

HOUSE BILL NO. 584

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Introduced: 4/15/92

Referred: Resources, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act amending provisions of ch. 66, SLA 1991, that relate to reconstitution of the
2 corpus of the mental health trust, the management of trust assets, and to the manner of
3 enforcement of the obligation to compensate the trust; and providing for an effective date."

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

5 * **Section 1.** AS 22.05.010 is amended by adding a new subsection to read:

6 (f) The supreme court has original and exclusive jurisdiction to hear and determine any
7 dispute arising under AS 37.14.036(c) - (e).

8 * **Sec. 2.** AS 37.14.009(a) is amended to read:

9 (a) The Alaska Mental Health Trust Authority

10 (1) shall manage the assets of the trust in a fiduciary manner to fulfill the
11 purposes of the trust;

12 (2) may, consistent with (1) of this subsection and AS 47.30.036(1), sell, lease,
13 exchange, or otherwise dispose of land in the trust;

14 (3) may, consistent with (1) of this subsection, use land that is an asset of the

1 trust directly for the integrated comprehensive mental health program;

2 (4) shall, upon terms satisfactory to the authority, [MAY] contract with the
3 Department of Natural Resources to manage the land assets of the trust, unless the authority
4 determines that the best interests of trust beneficiaries would be served by other
5 arrangements; and

6 (5) shall contract with the Alaska Permanent Fund Corporation for management of the
7 trust's cash assets, unless the authority finds that the best interests of trust beneficiaries would
8 be served by contracting with another entity.

9 * Sec. 3. AS 37.14.031, added by sec. 11, ch. 66, SLA 1991, is amended to read:

10 Sec. 37.14.031. TRUST FUND ESTABLISHED. The mental health trust fund is
11 established as a separate fund within the state treasury. The fund consists of the cash assets of
12 the principal of the trust, including the proceeds earned from the management of the land
13 placed in the trust corpus under AS 38.05.800.

14 * Sec. 4. AS 37.14.036(c), added by sec. 11, ch. 66, SLA 1991, is repealed and reenacted to read:

15 (c) As compensation for the land that constituted the trust established by the enabling Act
16 and that is not reconstituted as part of the mental health trust corpus established under
17 AS 38.05.800, the state shall make an annual payment of six percent of the unrestricted general
18 fund revenue of the state during each fiscal year. The commissioner of revenue shall annually
19 allocate that amount from the general fund to the mental health trust income account established
20 in (a) of this section.

21 * Sec. 5. AS 37.14.036, added by sec. 11, ch. 66, SLA 1991, is amended by adding new subsections
22 to read:

23 (d) To secure the allocation of amounts required under (c) of this section, land granted
24 to the state under the enabling act, and that is, on the effective date of this subsection, designated
25 by law as a state park, state forest, state game refuge, state wildlife refuge, state game sanctuary,
26 state recreational area, state recreational river, state wilderness park, state marine park, state
27 special management area, state public use area, critical habitat area, bald eagle preserve, bison
28 range, or moose range, is pledged as security to the mental health trust. Title to this land
29 remains in the state and, so long as a default does not exist under (c) of this section, income from
30 that land shall be deposited in the general fund and considered unrestricted general funds of the
31 state.

1 (e) Upon default, the foreclosure of the lands pledged as security under (d) of this
2 section, including the parcels to be foreclosed and the manner of foreclosure, shall be determined
3 by the supreme court.

4 * Sec. 6. AS 38.05.800 is repealed and reenacted to read:

5 Sec. 38.05.800. RECONSTITUTION OF MENTAL HEALTH TRUST CORPUS. The
6 corpus of the mental health trust includes land granted to the state under the Alaska Mental
7 Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709, that, on the effective date of this Act,

8 (1) has not been conveyed or encumbered by the state, or reserved by law from
9 the public domain;

10 (2) is subject to only one or more of the following:

11 (A) an oil or gas lease, coal lease, or other lease;

12 (B) a timber contract;

13 (C) a mining claim;

14 (D) a sale of materials under AS 38.05.110 - 38.05.120;

15 (E) a land use permit or right-of-way issued by the department under this
16 chapter;

17 (3) is not necessary to carry out the purposes of an interagency land management
18 agreement; or

19 (4) was selected by a municipality under AS 29.65 or under former
20 AS 29.18.190 - 29.18.200 and the selection of which, on the effective date of this Act, has been
21 neither approved nor disapproved by the director.

22 * Sec. 7. Section 49, ch. 66, SLA 1991, is amended to read:

23 Sec. 49. AS 37.14.011, 37.14.021, [AS 38.05.800,] AS 47.30.546, secs. 1, 2, 4, and 5,
24 ch. 132, SLA 1986; and secs. 7 - 10, ch. 48, SLA 1987 are repealed.

25 * Sec. 8. Sections 54, 55, 56, and 57, ch. 66, SLA 1991, are repealed.

26 * Sec. 9. COURT JURISDICTION. (a) If for any reason the Alaska Supreme Court determines that
27 the jurisdiction conferred under AS 22.05.010(f), added by sec. 1 of this Act, is invalid, the superior
28 court shall have jurisdiction over proceedings described in AS 22.05.010(f).

29 (b) The Alaska Supreme Court or, if applicable, the Superior Court may refer the proceedings
30 under AS 22.05.010(f), added by sec. 1 of this Act, to a special master.

31 * Sec. 10. This Act takes effect on the effective date of ch. 66, SLA 1991.