

Sponsor Statement Senate Bill 125

“An Act relating to land entry under state reservation of oil, gas, mineral, and related interests”

Barring only a few exceptions, all privately held land in Alaska is subject to a publicly owned subsurface mineral reservation. In essence, this means that while any given private party owns the *surface* estate for land in Alaska, the *subsurface*, or mineral estate, belongs to the State of Alaska. This subsurface estate includes all oil, gas, and other valuable minerals below the surface. For the past 40 years, the Alaska Land Act has served as the principal body of law governing how the state’s subsurface lessees and private landowners interact with one another. During most of these years, direct conflict between the two parties has generally been isolated.

However, several recent instances of conflict have occurred between various state subsurface lessees and private surface owners, in at least two separate regions of our state. These conflicts have pointed to serious weaknesses in the current laws protecting private property owners from the activities of the state’s subsurface lessees. In particular, the current language of AS 38.05.130, the key statute controlling surface owner and subsurface lessee relations, says little about what damages a property owner may claim after a subsurface lessee has entered their property. The law also provides no clear standard for the amount of notification a property owner should receive before a state subsurface lessee enters their property and begins operations. The amount of the surety bond posted before entry onto the property, the liability of a private property owner for the actions of a state subsurface lessee, and the amount of legal authority a private landowner has to hold a state subsurface lessee accountable for their actions are all matters which also are given inadequate attention in Alaskan law.

SB 125 is landmark legislation that addresses the above concerns and revises Alaskan law in order to give stronger protections to Alaskan private property owners. It is *not* the intention of SB 125 to dampen or otherwise create a negative impact on Alaska’s valuable oil, gas, and mining industries. Rather, the principal goal of SB 125 is to clarify the relationship between the State of Alaska, private landowners, and the state’s subsurface lessees in a manner that is helpful to all parties. At the same time, this legislation recognizes the high value Alaskans place on the enjoyment and privacy of their own land. Please join me in support of SB 125. With your help, I feel confident that we can improve the balance between the desire of the state to develop its oil, gas, and mineral resources and the needs of Alaska’s private property owners in a manner that benefits all Alaskans.