

CS FOR HOUSE BILL NO. 130(FIN) am
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 4/20/05

Offered: 4/13/05

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the grant of certain state land to the University of Alaska; relating to**
2 **the duties of the Board of Regents; establishing the university research forest; and**
3 **providing for an effective date."**

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

5 *** Section 1.** AS 14.40.170(a) is amended to read:

6 (a) The Board of Regents shall

7 (1) appoint the president of the university by a majority vote of the
8 whole board, and the president may attend meetings of the board;

9 (2) fix the compensation of the president of the university, all heads of
10 departments, professors, teachers, instructors, and other officers;

11 (3) confer such appropriate degrees as it may determine and prescribe;

12 (4) have the care, control, and management of

13 (A) all the real and personal property of the university; and

14 (B) land

1 (i) conveyed to the Board of Regents by the
 2 commissioner of natural resources in the settlement of the claim of the
 3 University of Alaska to land granted to the state in accordance with the
 4 Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance
 5 with the Act of January 21, 1929 (45 Stat. 1091), as amended; and

6 (ii) [SELECTED BY THE UNIVERSITY OF
 7 ALASKA AND] conveyed to **the Board of Regents in trust for the**
 8 **University of Alaska** [IT] by the commissioner of natural resources
 9 under AS 14.40.365;

10 (5) keep a correct and easily understood record of the minutes of every
 11 meeting and all acts done by it in pursuance of its duties;

12 (6) under procedures to be established by the commissioner of
 13 administration, and in accordance with existing procedures for other state agencies,
 14 have the care, control, and management of all money of the university and keep a
 15 complete record of all money received and disbursed;

16 (7) adopt reasonable rules for the prudent trust management and the
 17 long-term financial benefit to the university of the land of the university;

18 (8) provide public notice of sales, leases, exchanges, and transfers of
 19 the land of the university or of interests in land of the university;

20 (9) administer, manage, market, and promote a postsecondary
 21 education savings program, including the Alaska Higher Education Savings Trust
 22 under AS 14.40.802 and the Alaska advance college tuition savings fund under
 23 AS 14.40.803 - 14.40.817;

24 **(10) ensure that the University of Alaska's Cooperative Extension**
 25 **Service is adequately staffed to meet the needs of the public.**

26 * **Sec. 2.** AS 14.40.291(a) is amended to read:

27 (a) Notwithstanding any other provision of law, university-grant land, state
 28 replacement land that becomes university-grant land on conveyance to the university,
 29 land [SELECTED BY AND] conveyed to the **Board of Regents in trust for the**
 30 University of Alaska under AS 14.40.365, and any other land owned by the **university**
 31 [UNIVERSITY OF ALASKA] is not and may not be treated as state public domain

1 land. Land conveyed to the **Board of Regents in trust for the** University of Alaska
 2 under AS 14.40.365 shall be managed **as nontaxable trust land** under **AS 14.40.365 -**
 3 **14.40.367** [AS 14.40.365 - 14.40.368] and policies of the Board of Regents [OF THE
 4 UNIVERSITY OF ALASKA].

5 * **Sec. 3.** AS 14.40.365 is repealed and reenacted to read:

6 **Sec. 14.40.365. University land grant.** (a) Except as provided in (b) of this
 7 section, before July 1, 2008, the commissioner of natural resources shall convey to the
 8 Board of Regents in trust for the University of Alaska, by quitclaim deed, the state
 9 land identified for conveyance to the university and described in the document titled
 10 "University of Alaska Land Grant List 2005," dated January 12, 2005.

11 (b) As soon as practicable after June 30, 2055, the commissioner of natural
 12 resources shall convey to the Board of Regents in trust for the University of Alaska,
 13 by quitclaim deed, the state land described as the "University Research Forest" and
 14 identified for conveyance to the university in the document titled "University of
 15 Alaska Land Grant List 2005," dated January 12, 2005.

16 (c) As soon as practicable after the receipt of patent from the United States,
 17 but not before the land is otherwise required to be conveyed under this section, the
 18 commissioner of natural resources shall convey to the Board of Regents in trust for the
 19 University of Alaska, by quitclaim deed, federal land that has been selected for
 20 conveyance to the state under the Alaska Statehood Act but is subject to a federal
 21 mining claim, and that is identified in the document titled "University of Alaska Land
 22 Grant List 2005," dated January 12, 2005, for conveyance to the university upon the
 23 state's acquisition of patent.

24 (d) Notwithstanding AS 38.05.125(a), and except as otherwise provided in this
 25 section, the transfer of ownership of land from the commissioner of natural resources
 26 to the Board of Regents in trust for the University of Alaska under this section
 27 includes the interest of the state in the coal, ores, minerals, fissionable materials,
 28 geothermal resources, and fossils, oil, and gas that may be in or on the land.

29 (e) Land conveyed under this section to the Board of Regents in trust for the
 30 University of Alaska is subject to any valid possessory interest or other valid existing
 31 right, including any lease, license, contract, prospecting site, claim, sale, permit, right-

1 of-way, Native allotment, or easement held by another person, including a federal,
2 state, or municipal agency, on the effective date of this section.

3 (f) Before conveying land under this section, the commissioner of natural
4 resources shall reserve access under AS 38.05.127, but other provisions of AS 38.04
5 and AS 38.05 do not apply to the commissioner's preparation for conveyance of land
6 to the Board of Regents in trust for the University of Alaska under this section. In
7 addition to access under AS 38.05.127, the commissioner may reserve in the
8 conveyance document existing offshore uses such as aquatic fish farm sites,
9 anchorages for vessels, fish buying stations, trails, roads, and other access routes that
10 provide public access to adjacent land and public waterways.

11 (g) In addition to rights or an interest held by a person under (e) of this
12 section, land conveyed to the Board of Regents in trust for the University of Alaska
13 under this section

14 (1) is subject to

15 (A) sec. 6(i) of the Alaska Statehood Act (P.L. 85-508, 72 Stat.
16 339);

17 (B) AS 19.10.010;

18 (C) any easement, right-of-way, or other access under former
19 43 U.S.C. 932 (sec. 8, Act of July 26, 1866, 14 Stat. 253);

20 (D) the provisions of any memorandum of agreement entered
21 into between the University of Alaska and the commissioner of natural
22 resources governing shared benefits or costs associated with land to be
23 conveyed to the Board of Regents in trust for the University of Alaska;

24 (E) any interest transferred to the state by quitclaim deed dated
25 June 30, 1959, under authority of the Alaska Omnibus Act (P.L. 86-70, 73
26 Stat. 141); and

27 (2) excludes the mineral estate on land that is subject to a valid state
28 mining claim.

29 (h) As soon as practicable after the extinguishment, release, or expiration of a
30 valid state mining claim located on land to be conveyed under this section, but not
31 before the land is otherwise required to be conveyed under this section, the

1 commissioner of natural resources shall convey the mineral estate excluded from
2 conveyance under (g)(2) of this section.

3 (i) The responsibility for the management of land conveyed to the Board of
4 Regents in trust for the University of Alaska under this section vests with the Board of
5 Regents in trust for the University of Alaska on the date of recording of that
6 conveyance.

7 (j) The Board of Regents of the University of Alaska is entitled to receive any
8 income derived from land conveyed to the Board of Regents in trust for the University
9 of Alaska under this section accruing after the date of conveyance, including any
10 income accruing from an existing lease, license, contract, prospecting site sale, permit,
11 right-of-way, easement, or trespass claim.

12 (k) Notwithstanding any other provision of this section, within 10 years after
13 conveyance of land under this section, the Board of Regents may reconvey to the
14 Department of Natural Resources land

15 (1) containing hazardous waste that was present on the land before
16 conveyance under this section;

17 (2) on which is located a historic or archeological site that is subject to
18 management under AS 41.35; or

19 (3) that the Board of Regents and the commissioner of natural
20 resources jointly agree is in the best interests of the state and the university to
21 reconvey.

22 (l) After the effective date of this section and before the conveyance of a
23 parcel of land to the Board of Regents in trust for the University of Alaska under this
24 section, the commissioner of natural resources may not convey, without consent of the
25 university, any irrevocable interest in a parcel that is required to be conveyed to the
26 Board of Regents in trust for the University of Alaska under this section.

27 (m) The commissioner of natural resources may make minor adjustments to
28 the maps or legal descriptions of the state land identified for conveyance to the
29 university and described in the document titled "University of Alaska Land Grant List
30 2005," dated January 12, 2005, to correct omissions or errors.

31 (n) Notwithstanding (a) of this section, the following state land described in

1 the document entitled "University of Alaska Land Grant List 2005," dated January 12,
2 2005, may not be conveyed to the University of Alaska under this section:

- 3 (1) Parcel Number CS.DI.1001, Duke Island;
- 4 (2) Parcel Number MF.1002, Idaho Inlet;
- 5 (3) Parcel Number CS.KI.1001, Kelp Island;
- 6 (4) Parcel Number PA.1002 Mite Cove;
- 7 (5) Parcel Number KT.1004, Neets Creek;
- 8 (6) Parcel Number MA.KR.1001, Kodiak Rocket Range;
- 9 (7) Parcel Number ST.1002, Pelican;
- 10 (8) Parcel Number PA.1001, Port Alexander; and
- 11 (9) Parcel Number ST.1002, Warm Springs Bay.

12 (o) Notwithstanding (a) of this section, the state land identified in this
13 subsection and described in the document entitled "University of Alaska Land Grant
14 List 2005," dated January 12, 2005, may not be conveyed to the University of Alaska
15 under this section if the land is included in a borough formed before July 1, 2009, that
16 includes Wrangell or Petersburg. If such a borough is not formed before July 1, 2009,
17 the following land shall be conveyed to the University of Alaska on July 1, 2009:

- 18 (1) Parcel Number SD.1001, Favor Peak;
- 19 (2) Parcel Number CS.OV.1001, Olive Cove;
- 20 (3) Parcel Number SD.1001, Read Island; and
- 21 (4) Parcel Number SD.1001, Whitney Island.

22 (p) Notwithstanding (a) of this section, each of the following parcels described
23 in the document entitled "University of Alaska Land Grant List 2005," dated
24 January 12, 2005, may not be conveyed to the University of Alaska under this section
25 until all Native allotment applications applicable to that parcel have been denied:

- 26 (1) Parcel Number PA.1002, Biorka Island; and
- 27 (2) Parcel Number NS.NS.1001, Lisianski Peninsula.

28 * **Sec. 4.** AS 14.40.366 is repealed and reenacted to read:

29 **Sec. 14.40.366. Management requirements for university land.** (a) Before
30 the conveyance or the disposal of an interest in the land to a third party, land conveyed
31 to the Board of Regents in trust for the University of Alaska under AS 14.40.365 shall

1 be managed in a manner that, to the extent practicable, permits reasonable activities of
 2 the public, including historic recent public uses, that do not interfere with the use or
 3 management of the land by the university.

4 (b) For land conveyed to the Board of Regents in trust for the University of
 5 Alaska under AS 14.40.365, the Board of Regents shall

6 (1) seek public comment on proposals for land development,
 7 exchange, or sale; and

8 (2) adopt policies that require the preparation of land development
 9 plans and land disposal plans.

10 (c) Before the Board of Regents of the University of Alaska offers a parcel of
 11 land for sale under this section, the board

12 (1) shall offer first refusal to the closest municipality; and

13 (2) may offer second refusal to a nonprofit organization established
 14 under the laws of the state that is located in the same region as the land that is offered
 15 for sale and that has been established for the purposes of managing, developing,
 16 selling, or using land consistent with historic uses.

17 (d) The Board of Regents shall adopt policies requiring public notice before
 18 approval of land development plans and land disposal plans. The policies must
 19 require that the notice be provided not less than 30 days before the proposed action
 20 and that the notice be

21 (1) sent to local legislators, municipalities, and legislative information
 22 offices in the vicinity of the action and at other locations as the university may
 23 designate;

24 (2) published in newspapers of general circulation in the vicinity of the
 25 proposed action at least once each week for two consecutive weeks; and

26 (3) published on state and university public notice Internet websites.

27 (e) In this section, "development, exchange, or sale" does not include the grant
 28 of an easement or right of way or the development of a campus facility.

29 * **Sec. 5.** AS 14.40.400(a) is amended to read:

30 (a) The Board of Regents shall establish a separate endowment trust fund in
 31 which shall be held in trust in perpetuity all

1 (1) net income derived from the sale or lease of the land granted under
2 the Act of Congress approved January 21, 1929, as amended;

3 (2) net income derived from the sale, lease, or management of the land
4 [SELECTED BY AND] conveyed to the **Board of Regents in trust for the**
5 **University of Alaska under AS 14.40.365; however, the amount deposited in the**
6 **endowment trust fund under this paragraph resulting from mineral lease**
7 **royalties and royalty sales proceeds may not be less than 25 percent of all such**
8 **mineral lease royalties and royalty sales proceeds received by the university;** and

9 (3) monetary gifts, bequests, or endowments made to the University of
10 Alaska for the purpose of the fund.

11 * **Sec. 6.** AS 14.40.461 is repealed and reenacted to read:

12 **Sec. 14.40.461. University research forest.** (a) For the purpose of
13 advancing research into forest practices, ecology, wildlife management, and
14 recreation, a university research forest is established on land described as the
15 "University Research Forest" and identified for conveyance to the Board of Regents in
16 trust for the University of Alaska in the document titled "University of Alaska Land
17 Grant List 2005," dated January 12, 2005.

18 (b) Before conveyance of university research forest land to the Board of
19 Regents in trust for the University of Alaska under AS 14.40.365(b), the commissioner
20 of natural resources shall manage the university research forest to accomplish the
21 purposes of this section and in accordance with state land use plans adopted under
22 AS 38.04.065, forest management plans adopted under AS 41.17.230, and other
23 provisions of law applicable to state-owned land.

24 (c) Notwithstanding the limitations of AS 14.40.365(l), on or before the date a
25 parcel is required to be conveyed to the Board of Regents of the University of Alaska
26 under AS 14.40.365(b), the commissioner of natural resources may

27 (1) convey an irrevocable interest in land located in the research forest
28 that terminates or returns to the state on or before the date the parcel is required to be
29 conveyed under AS 14.40.365(b);

30 (2) sell timber rights and dispose of other renewable resources located
31 in the research forest.

1 (d) After conveyance of university research forest land to the Board of
2 Regents in trust for the university under AS 14.40.365(b), the Board of Regents may
3 disestablish some or all of the university research forest established by this section,
4 and dispose of, or develop, land within the former research forest, if the Board of
5 Regents first

6 (1) provides to the public and the commissioner of natural resources
7 reasonable notice and an opportunity for comment on the board's proposed decision
8 regarding disestablishment;

9 (2) considers comments received from the public and the
10 commissioner of natural resources under (1) of this subsection;

11 (3) evaluates whether the objectives of advancing research into forest
12 practices, ecology, wildlife management, and recreation can be accomplished without
13 retaining some or all of the research forest;

14 (4) determines, following notice and any public comment by local
15 timber industry representatives, that disposal of the land will not interfere with
16 commercially viable timber harvest resource development; and

17 (5) concludes that it is in the best interest of the university to
18 disestablish some or all of the research forest.

19 * **Sec. 7.** AS 29.65.030 is amended by adding a new subsection to read:

20 (d) For the purpose of determining the general land grant entitlement under (a)
21 of this section, the maximum total acreage of vacant, unappropriated, unreserved land
22 within the boundaries of the municipality between the date of its incorporation and
23 two years after that date shall be increased by the amount of land located within the
24 boundaries of the municipality that is transferred to the University of Alaska under
25 AS 14.40.365.

26 * **Sec. 8.** AS 14.40.368 is repealed.

27 * **Sec. 9.** This Act takes effect July 1, 2005.