvania	Yes				
Rhode Island	Yes	Reimbursement			
South Carolina					
South Dakota	Yes	Reimbursement			
Tennessee					
Texas	Yes	Reimbursement			
Utah					
Vermont	Yes	Reimbursement			
Virginia	Yes				
Washington					
Washington D.C.					
West Virginia	Yes	Loans			
Wisconsin	Yes	Reimbursement	95%		
Wyoming					

*Distributed by the Board of Storage Tank Assistance*

# Impact of SB 128

- (1) The Storage Tank Upgrade and Closure Program has one year remaining to complete its waiting list first established in 1991. Businesses have acted in good faith to report their contamination. Changing the program now for these applicants is an act of bad faith by the State.
- 2) The State Cleanup Program is the only source of financing for Alaska's underground petroleum storage tank owners and operators. Contaminated properties cannot be sold easily. Banks will not finance cleanups on contaminated properties due to liability.
- 3) Cleanup loans in default will force State to assume liability.
- 4) Businesses with assets over \$250,000 will not be eligible for Upgrade Grants under this definition of Net Worth.
- 5) An owner that is carrying a large note or mortgage on a business may not qualify for cleanup assistance.
- 6) Small "Mom & Pops" and roadhouses with large acreage and prime locations will not qualify for cleanup assistance under this definition of net worth.
- 7) Municipalities, School Districts and Villages will no longer qualify for assistance under this program.
- 8) Sunsetting The Board of Storage Tank Assistance will eliminate an appeal board to mediate disputes between tank owners and operators and DEC and will eliminate industry oversight of DEC Cleanup regulations.
- 9) The definition of Net Worth is in error in this bill and is inconsistent with customary business practice. Including "all liabilities" would make this "net worth" definition consistent with general accepted accounting principles.
- 10) Not enough transition time: Having an effective date of July 1, 1999 does not provide enough time to make the transition from a grant program to a loan program. All work will stop on existing cleanup sites thereby endangering the public health.

*Distributed by the Board of Storage Tank Assistance*



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### SECTIONAL ANALYSIS FOR CSSB 128(FIN)am

**Section 1** puts the Board of Storage Tank Assistance in its "wind-down" year beginning June 30, 1999.

**Section 2** removes a reference to the tank tightness and site assessment incentive program repealed in section 14 and adds a reference to the tank cleanup loan program enacted in section 10.

**Section 3** adds a reference to the tank cleanup loan program.

**Section 4** amends the storage tank assistance fund section in Title 46 by adding two statements about potential appropriations of money in the storage tank assistance fund. This section also clarifies that a pending application is not considered to be an encumbrance of the fund.

**Section 5** deletes a reference to the repealed tank tightness and site assessment incentive program. Adds a reference to the newly-enacted tank cleanup loan program.

**Sections 6 – 9** convert the loan program for cleanup relating to underground petroleum storage tank systems to a grant program for tanks whose owners have \$1,000,000 or less in tangible net worth. Section 9 contains limitations on total grants and loans. Grants may not exceed \$250,000 and a combination of grants and loans may not exceed \$500,000.

**Section 10** establishes a new tank cleanup loan program

**Section 11** limits grants for upgrading and closure of underground petroleum storage tanks to those whose owner has a tangible net worth of \$250,000 or less. Adds the same limitations on total grants and loans as established in section 9.

**Section 12** defines "tangible net worth" as the total value of tangible assets minus liabilities associated with bringing underground petroleum storage tanks into compliance with state and federal laws.

**Section 13** adds a reference to the newly-enacted tank cleanup loan program.

**Section 14** repeals the program currently under AS 46.03.415, the tank tightness and site assessment program, and repeals references to that program. Also repeals a reimbursement program established in 1990.

**Section 15** specifies that the limitations on grants, loans, and total financial assistance enacted by this Act apply to money received on or after July 1, 1999.

**Sections 16 – 17** allows the board's regulations process to begin immediately and makes the change in the termination date of the board effective immediately.

**Section 18** makes most of the bill take effect on July 1, 1999.

# Facsimile Cover Sheet

To: *Rep O'RAH*  
~~Senator Green~~

*Re: SB128*

Company: ~~Alaska State Senate Finance~~

*House Resource* Committee

Phone: ~~(907) 465-6600~~

Fax: ~~(907) 465-3805~~

*465-3265*

From: Gary B. Weber

Company: AUTOO - Alaska Underground Tank Owners and Operators Assoc., Inc.

Phone: (907) 376-5900

Fax: (907) 373-0605

Date: *5-12-99*  
~~04/19/99~~

Pages including this

cover page:

*Seven (7)*

## Comments:

Sorry this is so late in coming to you, but SB 128 has caught us by surprise.

AUTOO supports any efforts by the Senate which may reduce the long term strain on State finances, however we are confused as to how elimination of the Underground Storage Tank Assistance Fund will help in that it has always been funded through the Prevention/Response Fund. Eliminating it now would have no long term results in improving the cash flow of the General Fund.

The Underground Tank Assistance Fund has been a very successful program in accomplishing the task at hand by eliminating as many tanks as possible, upgrading tanks that will continue to be used and providing funds for clean up at locations that have high risk to public health and the owner operators lacked the finances to accomplish the clean up. The DEC is close to finishing the program in that there is 158 upgrades and 200 clean up's left to do. Not only will elimination of the fund put these projects at risk, it would also halt any continuing clean up's and negate all funds spent to date on those projects. Rather than providing legislation to eliminate funding, new legislation to speed the closure of existing projects would be more appropriate. To date I only know of one "no