

MEMORANDUM

(Open Session Report)

State of Alaska
Department of Law

to: Board of Agriculture and
Conservation

Division of Agriculture,
Department of Natural Resources

DATE: April 9, 2015

FILE NO.: BAC general

TEL. NO.: (907) 269-3039

SUBJECT: AAG report for April
23, 2015, BAC meeting

FROM: Bob McFarlane
Assistant Attorney General
Commercial & Fair Business Section
Anchorage

PART 1: NON-CONFIDENTIAL MATTERS FOR OPEN MEETING SESSION

Point MacKenzie Railroad Eminent Domain Lawsuit. On March 3, 2015 the Matanuska Borough Assembly approved the Borough's request to file a lawsuit to remove the agricultural covenants on the portion of the land needed by the railroad for the Point Mac railroad spur. A lawsuit has not yet been filed, but once it has been filed, it will affect ten agricultural parcels. The Borough has already acquired the necessary easements through these parcels. The only issues will be the right of the Borough to remove the agricultural restrictions on the easements, and the amount to be paid to DNR for the state's agricultural interest in these easements. It is important to note that the portion of each of these ten parcels that is not encumbered by the railroad easement will remain agricultural and subject to the agricultural restrictions. Once the lawsuit has been filed I will provide the board with periodic status updates.

SB 8 – Industrial Hemp Production Licenses. On March 27, 2015 there was a hearing on SB 8 in the Senate Resources committee. This is the bill to legalize the industrial production of hemp. This bill defines industrial hemp as an agricultural crop, and if the bill is eventually passed and signed into law, the BAC would be able to make loans on this crop. The individuals that testified were in favor of the bill and there was no opposition. The bill is now scheduled for a hearing in the Senate Judiciary committee on April 10, 2015. The legislative session is over on April 19, 2015, but I will continue to monitor the progress of the bill let you know if there are any significant developments before the session ends.

PART 2: CONFIDENTIAL MATTERS FOR EXECUTIVE SESSION

Open Meetings Act – A.S. 44.62.310(b)¹
Attorney Client Privilege - Alaska Evidence Code §503(b)²
Board of Agriculture and Conservation Statutes³
ARLF Regulations⁴

There are no confidential matters for this meeting.

¹ A motion to convene in executive session must clearly and with specificity describe the subject of the proposed executive session. AS §44.62.310(b).

² Section 503(b) of the Alaska Evidence Code states in relevant part: “A client has a privilege to refuse to disclose and to prevent any other person from disclosing confidential communications made for the purpose of facilitating the rendition of professional legal services to the client...”

³ AS §03.09.040 authorizes the board to classify some loan and marketing information confidential.

⁴ ARLF Regulations at 11 AAC 39.061 makes most loan information confidential and 11 AAC 39.031(f) authorizes the board to meet in executive session to consider loan applications.