

Original sponsor: Pourchot/Joint Special Committee
on Mental Health Trust Land

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 92 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Mental Health Trust;
7 and providing for an effective date."

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

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds

10 (1) the United States Congress passed the Alaska Mental Health
11 Enabling Act of 1956, P.L. No. 84-830, 70 Stat. 709, "To confer upon Alaska
12 autonomy in the field of mental health, transfer from the Federal Govern-
13 ment to the Territory the fiscal and functional responsibility for the
14 hospitalization of committed mental patients, and for other purposes;"

15 (2) in sec. 202 of the Alaska Mental Health Enabling Act, the
16 Congress granted the territory the right to select up to one million acres
17 of federal land to serve as a source of funds to support the territory's
18 mental health program;

19 (3) in subsection 202(e), the Congress specifically provided
20 that the land so granted, as well as any income from the land and proceeds
21 from dispositions of the land, were to be administered as "a public trust
22 and such proceeds and income shall first be applied to meet the necessary
23 expenses of the mental health program of Alaska," that "Such lands, income,
24 and proceeds shall be managed and utilized in such manner as the Legisla-
25 ture of Alaska may provide," that the land may be "sold, leased, mortgaged,
26 exchanged or otherwise disposed of in such manner as the Legislature of
27 Alaska may provide, in order to obtain funds or other property to be in-
28 vested, expended or used by the Territory of Alaska," and that the Alaska
29 legislature must exercise this broad authority "in a manner compatible with

1 the conditions and requirements imposed by this Act;"

2 (4) in requiring that the proceeds and income of the 1,000,000-
3 acre land grant "first be applied to meet the necessary expenses of the
4 mental health program of Alaska," it was the intent of the Congress that
5 additional public funds be appropriated by the legislature to supplement
6 the proceeds and income from the land grant if those proceeds and income
7 are insufficient to meet the necessary expenses of the mental health pro-
8 gram of Alaska;

9 (5) if the proceeds and income from the 1,000,000-acre land
10 grant exceed the necessary expenses of the mental health program of Alaska,
11 the Congress authorized the legislature to appropriate the excess proceeds
12 and income for other public purposes;

13 (6) because of the highly desirable location and character of
14 much of the land selected by the state under the Act, for example, in and
15 around major population centers, suitable for parks and game refuges, and
16 other uses, and the difficulties associated with disposing of or dedicating
17 the land for purposes that would not result in the receipt of funds that
18 could be used for mental health purposes, for example, satisfaction of
19 municipal entitlements, placement in parks and game refuges, and other
20 uses, without compensation to the trust, the Tenth Alaska State Legislature
21 enacted ch. 181 and 182, SLA 1978, which, among other things, redesignated
22 all mental health lands as general grant lands;

23 (7) both ch. 181 and 182, SLA 1978, also created the mental
24 health fund into which, as compensation to the trust, a sum equal to one
25 and one-half percent of all revenue received from the management of state
26 land was to be deposited and from which only the income could be appro-
27 priated exclusively for mental health purposes;

28 (8) a significant difference between ch. 181 and 182, SLA 1978,
29 was that ch. 182 made the deposit of one and one-half percent of all public

1 land revenue into the mental health fund "subject to legislative appropri-
2 ation of sufficient funds";

3 (9) because ch. 182, SLA 1978 became law after ch. 181, SLA 1978
4 became law, the provisions of ch. 182, SLA 1978 have been considered con-
5 trolling, including specifically the provision that deposits to the mental
6 health fund would be "subject to legislative appropriation of sufficient
7 funds";

8 (10) the legislature has never appropriated funds to the mental
9 health fund;

10 (11) a class-action lawsuit, Weiss v. State, 4FA-82-2208, was
11 filed on November 26, 1982, seeking a judicial determination that the
12 Alaska Mental Health Enabling Act had established a "public trust" under
13 which the state had received the 1,000,000-acre land grant, that the 1978
14 legislation redesignating mental health land as general grant land was a
15 breach of that trust, and that the appropriate remedy was to invalidate the
16 1978 legislation and return mental health land to trust status;

17 (12) in State v. Weiss, 706 P.2d 681 (Alaska 1985), the Alaska
18 Supreme Court held that the Alaska Mental Health Enabling Act established a
19 public trust, that the 1978 legislation redesignating mental health land as
20 general grant land was a breach of the trust, and that the appropriate
21 remedy was to return mental health land still in state ownership to trust
22 status and, for mental health land that the state had "sold" between 1978
23 and the date of the court's decision, to compensate the trust for the fair
24 market value of mental health land so "sold" as of the date of their
25 "sale," subject to a set-off for state mental health expenditures during
26 the same period;

27 (13) while the court returned mental health land to trust status,
28 it did not specify the nature of the state's obligations with respect to
29 managing the trust land, leaving significant questions unanswered that may

1 require additional costly and time-consuming litigation;

2 (14) continued costly and time-consuming litigation over mental
3 health trust land management is not in the public interest because it
4 diverts attention from the goal the Congress sought to achieve through the
5 Act's land grant, the funding of a mental health program;

6 (15) continued costly and time-consuming litigation over mental
7 health trust land management is not in the public interest because it has
8 the potential to be extremely divisive, pitting the advocates of stringent
9 mental health trust land management against those who envision state-owned
10 mental health land managed for its highest and best use, including convey-
11 ance to municipalities in satisfaction of municipal entitlements, placement
12 in parks and game refuges, and other uses, without a major expenditure to
13 compensate the mental health trust for the fair market value of the land;

14 (16) continued costly and time-consuming litigation over mental
15 health trust land management is not in the public interest because advo-
16 cates of stringent mental health trust land management may seek the in-
17 validation of state conveyances of mental health land to third parties,
18 particularly municipalities and Native corporations organized under the
19 Alaska Native Claims Settlement Act, a course of action that at best will
20 place a cloud on the third parties' title to those lands and at worst will
21 result in those third parties losing title to their lands, causing economic
22 and other harm and further dividing those who advocate stringent mental
23 health trust land management from those who believe all state-owned land,
24 including mental health land, should be managed for its highest and best
25 use;

26 (17) continued costly and time-consuming litigation over mental
27 health trust land management is not in the public interest because advo-
28 cates of stringent mental health trust land management may seek the in-
29 validation of legislative designations of mental health land as state

1 parks, state game refuges, state forests, etc., placing the future use of
2 the land for the designated purposes in doubt and further dividing those
3 who advocate stringent mental health trust land management from those who
4 believe all state-owned land, including mental health land, should be
5 managed for its highest and best use;

6 (18) the failure of the Alaska Legislature to deal with the
7 current situation by properly reconstituting the mental health trust at
8 this time will lead to continued costly, time-consuming, and divisive liti-
9 gation, which is not in the public interest;

10 (19) the same problems that led to the 1978 redesignation of
11 mental health land as general grant land, for example, the desirability of
12 managing mental health land for its highest and best use, including the
13 satisfaction of municipal entitlements, inclusion in parks and game ref-
14 uges, will continue to pose difficulties in the state's efforts to accom-
15 modate the public's needs generally with the obligation to administer
16 mental health land as a trust;

17 (20) under art. VIII, sec. 2, Constitution of the State of
18 Alaska, as construed by the Alaska Supreme Court in State v. University of
19 Alaska, 624 P.2d 807 (1981), the legislature has the authority to remove
20 land from trust status if the trust is compensated for the fair market
21 value of the land;

22 (21) the state is not now, and in the foreseeable future will not
23 be, in a position to compensate the mental health trust in money for the
24 fair market value of mental health land;

25 (22) even if the state were able to compensate the mental health
26 trust in money for the fair market value of mental health land, there is a
27 substantial legal question whether that compensation, as the corpus of the
28 trust, could be preserved in perpetuity or whether the prohibition on
29 dedicated funds in art. IX, sec. 7, Constitution of the State of Alaska,

1 would require that those funds be made available for appropriation by the
2 legislature under the terms of the Alaska Mental Health Enabling Act;

3 (23) under art. VIII, sec. 2, Constitution of the State of
4 Alaska, and subsection 202(e) of the Alaska Mental Health Enabling Act, the
5 legislature has broad authority over all state land, including mental
6 health land, and can permissibly remove mental health land from trust
7 status if, consistent with its trust responsibilities, it simultaneously
8 designates other state land of equivalent value as mental health land;

9 (24) the Congress' goal of funding a mental health program, and
10 the public interest in having attention focused on the problems of the
11 mentally ill and not questions regarding mental health trust land manage-
12 ment, will be best served by establishing a mechanism for generating reve-
13 nue from mental health land that minimizes the number and complexity of
14 related land management decisions;

15 (25) reconstituting the mental health trust with state land that
16 has a substantial likelihood of remaining in state ownership in perpetuity,
17 and compensating the mental health trust for state use of that land through
18 annual identification of an amount of state general fund revenue equal to
19 the fair market rental value of the land as a separate account in the
20 general fund, would minimize the number and complexity of land management
21 decisions and would result in the following benefits to the mental health
22 trust:

23 (A) it would ensure that the mental health trust corpus
24 will be preserved in perpetuity;

25 (B) it would reconstitute a mental health trust corpus
26 equal in value to the original 1,000,000-acre mental health trust
27 corpus, with no reduction (in the nature of a set-off) for state
28 mental health expenditures;

29 (C) it would make the entire mental health trust corpus

1 productive in that each acre of mental health trust land would produce
2 its fair market rental value annually;

3 (D) the mental health trust would not incur administrative
4 expenses;

5 (E) it would focus attention on questions related to the
6 state's mental health programs and the levels of appropriations for
7 those programs;

8 (26) reconstituting the mental health trust with state land that
9 has a substantial probability of remaining in state ownership in perpetuity
10 would result in the following benefits to the state generally:

11 (A) it would free all mental health land not in legisla-
12 tively designated areas for nontrust uses;

13 (B) the only significant expenditure of public funds that
14 would be required would be appropriations for appraisal of the land to
15 ensure equal value, an expenditure that would be required no matter
16 what form of trust reconstitution is selected; and

17 (C) it would establish an additional safeguard against
18 disposal of the newly designated mental health trust land, that is,
19 those in legislatively designated areas, in that, prior to such dis-
20 posal, equal value replacement land would have to be identified and
21 redesignated as trust land;

22 (27) the legislature will best serve the public interest by
23 reconstituting the mental health trust with land in legislatively des-
24 ignated areas, continuing to use that land for the legislatively designated
25 purposes, compensating the trust for the use of the land through annual
26 identification of an amount of general fund revenue equal to the fair
27 market rental value of the land and designation in the general fund of that
28 amount of funds as the special mental health trust income account, and
29 creating a board to assist and advise the legislative and executive

1 branches of government on matters relating to the mental health program of
2 Alaska.

3 (b) The purposes of this Act are

4 (1) to implement the intent of the Congress underlying sec. 202
5 of the Alaska Mental Health Enabling Act that mental health land be admin-
6 istered in a way that makes funds available for the support of Alaska's
7 mental health program;

8 (2) to the extent practicable, to eliminate the need for costly,
9 time-consuming and divisive litigation over the state's management of
10 mental health land;

11 (3) to ensure that the attention of the public and the govern-
12 ment is focused on mental health programs, as contemplated by the Congress,
13 and not on issues relating to the management of mental health land;

14 (4) to reconstitute a mental health land trust through identi-
15 fication of land in legislatively designated areas that is equal in value
16 to the land selected by and patented to the state under sec. 202 of the
17 Alaska Mental Health Enabling Act;

18 (5) to remove from trust status the land selected by and pat-
19 ented to the state under sec. 202 of the Alaska Mental Health Enabling Act
20 that is not in legislative designated areas, thereby freeing them for other
21 uses;

22 (6) to validate each deed, contract for sale, lease, easement,
23 right-of-way, permit, mineral lease disposal, reservation of land for
24 public use by statute, or land management actions, including use classi-
25 fications under AS 38.05.300 and interagency land management assignments by
26 the Department of Natural Resources, that may have been called into ques-
27 tion by the Supreme Court's decision in State v. Weiss, 706 P.2d 681
28 (Alaska 1985), returning mental health land to trust status;

29 (7) to identify a portion of annual state general fund revenue,

1 equal in amount to the fair market rental value of mental health land, as
2 compensation to the trust for the continued use of the land in legisla-
3 tively designated areas for the legislatively designated purposes; and
4 (8) to create a board to assist and advise the legislative and
5 executive branches of government on matters relating to the mental health
6 program of Alaska.

7 * Sec. 2. AS 37.14 is amended by adding a new section to read:

8 Sec. 37.14.011. MENTAL HEALTH TRUST INCOME ACCOUNT. (a) The
9 mental health trust income account is established as a separate ac-
10 count in the general fund.

11 (b) The amount determined under (c) of this section as the fair
12 market rental of the land constituting the mental health trust corpus
13 is the earnings of the trust and the commissioner of revenue shall
14 annually allocate that amount from the general fund of the state to
15 the mental health trust income account in the general fund of the
16 state.

17 (c) The fair market rental value of the land constituting the
18 mental health trust corpus is equal to eight percent of the fair
19 market value of the land. Following the initial determination of the
20 fair market value of the land selected by and patented to the state
21 under sec. 202 of the Alaska Mental Health Enabling Act, the com-
22 missioner of natural resources shall redetermine the fair market value
23 of the land constituting the mental health trust corpus at least every
24 five years, and provide the redetermined value to the commissioner of
25 revenue and the board established under AS 47.30.661.

26 * Sec. 3. AS 37.14 is amended by adding a new section to read:

27 Sec. 37.14.021. UTILIZATION OF THE MENTAL HEALTH TRUST INCOME
28 ACCOUNT. Money in the mental health trust income account established
29 in AS 37.14.011(a) shall first be appropriated by the legislature to

1 meet the necessary expenses of the mental health program of the state.
2 In making annual appropriations from the mental health trust income
3 account, the legislature shall consider the recommendations of the
4 Alaska Mental Health Board established under AS 47.30.661, including
5 recommendations regarding capital improvements. After the necessary
6 expenses of the state's mental health program have been funded, the
7 legislature may make appropriations from the mental health trust
8 income account for other public purposes.

9 * Sec. 4. AS 38.05 is amended by adding a new section to article 11 to
10 read:

11 Sec. 38.05.800. RECONSTITUTION AND ADMINISTRATION OF MENTAL
12 HEALTH LAND TRUST. (a) The commissioner of natural resources, under
13 procedures approved by the interim mental health trust commission,
14 shall determine the fair market value, as of the effective date of
15 this section, of all land selected by and patented to the state under
16 the Alaska Mental Health Enabling Act. The commissioner shall report
17 the determination of that value to the board established under AS 47.-
18 30.661.

19 (b) The commissioner of natural resources, with the approval of
20 the interim mental health trust commission, shall identify land within
21 legislative designations that is equal in value to all land selected
22 by and patented to the state under sec. 202 of the Alaska Mental
23 Health Enabling Act that is not in legislative designations.

24 (c) All land selected by and patented to the state under the
25 Alaska Mental Health Enabling Act that is within legislative desig-
26 nations, together with all land identified by the commissioner under
27 (b) of this section, constitutes the corpus of the mental health land
28 trust.

29 (d) Upon reconstitution of the trust under this subsection, land

1 selected by and patented to the state under sec. 202 of the Alaska
2 Mental Health Enabling Act that is not within legislative designations
3 is removed from trust status.

4 (e) The land within legislative designations that constitutes
5 the mental health land trust shall continue to be administered for the
6 legislatively designated purposes. The trust shall be compensated for
7 the continued use of the mental health trust land for the legisla-
8 tively designated purposes as provided in AS 37.14.011.

9 (f) Before the state may remove land that is part of the mental
10 health trust corpus from trust status, and in addition to any other
11 requirements of law, the commissioner of natural resources, consistent
12 with the state's trust responsibilities, shall identify replacement
13 land, equal in value at the time of replacement, within legislative
14 designations and incorporate them into the mental health trust corpus.
15 The commissioner of natural resources annually shall report any
16 actions under this subsection to the board established under AS 47.-
17 30.661.

18 * Sec. 5. AS 39.25.120(c)(9) is amended by adding a new subparagraph to
19 read:

20 (L) Alaska Mental Health Board;

21 * Sec. 6. AS 47.30 is amended by adding new sections to read:

22 Sec. 47.30.661. ALASKA MENTAL HEALTH BOARD. The Alaska Mental
23 Health Board is established. For budgetary purposes, the board is
24 located within the Department of Health and Social Services. The
25 board is the state planning and coordinating agency for the purposes
26 of federal and state laws relating to the mental health program of the
27 state. The purpose of the board is to assist the state in ensuring an
28 integrated comprehensive mental health program.

29 Sec. 47.30.662. COMPOSITION. (a) The board consists of the

1 commissioner of health and social services, or the commissioner's
2 designee, and not fewer than nine nor more than 12 other members,
3 appointed by the governor, with due regard for balanced geographic
4 representation of the state.

5 (b) At least one-third of the members shall be consumers of
6 mental health services, or parents or guardians of consumers.

7 (c) At least one-third of the members shall be either public or
8 private providers of mental health services.

9 (d) The remaining members shall be representatives of the public
10 at large.

11 Sec. 47.30.663. TERM OF OFFICE. (a) Board members serve
12 staggered terms of three years.

13 (b) A vacancy occurring in the membership of the board shall be
14 filled by appointment of the governor for the unexpired portion of the
15 vacated term.

16 (c) Members may be removed only for cause, including, but not
17 limited to, poor attendance or lack of contribution to the board's
18 work.

19 Sec. 47.30.664. OFFICERS AND STAFF. (a) The board, by a major-
20 ity of its membership, shall annually elect a chair and other officers
21 it considers necessary from among its membership.

22 (b) The board will have a paid staff provided by the Department
23 of Health and Social Services, including, but not limited to, an
24 executive director who shall be selected by the board from candidates
25 provided by the department. The executive director is in the partial-
26 ly exempt service and may hire additional employees in the classified
27 service of the state. The executive director and the staff of the
28 board shall be directly responsible to the board in the performance of
29 their duties.

1 Sec. 47.30.665. BYLAWS. The board, on approval of a majority of
2 its membership and consistent with state law, shall adopt and amend
3 bylaws governing its composition, proceedings, and other activities
4 consistent with state law and including, but not limited to, pro-
5 visions concerning a quorum to transact board business and other
6 aspects of procedure, frequency and location of meetings, and estab-
7 lishment, functions, and membership of committees.

8 Sec. 47.30.666. POWERS, DUTIES, AND RESPONSIBILITIES OF THE
9 BOARD. The board shall

10 (1) measure the extent of the mental health need and, as
11 necessary, conduct independent studies, evaluate the statewide mental
12 health information system, and review the current mental health pro-
13 gram of the state;

14 (2) provide a public forum for discussion of issues regard-
15 ing current and potential services to persons served by the mental
16 health program of the state;

17 (3) determine the needs, including those currently unmet,
18 of the persons to be served by the mental health program of the state;

19 (4) review reports from the Department of Natural Resources
20 regarding the valuation of the mental health land trust and the status
21 of mental health trust land, from the Department of Revenue regarding
22 allocations to the mental health income account, and from other de-
23 partments regarding the current and projected revenue for the support
24 of the mental health program of the state;

25 (5) subject to disclosure restrictions imposed by state or
26 federal confidentiality or privacy laws, have access to information in
27 the possession of state agencies;

28 (6) in conjunction with the Department of Health and Social
29 Services, prepare and annually update a long-term comprehensive state

1 mental health plan, to include the projected need and the services,
2 facilities, and resources for the mental health program of the state
3 to meet that need;

4 (7) in conjunction with the Department of Health and Social
5 Services, develop, prepare, adopt, and periodically review and revise
6 as necessary an annual state implementation plan to meet the needs of
7 persons served by the mental health program of the state;

8 (8) in conjunction with the Department of Health and Social
9 Services, and before developing the annual state implementation plan,
10 evaluate the effectiveness of the prior year's implementation plan and
11 evaluate program performance and recommend improvements, set priori-
12 ties, and establish criteria to utilize in funding allocations;

13 (9) report at least annually to the legislature, governor,
14 and commissioner of health and social services, and meet with appro-
15 priate legislative committees, concerning the board's activities,
16 including its evaluation of the effectiveness of the prior year's
17 implementation plan, and its recommendations to meet the necessary
18 operating and capital expenses of the mental health program of the
19 state;

20 (10) serve as an advocate before the executive and legisla-
21 tive branches of government and the public on behalf of those served
22 by the mental health program of the state;

23 (11) discourage duplication of services and promote effi-
24 cient and coordinated use of federal, state, and private resources in
25 the provision of mental health services; and

26 (12) review applicable statutes, regulations, and policies
27 and recommend appropriate changes.

28 Sec. 47.30.669. DEFINITION. In AS 47.30.661 - 47.30.669,
29 "board" means the Alaska Mental Health Board established in

1 AS 47.30.661.

2 * Sec. 7. Section 1(b), ch. 132, SLA 1986, is amended to read:

3 (b) The commission established under (a) of this section con-
4 sists of three [FIVE] members, including the commissioner of natural
5 resources, or the commissioner's designee [AND THE COMMISSIONER OF
6 HEALTH AND SOCIAL SERVICES, OR THEIR DESIGNEES], and two [THREE]
7 members and two [THREE] alternates [APPOINTED BY THE GOVERNOR] as
8 follows:

9 (1) a member and an alternate representing the plaintiffs
10 who were [,] appointed by the governor from a list of three names
11 submitted to the governor by the plaintiffs in Weiss v. State, 4 FA
12 82-2208 Civil;

13 (2) a member and an alternate representing the intervenors
14 who were [,] appointed by the governor from a list of three names
15 submitted to the governor by the intervenors in Weiss v. State, 4 FA
16 82-2208 Civil [; AND

17 (3) A MEMBER AND AN ALTERNATE REPRESENTING THE GOVERNOR'S
18 MENTAL HEALTH ADVISORY COUNCIL, APPOINTED BY THE GOVERNOR FROM A LIST
19 OF THREE NAMES SUBMITTED TO THE GOVERNOR BY THE GOVERNOR'S MENTAL
20 HEALTH ADVISORY COUNCIL].

21 * Sec. 8. Section 1(c), ch. 132, SLA 1986, is amended to read:

22 (c) The members of the commission shall elect a presiding offi-
23 cer. A majority of the commission constitutes a quorum. The affirma-
24 tive vote of two [THREE] members is required to take official action.
25 A vacancy does not impair the power of the remaining members to exer-
26 cise the powers of the commission.

27 * Sec. 9. Section 2, ch. 132, SLA 1986, is repealed and reenacted to
28 read:

29 Sec. 2. RESPONSIBILITIES OF THE COMMISSIONER OF NATURAL RE-

1 SOURCES AND THE COMMISSION. (a) The commission shall review proce-
2 dures proposed by the commissioner of natural resources to determine
3 the fair market value, as of the effective date of AS 38.05.800, of
4 all land selected by and patented to the state under sec. 202 of the
5 Alaska Mental Health Enabling Act, and review the final determination
6 of the fair market value determined under those procedures.

7 (b) The commission shall review the identification by the com-
8 missioner of natural resources under AS 38.05.800 of land within
9 legislative designations that is equal in value to all land selected
10 by and patented to the state under sec. 202 of the Alaska Mental
11 Health Enabling Act that is not in legislative designations.

12 (c) In the exercise of the commission's responsibilities under
13 this section, the commission and its staff may review the records of
14 the Department of Natural Resources that are made confidential by law
15 or regulation. An individual who acquires information made confiden-
16 tial by law or regulation in the performance of functions authorized
17 by this Act and discloses it without proper authority violates AS 11.-
18 56.860.

19 (d) The commissioner of natural resources is responsible for the
20 management of the mental health land of the state as a public trust
21 under P.L. 84-830, 70 Stat. 709. Except as provided in (e) of this
22 section, the commissioner of natural resources may not sell, lease, or
23 exchange mental health trust land of the state or an interest in the
24 mental health trust land of the state without the prior approval of
25 the commission. In reviewing a proposal for the sale, lease, or ex-
26 change of mental health trust land from the commissioner of natural
27 resources, the commission may approve the proposal of the commissioner
28 on its determination that the proposal is consistent with the terms of
29 the trust established by the Alaska Mental Health Enabling Act.

1 (e) The commissioner of natural resources may transfer trust
2 land to the federal government under AS 38.05.035(b)(9) without ap-
3 proval of the commission. The commissioner of natural resources shall
4 advise the commission of an intention to transfer trust land to the
5 federal government and, after the transfer, shall make every effort to
6 acquire replacement land to fulfill the state's remaining entitlement
7 based on a prioritization, approved by the commission, of existing
8 valid mental health selections.

9 * Sec. 10. Section 6, ch. 132, SLA 1986, is repealed and reenacted to
10 read:

11 Sec. 6. This Act is repealed on the certification of the commis-
12 sioner of natural resources that the mental health land trust has been
13 reconstituted under AS 38.05.800 to

14 (1) the Alaska Mental Health Board established under
15 AS 47.30.661;

16 (2) the lieutenant governor; and

17 (3) the revisor of statutes.

18 * Sec. 11. TRANSITIONAL PROVISIONS. Beginning with fiscal year 1989
19 and continuing until the commissioner of natural resources certifies to the
20 commissioner of revenue that the mental health land trust has been recon-
21 stituted under AS 38.05.800, as enacted in sec. 4 of this Act, the commis-
22 sioner of revenue shall annually allocate from the general fund of the
23 state to the mental health trust income account in the general fund an
24 amount equal to five percent of the unrestricted revenue of the state for
25 the fiscal year.

26 * Sec. 12. Notwithstanding AS 47.30.663(a), as added by sec. 6 of this
27 Act, of the initial appointees to the Alaska Mental Health Board appointed
28 under AS 47.30.662, as added by sec. 6 of this Act, one-third shall serve
29 for one year terms, one-third shall serve for two year terms, and one-third

1 for three year terms.

2 * Sec. 13. AS 37.14.010, 37.14.020, 37.14.030, 37.14.040, 37.14.050;

3 AS 47.30.605; and sec. 3, ch. 132, SLA 1986, are repealed.

4 * Sec. 14. Sections 7 - 10 of this Act take effect July 1, 1987.