

Dear House Finance Committee members,

Attached is a proposed amendment to SB88 (concerning Mental Health Trust lands), which I hope you will put before the committee for consideration at the Finance Committee hearing today.

The purpose of the amendment is to solve the problem posed by the adverse locations of certain parcels of AMHT resource lands within communities by turning the bill into a federal buyout of those lands instead of the land swap currently written into bill. AMHT has acknowledged that a buyout at fair market value would be acceptable.

Enactment of my proposed amendment would notify our congressional delegation that the state desires the same change in the related federal bills.

This amendment is needed because it would be a travesty for the state to approve a deal that could result in 19 square miles of continuous clearcuts in just a few parcels on Prince of Wales Island and in 13 square miles of continuous clearcutting in a single parcel in central Revilla Island. Forest and wildlife habitat in Central Revilla has also been heavily impacted by clearcut logging. That includes nearly 6 square miles of clearcutting by AMHT in a parcel adjacent to the proposed new parcel there, and other adjacent clearcutting to the south.

There is no limit on clearcut size under the Alaska Forest Resources and Practices Act (FRPA). AMHT has demonstrated that it will take advantage of this extreme looseness in FRPA, as shown in the comments by GSACC in the SB88 record.

I ask that SB88 be set aside today so that my proposed amendment can be reviewed and be considered in a future committee meeting.

Please add this message and its attachment to the SB88 record.

Sincerely,
-- Larry

Larry Edwards
Sitka, Alaska

PROPOSED AMENDMENT TO:

SENATE BILL NO. 88

*** * * * * STRIKE EVERYTHING AFTER "A BILL FOR AN ACT ENTITLED,"
AND SUBSTITUTE THE FOLLOWING:**

"An Act authorizing purchase by the federal government of certain Alaska mental health trust land, to be placed in the Tongass National Forest and relating to the costs of the purchase; and providing for an effective date."

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

*** Section 1. The uncodified law of the State of Alaska is amended by adding a new section to read:**

PURPOSE. The purposes of this Act are authorize the sale of certain Alaska mental health trust lands, and to urge similar compatible amendment of the bills for the “Alaska Mental Health Trust Land Exchange Act” now in Congress, as follows:

- (1) authorize the Department of Natural Resources, acting on behalf of the Alaska Mental Health Trust Authority, to sell mental health trust land managed by the Department of Natural Resources to the United States government for inclusion in the Tongass National forest, in a trade to made at appraisedd fair market value;
- (2) aid the Alaska Mental Health Trust Authority in achieving its goals and objectives, including securing trust revenue for the lands described herein;
- (3) contribute to the economic health of communities in Southeast Alaska; and
- (4) preserve land adjacent to the communities of Ketchikan, Petersburg, Wrangell, Sitka, Juneau, and Meyers Chuck, and in No Name Bay.

*** Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to read:**

SALE OF MENTAL HEALTH TRUST LAND FOR FEDERAL LAND.

(a) Notwithstanding AS 38.05.801, AS 38.50, or any other provision of law, and subject to the provisions of this Act, the Alaska Mental Health Trust Land Exchange Act of 2017 or federal Act with similar terms, and any valid existing rights, reservations, rights-of-way, or other encumbrances in, to, or on land conveyed under this Act, the Department of Natural Resources may convey all right, title, and interest of certain mental health trust land described in sec. 3(a) of this Act to the federal government in exchange for funds equal to the fair market value of the land, to be appraised according to Sec.5(c) of this Act.

(b) The Alaska Mental Health Trust Authority shall pay all costs of the exchange, including

- (1) the costs incurred completing the land surveys, and appraisals described in a federal act with terms fully compatible with those in this Act; and
- (2) upon request of the United States Secretary of Agriculture, the costs of federal agency staff, additional federal agency staff, or third-party contractors hired by the federal government to effect the purchase.

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(c) All surveys required to complete the exchange shall be conducted in the manner described in the federal act specified in (b)(1).

(d) In accordance with the federal act specified in (b)(1), conveyance of mental health trust land under this Act is subject to

- (1) easements on existing roads as necessary to access the parcels that the federal government in the sale; and
- (2) conservation and research easements and related land use limitations described in the federal act specified in (b)(1) that provide a buffer adjacent to the Ketchikan landfill.

*** Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to read:**

LAND TO BE SOLD.

(a) Subject to the provisions of this Act, the following mental health trust land, as generally depicted on maps one through six and 10, comprising a total of approximately 18,313 acres, may be exchanged for the federal land described in (b) of this section:

- (1) land generally depicted as parcel K-1 on map 1, comprising approximately 1,878 acres;
- (2) land generally depicted as parcel K-2 on map 1, comprising approximately 707 acres;
- (3) land generally depicted as parcel K-3 on map 1, comprising approximately 901 acres, including the depicted conservation easement area;
- (4) land generally depicted as parcel K-4A on map 1, comprising approximately 3,180 acres;
- (5) land generally depicted as parcel P-1A on map 2, comprising approximately 3,174 acres;
- (6) land generally depicted as parcel P-1B on map 2, comprising approximately 144 acres;
- (7) land generally depicted as parcel P-2B on map 2, comprising approximately 181 acres;
- (8) land generally depicted as parcel P-3B on map 2, comprising approximately 92 acres;
- (9) land generally depicted as parcel P-4 on map 2, comprising approximately 280 acres;
- (10) land generally depicted as parcel W-1 on map 3, comprising approximately 204 acres;
- (11) land generally depicted as parcel W-2 on map 3, comprising approximately 104 acres;
- (12) land generally depicted as parcel W-3 on map 3, comprising approximately 63 acres;
- (13) land generally depicted as parcel W-4 on map 3, comprising approximately 700 acres;
- (14) land generally depicted as parcel S-2 on map 4, comprising approximately 284 acres;
- (15) land generally depicted as parcel S-3 on map 4, comprising approximately 109 acres;
- (16) land generally depicted as parcel S-4 on map 4, comprising approximately 26 acres;
- (17) land generally depicted as parcel MC-1 on map 5, comprising approximately 169 acres;
- (18) land generally depicted as parcel J-1B on map 6, comprising approximately 2,261 acres;

(19) land generally depicted as parcel J-1A on map 6, comprising approximately 428 acres; and

(20) land generally depicted as parcel NB-1 on map 10, comprising approximately 3,428 acres.

(b) The Department of Natural Resources may, by mutual agreement with the United States Secretary of Agriculture, correct minor errors in any map, acreage estimate, or description of land subject to exchange under this section.

(c) If there is a conflict between a map, acreage estimate, or description of land subject to purchase under this section, the map shall be given effect unless the Department of Natural Resources and the United States Secretary of Agriculture mutually agree otherwise.

(d) In this section, "map" means the applicable map prepared by the Alaska Region of the United States Forest Service entitled "Alaska Mental Health Trust Act of 2017," numbered 1 - 10, and dated as revised March 3, 2017.

*** Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to read:**

LAND PURCHASE PHASES.

(a) Subject to the time limitations of the federal act specified in Sec.2(b)(1) of this Act, sale of the land described in sec. 3(a) of this Act shall be consummated in two phases, as described in this section.

(b) Subject to sec. 5 of this Act, the Department of Natural Resources shall first convey the parcels of trust land described in sec. 3(a)(1) and (2) of this Act to the federal government, at the time payment of the appraised value of those parcels is made by the federal government.

(c) Land conveyed under (b) of this section shall be appraised before the land described in (d) of this section.

(d) Subject to sec. 5 of this Act, the Department of Natural Resources shall convey the parcels of trust land described in sec. 3(a)(3) - (20) of this Act to the federal government, at the time payment of the appraised value of those parcels is made by the federal government.

*** Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to read:**

VALUE OF THE LAND AND OTHER CONSIDERATION EXCHANGED.

(a) The value of the mental health trust land and other consideration exchanged for monetary compensation and other consideration under this Act shall be equalized under this section when the Department of Natural Resources completes the land exchange described in sec. 4(d) of this Act.

(b) If a portion of a parcel of mental health trust land to be conveyed under sec. 3 of this Act cannot be conveyed by the Department of Natural Resources because of the presence of hazardous material,

(1) that portion may be removed from the exchange; and

(2) the final values of the land exchanged under this Act shall be equalized under this section.

(c) All land purchased under this Act shall be appraised

(1) in accordance with nationally recognized appraisal standards, including the Uniform Appraisal Standards for Federal Land Acquisitions and the Uniform Standards of Professional Appraisal Practice; and

(2) subject to any appraisal instructions issued by the United States Secretary of Agriculture under the federal act specified in Sec.2(b)(1) of this Act.

(d) Once the value of a parcel of mental health trust land subject to purchase under sec. 3 of this Act is approved as the final appraised value of the parcel by both the federal government and the Department of Natural Resources under this section, the state may not require the land to be reappraised or revalued.

*** Sec. 6. The uncodified law of the State of Alaska is amended by adding a new section to read:**

CONDITIONAL EFFECT; DUTY TO NOTIFY.

(a) This Act takes effect only if

(1) the federal act specified in Sec.2(b)(1) of this Act is passed by the 115th United States Congress and enacted into law;

(2) on or before January 1, 2024, the public officer in the Department of Natural Resources who is responsible for the management of the land assets of the Alaska Mental Health Trust Authority under AS 38.05.801 determines that the purchase authorized by this Act is in the best interests of the trust established under the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709; and

(3) on or before January 1, 2024, the Alaska Mental Health Trust Authority approves the exchange authorized by this Act.

(b) The chair of the board of trustees of the Alaska Mental Health Trust Authority shall certify in writing to the lieutenant governor and the revisor of statutes if, on or before January 1, 2024, the Alaska Mental Health Trust Authority determines that the conditions in (a) of this section have occurred.

*** Sec. 7.** If, under sec. 6 of this Act, this Act takes effect, it takes effect on the day after the date on which the chair of the board of trustees of the Alaska Mental Health Trust Authority makes the certification to the revisor of statutes under sec. 6 of this Act.