

LAND GRANT HISTORY

Under federal laws enacted in 1915 and 1929, the University of Alaska was entitled to receive approximately 360,000 acres of public land in Alaska. Due in large part to the inability of the Federal Government to expeditiously survey Alaska, 97% of the 1915 land grant had not been conveyed when the Statehood Act of 1959 repealed the law. As a result, the University never received the remainder of its entitlement. Consequently, the largest state in the U.S. has received a smaller land grant for higher education than any other state except Delaware and Hawaii (which received no federal land at all). The following is a brief summary relevant to the University of Alaska's land grants.

Early Federal Land Grants. Providing land to support education is one of the oldest traditions in American history, predating even the United States Constitution. Early federal land grants included common school grants, grants for seminaries, teachers' colleges, mining schools, military schools and state universities.

1862 Morrill Act. The Morrill Act was passed by Congress in 1862 under President Lincoln, and provided more than 11 million acres of land to states and territories to create a system of land grant colleges and universities. Proceeds from the lands were used to establish and endow the operation of at least one college in each state to promote "the liberal and practical education of the industrial classes in the several pursuits and professions of life." Eventually, land grant institutions spread to all fifty states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands. For the first time in American history, higher education became available to millions of working class men and women. The second Morrill Act was passed in 1890, extending the provisions of the 1862 Act to provide endowments for land grant universities.

1915 Federal Land Grant. In 1915, Congress reserved approximately 268,800 acres of land for the support of a "Territorial agricultural college and school of mines" to be established by the Legislature of Alaska. The Act of 1915 included every surveyed and unclaimed Section 33 (640 acres per section) located in each township generally between Fairbanks and the foothills of the Alaska Range. Because of the incredibly slow pace of federal land surveys, besides the 2,250 acres for the Fairbanks campus (restricted to educational purposes), the University of Alaska received less than 9,000 acres, or about 3%, of its original 1915 Land Grant, before the Act was extinguished at statehood.

UA Land Management 2013.02.01 Page 1 of 6

<u>1917 Alaska Agricultural College and School of Mines</u>. In 1917, the Alaska Territorial Legislature formally established the Alaska Agricultural College and School of Mines, which was renamed the University of Alaska in 1935.

1929 Federal Land Grant. In 1929, Congress granted an additional 100,000 acres of land to the Territory of Alaska, for the exclusive use and benefit of the Alaska Agricultural College and School of Mines. Unlike the Act of 1915, the 1929 Federal Land Grant allowed for the selection of lands throughout the state, so long as they were surveyed, unappropriated and unreserved. The University still has a balance of approximately 960 acres (including acreage compensation for reconveyed Native allotments) owed to it under its 1929 Land Grant. To maximize the value of its remaining grant, the University concentrates its selections on higher value, smaller acreage, federal lands that become available when public land orders or other federal withdrawals are lifted.

<u>1930s – 1950s Land Bills</u>. From the 1930s through the 1950s, several bills were submitted to Congress in an effort to reserve up to 10 million acres of land for the University, but strong opposition, mainly from the Department of the Interior, thwarted those efforts.

1958 Alaska Statehood Land Negotiations. In 1958, Alaska's Delegate, E.L. Bob Bartlett, agreed with the majority of Congress that by not targeting a specific land grant to higher education, Alaska would have more flexibility and control over its own affairs. Bartlett claimed that in exchange for giving up specific lands, such as those identified in the University's 1915 Federal Grant, Alaska would receive not only a much larger percentage of the federal public domain lands than other western states, but also the ability to select higher value lands. Unfortunately, the cost for the State of Alaska to have greater freedom to select lands resulted in the University receiving a vastly smaller grant than it was promised pre-statehood.

1958 Alaska Statehood Act. With the passage of the Alaska Statehood Act in 1958, the University's legal rights to lands under the 1915 Federal Grant were extinguished. The 1915 grant to the University was repealed because Congress believed that the state's land entitlement of over 104 million acres (much larger than any other state in American history), was sufficient to also provide for the University. Consequently, while the State of Alaska received more land from the Federal Government than any other state, its land grant university ranks at the bottom of the list in the amount of land it received for higher education (see Attachment 1).

<u>1959 State Land Grant Veto</u>. In 1959, the first state legislature granted 1 million acres of land to the University to replace the federal lands lost to the University at statehood (CSHB 176). Governor William A. Egan vetoed the 1959 grant because he believed it would complicate the state's selection of federal lands and was an unconstitutional dedication of funds.

<u>1966 – 1980 Alaska Land Freeze</u>. Shortly after Walter J. Hickel became governor in 1966, the Federal Government halted all land transfers in Alaska until the issue of the Alaska Native land claims could be settled. Over the next 15 years Congress passed the Alaska Native Claims Settlement Act, the Trans-Alaska Pipeline was constructed, and the Alaska National Interest Lands Conservation Act (adding 104 million acres of federal land into federal conservation units) was passed by Congress.

1979 University Lawsuit. At the time of statehood, the State of Alaska assumed management responsibility for lands granted from the Federal Government for the benefit of the University. Under the state's management, certain University grant land was designated for inclusion in the Chugach State Park, while other University grant land was allowed to be selected for municipal entitlements, without compensation to the University as required by law. The University's highest-value grant lands were lost under the state's management. In 1979, the University filed suit against the state to recover its grant lands and to secure compensation for properties that could not be recovered. This suit was settled in 1982 with the State of Alaska agreeing to convey the University's remaining grant lands, other replacement lands and one-time timber cutting rights directly to the University for management and control.

<u>1997 – 2005 Federal Land Bills.</u> In April 1997, U.S. Senator Frank Murkowski introduced legislation (S.660) designed to rectify the University of Alaska's unfulfilled and disproportionately small land grant entitlement. The 1997 legislation would have granted the University the right to select 250,000 acres of unreserved federal lands in Alaska. The bill also provided for an additional matching grant of up to 250,000 acres of federal land, if the University received a state land grant. The legislation would have potentially provided up to 500,000 acres of federal land to the University of Alaska. Senator Frank Murkowski's 1997 legislation, and legislation introduced by Senator Frank Murkowski and Representative Don Young in 1999 (S.744, H.R.2958), by Senator Frank Murkowski in 2001 (S.1816), and by Senator Lisa Murkowski in 2005 (S.293), all failed to pass.

2000 State Land Grant. In 2000, the Alaska Legislature enacted Senate Bill 7 ("SB 7") authorizing the University to select up to 260,000 acres of state land for conveyance to the University. SB 7 was vetoed by Governor Tony Knowles, and was passed into law by an override vote of 2/3 of the Alaska Legislature. Litigation over whether the override of the Governor's veto required a 2/3 vote or 3/4 vote of the legislature ensued. The Alaska Supreme Court ultimately rejected the challenge that the conveyance of land under SB 7 was an appropriation (requiring a 3/4 vote) and, therefore, the legislature had successfully overridden the veto with its 2/3 vote.

2005 State Land Grant. In 2005, the Alaska Legislature enacted House Bill 130 ("HB 130") to replace, amend and streamline SB 7. Most importantly, HB 130 repealed the SB 7 land selection process, which was characterized by Governor Frank Murkowski as, "...difficult, expensive, time-consuming, and subject to litigation." The selection process was replaced with a list of parcels, constituting almost 265,000 acres, to be conveyed to the University. Included in the list were nine parcels subject to priority selection by newly formed municipalities, one parcel subject to the adjudication of a Native allotment, and one large parcel which was designated as a University Research Forest (51,820 acres) that was to remain in state ownership, under the State of Alaska, Department of Natural Resources, Division of Mining, Land and Water ("DNR") management, until June 30, 2055. The remaining 52 parcels on the list, totaling approximately 200,420 acres, were eligible for immediate conveyance to the University.

UA Land Management 2013.02.01 Page 3 of 6

2009 Land Conveyance Status. HB 130 required the DNR Commissioner to convey the HB 130 Lands to the University before July 1, 2008. Because it was necessary for DNR to identify all valid existing rights prior to conveying the HB 130 Lands to the University, by March 2009 only about 33,660 acres, or less than 17% of the land eligible to be conveyed to the University, had actually been transferred.

2009 Supreme Court Decision. In April 2007, seven years after SB 7 passed into law and two years after HB 130 passed into law, the Tongass Conservation Society and Southeast Alaska Conservation Council ("SEACC") filed a lawsuit claiming that SB 7 and HB 130 both created a dedication of funds in violation of the Alaska Constitution. On March 13, 2009, the Alaska Supreme Court issued an Opinion in favor of SEACC and held that committing proceeds from the HB 130 Lands to the University's Endowment Trust Fund was unconstitutional under Article IX. Section 7. of the Alaska Constitution. Consequently, the Supreme Court invalidated the entire law, except those portions that created the University Research Forest, and ordered the University to reconvey all lands acquired under HB 130 back to the State of Alaska. This included several critical educational and research parcels, including the Sitka Campus (see table below).

EDUCATIONAL PARCEL LIST					
No.	Parcel Name	Region	MAU	Acres	
1.	Sitka Campus	Southeast	UAS	6	
2.	Auke Weir	Southeast	UAS	6	
3.	Caribou-Poker Creeks Watershed	Northern	UAF	25,362	
4.	Delta Ag & Forestry Exp. Station	Northern	UAF	363	
5.	Fairbanks Parking Garage	Northern	UAF	1	
6.	Poker Flat (Special Use Area)	Northern	UAF	8,427	
7.	Poker Flat Lease	Northern	UAF	533	
8.	Silver Fox Mine	Northern	UAF	120	
9.	Tok Research Forest	Northern	UAF	4,007	
TOTAL ACRES					

2010 State Land Bill. In 2010, Governor Sean Parnell introduced legislation ("HB 295") that was almost identical to the 2005 legislation, except for the removal of those portions of the law that the Alaska Supreme Court found to be unconstitutional. Supporters of HB 295 were unable to move HB 295 out of committee before the end of the 2010 Legislative Session.

2010 Reconveyance of State Grant Lands. In April 2010, the University complied with the deadline set by the Alaska Superior Court and reconveyed the HB 130 Lands back to the State of the Alaska, with the exception of two parcels totaling 1.8 acres. The Court allowed the University to retain the Fairbanks Courthouse parcel and the Key Bank parcel, because they had both been transferred to the University under separate statutory authority (Alaska Housing Finance Corporation and the Department of Transportation and Public Facilities).

UA Land Management 2013.02.01 Page 4 of 6

<u>University Land Receipts</u>. The University currently owns approximately 146,000 acres of land. These lands include federal grant lands, other lands acquired from local, state or federal governments for restricted educational purposes, purchased lands, and lands donated to the University. As of FY2012 University land and resource sales have generated over \$161 million in receipts for the University since 1987. The net income from the sale, lease, development and other income generated from the University's federal grant lands is deposited into the University's Land Grant Endowment Trust Fund ("LGTF"). This fund, the University's permanent endowment, is managed by the University of Alaska Foundation. The fund is managed in accordance with generally accepted management practices. Earnings from the LGTF are used to fund, among other things, the Alaska Scholars Program. The Alaska Scholars Program awards an \$11,000 scholarship to the top 10 percent of the graduates from every Alaska high school each year for use at a UA System campus. This program is the cornerstone of the University's effort to educate Alaska's brightest graduating high school seniors in Alaska.

UA Land Management 2013.02.01 Page 5 of 6

ATTACHMENT 1

UNIVERSITY LAND GRANTS (IN ACRES)

(IN ACRES)							
STATE	UNIVERSITY	TOTAL STATE	% OF TOTAL				
21112	LAND GRANT	LAND GRANT	GRANT TO STATE				
New Mexico	1,346,546	12,794,718	10.52%				
Oklahoma	1,050,000	3,095,760	33.92%				
New York	990,000	990,000	100.00%				
Arizona	849,197	10,543,753	8.05%				
Pennsylvania	780,000	780,000	100.00%				
Ohio	699,120	2,758,862	25.34%				
Utah	556,141	7,501,737	7.41%				
Illinois	526,080	6,234,655	8.44%				
Indiana	436,080	4,040,518	10.79%				
Montana	388,721	5,963,338	6.52%				
Idaho	386,686	4,254,448	9.09%				
Alabama	383,785	5,006,883	7.67%				
Missouri	376,080	7,417,022	5.07%				
South Dakota	366,080	3,435,373	10.66%				
Massachusetts	360,000	360,000	100.00%				
Mississippi	348,240	6,097,997	5.71%				
North Dakota	336,080	3,163,552	10.62%				
Washington	336,080	3,044,471	11.04%				
Wisconsin	332,160	10,179,804	3.26%				
Kentucky	330,000	354,607	93.06%				
Tennessee	300,000	300,000	100.00%				
Virginia	300,000	300,000	100.00%				
Iowa	286,080	8,061,262	3.55%				
Michigan	286,080	12,142,846	2.36%				
Georgia	270,000	270,000	100.00%				
North Carolina	270,000	270,000	100.00%				
Louisiana	256,292	11,441,343	2.24%				
Minnesota	212,160	16,422,051	1.29%				
Maine	210,000	210,000	100.00%				
Maryland	210,000	210,000	100.00%				
New Jersey	210,000	210,000	100.00%				
Arkansas	196,080	11,936,834	1.64%				
California	196,080	8,825,508	2.22%				
Florida	182,160	24,214,366	0.75%				
Connecticut	180,000	180,000	100.00%				
South Carolina	180,000	180,000	100.00%				
Texas	180,000	180,000	100.00%				
Kansas	151,270	7,794,669	1.94%				
New Hampshire	150,000	150,000	100.00%				
Vermont	150,000	150,000	100.00%				
West Virginia	150,000	150,000	100.00%				
Colorado	138,040	4,471,604	3.09%				
Oregon	136,165	7,032,847	1.94%				
Nebraska	136,080	3,458,711	3.93%				
Nevada	136,080	2,725,226	4.99%				
Wyoming	136,080	4,342,520	3.13%				
Rhode Island	120,000	120,000	100.00%				
Alaska	112,064	104,569,251	0.11%				
Delaware	90,000	90,000	100.00%				
	33,300	33,300	100.0070				