STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES OFFICE OF THE COMMISSIONER

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February 8, 2010

Representative Bob Herron, Co-Chair House Community & Regional Affairs State Capitol, Rm 411 Juneau, Alaska 99801

Representative Cathy Munoz, Co-Chair House Community & Regional Affairs State Capitol, Rm 409 Juneau, Alaska 99801

Re: House Bill 295 - University Land Grant

Dear Representatives Herron and Munoz:

Please accept this request for your consideration to schedule HB 295 before the House Community & Regional Affairs at your earliest convenience.

This bill would convey approximately 199,838 acres of state land to the University of Alaska, and specify that revenue generated by the University of Alaska's management of the land be subject to appropriation each year by the legislature.

Legislation passed in 2000 and 2005 made certain land grants to the University of Alaska and specified that the revenue generated from those lands would be deposited into the University endowment trust fund. In March 2009 the Alaska Supreme Court found these statutes to violate the dedicated funds section of the Alaska Constitution, art. IX, sec. 7.

This bill seeks to remedy those issues identified by the Court by specifying that the revenue generated from the land is to be accounted for as university receipts and therefore subject to appropriation each year by the legislature. It also ratifies and reauthorizes the land conveyances authorized in the previously enacted legislation. The land to be conveyed under this bill is the same as what was to be conveyed to the University of Alaska in the final 2005 legislation (ch. 8, FSSLA 2005), with the exception of two parcels that were conveyed under separate statutory authority and the university research forest.

The bill was amended in House Education Committee by removing one parcel at Mite Cove on Lisianski Inlet and by adding a portion of a parcel previously deleted, parcel ST 1002, Pelican, back into the list. The parcel to be added back is that portion of Parcel

1002 identified in the DNR Northern Southeast Area Plan as Unit C-18. The amendment that was adopted by House Education Committee failed to do what they intended so DNR is working with the Sponsor of the amendment to draft a revised amendment for consideration by House CRA to correctly capture the intent of the House Education Committee.

If you have any questions regarding the bill, feel free to contact Samantha Carroll, Department of Natural Resources Special Assistant at 269-8434, or Dick Mylius, Director of Division of Mining, Land, and Water at 269-8625.

Sincerely,

Thomas E. Irwin Commissioner