

Offered: 3/28/86  
Referred: Resources

Original sponsor: Ferguson

BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE

1 IN THE SENATE

2 CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to general grant land entitlements;  
7 and providing for an effective date."

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

9 \* Section 1. AS 29.65 is amended by adding a new section to read:

10 Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-  
11 ITIES. The general grant land entitlement of a municipality is 10  
12 percent of the maximum total acreage of vacant, unappropriated, unre-  
13 served land within its boundaries at any time between the date of its  
14 incorporation and two years after the expiration of the state's right  
15 to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.  
16 By January 1 of each year the director shall determine or update the  
17 unfulfilled entitlement for each municipality under this section and  
18 certify that entitlement to that municipality.

19 \* Sec. 2. AS 29.65 is amended by adding a new section to read:

20 Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-  
21 ity is eligible for only one general grant land entitlement. A munic-  
22 ipality that qualifies for an entitlement under AS 29.65.010 and  
23 29.65.015 shall receive the larger of the two entitlements.

24 (b) A municipality may not receive a general grant land en-  
25 titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

26 (c) All conveyances of legal title to land by the state to a  
27 municipality under AS 29.65.010 or a former law shall be credited  
28 toward fulfillment of the entitlement for that municipality. All  
29 payments for land under AS 29.65.080 or former AS 29.18.208 shall be

1 credited toward fulfillment of the entitlement for that municipality.

2 (d) Land classified under AS 38.05.300 for wildlife habitat may  
3 not be selected or conveyed in fulfillment of a general grant land  
4 entitlement.

5 \* Sec. 3. AS 29.65.040 is repealed and reenacted to read:

6 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After January 1,  
7 1987, a general grant land entitlement under AS 29.65.010 is a vested  
8 property right that must be fulfilled in accordance with AS 29.65.025  
9 and 29.65.080.

10 (b) A general grant land entitlement under AS 29.65.015 is a  
11 property right that vests on the date of incorporation of the munici-  
12 pality. The entitlement must be fulfilled in accordance with AS 29.-  
13 65.025.

14 \* Sec. 4. AS 29.65.060 is repealed and reenacted to read:

15 Sec. 29.65.060. SCHOOL AND MENTAL HEALTH LAND. (a) School land  
16 and mental health land within the boundaries of a municipality may not  
17 be included for purposes of determining the general grant land en-  
18 titlement of that municipality.

19 (b) A municipality may not receive school land or mental health  
20 land in fulfillment of its general grant land entitlement.

21 \* Sec. 5. AS 29.65.080(b) is amended to read:

22 (b) A municipality shall receive payment for its land deficiency  
23 from the municipal land account. A municipality is eligible to re-  
24 ceive payment for land deficiency if, after July 1, 1980, the amount  
25 of land selected by a municipality that is physically suitable for  
26 residential, commercial, or industrial purposes amounts to less than  
27 one-third acre per capita. Any entitlement under AS 29.65.010 that is  
28 less than one-third acre per capita will, for the purposes of this  
29 subsection, be considered a land deficiency. An unselected remaining

1 entitlement will, for the purpose of deficiency payment under this  
2 subsection, be considered as land physically suitable for residential,  
3 commercial, or industrial purposes. A municipality eligible under  
4 this subsection is entitled to receive a payment for land deficiency  
5 equal to \$1,000 per acre for a number of acres equal to the difference  
6 between one-third of the population of the municipality less the  
7 number of acres physically suitable for residential, commercial or  
8 industrial purposes that has been selected by the municipality. For  
9 the purpose of this subsection, the population of the municipality  
10 shall be the population determined by the commissioner under former  
11 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-  
12 ipality whose entitlement was determined under former AS 29.18.201 [IN  
13 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-  
14 ipality under this subsection in excess of \$9,000,000.

15 \* Sec. 6. AS 29.65.080(g) is amended to read:

16 (g) Payments authorized by this section may only [NOT] be made  
17 to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010  
18 [AS 29.65.020 OR 29.65.030].

19 \* Sec. 7. AS 29.65.130(10) is amended to read:

20 (10) "vacant, unappropriated, unreserved land" means  
21 general grant land as defined in (3) of this section, excluding miner-  
22 als as required by sec. 6(i) of the Alaska Statehood Act, that

23 (A) has not been set aside by statute for one or more  
24 particular uses or purposes;

25 (B) has not been approved for patent to a municipal-  
26 ity under this chapter or former AS 29.18.190 and 29.18.200; or

27 (C) is unclassified or, if classified under AS 38.-  
28 05.300, is classified for agricultural, grazing, material, public  
29 recreation, resource management, settlement, transportation

1        corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,  
2        PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY  
3        PURPOSES,] or is classified in accordance with an agreement  
4        between a municipality and the state providing for state manage-  
5        ment of land of the municipality.

6        \* Sec. 8. AS 38.05.321(b) is amended to read:

7            (b) State land classified as agricultural land that has been  
8        selected by a municipality under former AS 29.18.190 - 29.18.200 or  
9        former AS 29.18.205(e) may be approved by the director for patent  
10       under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for  
11       agricultural purposes may be transferred and all other interests in  
12       the land will remain with the state. Agricultural land approved for  
13       patent to a municipality shall be credited, acre for acre, toward  
14       fulfillment of that municipality's entitlement under AS 29.65 [AS 29.-  
15       65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the  
16       director later determines it to be in the best interests of the state  
17       to transfer some or all of the additional rights in that approved or  
18       patented agricultural land, those rights shall pass without considera-  
19       tion to the municipality in which the land is located. The notice and  
20       review provisions of AS 38.05.945 are applicable to conveyance of  
21       rights under this section.

22       \* Sec. 9. AS 38.05.321(c) is amended to read:

23            (c) The provisions of this section do not apply to

24            (1) state land classified as agricultural land that has  
25        been selected by a municipality under the provisions of former  
26        AS 29.18.190 - 29.18.200 if the selection is an approved selection  
27        before April 1, 1978 and is otherwise valid under former  
28        AS 29.65.050(b) or former AS 29.18.205(b); or

29            (2) a quitclaim of the interest of the state to the federal

1 government under AS 38.05.035(b)(9).

2 \* Sec. 10. Before January 1, 1987, the Department of Natural Resources  
3 shall consult with each municipality affected by this Act regarding classi-  
4 fications of state land within its boundaries and shall assist the munic-  
5 ipality in identifying land suitable for selection in fulfillment of its  
6 general grant land entitlement.

7 \* Sec. 11. Before January 1, 1987, the commissioner of natural  
8 resources may negotiate and enter into an agreement with a borough or  
9 unified municipality to convey state land within the municipality's  
10 boundaries without regard to whether the land is vacant, unappropriated,  
11 unreserved land as defined under AS 29.65.130(10) if the commissioner  
12 determines the land is not necessary for retention by the state. Land  
13 conveyed to a borough or unified municipality under an agreement entered  
14 into under this section constitutes complete fulfillment of the  
15 municipality's general grant land entitlement and the municipality is not  
16 entitled to additional land under this Act.

17 \* Sec. 12. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090  
18 and 29.65.110 are repealed.

19 \* Sec. 13. Sections 4, 10, and 11 of this Act take effect immediately  
20 in accordance with AS 01.10.070(c).

21 \* Sec. 14. Sections 1 - 3, 5 - 9, and 12 of this Act take effect Janu-  
22 ary 1, 1987.