

HB

587

PROPOSED CSHB 587 (RULES), GENERAL GRANT LAND ENTITLEMENTS

CHANGES TO CSHB 587 (FINANCE)

1. CLEARS A CONFLICT BETWEEN SEC. 29.65.040 (a) and (b) PRESENTED BY THE FINANCE COMMITTEE SUBSTITUTE. RETURNS LANGUAGE IN (a) TO ITS ORIGINAL VERSION. (SEC. 3, pg. 2)
2. REENACTS AS 29.65.060 (a) and (b) AND ADDS THE WORD LAND AFTER THE WORDS SCHOOL AND UNIVERSITY IN EACH INSTANCE WHERE THEY OCCUR. THE EFFECT OF THIS ADDITION IS ONLY TO MAKE SCHOOL LANDS, UNIVERSITY LANDS, AND MENTAL HEALTH LANDS DISTINCT. (SEC. 4 and 5, pg. 2-3)
3. CREATES A NEW SUBSECTION AFFIRMING A MUNICIPALITY'S LEGAL RIGHT TO HAVE SELECTED SCHOOL LANDS OR MENTAL HEALTH LANDS ON OR BEFORE JUNE 1, 1986 AND RESTRICTS A MUNICIPALITY'S ABILITY TO SELECT FROM THESE LANDS TO FULFILL THEIR ENTITLEMENT AFTER JUNE 1, 1986. (SEC. 6(g), pg. 3)
4. CREATES A "JUST COMPENSATION" PROVISION FOR THOSE FUTURE SITUATIONS IN WHICH MUNICIPAL SELECTIONS PENDING OR UNDER APPEAL CANNOT BE CONVEYED BECAUSE OF JUDICIAL OR LEGISLATIVE ACTION. STIPULATES THAT ANY "COMPENSATION" MAY BE IN LAND OR OTHER PAYMENT AND THAT IT BE CREDITED AGAINST THE MUNICIPALITY'S REMAINING ENTITLEMENT. (SEC. 6(h), pg. 3)
5. MAKES MINOR ADJUSTMENTS TO SECTION PROVIDING FOR A NEGOTIATED AGREEMENT BETWEEN THE COMMISSIONER OF NATURAL RESOURCES AND MUNICIPALITIES SEEKING FULFILLMENT OF THEIR ENTITLEMENTS. THE CHANGES ALLOW FOR THE CONVEYANCE OF LANDS OUTSIDE OF A MUNICIPALITY'S BOUNDARIES; RESTRICT THE COMMISSIONER'S ABILITY TO CONVEY LAND OWNED BY ANOTHER STATE AGENCY WITHOUT THAT AGENCY'S CONSENT; AND PROVIDE THAT RESTRICTIONS OR CONDITIONS, NOT IMPOSED BY LAW, BE MUTUALLY AGREED UPON BY ALL PARTIES TO THE AGREEMENT. (SEC. 15, pg. 7)

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Alaska State Legislature

House of Representatives

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Official Business

Al Adams
Chairman
Committee on Finance

April 18, 1986

MEMORANDUM

TO: Members of the House Rules Committee
FROM: Representative Al Adams *APA*
SUBJ: HB 587

This bill will increase the land base of many communities by increasing their entitlement to state general grant land.

It has six major parts:

1. It allows communities to either receive a land entitlement or increase an existing entitlement if additional state land is now available. In addition to the proposed Northwest Arctic Borough and the existing North Slope Borough in my district, the Matsu, Fairbanks North Star, Haines, and Bristol Bay Boroughs may benefit. Additionally, the cities of Anderson, Yakutat, Seward, and others who have not yet identified all the state land within their boundaries, are also expected to benefit.
2. The new entitlement formula is pegged at 10% of vacant, unappropriated and unreserved land within the community. Some boroughs will be eligible for the new entitlement or their old entitlement under existing law (AS 29.65.010). Such a borough would only be allowed to receive the larger of the old entitlement allowed under .010 or the new entitlement provided for under the 10% formula in this bill (proposed AS 29.65.015). In no event, however, can any community select more than 400,000 acres.
3. A community can continue to receive land until two years after the state's land selection rights expire (1996). Existing law allowed for entitlement selection only until 1978.
4. The types of land that can be selected are reclassified to reflect the types of land that are currently available.

5. Community input to the selection and classification process is assured.

6. Authority is provided for the commissioner of DNR and the Municipality of Anchorage to finalize negotiations for settlement of Anchorage's land entitlement.

I request that you consider adoption of the attached proposed Rules Committee Substitute for HB 587. The proposed C.S. makes changes to the language in the bill regarding item #6 above. Rep. Pourchot will be testifying on this language but I am fully supportive of it.

Thank you for your prompt consideration of this legislation. Pertinent backup materials are attached.

Attachments

cc: Representative Pourchot

ESTIMATED MINERAL ENTITLEMENT ADVANCE UNDER SSSB 414

Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	VALDES	BRISTOL BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	W/ ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehold Land Conveyed to State	26,900	15,600	25,000	165,000	51,500	402,000	2,019,000	521,000	9,331,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	403,000	2,603,600	614,600	7	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	110,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,504	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	706	0	406	15	0	0
- Disposals	750	200	300	2,000	0	415	17,000	200	262,800	175,000	0	0
- Land Ex/Agmt.	0	0	0	0	0	0	292,965	0	105,500	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	501,000	4,364,000	999,000	7,000	0
Available Selectable Land	14,700	4,900	4,300	133,000	49,000	412,000	762,000	17,000	4,970,000	2,232,000	7,506,000	2,300,000
WSSB/SSSB 414 Entitlement (10% of WU)	1,470	490	430	13,300	4,900	41,200	76,200	1,700	400,000*	223,200	400,000*	230,000
1970 Entitlement	11,593	10,500	19,584	2,800	2,890	58,787	155,780	44,893	355,210	112,000	89,857**	n.a.

* Entitlement not to exceed 400,000 acres under SSSB 414.

** Received zero entitlement pursuant to election of benefits in AS 29.65.110.

Oil Division of Land and Water Management
Land Management Section
March 19, 1986

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STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 4/10/86

REQUEST

Bill/Resolution No. : CSHB 587 (Fin)
 Title : Municipal land entitlements

Sponsor : Adams
 Requestor : House Finance Committee
 Date of Request : 4/10/86

FISCAL DETAIL

Agency Affected : DNR
 BRU : Land & Water Management

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		34.6	---	---	---	---
TRAVEL		5.0	---	---	---	---
CONTRACTUAL		10.0	---	---	---	---
SUPPLIES		0	---	---	---	---
EQUIPMENT		0	---	---	---	---
LAND & STRUCTURES		0	---	---	---	---
GRANTS, CLAIMS		0	---	---	---	---
MISCELLANEOUS		0	---	---	---	---
TOTAL OPERATING		49.6	---	---	---	---

CAPITAL			---	---	---	---
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REVENUE			---	---	---	---
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FUNDING : (Thousands of Dollars)

GENERAL FUND		49.6	---	---	---	---
FEDERAL FUNDS			---	---	---	---
OTHER			---	---	---	---
TOTAL		49.6	---	---	---	---

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See Attached Analysis

Prepared by : Al Adams, Chair APA Phone : 465-3706
 Division : House Finance Committee Date : 4/10/86

Approved by Commissioner : _____ Date : _____
 Agency : _____

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

ANALYSIS OF CS HB 537 (FIN) FISCAL NOTE

FY 87:

Personal Services

Natural Resources Technician I -- 12 months \$ 34.6
(To coordinate duties associated with
selecting and determining entitlements)

Travel

To meet with communities to facilitate \$ 5.0
determination and conveyance of entitlements

Contractual

To cover cost of notification process, maps, \$ 10.0
plats, etc. required to adjudicate land
selections and determine entitlements

TOTAL \$ 49.6

In addition to the \$50.6 provided here, adjustments may be made to the FY 87 DNR budget. Positions that currently do land conveyance only, may also participate in the entitlement process provided for in this bill.

FUTURE FISCAL YEARS:

There will be diminishing costs in future years. The actual amount needed each year will depend on the pace of selection, determination, conveyance, etc. These costs will be determined in the annual budget process.



Official Business

Alaska State Legislature

House of Representatives

Committee on Rules

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HOUSE RULES STANDING COMMITTEE MEETING

MONDAY, APRIL 21, 1986

8:30 A.M. - CAPITOL, ROOM 208

I N D E X

- I. PROPOSED VERSION CSHB 587 (RULES)
- II. MEMO FROM REPRESENTATIVE ADAMS RE: HB 587
- III. FISCAL NOTE
- IV. CSHB 587 (FINANCE)
- V. HB 587 (C&RA)
- VI. HB 587

Cook
4/19/86

Original sponsor: Adams

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 CS FOR HOUSE BILL NO. 587 (Rules)

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 December 31 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) The following shall be credited toward fulfillment of the
27 general grant land entitlement of a municipality:28 (1) conveyances of legal title to land by the state to the
29 municipality before January 1, 1987, under a former law;

1 (2) payments for land before January 1, 1987, under former
2 AS 29.18.208;

3 (3) conveyances of legal title to land before January 1,
4 1987, and thereafter under AS 29.65.010;

5 (4) payments for land before January 1, 1987, and there-
6 after under AS 29.65.080;

7 (5) disposals of land to the municipality before January 1,
8 1987, and thereafter under AS 38.05.810 for which the state receives
9 no consideration.

10 (d) Land classified under AS 38.05.300 for wildlife habitat only
11 may not be selected or conveyed in fulfillment of a general grant land
12 entitlement.

13 (e) In each conveyance of land in fulfillment of a general grant
14 land entitlement, the state shall reserve the right to explore, enter,
15 develop, and occupy the surface as reasonably necessary for access to
16 the mineral estate in accordance with AS 38.05.125.

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

18 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After January 1,
19 1987, a general grant land entitlement under AS 29.65.010 is a vested
20 property right that must be fulfilled in accordance with AS 29.65.025,
21 29.65.060, and 29.65.080.

22 (b) A general grant land entitlement under AS 29.65.015 is a
23 property right that vests on the date of incorporation of the munici-
24 pality. The entitlement must be fulfilled in accordance with AS 29.-
25 65.025.

26 * Sec. 4. AS 29.65.060(a) is amended to read:

27 (a) If an entitlement determined under AS 29.65.010 or 29.65.015
28 [29.65.020] results in a per capita entitlement for the municipality
29 of less than one and one-half acres, the entitlement shall

1 school land or mental health land in the municipality in partial
2 fulfillment of its land entitlement under this chapter. School land
3 or mental health land may be selected notwithstanding the fact that
4 this land is not unappropriated and unreserved within the meaning of
5 this chapter and under former AS 29.18.190 and 29.18.200, but each
6 selection of school land or mental health land by a municipality must
7 be vacant, unappropriated, or unreserved land as defined in this
8 chapter, except that it need not be general grant land.

9 * Sec. 5. AS 29.65.060(b) is amended to read:

10 (b) ~~The~~ acreage of school land, university land or mental health
11 land, if any, in a municipality may not be included in the determina-
12 tion of entitlement under AS 29.65.010 or 29.65.015 [29.65.020].

13 * Sec. 6. AS 29.65.060 is amended by adding new subsections to read:

14 (g) Notwithstanding (a) of this section, a municipality may not
15 select school land or mental health land after June 1, 1986. Nothing
16 in this subsection affects the legal rights of any person with regard
17 to selections of school land or mental health land made by a munic-
18 ipality on or before June 1, 1986.

19 (h) A municipality is entitled to just compensation in the form
20 of land or other payment for a selection made by it under this section
21 or former AS 29.18.206 that is pending or on timely appeal on April 1,
22 1986, and that cannot be conveyed to the municipality as a result of
23 final judicial action or law, except that no compensation is required
24 for a selection of land by a municipality within a special use area
25 under AS 16 or AS 41 or for a selection of land not qualified to be
26 selected under this section or former AS 29.18.206. Compensation
27 under this subsection shall be credited against the municipality's
28 remaining land entitlement under this chapter.

29 * Sec. 7. AS 29.65.080(b) is amended to read:

1 (b) A municipality shall receive payment for its land deficiency
2 from the municipal land account. A municipality is eligible to re-
3 ceive payment for land deficiency if, after July 1, 1980, the amount
4 of land selected by a municipality that is physically suitable for
5 residential, commercial, or industrial purposes amounts to less than
6 one-third acre per capita. Any entitlement under AS 29.65.010 that is
7 less than one-third acre per capita will, for the purposes of this
8 subsection, be considered a land deficiency. An unselected remaining
9 entitlement will, for the purpose of deficiency payment under this
10 subsection, be considered as land physically suitable for residential,
11 commercial, or industrial purposes. A municipality eligible under
12 this subsection is entitled to receive a payment for land deficiency
13 equal to \$1,000 per acre for a number of acres equal to the difference
14 between one-third of the population of the municipality less the
15 number of acres physically suitable for residential, commercial or
16 industrial purposes that has been selected by the municipality. For
17 the purpose of this subsection, the population of the municipality
18 shall be the population determined by the commissioner under former
19 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-
20 ipality whose entitlement was determined under former AS 29.18.201 [IN
21 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-
22 ipality under this subsection in excess of \$9,000,000.

23 * Sec. 8. AS 29.65.080(g) is amended to read:

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

27 * Sec. 9. AS 29.65.080 is amended by adding a new subsection to read:

28 (i) Payment under this section shall be made into a municipal
29 land bank or trust account created by ordinance with the purpose of

1 applying the payments toward the acquisition of land necessary for
2 public purposes that may be otherwise unavailable to the municipality.

3 * Sec. 10. AS 29.65.130(3) is amended to read:

4 (3) "general grant land"

5 (A) means land patented or tentatively approved to the
6 state from the United States under sec. 6(a) or (b) of the Alaska
7 Statehood Act;

8 (B) does not include mental health land, school land,
9 or university land;

10 * Sec. 11. AS 29.65.130(10) is amended to read:

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

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

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

18 (C) is unclassified or, if classified under AS 38.-
19 05.300, is classified for agricultural, grazing, material, public
20 recreation, resource management, settlement, transportation
21 corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,
22 PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY
23 PURPOSES,] or is classified in accordance with an agreement
24 between a municipality and the state providing for state manage-
25 ment of land of the municipality.

26 * Sec. 12. AS 38.05.321(b) is amended to read:

27 (b) State land classified as agricultural land that has been
28 selected by a municipality under former AS 29.18.190 - 29.18.200 or
29 former AS 29.18.205(e) may be approved by the director for patent

1 under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for
2 agricultural purposes may be transferred and all other interests in
3 the land will remain with the state. Agricultural land approved for
4 patent to a municipality shall be credited, acre for acre, toward
5 fulfillment of that municipality's entitlement under AS 29.65 [AS-29.-
6 65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the direc-
7 tor later determines it to be in the best interests of the state to
8 transfer some or all of the additional rights in that approved or
9 patented agricultural land, those rights shall pass without considera-
10 tion to the municipality in which the land is located. The notice and
11 review provisions of AS 38.05.945 are applicable to conveyance of
12 rights under this section.

13 * Sec. 13. AS 38.05.321(c) is amended to read:

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

15 (1) state land classified as agricultural land that has
16 been selected by a municipality under the provisions of former AS 29.-
17 18.190 - 29.18.200 if the selection is an approved selection before
18 April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or
19 former AS 29.18.205(b); or

20 (2) a quitclaim of the interest of the state to the federal
21 government under AS 38.05.035(b)(9).

22 * Sec. 14. Before January 1, 1987, the Department of Natural Resources
23 shall consult with each municipality affected by this Act regarding classi-
24 fications of state land within its boundaries and may assist the munic-
25 ipality in identifying land suitable for selection in fulfillment of its
26 general grant land entitlement.

27 * Sec. 15. The commissioner of natural resources may negotiate with and
28 enter into an agreement to convey state land to a borough or unified munic-
29 ipality whose entitlement under AS 29.65.010 in the commissioner's

1 determination cannot be fulfilled by January 1, 1987, if the borough or
2 unified municipality elects in writing before January 1, 1987, to pursue a
3 settlement of that existing entitlement. The commissioner has authority
4 under this section to convey state land without regard as to whether the
5 land is vacant, unappropriated, unreserved land as defined under AS 29.65.-
6 130(10) if the commissioner determines, after public notice, that the land
7 lies outside the smallest practicable tract of land actually used in con-
8 nection with the administration of a state function on July 1, 1987, except
9 the commissioner may not convey land owned by another state agency without
10 its consent. Land conveyed to a borough or a unified municipality under an
11 agreement entered into under this section may constitute complete fulfill-
12 ment of the municipality's general grant land entitlement as specified in
13 the agreement and agreed to by both parties. Conveyances under an agree-
14 ment entered into under this section may contain no restrictions or con-
15 ditions that are not required to be imposed by law, except those restric-
16 tions or conditions mutually agreed upon by the parties.

17 * Sec. 16. 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. 17. Sections 6, 14, and 15 of this Act take effect immediately
20 in accordance with AS 01.10.070(c).

21 * Sec. 18. Sections 1 - 5, 7 - 13, and 16 of this Act take effect
22 January 1, 1987.