

COMMITTEE REPORT
SENATE

FURTHER:

4/28/86

Date _____

Mr. President

The Committee on FINANCE considered 2d SSSB 414
relating to general grant land entitlements; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman

Chairman recommendation

COMMITTEE REPORT

SENATE

3/25/86
~~3/1/86~~
~~2/14/86~~

FURTHER:

Risman
FINANCE

Date 3/25/86

Mr. President

The Committee on C&RA considered ^{2d} SSB 414
relating to municipal land entitlements; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for 2d SSB 414 (C+RA)
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" ~~NEW~~ FISCAL NOTE
- reports it back without recommendation *NO - Not to this session*
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

Darguson

MEMBERS HAVING
OTHER RECOMMENDATIONS

Allen Sturgalewski No Rec.

Edna De Vries
Chairman

Do Pass
Chairman recommendation

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

3/28/86

Date 4/25/86

Mr. President

The Committee on RESOURCES considered 2d SSSB 414
~~relating to municipal land entitlements, efd.~~ *relating to general grant*
Inconnect Title per Nancy 3/28/86 MCA ~~land entitlements, efd.~~

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for 2nd SSSB 414 (RESOURCES)
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING

DO PASS

Rick Hallad
[Signature]
[Signature]
[Signature]

MEMBERS HAVING

OTHER RECOMMENDATIONS

Fred Fitzhugh (No Rec)

Cedric Stangerlovski
Chairman

Do Pass
Chairman recommendation

Offered: 4/28/86
Referred: Finance

Original sponsor: Ferguson

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (Resources)

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. However,
24 land may not be conveyed to a municipality under AS 29.65.015 that
25 exceeds the amount of acreage listed under AS 29.65.010 until at least
26 90 percent of the amount of the entitlement under AS 29.65.010 has
27 been fulfilled, through approval of selections or otherwise, for each
28 listed municipality. This limitation does not apply to conveyance of
29 a small parcel for a specific public purpose if the commissioner of
S

Original sponsor: Ferguson

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

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23 29.65.015 shall receive the larger of the two entitlements. However,
24 land may not be conveyed to a municipality under AS 29.65.015 that
25 exceeds the amount of acreage listed under AS 29.65.010 until at least
26 90 percent of the amount of the entitlement under AS 29.65.010 has
27 been fulfilled, through approval of selections or otherwise, for each
28 listed municipality. This limitation does not apply to conveyance of
29 a small parcel for a specific public purpose if the commissioner of

1 natural resources finds that the conveyance will serve a public
2 interest.

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

5 (c) The following shall be credited toward fulfillment of the
6 general grant land entitlement of a municipality:

7 (1) conveyances of legal title to land by the state to the
8 municipality before January 1, 1987, under a former law;

9 (2) payments for land before January 1, 1987, under former
10 AS 29.18.268;

11 (3) conveyances of legal title to land before January 1,
12 1987, and thereafter under AS 29.65.010;

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

15 (5) disposals of land to the municipality before January 1,
16 1987, and thereafter under AS 38.05.810 for which the state received
17 less than market value.

18 (d) In each conveyance of land in fulfillment of a general grant
19 land entitlement, the state shall reserve the right to explore, enter,
20 develop, and occupy the surface as reasonably necessary for access to
21 the mineral estate in accordance with AS 38.05.125.

22 (e) Conveyances of land under this chapter are subject to
23 AS 38.05.035(e).

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

25 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) A general grant
26 land entitlement under AS 29.65.010 is a vested property right that
27 must be fulfilled in accordance with AS 29.65.025, 29.65.060, and
28 29.65.080.

29 (b) A general grant land entitlement under AS 29.65.015 is a

1 property right that vests on the date of incorporation of the municipi-
2 pality. The entitlement must be fulfilled in accordance with AS 29.-
3 65.025.

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

5 (a) If an entitlement determined under AS 29.65.010 or 29.65.015
6 [29.65.020] results in a per capita entitlement for the municipality
7 of less than one and one-half acre, the municipality may select vacant
8 school land or mental health land in the municipality in partial
9 fulfillment of its land entitlement under this chapter. School land
10 or mental health land may be selected notwithstanding the fact that
11 this land is not unappropriated and unreserved within the meaning of
12 this chapter and under former AS 29.18.190 and 29.18.200, but each
13 selection of school land or mental health land by a municipality must
14 be vacant, unappropriated, or unreserved land as defined in this
15 chapter, except that it need not be general grant land.

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

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

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

21 (g) Notwithstanding (a) of this section, a municipality may not
22 select school land or mental health land after October 4, 1985.

23 (h) Nothing in this section affects the legal rights of any
24 person with regard to selections of school land, university land, or
25 mental health land made by a municipality on or before October 4,
26 1985.

27 * Sec. 7. AS 29.65.060 is amended by adding a new subsection to read:

28 (i) A municipality that may enter into an agreement under
29 sec. 15 of this Act is entitled to just compensation in the form of

1 land or other payment for a selection made by it under this section or
2 former AS 29.18.206 (ch. 180, SLA 1978) that was pending or on timely
3 appeal on April 1, 1986, and that cannot be conveyed to the
4 municipality as a result of final judicial action or law, except that
5 compensation is not required for a selection of land by a municipality
6 within a special use area under AS 16 or AS 41 or for a selection of
7 land not qualified to be selected under this section or former AS
8 29.18.206. Compensation under this subsection shall be credited
9 against the municipality's remaining land entitlement under this
10 chapter.

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

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

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

16 (1) Payment under this section shall be made into a municipal
17 land bank or trust account created by ordinance with the purpose of
18 applying the payments toward the acquisition of land necessary for
19 public purposes that may be otherwise unavailable to the municipality.

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

21 (3) "general grant land"

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

25 (B) does not include mental health land, school land,
26 or university land;

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

28 (10) "vacant, unappropriated, unreserved land" means
29 general grant land as defined in (3) of this section, excluding

1 minerals as required by sec. 6(i) of the Alaska Statehood Act, that

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

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

6 (C) is unclassified or, if classified under AS 38.-
7 05.300, is classified for agricultural, grazing, public recre-
8 ation, resource management, settlement, forestry, or wildlife
9 habitat [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDEN-
10 TIAL, UTILITY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in
11 accordance with an agreement between a municipality and the state
12 providing for state management of land of the municipality.

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

14 (b) State land classified as agricultural land that has been
15 selected by a municipality under former AS 29.18.190 - 29.18.200 or
16 former AS 29.18.205(e) may be approved by the director for patent
17 under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for
18 agricultural purposes may be transferred and all other interests in
19 the land will remain with the state. Agricultural land approved for
20 patent to a municipality shall be credited, acre for acre, toward
21 fulfillment of that municipality's entitlement under AS 29.65 [AS 29.-
22 65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the direc-
23 tor later determines it to be in the best interests of the state to
24 transfer some or all of the additional rights in that approved or
25 patented agricultural land, those rights shall pass without considera-
26 tion to the municipality in which the land is located. The notice and
27 review provisions of AS 38.05.945 are applicable to conveyance of
28 rights under this section.

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

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

2 (1) state land classified as agricultural land that has
3 been selected by a municipality under the provisions of former AS 29.-
4 18.190 - 29.18.200 if the selection is an approved selection before
5 April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or
6 former AS 29.18.205(b); or

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

9 * Sec. 14. Before January 1, 1987, the Department of Natural Resources
10 shall consult with each municipality affected by this Act regarding classifi-
11 cations of state land within its boundaries and may assist the munic-
12 ipality in identifying land suitable for selection in fulfillment of its
13 general grant land entitlement.

14 * Sec. 15. The commissioner of natural resources shall negotiate with
15 and may enter into an agreement to convey state land to a borough or
16 unified municipality whose entitlement under AS 29.65.010 in the commis-
17 sioner's determination cannot be fulfilled by January 1, 1987, if the
18 borough or unified municipality elects in writing before January 1, 1987,
19 to pursue a settlement of that existing entitlement. The commissioner has
20 authority under this section to convey state land without regard as to
21 whether the land is vacant, unappropriated, unreserved land as defined
22 under AS 29.65.130(10) if the commissioner determines, after public notice,
23 that the land lies outside the smallest practicable tract of land actually
24 used in connection with the administration of a state function on July 1,
25 1985. However, the commissioner may not convey land owned by another state
26 agency without its consent or land within the boundaries of a municipality
27 to another municipality before consulting with the municipality in which
28 the land is located. Land conveyed to a borough or a unified municipality
29 under an agreement entered into under this section may constitute complete

1 fulfillment of the municipality's general grant land entitlement as
2 specified in the agreement and agreed to by both parties. Conveyances
3 under an agreement entered into under this section may not contain reser-
4 vations or conditions that are not required to be imposed by law, except
5 restrictions or conditions agreed upon by the parties.

6 * Sec. 16. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.-
7 080(h) and 29.65.110 are repealed.

8 * Sec. 17. Section 6 of this Act is retroactive to October 4, 1985.

9 * Sec. 18. Sections 6, 14, 15, and 17 of this Act take effect immedi-
10 ately in accordance with AS 01.10.070(c).

11 * Sec. 19. Sections 1 - 5, 7 - 13, and 16 of this Act take effect
12 January 1, 1987.

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
S

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 municipi-
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.

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26 AS 29.18.190 - 29.18.200 if the selection is an approved selection
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28 AS 29.65.050(b) or former AS 29.18.205(b); or

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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.

Introduced: 3/25/86
Referred: Community & Regional Affairs,
Resources and Finance

1 IN THE SENATE

BY FERGUSON

2 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECCND SESSION

5 A BILL

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7 and providing for an effective date."

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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.
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17 unfulfilled entitlement for each municipality under this section and
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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
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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 and 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,
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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 29.65.050 is amended by adding a new subsection to read:

15 (d) The commissioner of natural resources is authorized to
16 negotiate and enter into an agreement with the Municipality of
17 Anchorage prior to January 1, 1987, whereby the Municipality's
18 entitlement under this chapter may be fully satisfied by the
19 conveyance of state land within the municipal boundaries which the
20 commissioner determines is not necessary for retention in state owner-
21 ship, whether or not the land is vacant, unappropriated and unre-
22 served. The agreement may provide for the conveyance of no more than
23 5,000 acres of state land which the commissioner determines is worth
24 no less than \$5,000,000.

25 * Sec. 5. AS 29.65.060 is repealed and reenacted to read:

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

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2 land in fulfillment of its general grant land entitlement.

3 * Sec. 6. AS 29.65.080(b) is amended to read:

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5 from the municipal land account. A municipality is eligible to re-
6 ceive payment for land deficiency if, after July 1, 1980, the amount
7 of land selected by a municipality that is physically suitable for
8 residential, commercial, or industrial purposes amounts to less than
9 one-third acre per capita. Any entitlement under AS 29.65.010 that is
10 less than one-third acre per capita will, for the purposes of this
11 subsection, be considered a land deficiency. An unselected remaining
12 entitlement will, for the purpose of deficiency payment under this
13 subsection, be considered as land physically suitable for residential,
14 commercial, or industrial purposes. A municipality eligible under
15 this subsection is entitled to receive a payment for land deficiency
16 equal to \$1,000 per acre for a number of acres equal to the difference
17 between one-third of the population of the municipality less the
18 number of acres physically suitable for residential, commercial or
19 industrial purposes that has been selected by the municipality. For
20 the purpose of this subsection, the population of the municipality
21 shall be the population determined by the commissioner under former
22 AS 43.18.010 for the program year beginning July 1, 1973, for a munic-
23 ipality whose entitlement was determined under former AS 29.18.201 [IN
24 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-
25 ipality under this subsection in excess of \$9,000,000.

26 * Sec. 7. AS 29.65.080(g) is amended to read:

27 (g) Payments authorized by this section may only [NOT] be made
28 to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010
29 [AS 29.65.020 or 29.65.030].

1 * Sec. 8. AS 29.65.130(10) is amended to read:

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

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

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

9 (C) is unclassified or, if classified under AS 38.-
10 05.300, is classified for agricultural, grazing, material, public
11 recreation, resource management, settlement, transportation
12 corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,
13 PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY
14 PURPOSES,] or is classified in accordance with an agreement
15 between a municipality and the state providing for state manage-
16 ment of land of the municipality.

17 * Sec. 9. Before January 1, 1987, the Department of Natural Resources
18 shall consult with each municipality affected by this Act regarding classi-
19 fications of state land within its boundaries and may assist the munic-
20 ipality in identifying land suitable for selection in fulfillment of its
21 general grant land entitlement.

22 * Sec. 10. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090
23 and 29.65.110 are repealed.

24 * Sec. 11. Sections 4 and 9 of this Act take effect immediately in
25 accordance with AS 01.10.070(c).

26 * Sec. 12. Sections 1 - 3, 5 - 8, and 10 of this Act take effect
27 January 1, 1987.

ALASKA STATE LEGISLATURE

14th Legislature 2nd Session

2d SPONSOR SUBSTITUTE
SENATE BILL NO. 414

By FERGUSON

"An Act relating to general grant land entitlements; and providing for an effective date."

Introduced in the Senate 3/25 86
....., 19....

HISTORY IN THE SENATE

1986
3 25 Read first time and referred to Committee on C&RA, RESOURCES & FINANCE

3 28 Reported back with recommendation that *C&RA replace W/CS - 2 copies / no rec. fiscal note to Revenue Resources: replace W/CS, Fdy. Pres, income, to Finance. FUB.*

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

Introduced: 3/25/86
Referred: Community & Regional Affairs,
Resources and Finance

1 IN THE SENATE

BY FERGUSON

2 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414

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 and 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 29.65.050 is amended by adding a new subsection to read:

15 (d) The commissioner of natural resources is authorized to
16 negotiate and enter into an agreement with the Municipality of
17 Anchorage prior to January 1, 1987, whereby the municipality's en-
18 titlement under this chapter may be fully satisfied by the conveyance
19 of state land within the municipal boundaries which the commissioner
20 determines is not necessary for retention in state ownership, whether
21 or not the land is vacant, unappropriated, and unreserved. The agree-
22 ment may provide for the conveyance of no more than 5,000 acres of
23 state land which the commissioner determines is worth no less than
24 \$5,000,000.

25 * Sec. 5. AS 29.65.060 is repealed and reenacted to read:

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

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

3 * Sec. 6. AS 29.65.080(b) is amended to read:

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

26 * Sec. 7. AS 29.65.080(g) is amended to read:

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

1 * Sec. 8. AS 29.65.130(10) is amended to read:

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

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

7 (B) has not been approved for patent to a municipali-
8 ty under this chapter or former AS 29.18.190 and 29.18.200; or

9 (C) is unclassified or, if classified under AS 38.-
10 05.300, is classified for agricultural, grazing, material, public
11 recreation, resource management, settlement, transportation
12 corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,
13 PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY
14 PURPOSES,] or is classified in accordance with an agreement
15 between a municipality and the state providing for state manage-
16 ment of land of the municipality.

17 * Sec. 9. Before January 1, 1987, the Department of Natural Resources
18 shall consult with each municipality affected by this Act regarding classi-
19 fications of state land within its boundaries and may assist the munic-
20 ipality in identifying land suitable for selection in fulfillment of its
21 general grant land entitlement.

22 * Sec. 10. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090
23 and 29.65.110 are repealed.

24 * Sec. 11. Sections 4 and 9 of this Act take effect immediately in
25 accordance with AS 01.10.070(c).

26 * Sec. 12. Sections 1 - 3, 5 - 8, and 10 of this Act take effect
27 January 1, 1987.

Offered: 3/28/86
Referred: Resources

Original sponsor: Ferguson

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

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

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.

Offered: 4/28/86
Referred: Finance

Original sponsor: Ferguson

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (Resources)
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. However,
24 land may not be conveyed to a municipality under AS 29.65.015 that
25 exceeds the amount of acreage listed under AS 29.65.010 until at least
26 90 percent of the amount of the entitlement under AS 29.65.010 has
27 been fulfilled, through approval of selections or otherwise, for each
28 listed municipality. This limitation does not apply to conveyance of
29 a small parcel for a specific public purpose if the commissioner of

1 natural resources finds that the conveyance will serve a public
2 interest.

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

5 (c) The following shall be credited toward fulfillment of the
6 general grant land entitlement of a municipality:

7 (1) conveyances of legal title to land by the state to the
8 municipality before January 1, 1987, under a former law;

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

11 (3) conveyances of legal title to land before January 1,
12 1987, and thereafter under AS 29.65.010;

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

15 (5) disposals of land to the municipality before January 1,
16 1987, and thereafter under AS 38.05.810 for which the state received
17 less than market value.

18 (d) In each conveyance of land in fulfillment of a general grant
19 land entitlement, the state shall reserve the right to explore, enter,
20 develop, and occupy the surface as reasonably necessary for access to
21 the mineral estate in accordance with AS 38.05.125.

22 (e) Conveyances of land under this chapter are subject to
23 AS 38.05.035(e).

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

25 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) A general grant
26 land entitlement under AS 29.65.010 is a vested property right that
27 must be fulfilled in accordance with AS 29.65.025, 29.65.060, and
28 29.65.080.

29 (b) A general grant land entitlement under AS 29.65.015 is a

1 property right that vests on the date of incorporation of the munici-
2 pality. The entitlement must be fulfilled in accordance with AS 29.-
3 65.025.

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

5 (a) If an entitlement determined under AS 29.65.010 or 29.65.015
6 [29.65.020] results in a per capita entitlement for the municipality
7 of less than one and one-half acre, the municipality may select vacant
8 school land or mental health land in the municipality in partial
9 fulfillment of its land entitlement under this chapter. School land
10 or mental health land may be selected notwithstanding the fact that
11 this land is not unappropriated and unreserved within the meaning of
12 this chapter and under former AS 29.18.190 and 29.18.200, but each
13 selection of school land or mental health land by a municipality must
14 be vacant, unappropriated, or unreserved land as defined in this
15 chapter, except that it need not be general grant land.

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

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

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

21 (g) Notwithstanding (a) of this section, a municipality may not
22 select school land or mental health land after October 4, 1985.

23 (h) Nothing in this section affects the legal rights of any
24 person with regard to selections of school land, university land, or
25 mental health land made by a municipality on or before October 4,
26 1985.

27 * Sec. 7. AS 29.65.060 is amended by adding a new subsection to read:

28 (i) A municipality that may enter into an agreement under
29 sec. 15 of this Act is entitled to just compensation in the form of

1 land or other payment for a selection made by it under this section or
2 former AS 29.18.206 (ch. 180, SLA 1978) that was pending or on timely
3 appeal on April 1, 1986, and that cannot be conveyed to the
4 municipality as a result of final judicial action or law, except that
5 compensation is not required for a selection of land by a municipality
6 within a special use area under AS 16 or AS 41 or for a selection of
7 land not qualified to be selected under this section or former AS
8 29.18.206. Compensation under this subsection shall be credited
9 against the municipality's remaining land entitlement under this
10 chapter.

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

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

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

16 (i) Payment under this section shall be made into a municipal
17 land bank or trust account created by ordinance with the purpose of
18 applying the payments toward the acquisition of land necessary for
19 public purposes that may be otherwise unavailable to the municipality.

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

21 (3) "general grant land"

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

25 (B) does not include mental health land, school land,
26 or university land;

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

28 (10) "vacant, unappropriated, unreserved land" means
29 general grant land as defined in (3) of this section, excluding

1 minerals as required by sec. 6(i) of the Alaska Statehood Act, that

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

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

6 (C) is unclassified or, if classified under AS 38.-
7 05.300, is classified for agricultural, grazing, public recre-
8 ation, resource management, settlement, forestry, or wildlife
9 habitat [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDEN-
10 TIAL, UTILITY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in
11 accordance with an agreement between a municipality and the state
12 providing for state management of land of the municipality.

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

14 (b) State land classified as agricultural land that has been
15 selected by a municipality under former AS 29.18.190 - 29.18.200 or
16 former AS 29.18.205(e) may be approved by the director for patent
17 under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for
18 agricultural purposes may be transferred and all other interests in
19 the land will remain with the state. Agricultural land approved for
20 patent to a municipality shall be credited, acre for acre, toward
21 fulfillment of that municipality's entitlement under AS 29.65 [AS 29.-
22 65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the direc-
23 tor later determines it to be in the best interests of the state to
24 transfer some or all of the additional rights in that approved or
25 patented agricultural land, those rights shall pass without considera-
26 tion to the municipality in which the land is located. The notice and
27 review provisions of AS 38.05.945 are applicable to conveyance of
28 rights under this section.

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

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

2 (1) state land classified as agricultural land that has
3 been selected by a municipality under the provisions of former AS 29.-
4 18.190 - 29.18.200 if the selection is an approved selection before
5 April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or
6 former AS 29.18.205(b); or

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

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

14 * Sec. 15. The commissioner of natural resources shall negotiate with
15 and may enter into an agreement to convey state land to a borough or
16 unified municipality whose entitlement under AS 29.65.010 in the commis-
17 sioner's determination cannot be fulfilled by January 1, 1987, if the
18 borough or unified municipality elects in writing before January 1, 1987,
19 to pursue a settlement of that existing entitlement. The commissioner has
20 authority under this section to convey state land without regard as to
21 whether the land is vacant, unappropriated, unreserved land as defined
22 under AS 29.65.130(10) if the commissioner determines, after public notice,
23 that the land lies outside the smallest practicable tract of land actually
24 used in connection with the administration of a state function on July 1,
25 1986. However, the commissioner may not convey land owned by another state
26 agency without its consent or land within the boundaries of a municipality
27 to another municipality before consulting with the municipality in which
28 the land is located. Land conveyed to a borough or a unified municipality
29 under an agreement entered into under this section may constitute complete

1 fulfillment of the municipality's general grant land entitlement as
2 specified in the agreement and agreed to by both parties. Conveyances
3 under an agreement entered into under this section may not contain reser-
4 vations or conditions that are not required to be imposed by law, except
5 restrictions or conditions agreed upon by the parties.

6 * Sec. 16. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.-
7 080(h) and 29.65.110 are repealed.

8 * Sec. 17. Section 6 of this Act is retroactive to October 4, 1985.

9 * Sec. 18. Sections 6, 14, 15, and 17 of this Act take effect immedi-
10 ately in accordance with AS 01.10.070(c).

11 * Sec. 19. Sections 1 - 5, 7 - 13, and 16 of this Act take effect
12 January 1, 1987.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : 3/3/86

REQUEST

Bill/Resolution No. : SB 414
 Title : An Act relating to municipal
entitlements
 Sponsor : Senator Furcison
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected : Community & Regional Affairs
 BRU : _____
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

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

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by: Doug Griffin, Deputy Director
 Division: Municipal & Regional Assistance

Phone: 465-4750

Date: 3/3/86

Approved by Commissioner: _____
 Agency: Community & Regional Assistance

Date: 3/10/86

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

BILL SHEFFIELD, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 10, 1986

- POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700
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POSITION PAPER

RE: SB 414

SPONSOR: Senator Ferguson

Program Effects of Bill

The bill would, by broadening the definition to "municipalities", extend to boroughs the right to select 10% of vacant unappropriated and unreserved State land within their boundaries.

The bill would also extend the determination of land selection date from "within six months of July 1, 1978" (or "six months from date of incorporation" for municipalities incorporated after July 1, 1978) to "two years after the expiration of the State's right to make selections". This revision would allow municipalities the right to make selections from all State land, rather than just the land available at a particular time. It would also allow municipalities to select State land in newly annexed areas.

In addition, Section 4 of the bill would change the definition of "vacant, unappropriated and unreserved land" to include land categories currently utilized by the State. Land extensive categories such as "resource management, forestry, wildlife habitat and water resources" would be specifically included.

Comments

The Department of Community and Regional Affairs supports the proposed legislation because of its beneficial effect on municipalities. The political subdivisions of the State should be entitled to share the benefits of increased State land within their boundaries whenever the increase occurs. The proposed legislation allows municipalities to share the good fortunes of the State whenever the State receives additional land within the municipal boundaries. Beneficiaries of the proposed legislation would include the proposed Northwest Arctic Borough, the Matanuska-Susitna Borough, the City of Anderson, the North Slope Borough, and cities such as Yakutat that may be annexing State land in the future.

SB 414
March 10, 1986
Page Two

One of the Department's goals is to support the formation of local governments when it is desired by residents of the area. Under current laws, the municipal land entitlement is based on the amount of State land within the municipal boundaries at the time of incorporation. Thus, the decision to incorporate a local government at a particular time may be significantly influenced by whether or not the State has received land in the area being considered for incorporation. Because the proposed legislation allows the municipal land entitlement to be determined as the State receives land, the amount of State land in the area proposed for incorporation becomes less of a factor in the decision to incorporate. Local residents can concentrate more debate on the need for and desirability of local government rather than on the timing of State land selections. Moreover, the proposed legislation would allow municipalities to increase their entitlements when annexing areas containing State land, consistent with the overall intent of the entitlement program. It would also serve to institute a consistent framework for entitlements, rather than continue the piecemeal approach that had been followed in the past when the Legislature addressed the issue of entitlements for the cities of Pelican and Whittier.

The Department urges that the Legislature adopt the amendments to AS 29.65.130(10)(C) contained in Section 4 of the bill as introduced. The municipal land entitlement is based on the amount of land considered to be "vacant, unappropriated and unreserved". Under AS 29.65.130(10)(C) the State land classifications, which are considered "vacant, unappropriated and unreserved" for purposes of determining municipal land entitlements, are listed. Many future boroughs, and to some extent future cities, are expected to contain significant amounts of State land classified as forestry or wildlife habitat. Therefore it is of particular importance that the State land classifications of forestry and wildlife habitat remain in the list of classifications considered "vacant, unappropriated and unreserved" for purposes of determining municipal land entitlements.



Emil Notti, Commissioner

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 03-13-86

REQUEST

Bill/Resolution No. : SSSB 414
 Title : Municipal Land Entitlements

Sponsor : Sen. Ferguson
 Requestor : Sen. C&RA
 Date of Request : 03-13-86

FISCAL DETAIL

Agency Affected : Natural Resources
 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		165.9	91.9	43.0	43.0	43.0
TRAVEL		12.0	6.0	4.0	4.0	4.0
CONTRACTUAL		21.0	10.5	6.0	6.0	6.0
SUPPLIES		.3	.3	.2	.2	.2
EQUIPMENT		.9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		200.1	108.7	53.2	53.2	53.2

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		200.1	108.7	53.2	53.2	53.2
FEDERAL FUNDS						
OTHER						
TOTAL		200.1	108.7	53.2	53.2	53.2

POSITIONS :

FULL-TIME		4	2	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached.

Prepared by : Gary Johnson *[Signature]* Phone : 762-4355
 Division : Land & Water Management Date : 03-11-86

Approved by Commissioner : *[Signature]* D *[Signature]* Date : 3/14/86
 Agency : Natural Resources

Distribution (by Agency preparing fiscal note) :

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

03-14-86

Analysis - SSSB 414

The analysis includes funding for two Nat'l Res Officer II and two Nat'l Res Tech II. These positions will be placed in the regional offices to determine entitlements for the entities in the region.

Most of the work to prepare certificates of entitlement will occur in the first year of the project. Successive years will require less intense activity to update land records in preparation of annual certificates, thus fewer employees will be needed in succeeding years. In the second year the department anticipates the project requiring only two Nat'l Res Officer II positions to continue with certification and decision processing. In years 89,90, and 91, we anticipate handling the statewide workload with a single NRO II.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 414
 Title : Municipal Land Entitlements

Sponsor : Sen Ferguson
 Requestor : Sen. C. & R. A.
 Date of Request : 03-07-86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land & Water Mgmt-Public Use

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		218.4				
TRAVEL		12.0				
CONTRACTUAL		21.0				
SUPPLIES		3				
EQUIPMENT		9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		252.6	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		252.6	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL		252.6	-0-	-0-	-0-	-0-

POSITIONS :

FULL-TIME		5				
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

The analysis includes funding for 4 Nat'l Res Officer II and 1 Nat'l Res Tech II. These positions will be placed in the Regional Offices to determine entitlements for the entities in the region.

Prepared by : Gary Johnson *RMJ*
 Division : Land & Water Mgmt.

Phone : 762-4355
 Date : 03-11-86

Approved by Commissioner : *Wm D Amos*
 Agency : Natural Resources

Date : 3/11/86

Distribution (by Agency preparing fiscal note) :

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