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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.

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
no consideration.

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11 (d) Land classified under AS 38.05.300 for wildlife habitat only
12 may not be selected or conveyed in fulfillment of a general grant land
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 municipi-
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 acre, the municipality may select vacant

Handwritten notes:
under 29.65.015
repealed
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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.

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

26 (i) Nothing in this section affects the legal rights of any
 27 person with regard to selections of school land, university land, or
 28 mental health land made by a municipality on or before June 1, 1986.

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

Oct 4 '85

David Walker

*school
 mental health
 university
 land
 may need
 attention*

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

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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 ^{shall} ~~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
 CS 2d SSSB 414(Res)

*no funds
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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(d).

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

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allow for exchange of
lands of interest*

*Need explanation
Dorothy Jones
Wants to know*

*What does this
mean*

Cook
4/23/86

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.

dr

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;

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22 9070
23 23

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

(3) conveyances of legal title to land before January 1, 1987, and thereafter under AS 29.65.010; *add appropriate (020 or 030 or 015)?* *TRAM 5/13/87 no keep*

(4) payments for land before January 1, 1987, and thereafter under AS 29.65.080;

(5) disposals of land to the municipality before January 1, 1987, and thereafter under AS 38.05.810 for ~~which the state receives no consideration less than~~ *market value.*

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

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

* Sec. 3. AS 29.65.040 is repealed and reenacted to read: *(4) Conveyances under this Chapter are subject to AS 38.05.035 (e)*

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

(b) A general grant land entitlement under AS 29.65.015 is a property right that vests on the date of incorporation of the municipality. The entitlement must be fulfilled in accordance with AS 29.65.025.

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

(a) If an entitlement determined under AS 29.65.010 or 29.65.015 [29.65.020] results in a per capita entitlement for the municipality of less than one and one-half acre, the municipality may select vacant

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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~~ ^{Oct 4, 85}.

16 *OK which may pursue the agreement under section 15 (new 14)*
 17 (h) A municipality is entitled to just compensation in the form

18 of land or other payment for a selection made by it under this section
 19 or former AS 29.18.206 ^{in (Chapter 80 session 2/24/85) was} that ~~is~~ pending or on timely appeal on April 1,
 20 1986, and that cannot be conveyed to the municipality as a result of
 21 final judicial action or law, except that no compensation is required
 22 for a selection of land by a municipality within a special use area
 23 under AS 16 or AS 41 or for a selection of land not qualified to be
 24 selected under this section or former AS 29.18.206. Compensation
 25 under this subsection shall be credited against the municipality's
 26 remaining land entitlement under this chapter.

27 (i) Nothing in this section affects the legal rights of any
 28 person with regard to selections of school land, university land, or
 29 mental health land made by a municipality on or before ~~June 1, 1986~~ ^{Oct 4, 1985}.

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

Handwritten notes in left margin:
 16-17: *OK*
 18-20: *Chapter 80 session 2/24/85*
 21-22: *check*
 23-24: *OK*
 25-26: *OK*
 27-28: *OK*

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 *OK* 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 (h) *repealed and reinserted (h)*
 29 Payment under this section shall be made into a municipal
 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 ^{shall} ~~may~~ negotiate with and ^{OK} ~~may~~
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, ^{1986 ok} 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~~ ^{Reservations di} 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. ~~Not to be used~~ ^{di}

17 * Sec. 16. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, ~~29.65.090~~ ^{di}
 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.

Not out language

Cook
4/25/86 ✓

Original sponsor: Ferguson

ARLISS

OK

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.

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 received
9 ~~less than market value.~~ *receives 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 35.05.125.

17 *added* (f) Conveyances of land under this chapter are subject to
18 AS 38.05.035(e).

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

20 Sec. 29.65.040. STATUS OF ENTITLEMENTS. *After January 1, 1987* (a) A general grant
21 land entitlement under AS 29.65.010 is a vested property right that
22 must be fulfilled in accordance with AS 29.65.025, 29.65.060, and
23 29.65.080.

24 (b) A general grant land entitlement under AS 29.65.015 is a
25 property right that vests on the date of incorporation of the municipi-
26 pality. The entitlement must be fulfilled in accordance with AS 29.-
27 65.025.

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

29 (a) If an entitlement determined under AS 29.65.010 or 29.65.015

1 [29.65.020] results in a per capita entitlement for the municipality
 2 of less than one and one-half acre, the municipality may select vacant
 3 school land or mental health land in the municipality in partial
 4 fulfillment of its land entitlement under this chapter. School land
 5 or mental health land may be selected notwithstanding the fact that
 6 this land is not unappropriated and unreserved within the meaning of
 7 this chapter and under former AS 29.18.190 and 29.18.200, but each
 8 selection of school land or mental health land by a municipality must
 9 be vacant, unappropriated, or unreserved land as defined in this
 10 chapter, except that it need not be general grant land.

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

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

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

16 (g) Notwithstanding (a) of this section, a municipality may not
 17 select school land or mental health land after ^{June 1, 1986} ~~October 4, 1985~~.

18 (h) Nothing in this section affects the legal rights of any
 19 person with regard to selections of school land, university land, or
 20 mental health land made by a municipality on or before ^{June 1, 1986} ~~October 4,~~
 21 ~~1985~~.

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

23 (i) A municipality ~~that may enter into an agreement under~~
 24 ~~sec. 15~~ of this Act is entitled to just compensation in the form of
 25 land or other payment for a selection made by it under this section or
 26 former AS 29.18.206 (ch. 180, SLA 1978) that was pending or on timely
 27 appeal on April 1, 1986, and that cannot be conveyed to the
 28 municipality as a result of final judicial action or law, except that
 29 compensation is not required for a selection of land by a municipality

1 within a special use area under AS 16 or AS 41 or for a selection of
2 land not qualified to be selected under this section or former AS
3 29.18.206. Compensation under this subsection shall be credited
4 against the municipality's remaining land entitlement under this
5 chapter.

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

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

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

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

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

16 (3) "general grant land"

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

20 (B) does not include mental health land, school land,
21 or university land;

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

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

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

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

1 (C) is unclassified or, if classified under AS 38.-
 2 05.300, is classified for agricultural, ^{removed material} grazing, ^{removed transportation corridors} public recre-
 3 ation, resource management, settlement, forestry, or wildlife
 4 habitat [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDEN-
 5 TIAL, UTILITY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in
 6 accordance with an agreement between a municipality and the state
 7 providing for state management of land of the municipality.

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

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

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

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

26 (1) state land classified as agricultural land that has
 27 been selected by a municipality under the provisions of former AS 29.-
 28 18.190 - 29.18.200 if the selection is an approved selection before
 29 April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or

1 former AS 29.18.205(b); or

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

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

9 * Sec. 15. The commissioner of natural resources shall negotiate with
10 and may enter into an agreement to convey state land to a borough or
11 unified municipality whose entitlement under AS 29.65.010 in the commis-
12 sioner's determination cannot be fulfilled by January 1, 1987, if the
13 borough or unified municipality elects in writing before January 1, 1987,
14 to pursue a settlement of that existing entitlement. The commissioner has
15 authority under this section to convey state land without regard as to
16 whether the land is vacant, unappropriated, unreserved land as defined
17 under AS 29.65.130(10) if the commissioner determines, after public notice,
18 that the land lies outside the smallest practicable tract of land actually
19 used in connection with the administration of a state function on July 1,
20 1986, except the commissioner may not convey land owned by another state
21 agency without its consent. *Land may not be conveyed under this
22 up to w/o consultation* Land conveyed to a borough or a unified munic-
23 ipality under an agreement entered into under this section may constitute
24 complete fulfillment of the municipality's general grant land entitlement
25 as specified in the agreement and agreed to by both parties. Conveyances
26 under an agreement entered into under this section may not contain reser-
27 vations or conditions that are not required to be imposed by law, except
28 restrictions or conditions agreed upon by the parties. (29.65.090 deleted)

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

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

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

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

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Cook
4/10/86

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 ~~ma~~ 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 Decem. 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 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 is repealed and reenacted to read:

27 Sec. 29.65.060. SCHOOL, UNIVERSITY, AND MENTAL HEALTH LAND. (a)
28 School land, university land, and mental health land within the bound-
29 aries of a municipality may not be included for purposes of

1 determining the general grant land entitlement of that municipality.

2 (b) A municipality may not receive school land, university land,
3 or mental health land in fulfillment of its general grant land en-
4 titlement.

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

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

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

29 (g) Payments authorized by this section may only [NOT] be made

1 to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010
2 [AS 29.65.020 OR 29.65.030].

3 * Sec. 7. 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. 8. 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. 9. 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. 10. 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. 11. 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. 12. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090
28 and 29.65.110 are repealed.

29 * Sec. 13. Sections 4 and 11 of this Act take effect immediately in

1 accordance with AS 01.10.070(c).

2 * Sec. 14. Sections 1 - 3, 5 - 10, and 12 of this Act take effect Janu-
3 ary 1, 1987.

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Offered: 3/28/86
Referred: Resources

Original sponsor: Ferguson

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE SENATE

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

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

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

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

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

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

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

1 { credited toward fulfillment of the entitlement for that municipality.

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

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

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

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

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

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

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

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

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

1 entitlement will, for the purpose of deficiency payment under this
2 subsection, be considered as land physically suitable for residential,
3 commercial, or industrial purposes. A municipality eligible under
4 this subsection is entitled to receive a payment for land deficiency
5 equal to \$1,000 per acre for a number of acres equal to the difference
6 between one-third of the population of the municipality less the
7 number of acres physically suitable for residential, commercial or
8 industrial purposes that has been selected by the municipality. For
9 the purpose of this subsection, the population of the municipality
10 shall be the population determined by the commissioner under former
11 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-
12 ipality whose entitlement was determined under former AS 29.16.201 [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.

Original sponsor: Adams

INCLUDES Pouchot amendments

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 2nd CS FOR HOUSE BILL NO. 587 (Finance)

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 have 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 ^A general grant land entitlement under former AS 29.18.201-.202 or
20 AS 29.65.010 is a vested
21 property right that must be fulfilled in accordance with AS 29.65.025,
22 ~~and 29.65.080[.]~~ and ~~former~~ AS 29.65.060.

23 (b) A general grant land entitlement under AS 29.65.015 is a
24 property right that vests on the date of incorporation of the munici-
25 pality. The entitlement must be fulfilled in accordance with AS 29.-
26 65.025.

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

28 Sec. 29.65.060. SCHOOL, UNIVERSITY, AND MENTAL HEALTH LAND. (a)
29 School land, university land, and mental health land within the bound-
aries of a municipality may not be included for purposes of

1 determining the general grant land entitlement of that municipality.

2 (b) A municipality may not receive school land, university land,
3 or mental health land in fulfillment of its general grant land en-
4 titlement.

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

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

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

29 (g) Payments authorized by this section may only [NOT] be made

AS 29.65.080 is amended to add the following section:

(h) Compensation under this section shall be made into a municipal land bank or land trust account created by municipal ordinance, whose purpose shall be to apply such compensation in land or other receipts toward the acquisition of land necessary for public purposes, which land may be otherwise unavailable to the municipality.

to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010 [AS 29.65.020 OR 29.65.030].

INSERT HERE

* Sec. 7. AS 29.65.130(3) is amended to read:

(3) "general grant land"

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

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

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

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

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

(B) has not been approved for patent to a municipality under this chapter or former AS 29.18.190 and 29.18.200; or

(C) is unclassified or, if classified under AS 38.05.300, is classified for agricultural, grazing, material, public recreation, resource management, settlement, transportation corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in accordance with an agreement between a municipality and the state providing for state management of land of the municipality.

* Sec. 9. AS 38.05.321(b) is amended to read:

(b) State land classified as agricultural land that has been selected by a municipality under former AS 29.18.190 - 29.18.200 or 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. 10. 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. 11. 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.

1 * Section 12. The commissioner of natural resources may negotiate and enter
 2 into an agreement with a borough or unified municipality whose entitlement
 3 under AS 29.65.01C has not been fulfilled on the date of enactment of this
 4 Act, if the borough or municipality elects in writing prior to January 1,
 5 1987 to pursue a settlement of that existing entitlement. The commissioner's,
 6 authority to negotiate such an agreement to convey state land within the
 7 municipality's boundaries shall be without regard to whether the land is
 8 vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if
 9 the commissioner determines, after notice and review, that the land lies
 10 outside the smallest practicable tract enclosing land actually used in
 11 connection with the administration of any state function by the holding agency
 12 on the date of enactment of this Act. Land conveyed to a borough or unified
 13 municipality under an agreement entered into under this section may constitute
 14 complete fulfillment of the municipality's general grant land entitlement.
 15 Conveyances by agreement under this section shall contain no restrictions or
 16 conditions which are not required to be imposed by statute.

17 13
 18 * Sec. [12] AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090
 19 and 29.65.110 are repealed.

20 * Sec. ¹⁴[13] Sections 4, [and] ^{AND 12}11 of this Act take effect immediately in
 21 accordance with AS 01.10.070(c).

22 * Sec. 15. Sections 1-3, 5-10, and 13 of this Act take effect January 1, 1987.
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(NEGOTIATION: Sec. 13 of the bill)

Sec. 13. The commissioner of natural resources may negotiate with and enter into an agreement to convey state land to a borough or unified municipality whose entitlement under AS 29.65.010 in the commissioner's determination cannot be fulfilled as of January 1, 1987, if the borough or unified municipality elects in writing before January 1, 1987, to pursue a settlement of that existing entitlement. The commissioner has authority under this section to convey state land without regard as to whether the land is vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if the commissioner determines, after public notice, that the land lies outside the smallest practicable tract of land actually used in connection with the administration of a state function on ^{July} ~~July~~ 1, 1987, except that the commissioner may not convey lands owned by another state agency without its consent. Land conveyed to a borough or a unified municipality under an agreement entered into under this section may constitute complete fulfillment of the municipality's general grant land entitlement as specified in the agreement and agreed to by both parties. Conveyances under an agreement entered into under this section may contain no restrictions or conditions that are not required to be imposed by law, except those restrictions or conditions mutually agreed upon by the parties.

(COMPENSATION: Add at AS 29.65.060)

of the bill.

(c) A municipality shall be entitled to just compensation for any selection made by it under former AS 29.18.206 or 29.65.060 which was pending, or on timely appeal, on April 1, 1986, and which cannot be conveyed to the municipality as a result of any final judicial action or legislative enactment, except that no compensation is required for any selection of land by a municipality within a special use area designated by the Legislature under AS 16 or AS 41 or for any selection of land that is not vacant, unappropriated, and unreserved land as defined under AS 29.65.130(10), provided that nothing in this ~~act~~ *section act* shall affect the legal rights of any party with regard to any selection of school, university, or mental health land by a municipality prior to June 1, 1986.

(MENTAL HEALTH/UNIVERSITY/SCHOOL LANDS: Revise 060(b) in the bill to read:)

(b) After June 1, 1986, a municipality may not select school, university, or mental health land in fulfillment of its general grant land entitlement provided that nothing in this act shall affect the legal rights of any party with regard to any selection of school, university, or mental health land by a municipality prior to June 1, 1986.

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P.02

Municipality of Anchorage
 Amendments to Senate Bill No. 414
 (additions underlined, deletions [bracketed])

Offered: 3/28/86
 Referred: Resources
 Original Sponsor: Ferguson

IN THE SENATE

BY THE COMMUNITY AND
 REGIONAL AFFAIRS COMMITTEE

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

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

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

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

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

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

Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipality is eligible for only one general grant land entitlement. A

Apr 10, 86 12:41 PURCHASING MUNICIPALITY OF ANCHORAGE 907 274 5718

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municipality that qualifies for an entitlement under AS 29.65.010 and 29.65.015 shall receive the larger of the two entitlements.

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

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

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

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

Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) [After January 1, 1987, a]A general land grant entitlement under former AS 29.18.201-.202 or AS 29.65.010 is a vested property right that must be fulfilled in accordance with AS 29.65.025 and 29.65.080[.], and former AS 29.65.060. *ch*

(b) A general grant land entitlement under AS 29.65.015 is a property right that vests on the date of incorporation of the municipality. The entitlement must be fulfilled in accordance with AS 29.65.025.

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

Sec. 29.65.060. SCHOOL AND MENTAL HEALTH LAND. (a) School land and mental health land within the boundaries of a municipality may not be included for purposes of determining the general grant land entitlement of that municipality.

(b) After the date of enactment of this Act, [A] municipality may not select [receive] school land or mental health land in fulfillment of its general grant land entitlement. *No*

(c) A municipality shall be entitled to just compensation, at fair market value, for any selection made by it of university, school or mental health land under former AS 29.18.206 or 29.65.060 which is pending, or on timely appeal, on the date of enactment of this act and which cannot be conveyed to the municipality as a result of any final judicial decision or legislative enactment. Payment of compensation under this section shall be made as provided in Sec. .080(h) of this chapter. *PAT Purchase*

* Sec. 5. AS 29.65.100 is amended by adding a new subsection to read:

(d) On or before January 1, 1988, the Commissioner of Natural Resources shall negotiate and conclude the purchase of the Eagle River Greenbelt, as depicted in that document entitled the "Eagle River Greenbelt Plan" and dated ~~March 1986~~ April 1985. Upon such acquisition, the lands acquired shall be dedicated to public park and recreation purposes. If the Commissioner fails to complete the purchase within the time provided, the Municipality of Anchorage, at its option, may acquire the Eagle River Greenbelt under municipal authority for the purposes specified, in which event the municipality shall be fully compensated by the state for its costs of acquisition.

Rec'd by [unclear] 7/11/86

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

(b) A municipality shall receive payment for its land deficiency from the municipal land account. A municipality is eligible to receive payment for land deficiency if, after July 1, 1980, the amount of land selected by a municipality that is physically suitable for residential, commercial, or industrial purposes amounts to less than one-third acre per capita. Any entitlement under AS 29.65.010 that is less than one-third acre per capita will, for the purposes of this subsection, be considered a land deficiency. An unselected remaining entitlement will, for the purpose of deficiency payment under this subsection, be considered as land physically suitable for residential, commercial, or industrial purposes. A municipality eligible under this subsection is entitled to receive a payment for land deficiency equal to \$1,000 per acre for a number of acres equal to the difference between one-third of the population of the municipality less the number of acres physically suitable for residential, commercial or industrial purposes that has been selected by the municipality. For the purpose of this subsection, the population of the municipality shall be the population determined by the commissioner under former AS 43.18.010 for the program year beginning July 1, 1978, for a municipality whose entitlement was determined under former AS 29.18.201. No payment may be made to a municipality under this subsection in excess of \$9,000,000.

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

(g) Payments authorized by this section may only be made to a municipality for an entitlement under AS 29.65.010.

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Gravel

(h) Payments under this section shall be made into a municipal land bank or land trust account created by municipal ordinance, whose purpose shall be to apply such payments and other receipts toward the acquisition of land necessary for public purposes, which land may be otherwise unavailable to the municipality.

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

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

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

(B) has not been approved for patent to a municipality under this chapter or former AS 29.18.190 and 29.18.200; or

(C) is unclassified or, if classified under AS 38.05.300, is classified for agricultural, grazing, material, public recreation, resource management, settlement, transportation corridor, forestry, or wildlife habitat or is classified in accordance with an agreement between a municipality and the state providing for state management of land of the municipality.

* Sec. 9. AS 38.05.321(b) is amended to read:

(b) State land classified as agricultural land that has been selected by a municipality under former AS 29.18.190 - 29.18.200 or former AS 29.18.205(e) may be approved by the director for patent under AS 29.65; however, only rights in the land for agricultural purposes may be transferred and all other interests in the land will

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remain with the state. Agricultural land approved for patent to a municipality shall be credited, acre for acre, toward fulfillment of that municipality's entitlement under AS 29.65 or former AS 29.18.201 - 29.18.203. If the director later determines it to be in the best interests of the state to transfer some or all of the additional rights in that approved or patented agricultural land, those rights shall pass without consideration to the municipality in which the land is located. The notice and review provisions of AS 38.05.945 are applicable to conveyance of rights under this section.

* Sec. 10. AS 38.05.321(c) is amended to read:

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

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

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

* Sec. 11. Before January 1, 1987, the Department of Natural Resources shall consult with each municipality affected by this Act regarding classifications of state land within its boundaries and shall assist the municipality in identifying land suitable for selection in fulfillment of its general grant land entitlement.

* Sec. 12. [Before January 1, 1987, t]The commissioner of natural resources may negotiate and enter into an agreement with a borough

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or unified municipality whose entitlement under AS 29.65.010 has not been fulfilled on the date of enactment of this Act, if the borough or municipality elects in writing to pursue a settlement of that existing entitlement, which election shall waive any claim to an additional entitlement under Sec. 015 of this chapter. The commissioner's authority to negotiate such an agreement to convey state land within the municipality's boundaries shall be without regard to whether the land is vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if the commissioner determines, after notice and review, that the land lies outside the smallest practicable tract enclosing land actually used in connection with the administration of any state function by the holding agency on the date of enactment of this Act. [the land is not necessary for retention by the state. Land conveyed to a borough or unified municipality under an agreement entered into under this section constitutes complete fulfillment of the municipality's general grant land entitlement and the municipality is not entitled to additional land under this Act.] Conveyances by agreement under this section shall contain no restrictions or conditions which are not required to be imposed by existing law.

* Sec. 13. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090 and 29.65.110 are repealed.

* Sec. 14. Sections 4, ^{5, 11 and 12} ~~10, and 11~~ of this act take effect immediately in accordance with AS 01.10.070(c).

* Sec. 15. Sections 1 - 3, ⁶⁻¹⁰ ~~5-9~~, and ¹³ ~~12~~ of this Act take effect January 1, 1987.

Sen Sturgulowski

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

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percent of the maximum total acreage of vacant, unappropriated, unre-

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served land within its boundaries at any time between the date of its

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incorporation and two years after the expiration of the state's right

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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-

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ity is eligible for only one general grant land entitlement. A munic-

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ipality that qualifies for an entitlement under AS 29.65.010 and

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29.65.015 shall receive the larger of the two entitlements.

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(b) A municipality may not receive a general grant land en-

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titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

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(c) All conveyances of legal title to land by the state to a

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municipality under AS 29.65.010 or a former law shall be credited

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toward fulfillment of the entitlement for that municipality. All

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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 municipi-
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 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.

Check as to how long selection rights

Offered: 3/28/86
Referred: Resources

Original sponsor: Ferguson

1 IN THE SENATE BY THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
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 29.6. .10 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 * S. c. 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 boundarier 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.

Jan 2, 1984

Introduced: 3/11/86
Referred: Community and Regional
Affairs and Finance

Original - Statute
Approved July 29
July 38
Land
Entitlements

1 IN THE SENATE

BY FERGUSON

2 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 municipal land entitlements; and
7 providing for an effective date.

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

9 * Section 1. AS 29.65.010(b) is amended to read:

10 (b) This section is a continuation of the provisions of former
11 AS 29.18.201 and does not grant additional entitlements, although if
12 an entitlement established under AS 29.65.020 or 29.65.030 exceeds the
13 entitlement in (a) of this section, the municipality shall receive the
14 larger entitlement. The entitlement for a municipality may not exceed
15 400,000 acres.

16 * Sec. 2. AS 29.65.020(a) is amended to read:

17 Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR MUNICIPALITIES
18 [CITIES]. (a) The general grant land entitlement of a municipality
19 [CITY] formerly eligible to receive general grant land under the
20 provisions of former AS 29.18.190 and 29.18.200 is 10 percent of the
21 maximum total acreage of vacant, unappropriated, unreserved land
22 within [IN] the boundaries of each municipality [CITY] at any time
23 between the initial date of eligibility under former AS 29.18.190 and
24 29.18.200 and two years after the expiration of the state's right to
25 make selections under sec. 6(a) or (b) of the Alaska Statehood Act.
26 By January 1 of each calendar year [JULY 1], 1978. WITHIN SIX MONTHS
27 AFTER JULY 1, 1978,] the director shall determine or update the en-
28 titlement for each municipality [CITY] eligible to receive general
29 grant land under this section [FORMER AS 29.18.202] and certify that
S

1 entitlement to the municipality [CITY].

2 * Sec. 3. AS 29.65.020(b) is repealed and reenacted to read:

3 (b) Other conveyances of state land to a municipality shall
4 counted toward fulfillment of a municipality's entitlement.

5 * Sec. 4. AS 29.65.030(a) is amended to read:

6 Sec. 29.65.030. DETERMINATION OF ENTITLEMENT FOR [NEWLY INCOR
7 PORATED] MUNICIPALITIES. (a) The general grant land entitlement of
8 municipality incorporated after July 1, 1978, is 10 percent of th
9 total acreage of vacant, unappropriated, unreserved land within th
10 boundaries of the municipality at any time between the date of incor
11 poration and two years after the expiration of the state's right t
12 make selections under secs. 6(a) and (b) of the Alaska Statehood Ac
13 [ON THE DATE OF ITS INCORPORATION].

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

15 Sec. AS 29.65.060. SCHOOL, UNIVERSITY, AND MENTAL HEALTH LAND

16 (a) The acreage of school, university, or mental health land, if any
17 may not be included in the determination of entitlement under AS 29.
18 65.010, 29.65.020 or 29.65.030.

19 (b) Municipalities may not select school, university, or menta
20 health land under this chapter.

21 * Sec. 6. AS 29.65.130(10) is amended to read:

22 (10) "vacant, unappropriated, unreserved land" means genera
23 grant land as defined in (3) of this section, excluding minerals a
24 required by sec. 6(i) of the Alaska Statehood Act, that

25 (A) has not been set aside by statute for one or mor
26 particular uses or purposes;

27 (B) has not been approved for patent to a municipalit
28 under this chapter or former AS 29.18.190 and 29.18.200; or

29 (C) is unclassified or, if classified unde

1 AS 38.05.300, is classified for agricultural, grazing, material,
2 public recreation, resource management, settlement, transporta-
3 tion corridor, forestry, wildlife habitat and water resources,
4 [COMMERCIAL, INDUSTRY, PRIVATE RECREATIONAL, RESIDENTIAL, UTILI-
5 TY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in accordance
6 with an agreement between a municipality and the state providing
7 for state management of land of the municipality. *

8 * Sec. 7. AS 29.65 is amended by adding a new section to read:

9 Sec. 29.65.150. MUNICIPALITY PARTICIPATION. The department
10 shall coordinate and consult with the affected municipality in identi-
11 fying or classifying state land before the effective date of secs. 1 -
12 6 of this Act.

13 * Sec. 8. AS 29.65.030(c), 29.65.040(e), 29.65.050(b) and (c), 29.65.-
14 090 and 29.65.110 are repealed.

15 * Sec. 9. Section 7 of this Act takes effect immediately in accordance
16 with AS 01.10.070(c).

17 * Sec. 10. Sections 1 - 6 and 8 of this Act take effect January 1,
18 1987.

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 10, 1986

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.

- POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 563-1073

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

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

March 11, 1986

The Honorable Edna DeVries
Chair, Community and Regional
Affairs Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

I am writing with regard to SB 414, relating to municipal entitlements. The Department supports the concept of this bill and approves of changes made in the sponsor substitute. The bill now serves the interests of both increasing municipal entitlement opportunities in Alaska and cleaning up language in the existing statute.

Municipal land entitlements serve a variety of public policy goals. They increase the ability of local government to advance local purposes such as economic development or land conservation. They reduce the state's management responsibilities and role within organized areas, shifting some of the costs, difficulties, and benefits of land management from the state to local governments. They also can serve as an incentive for the organization or new boroughs and cities, to the long-term benefit of Alaska's citizens.

The proposed bill is expected to provide state lands to between ten and twenty communities which received a zero entitlement under the last municipal entitlement rewrite in 1978. Another ten to twenty communities will receive state land before 1996. A few communities which have already received land will see their existing entitlements increase. Our staff are not able to quantify the amount of state acreage that would be conveyed under SB 414, nor have we been able to identify conclusively the communities which will benefit; these tasks would require some very detailed and expensive work on the status plats. However, I am attaching some general information on the amount of state land in classifications which might be available for selection under SB 414, and a summary of municipal entitlement conveyances made to date.

The Hon. Edna Devries

- 2 -

March 11, 1986

As you can see from the enclosures, about 67.8 million acres of state land are classified in categories that would be open for selection. We do not know how much of this land is within city or borough boundaries, nor do we know how much of it is within the boundaries of communities which have already received all or most of their entitlement under previous entitlement programs.

Please contact me if you have questions or comments on the department's position on the bill. Thank you.

Sincerely,

Esther C. Wunnicke

f Esther C. Wunnicke
Commissioner

Attachments

cc: Senator Ferguson

ATTACHMENT ONE
Municipal conveyances (2/86)

<u>Municipality</u>	<u>Acreage</u>
Ketchikan	0.5
North Pole	0.5
Dillingham	1.0
Soldotna	14.0
Fairbanks, City	15.0
Hoonah	15.0
Homer	16.0
Kodiak	32.0
Port Lions	35.0
Bethel	40.0
Yakutat	75.0
Kupreanof	180.0
Cordova	235.0
Ouzinkie	240.0
Kenai	307.0
Wrangell	310.0
Delta Junction	400.0
Houston	405.0
Petersburg	461.0
Skagway	500.0
Seward	562.0
Whittier	600.0
Thorne Bay	612.0
Haines Borough	2,800.0
Bristol Bay Borough	2,898.0
Tenakee Springs	2,958.1
Valdez	4,805.0
Sitka, City and Borough	10,500.0
Ketchikan Gateway Borough	11,593.0
Juneau, City and Borough	19,584.0
Anchorage, Municipality	44,893.0
Kodiak Island Borough	56,500.0
Fairbanks Northstar Borough	112,000.0
Kenai Peninsula Borough	155,780.0
Matanuska-Susitna Borough	355,210.0

ATTACHMENT TWO
State Land Classifications (12/85)

<u>State land in categories open to selection:</u>	<u>Acreege:</u>
Unclassified	11,200,000
Agriculture	629,000
Grazing	152,750
Material	5,100
Public recreation	1,400,000
Resource management	39,800,000
Settlement	2,900,000
Transportation corridor	0
Forestry	3,200,000
Wildlife habitat	1,900,000
Water resources	127,500
Wildlife habitat/Public recreation	6,200,000
Forestry/Wildlife habitat	283,000
Wildlife habitat/Water resources	55,000
	<hr/>
TOTAL STATE ACREAGE IN AVAILABLE CATEGORIES	67,852,350

<u>State land not in categories open to selection:</u>	<u>Acreege:</u>
Legislatively designated areas	8,000,000
Minerals	83,750
Minerals/Wildlife habitat/Public recreation	2,100,000
Oil and gas/Wildlife habitat	352,000
Oil and gas/Wildlife habitat/Public recreation	2,400,000
Reserved use	600,000
Coal	2,500
Resource assessment	150,000
	<hr/>
TOTAL STATE ACREAGE NOT IN AVAILABLE CATEGORIES	13,688,250

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						
---------	--	--	--	--	--	--

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 : Thomas D. Amundson
 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)

MEMORANDUM**State of Alaska**

DEPARTMENT OF NATURAL RESOURCES - Division of Land and Water Management

TO: Tom Hawkins, Director
Land and Water Management

DATE: February 26, 1986

FILE NO: 9102

TELEPHONE NO: 276-5755

FROM: Frank Tyler, NRO *FT*

SUBJECT: Muni Entitlement Data for
Senator Sturgulewski

Here are printouts from data stored on the P.C. concerning the municipal entitlements program. There are two lists, each being described separately.

Municipalities By Incorporation Date. This is a list of all local governments in ascending order by incorporation date. Incorporation date is the second column on the sheet. The first municipality listed is Ketchikan, a home rule city which was incorporated in 1900 with an entitlement of 0.5 Acres. The primary purpose of the entitlements in response to the 1978 changes established in AS 29.18.202 was done in August 1978. Therefore if you desire to know what cities have had an entitlement determined by the department subsequent to 1978, turn to page 4. The City of Sand Point was incorporated in 1978 and the municipalities listed after this also fall within the class of municipalities which have had a municipal entitlement by the department subsequent to 1978.

Municipalities by entitlement, ascending order. This is the title of the second printout. This is the same data as the first list; this list is just ordered differently. The third column shows the acres of entitlement for the local government. As you can see from a cursory glance that the first three pages are "zero entitlement cities."

DISCLAIMERS/CAVEATS AND CAUTIONS.

The column with "entitlement acres" may appear at times to have incorrect information. Example is Whittier which did not receive acreage under AS 29.18.202. The legislature passed a session law which stated that: we know that Whittier has not entitlement because DNR determined that there was a zero entitlement, but there are special circumstances and the legislature hereby grants to Whittier 600 Acres. The reason this municipality and others in the same class are on the printout is that this entitlement is administered by this office with this program.

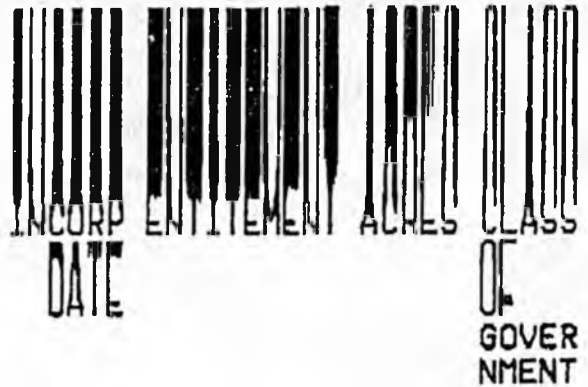
DATA DEFINITIONS

The only data column which may not be immediately apparent in its meaning is the "Class of Government": "1" is a first class city; "2" is a second class city; "x" is a city organized under federal law; "m" is a home rule city; "u" is a unified municipality; "b" is a borough.

TH/FLT/ka

MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY



MUNICIPALITY	INCORP DATE	ENTITLEMENT	ACRES	CLASS OF GOVERNMENT
	0		0.0	
	0		0.0	
Ketchikan	0		0.5	m
Skagway	0		500.0	1
Eagle	1		0.0	2
Nome	1		0.0	1
Valdez	1		4805.0	m
Fairbanks, City	3		15.0	m
Wrangell	3		310.0	m
Cordova	9		235.0	m
Haines	10		0.0	1
Petersburg	10		461.0	m
Seward	12		562.0	m
Nenana	21		0.0	m
Craig	22		0.0	1
Hydaburg	27		0.0	1
Klawock	29		0.0	1
Saxman	30		0.0	2
Kodiak	40		32.0	m
Unalaska	42		0.0	1
Pelican	43		0.0	1
Metlakatla	44		0.0	x
Seldovia	45		0.0	1
Hoonah	46		15.0	1
King cove	47		0.0	1
Yakutat	48		75.0	1
Palmer	51		0.0	m
Kake	52		0.0	1
North Pole	53		0.5	m
Anaktuvuk Pass	57		0.0	2
Bethel	57		40.0	s
Kotzebue	58		0.0	2
Barrow	59		0.0	1
Fort Yukon	59		0.0	2
Delta Junction	60		400.0	2
Kachemak	61		0.0	2
Anderson	62		0.0	2
Bristol Bay Borough	62		2898.0	b
Kenai	62		307.0	m
Wainwright	62		0.0	2
Angoon	63		0.0	2
Dillingham	63		1.0	1
Gambell	63		0.0	2
Ketchikan Gateway Borough	63		11593.0	b
Kodiak Island Borough	63		56500.0	b
Nulato	63		0.0	2
Teller	63		0.0	2
Emmonak	64		0.0	2
Fairbanks Northstar Borough	64		112000.0	b

02/24/85

MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY	INCORP DATE	ENTITEMENT ACRES	CLASS OF GOVER NMENT
Homer	64	16.0	1
Kenai Peninsula Borough	64	155780.0	b
Kiana	64	0.0	2
Matanuska-Susitna Borough	64	355210.0	b
Noorvik	64	0.0	2
Wales	64	0.0	2
Buckland	66	0.0	2
Hooper Bay	66	0.0	2
Houston	66	405.0	2
Old Harbor	66	0.0	2
Point Hope	66	0.0	2
Port Lions	66	35.0	2
Chevak	67	0.0	2
Mountain Village	67	0.0	2
Ouzinkie	67	240.0	2
Saint Mary's	67	0.0	1
Scammon Bay	67	0.0	2
Shungnak	67	0.0	2
Soldotna	67	14.0	1
Haines Borough	68	2800.0	b
Holy Cross	68	0.0	2
Alakanuk	69	0.0	2
Anvik	69	0.0	2
Brevig Mission	69	0.0	2
Grayling	69	0.0	2
Huslia	69	0.0	2
Kaltag	69	0.0	2
Kivalina	69	0.0	2
Lower Kalskag	69	0.0	2
Mekoryuk	69	0.0	2
Nunapitchuk	69	0.0	2
Pilot Station	69	0.0	2
Saint Michael	69	0.0	2
Savoonga	69	0.0	2
Shaktolik	69	0.0	2
Shishmaref	69	0.0	2
Stebbins	69	0.0	2
Togiak	69	0.0	2
White Mountain	69	0.0	2
Whitter	69	600.0	2
Akiak	70	0.0	2
Oeering	70	0.0	2
Diomede	70	0.0	2
Eek	70	0.0	2
Elim	70	0.0	2
Fortuna Ledge	70	0.0	2
Goodnews Bay	70	0.0	2
Juneau, City and Borough	70	19584.0	u
Kotlik	70	0.0	2

02/24/86

MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY	INCORP DATE	ENTIREMENT ACRES	CLASS OF GOVERNMENT
Koyuk	70	0.0	2
Manokotak	70	0.0	2
Napakiaik	70	0.0	2
Nikolai	70	0.0	2
Russian Mission	70	0.0	2
Shageluk	70	0.0	2
Tuluksak	70	0.0	2
Ambler	71	0.0	2
Clark's Point	71	0.0	2
Galena	71	0.0	1
Golovin	71	0.0	2
Kaktovik	71	0.0	2
Napaskiak	71	0.0	2
Newhalen	71	0.0	2
Newtok	71	0.0	2
Nondalton	71	0.0	2
Saint Paul	71	0.0	2
Sitka, City and Borough	71	10500.0	u
Tenakee Springs	71	2958.1	2
Aniak	72	0.0	2
New Stuyahok	72	0.0	2
North Slope Borough	72	0.0	b
Port Heiden	72	0.0	2
Toksook Bay	72	0.0	2
Aleknagik	73	0.0	2
Hughes	73	0.0	2
Kobuk	73	0.0	2
Koyukuk	73	0.0	2
Ruby	73	0.0	2
Akhiak	74	0.0	2
Akiachak	74	0.0	2
Chefornak	74	0.0	2
Ekwok	74	0.0	2
Larsen Bay	74	0.0	2
Nightmute	74	0.0	2
Port Alexander	74	0.0	2
Sheldon Point	74	0.0	2
Unalakleet	74	0.0	2
Wasilla	74	0.0	2
Allakaket	75	0.0	2
Anchorage, Municipality	75	44893.0	u
Chuathbaluk	75	0.0	2
Kupreanof	75	180.0	2
Kwethluk	75	0.0	2
McGrath	75	0.0	2
Nuiqsut	75	0.0	2
Platinum	75	0.0	2
Quinhagak	75	0.0	2
Tununak	75	0.0	2

Page No.

4

02/24/85

MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY	INCORP DATE	ENTITEMENT ACRES	CLASS OF GOVERN MENT
Upper Kalskag	75		
Atmautluak	76	0.0	2
Kasaan	76	0.0	2
Selawik	77	0.0	2
Sand Point	78	0.0	2
Akutan	79	0.0	1
Cold Bay	81	0.0	2
Atkasuk	82	0.0	2
Kasigluk	82	0.0	2
Tanana	82	0.0	2
Thorne Bay	82	0.0	1
Chignik	82	612.0	2
Saint George	83	0.0	2
Bettles	83	0.0	2
	85	0.0	2

02/24/85

MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY

ACRES OF INCORPORATION MUNICIPALITY
ENTITLEMENT DATE CLASS

MUNICIPALITY	ACRES OF ENTITLEMENT	INCORPORATION DATE	MUNICIPALITY CLASS
	0.0		0
	0.0		0
Akhiok	0.0	74	2
Akiachak	0.0	74	2
Akiak	0.0	70	2
Akutan	0.0	79	2
Alakanuk	0.0	69	2
Aleknagik	0.0	73	2
Allakaket	0.0	75	2
Ambler	0.0	71	2
Anaktuvuk Pass	0.0	57	2
Anderson	0.0	62	2
Angoon	0.0	63	2
Aniak	0.0	72	2
Anvik	0.0	69	2
Atmautluak	0.0	76	2
Atkasuk	0.0	32	2
Barrow	0.0	59	1
Bettles	0.0	85	2
Brevig Mission	0.0	69	2
Buckland	0.0	66	2
Chefornak	0.0	74	2
Chevak	0.0	67	2
Chignik	0.0	83	2
Chuathbaluk	0.0	75	2
Clark's Point	0.0	71	2
Cold Bay	0.0	81	2
Craig	0.0	22	1
Deering	0.0	70	2
Diomede	0.0	70	2
Eagle	0.0	1	2
Eek	0.0	70	2
Ekwok	0.0	74	2
Elim	0.0	70	2
Emmonak	0.0	64	2
Fort Yukon	0.0	59	2
Fortuna Ledge	0.0	70	2
Galena	0.0	71	1
Gambell	0.0	63	2
Golovin	0.0	71	2
Goodnews Bay	0.0	70	2
Grayling	0.0	69	2
Haines	0.0	10	1
Holy Cross	0.0	68	2
Hooper Bay	0.0	66	2
Hughes	0.0	73	2
Huslia	0.0	69	2
Hydaburg	0.0	27	1
Kachemak	0.0	61	2
Kake	0.0	52	1
Kaktovik	0.0	71	2

MUNICIPALITIES BY ACRES OF ENTITLEMENT



MUNICIPALITY	ACRES OF ENTITLEMENT	INCORPORATION DATE	M C
Kaltag	0.0	69	2
Kasaan	0.0	76	2
Kasigluk	0.0	82	2
Kiana	0.0	64	2
King cove	0.0	47	1
Kivalina	0.0	69	2
Klawock	0.0	29	1
Kobuk	0.0	73	2
Kotlik	0.0	70	2
Kotzebue	0.0	58	2
Koyuk	0.0	70	2
Koyukuk	0.0	73	2
Kwethluk	0.0	75	2
Larsen Bay	0.0	74	2
Lower Kalskag	0.0	69	2
Manokotak	0.0	70	2
McGrath	0.0	75	2
Mekoryuk	0.0	69	2
Metlakatla	0.0	44	x
Mountain Village	0.0	67	2
Napaklak	0.0	70	2
Napaskiak	0.0	71	2
Nenana	0.0	21	m
New Stuyahok	0.0	72	2
Newhalen	0.0	71	2
Newtok	0.0	71	2
Nightmute	0.0	74	2
Nikolai	0.0	70	2
Nome	0.0	1	1
Nondalton	0.0	71	2
Noorvik	0.0	64	2
North Slope Borough	0.0	72	b
Nuiqsut	0.0	75	2
Nulato	0.0	63	2
Nunapitchuk	0.0	69	2
Old Harbor	0.0	66	2
Palmer	0.0	51	m
Pelican	0.0	43	1
Pilot Station	0.0	69	2
Platinum	0.0	75	2
Point Hope	0.0	66	2
Port Alexander	0.0	74	2
Port Heiden	0.0	72	2
Quinhagak	0.0	75	2
Ruby	0.0	73	2
Russian Mission	0.0	70	2
Saint George	0.0	33	2
Saint Mary's	0.0	67	1
Saint Michael	0.0	69	2
Saint Paul	0.0	71	2
Sand Point			

Page No. 3
02/24/85

MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY	ACRES OF ENTITLEMENT	INCORPORATION DATE	MUNICIPALITY CLASS
Savoonga	0.0	69	2
Saxman	0.0	30	2
Scammon Bay	0.0	67	2
Selawik	0.0	77	2
Seldovia	0.0	45	1
Shageluk	0.0	70	2
Shaktoolik	0.0	69	2
Sheldon Point	0.0	74	2
Shishmaref	0.0	69	2
Shungnak	0.0	67	2
Stebbins	0.0	69	2
Tanana	0.0	82	1
Teller	0.0	63	2
Togiak	0.0	69	2
Toksook Bay	0.0	72	2
Tuluksak	0.0	70	2
Tununak	0.0	75	2
Unalakleet	0.0	74	2
Unalaska	0.0	42	1
Upper Kalskag	0.0	75	2
Wainwright	0.0	62	2
Wales	0.0	64	2
Wasilla	0.0	74	2
White Mountain	0.0	69	2
Ketchikan	0.5	0	m
North Pole	0.5	53	m
Dillingham	1.0	63	1
Soldotna	14.0	67	1
Fairbanks, City	15.0	3	m
Hoonah	15.0	46	1
Homer	16.0	64	1
Kodiak	32.0	40	m
Port Lions	35.0	66	2
Bethel	40.0	57	s
Yakutat	75.0	48	1
Kupreanof	180.0	75	2
Cordova	235.0	9	m
Ouzinkie	240.0	67	2
Kenai	307.0	62	m
Wrangell	310.0	3	m
Delta Junction	400.0	60	2
Houston	405.0	66	2
Petersburg	461.0	10	m
Skagway	500.0	0	1
Seward	562.0	12	m
Whitter	600.0	69	2
Thorne Bay	612.0	82	2
Haines Borough	2800.0	68	b
Bristol Bay Borough	2898.0	62	b
Tenakee Springs	2958.1	71	2
Valdez	4805.0	1	m

Page No. 4
02/24/85

MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY	ACRES OF INCORPORATION ENTITLEMENT	DA'
Sitka, City and Borough	10500.0	
Ketchikan Gateway Borough	11593.0	
Juneau, City and Borough	19584.0	
Anchorage, Municipality	44893.0	
Kodiak Island Borough	56500.0	
Fairbanks Northstar Borough	112000.0	
Kenai Peninsula Borough	155780.0	
Matanuska-Susitna Borough	355210.0	



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

MAR 11 1986

In Reply
Refer To:

March 7, 1986

The Honorable Arliss Sturgulewski
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Senator Sturgulewski:

Once again, I want to thank you for your time and demonstrated support for the concerns of the City of Anderson. Your ability to obtain information which had not been forthcoming to the City, though requested, is very much appreciated.

While the information on zero entitlement municipalities was far from complete, I am confident that your good offices can assure that the proper analysis of this issue will be forthcoming.

Senator Coghill or Representative Shultz should be forwarding to you a draft copy of the proposed legislation on municipal land entitlements shortly, which I drafted while in Juneau, if they have not done so already.

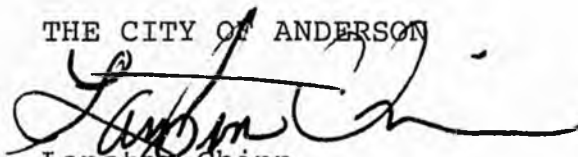
The City of Anderson hopes that you, as Chairman of the Senate Resource Committee, in concert with your colleagues, are able to introduce this important legislation this session.

If I can be of any assistance at the local level, please don't hesitate to let me know.

Thanks once again.

Sincerely,

THE CITY OF ANDERSON



Lanston Chinn
City Administrator

LC/cte

Introduced: 2/14/86
Referred: Community and Regional
Affairs and Finance

1 IN THE SENATE

BY FERGUSON

2 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 municipal land entitlements; and
7 providing for an effective date.

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

9 * Section 1. AS 29.65.020(a) is amended to read:

10 Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR MUNICIPALITIES
11 [CITIES]. (a) The general grant land entitlement of a municipality
12 [CITY] formerly eligible to receive general grant land under the
13 provisions of former AS 29.18.190 and 29.18.200 is 10 percent of the
14 maximum total acreage of vacant, unappropriated, unreserved land
15 within [IN] the boundaries of each municipality [CITY] at any time
16 between the initial date of eligibility under former AS 29.18.190 and
17 29.18.200 and two years after the expiration of the state's right to
18 make selections under Sec. 6(a) or (b) of the Alaska Statehood Act.
19 By January 1 of each calendar year [JULY 1, 1978. WITHIN SIX MONTHS
20 AFTER JULY 1, 1978], the director shall determine or update the en-
21 titlement for each municipality [CITY] eligible to receive general
22 grant land under this section [FORMER AS 29.18.202] and certify that
23 entitlement to the municipality [CITY].

24 * Sec. 2. AS 29.65.030(a) is amended to read:

25 Sec. 29.65.030. DETERMINATION OF MILEAGE RATE EQUIVALENT [EN-
26 TITLEMENT FOR NEWLY INCORPORATED MUNICIPALITIES]. (a) The general
27 grant land entitlement of a municipality incorporated after July 1,
28 1978, is 10 percent of the total acreage of vacant, unappropriated,
29 unreserved land within the boundaries of the municipality at any time

1 between the date of incorporation and two years after the expiration
2 of the state's right to make selections under Secs. 6(a) and (b) of
3 the Alaska Statehood Act [ON THE DATE OF ITS INCORPORATION].

4 * Sec. 3. AS 29.65.030(b) is amended to read:

5 (b) Within six months after the date of incorporation of a
6 municipality that is incorporated after July 1, 1978, the director
7 shall determine the entitlement of each municipality eligible to
8 receive general grant land under (a) of this section and certify the
9 entitlement to the municipality. The director shall thereafter update
10 the entitlement of each eligible municipality by January 1 of each
11 calendar year and certify that entitlement to the municipality.

12 * Sec. 4. AS 29.65.130(10) is amended to read:

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

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

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

20 (C) is unclassified or, if classified under AS 38.-
21 05.300, is classified for agricultural, grazing, material, public
22 recreation, resource management, settlement, transportation
23 corridor forestry, wildlife habitat and water resources, [COM-
24 MERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY,
25 OR OPEN-TO-ENTRY PURPOSES,] or where [IS] classified in accor-
26 dance with an agreement between a municipality and the state
27 providing for state management of land of the municipality.

28 * Sec. 5. AS 29.65.020(b) and AS 29.65.030(c) are repealed.

29 * Sec. 6. This Act takes effect immediately in accordance with

1 AS 01.10.070(c).

Chapter 74

1 Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR CITIES. (a)

2 The general grant land entitlement of a city formerly eligible to
3 receive general grant land under the provisions of former AS 29.18.190
4 and 29.18.200 is 10 percent of the maximum total acreage of vacant,
5 unappropriated, unreserved land in the boundaries of each city at any
6 time between the initial date of eligibility under former AS 29.18.190
7 and 29.18.200 and July 1, 1978. Within six months after July 1, 1978,
8 the director shall determine the entitlement for each city eligible to
9 receive general grant land under former AS 29.18.202 and certify that
10 entitlement to the city.

11 (b) This section is a continuation of the ~~provisions of former~~ **REPEALED**
12 AS 29.18.203 and does not grant additional entitlements to cities
13 incorporated before January 1, 1986.

14 Sec. 29.65.030. DETERMINATION OF ENTITLEMENT FOR NEWLY INCOR-
15 PORATED MUNICIPALITIES. (a) The general grant land entitlement of a
16 municipality incorporated after July 1, 1978, is 10 percent of the
17 total acreage of vacant, unappropriated, unreserved land within the
18 boundaries of the municipality on the date of its incorporation.

19 (b) Within six months after the date of incorporation of a muni-
20 cipality that is incorporated after July 1, 1978, the director shall
21 determine the entitlement of each municipality eligible to receive
22 general grant land under (a) of this section and certify the entitle-
23 ment to the municipality.

24 (c) This section is a continuation of the ~~provisions of former~~ **REPEALED**
25 AS 29.18.203 and does not grant additional entitlements to
26 municipalities incorporated before January 1, 1986.

27 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After July 1,
28 1978, general grant land entitlements provided in former AS 29.18.201
29 and former AS 29.18.202 are vested property rights that must be

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
BETTYE FAHRENKAMP, Vice Chairman
JACK COGHILL
DICK ELIASON
VIC FISCHER
RICK HALFORD
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 485-4907

Senate Committee on Resources

TO: Senate Resource Committee Members April 4, 1985
FROM: Senate Resource Committee Staff *Mc/K*
RE: Committee Substitute for 2nd Sponsor Substitute for
Senate Bill No. 414 (C&RA)
"An Act relating to general grant land entitlements; and
providing for an effective date."

It is expected that CS for 2nd SSSB 414(C&RA) will have public hearing today and that the bill will come back to the committee for action on Wednesday, April 9th. It is expected that representatives of the Departments of Natural Resources and Community and Regional Affairs and the Alaska Municipal League will be present to testify today.

In this packet is:

- a sectional analysis by legal services
- a letter from Commissioner Wunnicke to Senator Sturgulewski giving the background of municipal land entitlements.
- a letter from Commissioner Wunnicke to Senator DeVries explaining the effects of SSSB 414.
- a series of charts that show the effect of this bill on existing and proposed municipalities.
- a fiscal note from DNR on SSSB414. DNR is preparing a revised fiscal note for CS for 2nd SSSB 414(C&RA). The new note is expected to be significantly lower.
- a zero fiscal from DC&RA on SB 414, the department feels that subsequent changes in the bill will not cause a change in this note.
- a position paper and memo from DC&RA on SB 414.
- a position paper from the Alaska Municipal League on SB 414 and an update on SSSB 414.

Low prints - no slope Bump & cities ?)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : 4/9/86

REQUEST

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

 Sponsor : Senator Ferguson
 Requestor : Senate C&RA
 Date of Request : 4/9/86

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		34.6	34.6	34.6	34.6	34.6
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		68.8	51.4	44.8	44.8	44.8

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		68.8	51.4	44.8	44.8	44.8
FEDERAL FUNDS						
OTHER						
TOTAL		68.8	51.4	44.8	44.8	44.8

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Frank Mielke Phone : 561-2020
 Division : Land and Water Management Date : 4/9/86

Approved by Commissioner : *Leithen P. Wunnick* Date : 4/9/86
 Agency : Natural Resources

Distribution (by Agency preparing fiscal note) :

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

4/9/86

Analysis - SSSB 414

The analysis includes funding for a Natural Resources Tech I. Additionally, two positions and their funding which are currently located in the land conveyance component will be transferred to work on this project. These positions will be located 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. Positions will be transferred back to the land conveyance component when not needed. In years 1989, 1990 and 1991, we anticipate handling the statewide workload with a single NRT I.

The contractual funds are principally for the costs of publishing notices required by AS 38.05.945 and the large number of maps and plats that will be required to adjudicate the land selections of municipalities, and to determine entitlements.

Tam - Please prepare a new work draft for 103587

- ① take out section 12 on Anchorage
- ② put in new section as follows:

~~1. To protect oil and gas mineral interests:~~

add a paragraph to Sec. 2 / AS 29.65.025 -

"(e) In any conveyance of land to a municipality under this act, the commissioner shall reserve the right to explore, enter, develop, and occupy the surface as reasonably necessary for access to the mineral estate, as required by AS 38.05.125."

- ③ prepare a sectional based on new work draft.

Thanks - *Lozano*

~~2. To repeal in lieu payments provision (except for Anchorage):~~

add a repealer Sec. 14 and renumber following sections -

~~"Sec. 14. AS 29.65.080 is repealed except for any municipality qualified on January 1, 1987."~~

~~3. To reverse presumption of Anchorage language:~~

At Sec. 12 delete the end of the first sentence from "if the commissioner...." and replace it with:

"unless the state determines that the land must be retained in the state's ownership."



Official Business

Alaska State Legislature

Senate

Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman

Members:

Senator Ferguson, Vice Chairman

Senator Coghill

Senator Sturgulewski

Senator V. Fischer

Pouch V

Juneau, Alaska 99811

April 2, 1986

MEMORANDUM

TO: Senator Frank Ferguson
Senator Vic Fischer
Senator Jack Coghill
Senator Arliss Strugulewski

FROM: Senator DeVries, Chair
Community & Regional Affairs Committee

SUBJECT: SB 414 Municipal Entitlements

Even though this bill has passed out of Senate C&RA Committee I wanted you to have Commissioner Wunnicke's letter dated 3/26/86 with attachments for clarification and to complete your file.

Enclosure

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

March 26, 1986

MAR 31 1986

The Honorable Edna DeVries, Chair
Senate Community and Regional
Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

In my March 17 letter about SB 414 (municipal entitlements), I included some figures about borough land entitlements. We have reviewed this chart, which was prepared quite expeditiously, and we found that the acreage for the Bristol Bay Borough was inaccurately represented. I am enclosing a revised chart for you, other members of the Committee, and House Committee members.

Thank you.

Sincerely,



Esther C. Wunnicke
Commissioner

Enclosure

cc: Senate Community and Regional
Affairs Committee Members
House Community and Regional
Affairs Committee Members

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

<u>BOROUGH</u>	<u>SSSB 414 ENTITLEMENT</u>	<u>1978 ENTITLEMENT</u>	<u>APPROXIMATE ADDITIONAL ENTITLEMENT</u>
Ketchikan Gateway	1,470	11,593	0
Sitka	490	10,500	0
Juneau	430	19,584	0
Haines	13,300	2,800	10,500
Bristol Bay	4,900	2,898	2,000
Kodiak Island	41,200	58,787	0
Kenai Peninsula	76,200	155,780	0
Anchorage	1,700	44,893	0
Matanuska-Susitna	400,000	355,210	44,800
Fairbanks-North Star	223,200	112,000	111,000
North Slope	400,000	89,850*	400,000
NW Arctic (Proposed)	230,000	n.a.	<u>230,000</u>
TOTAL			798,300

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

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

DEPARTMENT OF
NATURAL RESOURCES

MAR 21 1986

COMMISSIONER'S OFFICE
JUNEAU

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	HAINES	BRISTOL BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	NW ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehood Land Conveyed to State	26,900	15,600	25,000	165,000	51,500	482,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	483,000	2,603,600	614,600	0	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	118,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,584	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	806	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	185,590	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	504,000	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
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
1978 Entitlement	11,593	10,500	19,584	2,800	2,898	58,787	155,780	44,893	355,210	112,000	89,850**	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.

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

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

March 26, 1986

The Honorable Edna DeVries, Chair
Senate Community and Regional
Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

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Thank you.

Sincerely,



Esther C. Wunnicke
Commissioner

Enclosure

cc: Senate Community and Regional
Affairs Committee Members
House Community and Regional
Affairs Committee Members

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

<u>BOROUGH</u>	<u>SSSB 414 ENTITLEMENT</u>	<u>1978 ENTITLEMENT</u>	<u>APPROXIMATE ADDITIONAL ENTITLEMENT</u>
Ketchikan Gateway	1,470	11,593	0
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Fairbanks-North Star	223,200	112,000	111,000
North Slope	400,000	89,850*	400,000
NW Arctic (Proposed)	230,000	n.a.	<u>230,000</u>
TOTAL			798,300

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

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

DEPARTMENT OF
NATURAL RESOURCES

MAR 21 1986

COMMISSIONER'S OFFICE
JUNEAU

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	HAINES	BRISTOL BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	NW ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehood Land Conveyed to State	26,900	15,600	25,000	165,000	51,500	482,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	483,000	2,603,600	614,600	0	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	118,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,584	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	806	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	185,590	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	504,000	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
SSSB 414 Entitlement (10% of WUU)	1,470	490	430	13,300	4,900	41,200	76,200	1,700	400,000*	223,200	400,000*	230,000
1978 Entitlement	11,593	10,500	19,584	2,800	2,898	58,787	155,780	44,893	355,210	112,000	89,850**	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.

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

~~Hammer~~
~~Can support~~
~~Hulford~~
~~Sen~~

Anchorage
Jensen
Sutka
Hamm
Wood

Harris
Kroni
Auld
Fambro
No Star



Cook

OK

A M E N D M E N T

Offered in the SENATE

TO: CS 2d SSSB 414(Resources)

Page 1, line 23, after "entitlements." insert:

"However, land may not be conveyed to a municipality under AS 29.65.-015 that exceeds the amount of entitlement acreage listed under AS 29.65.010 until at least 90 percent of the amount of the entitlement under AS 29.65.010 has been fulfilled, through approval of selections or otherwise, for each listed municipality. This limitation does not apply to conveyance of a small parcel for a specific public purpose if the commissioner of natural resources finds that the conveyance will serve a public interest."

STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 4, 1986

SUBJECT: General Grant Land Entitlements
(CS 2d SSSB 414(C&RA))

TO: Senator Arliss Sturgulewski, Chair
Senate Resources Committee

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Section 1. The general grant land entitlement of a municipality, either city or borough, is 10 percent of the maximum acreage of vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and two years after the expiration of the state's right to make selections under sec. 9(a) or (b) of the Alaska Statehood Act. Each year the entitlement for each municipality is determined or updated. Under existing law the entitlement for cities formerly eligible to receive general grant land under repealed laws is 10 percent of the vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and July 1, 1978. The entitlement for newer municipalities is 10 percent of that land in its boundaries on the date of incorporation. Both these entitlement provisions are replaced by the entitlement provided in sec. 1.

Sec. 2. A municipality is eligible for only one general grant land entitlement. A municipality that qualifies for an entitlement under AS 29.65.010 (setting out the amount of acreage boroughs are entitled to) and under the sec. 1 10 percent formula receives the larger of the two entitlements. No municipality may receive more than 400,000 acres. All conveyances of legal title to land under AS 29.65.010 or former law are credited toward fulfillment of the entitlement for that municipality, as well as all land deficiency payments made under existing or former law. Land classified for wildlife habitat may not be selected or conveyed.

Sec. 3. After the effective date of the Act a general grant land entitlement under AS 29.65.010 (setting out acreage amounts for boroughs) is a vested property right that must be fulfilled, through conveyance of land subject to the limitations under sec. 2, or through land deficiency payments. An entitlement under section 1 is a property right that vests on the date of incorporation and must be fulfilled, through grants of land subject to the limitations under sec. 2.

Sec. 4. School land and mental health land within the boundaries of a municipality may not be included for purposes of determining the general grant land entitlement of a municipality. This is not a change from existing law. (AS 29.65.060(b)) A municipality may not receive school land or mental health land in fulfillment of its entitlement. Existing law permits the selection of vacant school or mental health land in certain cases.

Sec. 5. The reference to AS 29.65.060(f), repealed in this Act, is deleted and the substantive material from that subsection is enacted in this section as a technical amendment.

Sec. 6. Payments for land deficiency may only be made to municipalities for entitlements under AS 29.65.010 (setting out acreage amounts for boroughs). Existing law permits land deficiency payment only to boroughs eligible for entitlements under that section.

Sec. 7. The definition of vacant, unappropriated, unreserved land is amended to add certain classifications under AS 38.05.300 and delete others. These classifications are established by the Department of Natural Resources.

Sec. 8. References to repealed sections are deleted and replaced with citations to the entire general grant land entitlement chapter.

Sec. 9. This is another technical amendment adding the word "former" before a reference to a section repealed by this Act.

Sec. 10. Before the effective date of most of this Act the Department of Natural Resources is required to consult with each municipality affected by the Act regarding classifications of land within its boundaries and assist in identifying land suitable for selection.

Sec. 11. Before the effective date of most of this Act the commission of natural resources is authorized to negotiate and enter into an agreement with a borough or unified municipality to convey state land without regard to whether the land is vacant, unappropriated, unreserved land if the commissioner determines the land is not necessary for retention by the state. Land conveyed under an agreement entered into under this section constitutes complete fulfillment of the municipality's general grant land entitlement.

Sec. 12. Certain provisions are repealed including the section on determination of entitlement for cities and that for determination of entitlements for newly formed municipalities. The entitlement in section 1 of the bill replaces these. The section on fulfillment of land entitlements is deleted and replaced with the provisions under section 2 of the bill. The sections authorizing land exchanges and the section on election of benefits (requiring municipalities engaged in litigation regarding a claim to state land under former laws to elect to obtain the benefits under the new general grant land chapter or pursue the litigation and waive benefits) have been repealed.

Sec. 13. The section dealing with mental health land and school land and the two temporary law sections requiring action before the effective date of the main portions of the Act take effect immediately.

Sec. 14. The rest of the Act takes effect January 1, 1987.

TBC:mkr
m4/070

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 18, 1986

SUBJECT: Municipal land entitlements
(SSSB 414 - Sectional Analysis)

TO: Senator Edna DeVries, Chair
Senate Community and Regional Affairs
Committee

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Sec. 1. The section dealing with general grant land entitlements to boroughs and unified municipalities is amended so that the municipalities, which under this bill qualify to receive an entitlement under another section as well, will receive the larger of the two entitlements. Although it is not entirely clear, this appears to be the intended affect of this provision. In addition, the section sets an upper limit of 400,000 acres for an entitlement. The provision appears to be intended to apply to entitlements under AS 29.65.020 and 29.65.030 as well as 29.65.010, and probably should be contained in a separate section rather than being inserted into AS 29.65.010.

Sec. 2. The section that under existing law applies only to entitlements for cities eligible to receive entitlements under former laws is expanded to apply to all forms of municipalities, including boroughs. The amount of an entitlement is determined based on the amount of certain state land within the boundaries of a municipality at any time between its date of eligibility under the former law and two years after the expiration of the state's right to make selections under the Alaska Statehood Act. The cut-off date of July 1, 1978 contained in existing law has been deleted. By January 1 of each year the director is required to determine or update the entitlement for each municipality. Under existing law the determination is required to be made within six months after the July 1, 1978 cut-off date.

7
14613
land

Sec. 3. The existing subsection (b) stating that entitlements under AS 29.65.020 are not new entitlements, but rather, a continuation of entitlements available under prior law has been repealed. It is replaced with a statement that other conveyances of state land are counted toward fulfillment of the general grant land entitlement. This provision appears to be intended to replace AS 29.65.050(a), or, at least, appears to substantially duplicate AS 29.65.050(a). It seems to me that AS 29.65.050(a) should be repealed or modified to contain the material placed in Sec. 3.

Sec. 4. A municipality incorporated after July 1, 1978 may receive an amount of land based on the amount of certain state land within its boundaries at any time between the date of incorporation and two years after the expiration of the state's right to make selections under secs. 6(a) and (b) of the Alaska Statehood Act. Under existing law, the determination is made as of the date of incorporation. Under this bill there now appears to be essentially no difference between the determination of entitlements based on whether or not a municipality is incorporated after July 1, 1978. It would seem appropriate to merge material contained in Section 3 - 4 of the bill into one section of law and simply repeal AS 29.65.020 and 29.65.030. The result would, I think, be clearer. Eliminating AS 29.65.020 would also partially avoid the confusion now created by AS 29.65.040 with provisions that no longer seem necessary concerning vesting of entitlements under former laws, specifically providing for vesting of rights under AS 29.65.030, and utterly silent concerning vesting of rights under AS 29.65.020, which, as amended in this bill, now creates new rights.

Sec. 5. The provision in existing law permitting selection in certain cases of school or mental health land is eliminated. This land may not be selected.

Sec. 6. The definition of "vacant, unappropriated, unreserved land" is amended by deleting references to certain classifications established under AS 38.05.300 and inserting reference to others. Since the classifications are set by the Department of Natural Resources, it cannot be determined to what extent the amendment alters the state land available for selection by municipalities.

Sec. 7. The department is required to consult with affected municipalities in identifying or classifying state land

before the effective date of the Act. Note that "department" is by definition the Department of Community and Regional Affairs, although, in the context of this section I suspect that the Department of Natural Resources is intended. Also, the section should be treated as temporary law and not assigned a statute number.

Sec. 8. The subsection providing that entitlements under AS 29.65.030 are merely continuations of entitlements under former law is repealed. Subsection (e) relating to the status of entitlements is repealed. That entire section seems confusing in the context of this bill and I recommend that it be redrafted. Provisions on pending selections under former law are repealed, along with the provision requiring the director to approve selections within nine months. The provision authorizing land exchanges between the director and a municipality is repealed. The provision requiring a municipality engaged in litigation regarding a claim to state land under former law to elect the benefits of a general grant land entitlement or pursue the litigation and waive any claim to the entitlement is repealed.

Sec. 9. The provision requiring consultation with affected municipalities on land classifications has an immediate effective date.

Sec. 10. The rest of the bill takes effect January 1, 1987.

TBC:mkr
m4/018

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

April 11, 1986

SUBJECT: General Grant Land Entitlements
(CS 2d SSSB 414(Resources))

TO: Senator Arliss Sturgulewski, Chair
Senate Resources Committee

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Section 1. The general grant land entitlement of a municipality, either city or borough, is 10 percent of the maximum acreage of vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and two years after the expiration of the state's right to make selections under sec. 9(a) or (b) of the Alaska Statehood Act. Each year the entitlement for each municipality is determined or updated. Under existing law the entitlement for cities formerly eligible to receive general grant land under repealed laws is 10 percent of the vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and July 1, 1978. The entitlement for newer municipalities is 10 percent of that land in its boundaries on the date of incorporation. Both these entitlement provisions are replaced by the entitlement provided in sec. 1.

Sec. 2. A municipality is eligible for only one general grant land entitlement. A municipality that qualifies for an entitlement under AS 29.65.010 (setting out the amount of acreage boroughs are entitled to) and under the sec. 1 10 percent formula receives the larger of the two entitlements. No municipality may receive more than 400,000 acres. Conveyances and payments for land deficiencies under existing or former laws as itemized are credited toward fulfillment of the general grant land entitlement. Land classified for wildlife habitat may not be selected or conveyed. The state shall reserve the right in each conveyance to explore, enter, develop and occupy the surface as reasonably necessary for access to the mineral estate.

Sec. 3. After the effective date of the Act a general grant land entitlement under AS 29.65.010 (setting out acreage amounts for boroughs) is a vested property right that must be fulfilled, through conveyance of land subject to the limitations under sec. 2, or through land deficiency payments. An entitlement under section 1 is a property right that vests on the date of incorporation and must be fulfilled, through grants of land subject to the limitations under sec. 2.

Sec. 4. School land, university land, and mental health land within the boundaries of a municipality may not be included for purposes of determining the general grant land entitlement of a municipality. This is not a change from existing law. (AS 29.65.060(b)) A municipality may not receive school land, university land, or mental health land in fulfillment of its entitlement. Existing law permits the selection of vacant school or mental health land in certain cases.

Sec. 5. The reference to AS 29.65.060(f), repealed in this Act, is deleted and the substantive material from that subsection is enacted in this section as a technical amendment.

Sec. 6. Payments for land deficiency may only be made to municipalities for entitlements under AS 29.65.010 (setting out acreage amounts for boroughs). Existing law permits land deficiency payment only to boroughs eligible for entitlements under that section.

Sec. 7. The definition of "general grant land" does not include mental health land or school land. The existing definition only mentions university land as being excluded.

Sec. 8. The definition of "vacant, unappropriated, unreserved land" is amended to add certain classifications under AS 38.05.300 and delete others. These classifications are established by the Department of Natural Resources.

Sec. 9. References to repealed sections are deleted and replaced with citations to the entire general grant land entitlement chapter.

Sec. 10. This is another technical amendment adding the word "Former" before a reference to a section repealed by this Act.

Senator Arliss Sturgulewski

Page 3

April 11, 1986

Sec. 11. Before the effective date of most of this Act the Department of Natural Resources is required to consult with each municipality affected by the Act regarding classifications of land within its boundaries and may assist in identifying land suitable for selection.

Sec. 12. Certain provisions are repealed including the section on determination of entitlement for cities and that for determination of entitlements for newly formed municipalities. The entitlement in section 1 of the bill replaces these. The section on fulfillment of land entitlements is deleted and replaced with the provisions under section 2 of the bill. The sections authorizing land exchanges and the section on election of benefits (requiring municipalities engaged in litigation regarding a claim to state land under former laws to elect to obtain the benefits under the new general grant and chapter or pursue the litigation and waive benefits) have been repealed.

Sec. 13. The section dealing with mental health land, university land, and school land and the temporary law section requiring action before the effective date of the main portions of the Act take effect immediately.

Sec. 14. The rest of the Act takes effect January 1, 1987.

TBC:mkr
m4/097

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 23, 1986

SUBJECT: General Grant Land Entitlements
(CS 2d SSSB 414(Resources))

TO: Senator Arliss Sturgulewski, Chair
Senate Resources Committee

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Section 1. The general grant land entitlement of a municipality, either city or borough, is 10 percent of the maximum acreage of vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and two years after the expiration of the state's right to make selections under sec. 9(a) or (b) of the Alaska Statehood Act. Each year the entitlement for each municipality is determined or updated. Under existing law the entitlement for cities formerly eligible to receive general grant land under repealed laws is 10 percent of the vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and July 1, 1978. The entitlement for newer municipalities is 10 percent of that land in its boundaries on the date of incorporation. Both these entitlement provisions are replaced by the entitlement provided in sec. 1.

Sec. 2. A municipality is eligible for only one general grant land entitlement. A municipality that qualifies for an entitlement under AS 29.65.010 (setting out the amount of acreage boroughs are entitled to) and under the sec. 1 10 percent formula receives the larger of the two entitlements. No municipality may receive more than 400,000 acres. Conveyances and payments for land deficiencies under existing or former laws as itemized are credited toward fulfillment of the general grant land entitlement. Land classified for wildlife habitat may not be selected or conveyed. The state shall reserve the right in each conveyance to explore, enter, develop and occupy the surface as reasonably necessary for access to the mineral estate.

Sec. 3. After January 1, 1987 a general grant land entitlement under AS 29.65.010 (setting out acreage amounts for boroughs) is a vested property right that must be fulfilled, through conveyance of land subject to the limitations under sec. 2 and the provision dealing with school, university and mental health land, or through land deficiency payments. An entitlement under section 1 is a property right that vests on the date of incorporation and must be fulfilled, through grants of land subject to the limitations under sec. 2.

Sec. 4. The cross reference to a section repealed in this bill is deleted and the section that replaces it is inserted.

Sec. 5. The cross reference to a section repealed in this bill is deleted and the section that replaces it is inserted.

Sec. 6. Existing law permits the selection of vacant school or mental health land in certain cases. Under this section a municipality may not select school or mental health land after June 1, 1986. A municipality is entitled to just compensation for a selection of school or mental health land that is pending or on appeal on April 1, 1986, if conveyance cannot be made due to judicial decision or law. No compensation is required for land selected within a special use area or for a selection of land not qualified to be selected. Compensation is credited against the municipality's remaining land entitlement. The rights of any person with regard to selections of school land, university land, and mental health land made on or before June 1, 1986 are not affected by this section of law.

Sec. 7. The reference to AS 29.65.060(f), repealed in this Act, is deleted and the substantive material from that subsection is enacted in this section as a technical amendment.

Sec. 8. Payments for land deficiency may only be made to municipalities for entitlements under AS 29.65.010 (setting out acreage amounts for boroughs). Existing law permits land deficiency payment only to boroughs eligible for entitlements under that section.

Sec. 9. A payment for land deficiency must be made into a municipal land bank or trust account to go to the acquisition of land.

Sec. 10. The definition of "general grant land" does not include mental health land or school land. The existing definition only mentions university land as being excluded.

Sec. 11. The definition of "vacant, unappropriated, unreserved land" is amended to add certain classifications under AS 38.05.300 and delete others. These classifications are established by the Department of Natural Resources.

Sec. 12. References to repealed sections are deleted and replaced with citations to the entire general grant land entitlement chapter.

Sec. 13. This is another technical amendment adding the word "former" before a reference to a section repealed by this Act.

Sec. 14. Before the effective date of most of this Act the Department of Natural Resources is required to consult with each municipality affected by the Act regarding classifications of land within its boundaries and may assist in identifying land suitable for selection.

Sec. 15. The commissioner of natural resources is authorized to enter into an agreement to convey state land to a borough or unified municipality whose entitlement under AS 29.65.010 cannot be fulfilled by January 1, 1987. The commissioner has authority to convey land regardless of whether it is vacant, unappropriated, unreserved land. Land conveyed may constitute complete fulfillment of the municipality's entitlement as specified in the agreement. Conveyances may contain no restrictions or conditions not required by law except those agreed to by both parties.

Sec. 16. Certain provisions are repealed including the section on determination of entitlement for cities and that for determination of entitlements for newly formed municipalities. The entitlement in section 1 of the bill replaces these. The section on fulfillment of land entitlements is deleted and replaced with the provisions under section 2 of the bill. The sections authorizing land exchanges and the section on election of benefits (requiring municipalities engaged in litigation regarding a claim to state land under former laws to elect to obtain the benefits under the new general grant land chapter or pursue the litigation and waive benefits) have been repealed.

Sec. 17. The section dealing with mental health land, university land, and school land and the temporary law section

Senator Arliss Sturgulewski

Page 4

April 23, 1986

requiring action before the effective date of the main portions of the Act take effect immediately.

Sec. 18. The rest of the Act takes effect January 1, 1987.

TBC:mkr
m5/011

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUGH M
JUNEAU, ALASKA 99811
PHONE: 907-465-2400

April 3, 1986

APR 4 1986

The Honorable Arliss Sturgulewski
Chair, Senate Resources Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Re: CS for 2d Sponsor Substitute for SB 414

Dear Senator Sturgulewski:

In preparation for the Resources Committee's hearings on SB 414 (municipal entitlements), I am providing some general background information on the history of AS 29.65, and some other information from earlier hearings on SB 414 in the Senate Community and Regional Affairs Committee.

As you know, the Legislature passed omnibus municipal land entitlement legislation during the 1978 session which applied to all home rule and general law municipalities. This legislation was intended to correct perceived inequities that may have existed under prior law; it also created specific statutory municipal land entitlement acreages for all boroughs. AS 29.65.010(a), pertaining to statutory entitlements, provided specific acreages for boroughs, ranging from 2,800 acres for the Haines Borough to 355,210 acres for the Matanuska-Susitna Borough. Although in most cases there is a relationship between the size of each entitlement and the amount of available state land within the boroughs, it is also evident that in a few instances, the statutory figure substantially exceeds not only 10 percent of the available state general grant land, but all of the available state general grant land within municipal boundaries. A case in point is the Municipality of Anchorage's entitlement of 44,893 acres.

The fact that entitlements were created that might exceed land availability also led to adoption of a payment for land deficiency provision. Adopted as AS 29.65.080, this section provides that, subject to legislative appropriation, a municipality may receive payment for a land deficiency from a municipal land account. Eligibility for payment occurs if

April 3, 1986

a municipality is unable to obtain full entitlement due to a) a lack of acreage suitable for residential, commercial or industrial purposes; or b) if municipal selections prior to December 18, 1971 encompassed state land also validly selected by a corporation organized under the Alaska Native Claims Settlement Act. There was established a cap of not more than \$4,000,000 per fiscal year could be appropriated or \$12,000,000 in total.

These land deficiency payments are available to boroughs; the statute does not envision appropriations to cities. The only borough to have received a payment under this section is the Municipality of Anchorage (\$4,000,000).

The 1978 legislation established that cities would be eligible to receive 10 percent of the maximum total acreage of vacant, unappropriated, unreserved state land at any time between their original date of entitlement eligibility under the previous law (former AS 29.18.190 and 29.18.200) and July 1, 1978. Thus, because there was no such state land of this category available within many city boundaries, approximately 125 of the state's 145 cities received a zero acreage entitlement. The 1978 legislation also allowed municipalities incorporated after 1978 to receive 10 percent of the vacant, unappropriated and unreserved state land as of the date of their incorporation.

Obviously, the vast majority of Alaska's cities did not benefit from the 1978 legislation. In a sense, most of these cities would not benefit under any circumstances because there is no state land within or near their areas. (The list of cities and entitlements is included among attachments to my March 17 letter to Senator DeVries.) However, in some situations, the state has been conveyed additional land within or adjacent to communities since 1978. In this situation SB 414 would allow the adjustment of entitlements to reflect conveyances of federal land to the state since 1978.


SB 414 enables municipalities to receive an entitlement or increase an existing entitlement if the state has been conveyed additional land within municipal boundaries since 1978 or if a municipality has annexed additional acreage (including state land) since that date. Under the proposed bill, entitlements would be updated on an annual basis to reflect either circumstance (until two years after the expiration of the state's selection rights).

The Hon. Arliss Sturgulewski -2-

April 3, 1986

I offer the above in order to better clarify the primary effects of this legislation. Department staff will be at tomorrow's committee meeting to answer questions.

Sincerely,


Esther C. Wunnicke
Commissioner

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-485-2400

March 17, 1986

The Honorable Edna B. DeVries, Chair
Community and Regional Affairs Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator DeVries:

In response to questions posed last Tuesday by you and other members of the Community and Regional Affairs Committee regarding the Sponsor Substitute for Senate Bill 414, an act relating to municipal land entitlements, the department has assembled pertinent information.

First, attached for your review is a sectional analysis of SSSB 414. This analysis was prepared by the department in consultation with the Department of Community and Regional Affairs (DCRA).

Second, I have also attached several charts which should help explain the effect of this bill on existing and proposed municipalities. State land status records for the area within the existing and proposed boroughs were analyzed to determine which boroughs will likely be affected by the proposed legislation. This analysis involved the identification of the approximate acreage of vacant, unappropriated and unreserved general grant land within each existing borough which would be available for municipal entitlement calculations and selection.

As a result of this analysis, it appears that the Matanuska-Susitna, Fairbanks North Star, North Slope, Haines, Bristol Bay and proposed Northwest Arctic Boroughs would be the primary beneficiaries. The remaining boroughs would likely not be eligible for additional entitlement acreage because the existing entitlement under AS 29.65.010(a) exceeds the amount of available land pursuant to the proposed legislation. As a result, their entitlements will remain the same.

March 17, 1986

The effect of SSSB 414 on each of Alaska's 149 cities is much more difficult to determine. As you may be aware, by virtue of there being no available state land within their municipal boundaries, 125 cities received a zero entitlement as a result of the 1978 municipal entitlement legislation. Most of the zero entitlement municipalities will likely still not benefit under SSSB 414 because no state land exists, or will be conveyed, within their municipal boundaries. However, the bill will likely benefit several of the zero entitlement municipalities because the state has since been conveyed land, or will be conveyed land, within their municipal boundaries (i.e. Anderson). In addition, an undetermined number of municipalities may receive additional entitlement acreage by virtue of past and future annexation actions (i.e. Seward).

SSSB 414 will not affect existing land exchanges, settlements of litigation or other agreements. As proposed, the bill allows municipalities to select only vacant, unappropriated and unreserved (vuu) general grant land. As presently defined in 29.65.030(10) and amended by the bill, vuu land includes general grant land (excluding minerals) which has been conveyed to the state under Section 6(a) and (b) of the Alaska Statehood Act and is appropriately classified (or unclassified). Thus, land acquired by the state or required to be transferred by the state, as a result of exchanges, settlements, agreements, etc. will be ineligible for municipal selection. This includes land acquired or to be transferred to the state or Cook Inlet Region, Inc. as a result of the 1976 Cook Inlet Land Trade.

I have also outlined briefly below the existing process used by the department to process municipal land selections. It should be noted that, to date, the department has not adopted regulations regarding the municipal entitlement program. However, policies and procedures have been adopted by the Division of Land and Water Management (DLWM) which serve to implement the existing law.

Selections made by municipalities are received and processed by the DLWM. This process initially involves land status checks, public notice and agency consultation. Thereafter, a proposed decision is prepared and sent to the affected municipality for review. The municipality then has 30 days to concur with, or appeal, the proposed decision. If the selection is approved, a final decision is then issued and the land is transferred to the municipality. The approved selection is followed by survey and patent. An approved selection thus constitutes a transfer of all right to title, including management responsibility.

The Honorable Edna B. DeVries -3-

March 17, 1986

The proposed decision identifies any associated rights-of-ways, easements or other reservations in the conveyance. The department may also reject a municipal selection, based upon a state or public purpose. However, for the most part, any potential conflicts are negotiated and resolved with affected municipalities prior to the issuance of the proposed decision.

The department is available and prepared to explain the department's municipal entitlement program to the committee in greater detail. It is my intention that appropriate department staff be present during committee hearings to help answer any associated questions and clarify matters.

Sincerely,



Esther C. Wunnicke
Commissioner

Attachments

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	HAINES	BRISTOL BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	NW ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehood	26,900	15,600	25,000	165,000	51,500	482,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Land Conveyed to State												
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	483,000	2,603,500	614,600	0	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	118,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,584	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	806	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	185,590	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	504,000	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
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
1978 Entitlement	11,593	10,500	19,584	2,800	2,898	58,787	155,780	44,893	355,210	112,000	89,850**	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.

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

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

<u>BOROUGH</u>	<u>SSSB 414 ENTITLEMENT</u>	<u>1978 ENTITLEMENT</u>	<u>APPROXIMATE ADDITIONAL ENTITLEMENT</u>
Ketchikan Gateway	1,470	11,593	0
Sitka	490	10,500	0
Juneau	430	19,584	0
Haines	13,300	2,800	10,500 ✓
Bristol Bay	4,900	2,898	2,000 ✓
Kodiak Island	41,200	58,787	0
Kenai Peninsula	76,200	155,780	0
Anchorage	1,700	44,893	0
Matanuska-Susitna	400,000	355,210	44,800 ✓
Fairbanks-North Star	223,200	112,000	111,000 ✓
✓ North Slope	400,000	89,850*	400,000 ✓
NW Arctic (Proposed)	230,000	n.a.	230,000 ✓
TOTAL			798,300

✓ NANA

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

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

DEPARTMENT OF
NATURAL RESOURCES

MAR 21 1986

COMMISSIONER'S OFFICE
JUNEAU

Pe- gion	Municipality	Muni- Type	Incorp. Date	Area Title-	Source of Title- ment Determination
E	Puigst	2	1975	0	Ltr 8/7/78
E	City & Borough of Juneau	"	1970	19,584	Statute
E	City & Borough of Sitka	"	1971	10,500	Statute
E	Craig	1	1922	0	Ltr 8/7/78
E	Haines	1	1910	0	Ltr 8/7/78
E	Haines Borough	B	1968	2,800	Statute
E	Hoonah	1	1946	15	Ltr 8/7/78
E	Hydaburg	1	1927	0	Ltr 8/7/78
E	Kake	1	1952	0	Ltr 8/7/78
E	Kasaan	2	1976	0	Ltr 8/7/78
E	Ketchikan	H	1900	0.5	Ltr 8/7/78
E	Ketchikan Gateway Borough	B	1963	11,593	Statute
E	Klawock	1	1929	0	Ltr 8/7/78
E	Kupreanof	2	1975	0	Ltr 8/7/78 180 ac.
E	Metlakatla	F	1944 (Federal)		
E	Pelican	1	1943	0	Ltr 8/7/78 10 ac.
E	Petersburg	H	1910	0	Ltr 8/7/78 461 ac.
E	Port Alexander	2	1974	0	Ltr 8/7/78
E	Saxman	2	1930	0	Ltr 8/7/78
E	Skagway	1	1900	35	Ltr 8/7/78
E	Tenakee Springs	2	1971	0	8/7/78 2,958 ac.
E	Thorne Bay	2	1982	612	UTS Decision
E	Wrangell	H	1903	0	Ltr 8/7/78 310 ac.
E	Yakutat	1	1948	75	Ltr 8/7/78
N	Alakanuk	2	1969	0	Ltr 8/7/78
N	Allakaket	2	1975	0	Ltr 8/7/78
N	Ambler	2	1971	0	Ltr 8/7/78
N	Anaktuvuk Pass	2	1957	0	Ltr 8/7/78
N	Anderson	2	1962	0	Ltr 8/7/78
N	Atkasuk	2	1982	0	Ltr 8/7/83
N	Barrow	1	1959	0	Ltr 8/7/78
N	Brevig Mission	2	1969	40	Ltr 8/7/78
N	Ruckland	2	1966	0	Ltr 8/7/78
N	Deering	2	1970	0	Ltr 8/7/78
N	Delta Junction	2	1960	400	Ltr 8/7/78
N	Dionede	2	1970	0	Ltr 8/7/78
N	Eagle	2	1901	0	Ltr 8/7/78
N	Elin	2	1970	0	Ltr 8/7/78
N	Fairbanks	H	1903	15	Ltr 8/7/78
N	Fairbanks North Star Boro	B	1964	112,000	Statute
N	Fort Yukon	2	1959	0	Ltr 8/7/78
N	Galena	1	1971	0	Ltr 8/7/78
N	Gamble	2	1963	0	Ltr 8/7/78
N	Golovin	2	1971	0	Ltr 8/7/78
N	Hughes	2	1973	0	Ltr 8/7/78
N	Huslia	2	1969	0	Ltr 8/7/78
N	Kaktovik	2	1971	0	Ltr 8/7/78
N	Kaltay	2	1969	0	Ltr 8/7/78
N	Kiana	2	1964	0	Ltr 8/7/78
N	Kivalina	2	1969	0	Ltr 8/7/78
N	Kobuk	2	1973	0	Ltr 8/7/78
N	Kotzebue	2	1958	0	Ltr 8/7/78
N	Koyuk	2	1970	0	Ltr 8/7/78
N	Koyukuk	2	1973	0	Ltr 8/7/78

Region	Municipality	Pop Type	Incorp. Date	Acres Entitle- ment	Source of Entitle- ment Determination
N	Kenana		1921	0	Ltr 8/7/78
N	Lone	1	1901	0	Ltr 8/7/78
N	Noorvik	2	1964	0	Ltr 8/7/78
N	North Pole	H	1953	0.5	Ltr 8/7/78
N	North Slope Borough	F	1972	89,850	Statute Redet.
N	Nulato	2	1963	0	Ltr 8/7/78
N	Point Hope	2	1966	0	Ltr 8/7/78
N	Ruby	2	1973	0	Ltr 8/7/78
N	Saint Michael	2	1969	0	Ltr 8/7/78
N	Savoonga	2	1969	0	Ltr 8/7/78
N	Selawik	2	1977	0	Ltr 8/7/78
N	Shaktoolik	2	1969	0	Ltr 8/7/78
N	Shishmaref	2	1969	0	Ltr 8/7/78
N	Shungnak	2	1967	0	Ltr 8/7/78
N	Stebbins	2	1969	0	Ltr 8/7/78
N	Tanana	1	1982	0	Ltr 8/7/78
N	Teller	2	1963	0	Ltr 8/7/78
N	Unalakleet	2	1974	0	Ltr 8/7/78
N	Wainwright	2	1962	0	Ltr 8/7/78
N	Wales	2	1964	0	Ltr 8/7/78
N	White Mountain	2	1969	0	Ltr 8/7/78
N	Whittier	2	1969	0	600 ac. grant
S	Akhiok	2	1974	0	Ltr 8/7/78
S	Akiachak	2	1974	0	Ltr 8/7/78
S	Akiak	2	1970	0	Ltr 8/7/78
S	Akutan	2	1979	0	Rec. 5 ac under 810
S	Aleknagik	2	1973	0	Ltr 8/7/78
S	Angoon	2	1963	0	Ltr 8/7/78
S	Aniak	2	1972	0	Ltr 8/7/78
S	Anvik	2	1969	0	Ltr 8/7/78
S	Atnautluak	2	1976	0	Ltr 8/7/78
S	Rethel	2	1957	0	Ltr 8/7/78
S	Pristol Bay Borough	B	1962	2,898	Statute
S	Chefornak	2	1974	0	Ltr 8/7/78
S	Chevak	2	1967	0	Ltr 8/7/78
S	Chignik	2	1983	0	Ltr
S	Chuathbaluk	2	1975	0	Ltr 8/7/78
S	Clark's Point	2	1971	0	Ltr 8/7/78
S	Cold Bay	2	1981	0	DTS Decision
S	Cordova	H	1909	235	Ltr 8/7/78
S	Dillingham	1	1963	1.0	Ltr 8/7/78
S	Eek	2	1970	0	Ltr 8/7/78
S	Ekwok	2	1974	0	Ltr 8/7/78
S	Emmonak	2	1964	0	Ltr 8/7/78
S	Fortuna Ledge	2	1970	0	Ltr 8/7/78
S	Goodnews Bay	2	1970	0	Ltr 8/7/78
S	Grayling	2	1969	0	Ltr 8/7/78
S	Holy Cross	2	1968	0	Ltr 8/7/78
S	Honer	1	1964	16	Ltr 8/7/78
S	Hooper Bay	2	1966	0	Ltr 8/7/78
S	Houston	2	1966	405	Ltr 8/7/78
S	Kachemak	2	1961	0	Ltr 8/7/78
S	Kasigluk	2	1982	0	Ltr
S	Kenai	H	1960	30	Ltr 8/7/78

Re- gion	Municipality	Muni- Type	Incorp. Date	Acres Entitle- ment	Source of Entitle- ment Determination
S	Kenai Peninsula Borough	H	1962	155,780	Statute
S	King Cove	1	1947	0	Ltr 8/7/78
S	Kodiak	H	1940	20	Ltr 8/7/78
S	Kodiak Island Borough	H	1963	56,500	Statute
S	Kotlik	2	1970	0	Ltr 8/7/78
S	Kwethluk	2	1975	0	Ltr 8/7/78
S	Larsen Bay	2	1974	0	Ltr 8/7/78
S	Lower Kalskag	2	1969	0	Ltr 8/7/78
S	Manokotak	2	1970	0	Ltr 8/7/78
S	Matanuska-Susitna	H	1974	355,210	Statute
S	McGrath	2	1975	0	Ltr 8/7/78
S	Mekoryuk	2	1969	0	Ltr 8/7/78
S	Mountain Village	2	1967	0	Ltr 8/7/78
S	Municipality of Anch.	H	1975	44,893	Statute
S	Napakiaik	2	1970	0	Ltr 8/7/78
S	Napaskiak	2	1971	0	Ltr 8/7/78
S	New Stuyahok	2	1972	0	Ltr 8/7/78
S	Newhalen	2	1971	0	Ltr 8/7/78
S	Newtok	2	1976	0	Ltr 8/7/88
S	Nightmute	2	1974	0	Ltr 8/7/83
S	Nikolai	2	1970	0	Ltr 8/7/78
S	Nondalton	2	1971	0	Ltr 8/7/78
S	Nunapitchuk	2	1969		
S	Old Harbor	2	1966	0	Ltr 8/7/78
S	Ouzinkie	2	1967	240	Ltr 8/7/78
S	Palmer	H	1951	0	Ltr 8/7/78
S	Pilot Station	2	1969	0	Ltr 8/7/78
S	Platinum	2	1975	0	Ltr 8/7/78
S	Port Heiden	2	1972	0	Ltr 8/7/78
S	Port Lions	2	1966	35	Ltr 8/7/78
S	Quinhagak	2	1975	0	Ltr 8/7/78
S	Russian Mission	2	1970	0	Ltr 8/7/78
S	Saint George	2	1983	0	Ltr
S	Saint Mary's	1	1967	0	Ltr 8/7/78
S	Saint Paul	2	1971	0	Ltr 8/7/78
S	Sand Point	1	1978	0	Ltr 8/7/78
S	Scammon Bay	2	1967	0	Ltr 8/7/78
S	Seldovia	1	1945	0	Ltr 8/7/78
S	Seward	H	1912	240	Ltr 8/7/78
S	Shageluk	2	1970	0	Ltr 8/7/78
S	Sheldon Point	2	1974	0	Ltr 8/7/78
S	Soldotna	1	1967	10	Ltr 8/7/78
S	Togiak	2	1969	0	Ltr 8/7/78
S	Toksook Bay	2	1972	0	Ltr 8/7/78
S	Tuluksak	2	1970	0	Ltr 8/7/78
S	Tununak	2	1975	0	Ltr 8/7/78
S	Unalaska	1	1942	0	DTS
S	Upper Kachemak	2	1975	0	Ltr 8/7/78
S	Valdez	H	1901	4,805	Ltr 8/7/78
S	Wasilla	2	1974	0	Ltr 8/7/78



Official Business

Alaska State Legislature Senate

Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman

Members

Senator Ferguson, Vice Chairman
Senator Cognini
Senator Sturgulewski
Senator V. Fischer

Pouch V
Juneau, Alaska 99811

March 27, 1986

TO: McKie Campbell
Senate Resources Committee

FROM: Trudie Alford *TA*
Senate C&RA Committee

SUBJ: CS 2d SSSB 414 (C&RA)

This bill will be coming to your committee in the next few days.

Wanted you to know that Ned Farquhar, DNR, informed me that he does not believe their fiscal note has changed from the one prepared on the earlier version of the bill, SS SB 414. He is checking the matter out and will send Senator DeVries advice in writing.

I will forward a copy of his letter to Senate Resources to your attention.

Atchs **DNR is preparing new fiscal note which is expected to be significantly lower. M&H**

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 03-13-86

REQUEST

Bill/Resolution No. : SSSB 414
Tide : 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						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

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 : Ann S D Am N 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 : 3/3/86

REQUEST

Bill/Resolution No. : SB 414
 Title : An Act relating to municipal
entitlements
 Sponsor : Senator Ferguson
 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						
---------	--	--	--	--	--	--

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)

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 10, 1986

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

949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 563-1073

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

MEMORANDUM

State of Alaska

Community and Regional Affairs

TO: Doug Griffin
Deputy Director

DATE: March 11, 1986

FILE NO: 3303X/PF/dm

TELEPHONE NO: 465-4750

FROM: Peter Freer *PF*
Planner IV
Municipal and Regional
Assistance Division

SUBJECT: Position Paper
on SB 414

Program Effects of Bill

The sponsor substitute is substantially similar to the original bill, but contains some changes which should be noted. These changes, including the re-numbering of sections within the bill, are listed below.

- ° The sponsor substitute adds a new section 1 which limits the size of a municipal land entitlement to no more than 400,000 acres.
- ° Section 2 of the sponsor substitute is the same as section 1 of the original bill.
- ° Section 3 of the sponsor substitute is a new section. It is intended to prevent a municipality from obtaining land in addition to the total amount available under its entitlement. Section 3 of the original bill is deleted from the sponsor substitute but is not deleted from Title 29. The proposed new language from the deleted section 3 is now contained within section 2 of the sponsor substitute.
- ° Section 4 of the sponsor substitute is the same as section 2 of the original bill. Note that the title of this section should read, DETERMINATION OF ENTITLEMENT FOR NEWLY INCORPORATED MUNICIPALITIES.
- ° Section 5 is a new section exempting school, university and mental health land from being included in the determination of entitlement, and from municipal selection.
- ° Section 6 of the sponsor substitute is the same as Section 4 of the original bill.
- ° Section 7 of the sponsor substitute repeals several existing provisions of Title 29. The repeals should be regarded as housekeeping in nature.

Doug Griffin
RE: SB 414
March 11, 1986
Page Two

- ° Section 8 of the sponsor substitute is a new section requiring DNR to consult with municipalities in identifying or classifying land prior to the effective date of the ordinance. This section seems intended to prevent DNR from reclassifying land and reducing the entitlement base with out first consulting municipalities.

The attached position paper on the original bill remains the Department's position. Staff feels that the proposed amendments improve the bill.

I understand that DNR may propose several additional amendments to the sponsor substitute. From my understanding of the amendments, they are routine and do not change the basic purpose and intent of the bill

Sen Stuyplewski

Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Senator Edna DeVries, Chair
Members of the Senate Community and Regional Affairs Committee

FROM: Scott A. Burgess, Executive Director *S.A.B.*

DATE: March 25, 1986

SUBJECT: SSSB 414 - Municipal Land Entitlements

As stated in the League's previous written testimony, and AML Resolution 86-21, we are in full support of SB 414, and SSSB 414 (see written testimony dated March 6, 1986).

For the record, I would like to clarify our understanding that the intent of the legislation is not to affect the final outcome of the Alaska Supreme Court case, Weiss v Alaska. The legislation correctly states that mental health land cannot be selected in the future; however, negotiations are still underway as to the status of current selections. These must be resolved by the Court and the parties in the case, and the intent is not to resolve this issue with SSSB 414.

Thank you.

MAR 25 1986


Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

MAR 19 1986

TO: Senator Edna DeVries, Chair
Members of the Senate Community and Regional Affairs Committee

FROM: Scott A. Burgess, Executive Director 

DATE: March 6, 1986

SUBJECT: SB 414 - Municipal Land Entitlements

The Alaska Municipal League strongly supports SB 414. Attached is a resolution generally supporting such legislation adopted by the AML membership at their annual conference and business meeting in Fairbanks in November. The legislation would recognize past inequities, recognize the needs of growing municipalities, and make more efficient use of state land by encouraging development and effective use near population, employment and service centers.

As written, the bill would appear to have three major proposals.

1. It would extend the date during which a municipality could receive 10% of the total vacant, unappropriated, unreserved (VUU) state land within its municipal boundaries until 1996, two years after 1994. Under the Statehood Act, the State has 35 years in which to select.
2. It would require the annual recomputation of the maximum total acreage base from which to determine the 10% entitlement to account for additional acreage available for selection through reclassification (see #3 below), additional state selections, and annexation. On this point some clarification of the intent and a definition of "mileage rate equivalent" in Section 2 would be helpful.
3. It expands the state land classifications from which a municipality may select land.

The legislation could potentially benefit all municipalities, equally in proportion to municipal land area and depending on available State VUU land. This would include municipalities which did not have received a statutory entitlement and the North Slope Borough which lost its entitlement in a court battle with the State. Also, it could benefit those who received statutory entitlements and newly incorporated municipalities which received 10% under the existing law, now or over time, by recomputing the base as the result of annexations or in the event the State has selected additional land within its boundaries, and by increasing the types of VUU land with the new classifications eligible for selection. The specific effects on individual municipalities will vary by community, size, incorporation date, amount of VUU land, entitlement

status etc. The Department of Natural Resources did not have a list of municipalities potentially affected by this legislation available at the time I prepared this memo, and such a list may not be possible with the varying circumstances.

One concern I would raise is the fiscal note, which also was not available at this time. Without adequate funding, this legislation will present false hopes and probable frustrations. Inadequate funding for municipalities and the Department of Natural Resources is presumably a major deterrent to satisfying municipal entitlements under current law. While state revenues will be continued to be strapped, this legislation will only add to the land selection, planning, survey, transfer and development costs of the land entitlement program, and must be addressed by the Legislature to realize the intent of this bill.

Again, the Alaska Municipal League supports HB 414, appreciates the effort of the sponsor, and urges passage by the Committee. I apologize for not attending the hearing but will be in Washington, D.C. on League business. Thank you.

Attachment

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 86-21

A RESOLUTION ADDRESSING LAND ENTITLEMENTS.

WHEREAS, the purpose of municipal entitlements is to provide local governments throughout Alaska a land base with which to meet a broad variety of present and future needs, and

WHEREAS, many municipalities throughout the State have not received entitlements, and

WHEREAS, while the problems associated with the fulfillment of municipal entitlements for each municipality may vary with individual communities, concern over the fulfillment of entitlements is deeply shared by all communities, and

WHEREAS, the lack of municipal entitlements presents hardships for municipalities and severely restricts the ability of communities to plan effectively for the future, and

WHEREAS, fulfillment of municipal entitlements is one of the most important and basic rights of municipalities and a duty of the State;


NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League calls upon the Legislature, the Governor, and the Alaska Department of Natural Resources to take whatever actions are necessary to correct existing inequities and overcome any and all remaining obstacles to fulfill land entitlements for all municipalities.

Adopted this 16th day of November 1985.



LEO B. RASMUSSEN, President

ATTEST:


SCOTT A. BURGESS, Executive Director

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-485-2400

April 14, 1986

The Honorable Arliss Sturgulewski
Chair, Senator Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Senator Sturgulewski:

During the Senate Resources Committee hearing on SB 414 last week you asked for additional information pertaining to the North Slope Borough's municipal entitlement situation. In brief, the North Slope Borough has no municipal land entitlement because it failed to dismiss litigation regarding claims to state land in 1978 as required by state law. AS 29.65.110 (previously AS 29.18.211) specified that failure to dismiss the litigation within 60 days after July 1, 1978 would constitute a waiver of any entitlement to state land otherwise provided by AS 29.65.010(a).

The litigation (North Slope Borough v. LeResche) was initiated by the borough in 1974 after the Director of the Division of Lands denied the borough's land selection applications to acquire the surface estate to certain lands within the Prudhoe Bay oilfield area. These lands had been selected pursuant to the provisions of former AS 29.18.190 to 29.18.200, the original Municipal Entitlement Act. The selections were denied on the basis that it was not in the best interest of the state to convey the borough the surface of these lands.

This decision was affirmed on appeal by the commissioner and then was appealed by the borough to the Superior Court. The Superior Court rendered a decision on January 3, 1977, finding in favor of the state that the "state's best interest" was a proper basis for rejecting these land selections. The borough next appealed this decision to the Alaska Supreme Court and a decision was pending in 1978 when the Legislature substantially revised and repealed AS 29.18.190 to 29.18.200, the original Municipal Entitlement Act.

The Hon. Arliss Sturgulewski -2-

April 14, 1986

The Supreme Court's decision upholding the state was issued on August 4, 1978. However, following the decision, the borough took steps to obtain additional time in which to file motions for rehearing and thus kept the litigation alive. Finally, the Supreme Court ended the litigation with finality in the state's favor on September 11, 1978, twelve days after the close of the 60-day litigation dismissal period allowed by the new law.

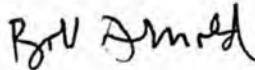
As you know, the 1978 legislation (Chapter 180, SLA 1978) had granted the North Slope Borough an entitlement of 89,850 acres. However, as indicated above, the new legislation specifically required any municipality which was engaged in litigation against the state on July 1, 1978 to either elect to pursue its legal rights and remedies under the old statute, or to dismiss any pending litigation and accept the land entitlement specified by the new statute.

Because the borough failed to timely file a motion to dismiss its lawsuit with prejudice within the time allowed, it forfeited any rights under the new act and ultimately received no land under either act.

SB 414 would allow the borough to receive the maximum amount of 10 percent of all vacant, unappropriated and unreserved general grant available land at any time between the date of incorporation and 1996, not to exceed 400,000 acres. According to preliminary acreage calculations conducted by the department, the borough would therefore appear eligible to receive the maximum 400,000 acre entitlement allowed by the proposed litigation.

Please let me know if my staff or I may provide any further clarification regarding this matter.

Sincerely,



fm Esther C. Wunnicke
Commissioner

MUNICIPALITY OF ANCHORAGE

MEMORANDUM

DATE: April 10, 1986

TO: Chip Demmerlein, Director, Intergovernmental Affairs

FROM: Peter Scholes, Property Management Officer *PJS*

SUBJECT: Bills relating to general grant land entitlements (SB 414, HB 587)

Please note that Tom Meacham and I have drafted the Anchorage amendments to the bills relating to general grant land entitlements in the form of a substitute for the current Senate bill, CS for 2d Sponsor Substitute for Senate Bill No. 414 (C&RA). In order to facilitate Rep. Pourchot's review of what we have proposed, I have compared the above Senate bill with what I believe is the current House bill, CS for House Bill No. 587 (C&RA).

The two bills are identical through the first seven sections.

Sections 8 (agricultural land) and 9 of the Senate bill are not contained in the House bill.

Section 10 of the Senate bill is the same as Section 8 of the House bill.

Section 11 of the Senate bill, the key section on the Commissioner's authority to negotiate an agreement, is not contained in the House bill.

Section 12 of the Senate bill is the same as Section 9 of the House bill.

Sections 13 and 14 of the Senate bill are similar to Sections 10 and 11 of the House bill, however, the effective dates of the three additional sections of the Senate bill are contained in Sections 13 and 14.

1. To protect oil and gas mineral interests:

add a paragraph to Sec. 2 / AS 29.65.025 --

"(e) In any conveyance of land to a municipality under this act, the commissioner shall reserve the right to explore, enter, develop, and occupy the surface as reasonably necessary for access to the mineral estate, as required by AS 38.05.125."

2. To repeal in-lieu payments provision (except for Anchorage):

add a repealer Sec. 14 and renumber following sections -

"Sec. 14. AS 29.65.080 is repealed except for any municipality qualified on January 1, 1987."

3. To reverse presumption of Anchorage language:

At Sec. 12 delete the end of the first sentence from "if the commissioner...." and replace it with:

"unless the state determines that the land must be retained in the state's ownership."

(COMPENSATION: Add at AS 29.65.060)

of the bill.

(c) A municipality shall be entitled to just compensation for any selection made by it under former AS 29.18.206 or 29.65.060 which was pending, or on timely appeal, on April 1, 1986, and which cannot be conveyed to the municipality as a result of any final judicial action or legislative enactment, except that no compensation is required for any selection of land by a municipality within a special use area designated by the Legislature under AS 16 or AS 41 or for any selection of land that is not vacant, unappropriated, and unreserved land as defined under AS 29.65.130(10), provided that nothing in this ~~act~~ ^{act} shall affect the legal rights of any party with regard to any selection of school, university, or mental health land by a municipality prior to June 1, 1986.

(MENTAL HEALTH/UNIVERSITY/SCHOOL LANDS: Revise 060(b) in the bill to read:)

(b) After June 1, 1986, a municipality may not select school, university, or mental health land in fulfillment of its general grant land entitlement, provided that nothing in this act shall affect the legal rights of any party with regard to any selection of school, university, or mental health land by a municipality prior to June 1, 1986.

(NEGOTIATION: Sec. 13 of the bill)

Sec. 13. The commissioner of natural resources may negotiate with and enter into an agreement to convey state land to a borough or unified municipality whose entitlement under AS 29.65.010 in the commissioner's determination cannot be fulfilled as of January 1, 1987, if the borough or unified municipality elects in writing before January 1, 1987, to pursue a settlement of that existing entitlement. The commissioner has authority under this section to convey state land without regard as to whether the land is vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if the commissioner determines, after public notice, that the land lies outside the smallest practicable tract of land actually used in connection with the administration of a state function on ~~April~~ ^{July} 1, 1987, except that the commissioner may not convey lands owned by another state agency without its consent. Land conveyed to a borough or a unified municipality under an agreement entered into under this section may constitute complete fulfillment of the municipality's general grant land entitlement as specified in the agreement and agreed to by both parties. Conveyances under an agreement entered into under this section may contain no restrictions or conditions that are not required to be imposed by law, except those restrictions or conditions mutually agreed upon by the parties.

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

<u>BOROUGH</u>	<u>SSSB 411 ENTITLEMENT</u>	<u>1978 ENTITLEMENT</u>	<u>APPROXIMATE ADDITIONAL ENTITLEMENT</u>
Ketchikan Gateway	1,470	11,593	0
Sitka	490	10,500	0
Juneau	430	19,584	0
Haines	13,300	2,800	10,500
Bristol Bay	4,900	2,898	2,000
Kodiak Island	41,200	58,787	0
Kenai Peninsula	76,200	155,780	0
Anchorage	1,700	44,893	0
Matanuska-Susitna	400,000	355,210	44,800
Fairbanks-North Star	223,200	112,000	111,000
North Slope	400,000	89,850*	400,000
NW Arctic (Proposed)	230,000	n.a.	<u>230,000</u>
TOTAL			798,300

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

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

DEPARTMENT OF
NATURAL RESOURCES
MAR 21 1986
COMMISSIONER'S OFFICE
JUNEAU

MEMORANDUM

State of Alaska

To:
DISTRIBUTION

Date: March 14, 1986

From: Gary Gustafson, Chief
Land Management
Land and Water Management

File no:

Telephone no: 762-4346

Subject: Senate Bill 414

Analysis of Sponsor Substitute for Senate Bill 414

Section 1. This section allows a borough with a 1978 statutory entitlement per AS 29.65.010(a) to increase its entitlement if the new entitlement formula provided in AS 29.65.020 or 29.65.030 (10 percent of vacant unappropriated, unreserved land) results in a higher entitlement figure. Under no circumstances, however, shall a borough's entitlement exceed 400,000 acres. This should benefit those boroughs which encompass a substantial amount of available state land (i.e. Bristol Bay, Fairbanks North Star Borough, Matanuska-Susitna, Haines, North Slope Borough).

Section 2. The existing entitlement formula now applicable to cities - 10 percent of total acreage of vacant, unappropriated, unreserved land - is expanded to include all municipalities (organized boroughs and cities). There is no maximum entitlement threshold applicable to cities.

Entitlements for municipalities are also allowed to increase if the state has received additional land within municipal boundaries, up until two years after the expiration of state selection rights. As state selection rights will expire after January 2, 1994, municipal entitlements could increase (subject to the state's receipt of land) until January 2, 1996. The director is also required to determine or update entitlements for each municipality by January 1 of each year.

Section 3. This eliminates the previous language which did not grant additional entitlements to cities incorporated before January 1, 1986. Instead, a subsection is added which provides that

any conveyances of state land to municipalities which occur outside AS 29.65 shall be counted against that municipalities entitlement. This covers prior direct legislative land conveyances, such as those to Whittier and Pelican.

Section 4. Similar to Section 2 (above), the entitlement for newly incorporated municipalities is allowed to increase if additional land is conveyed to the state within municipal boundaries before two years after the expiration of the state's selection rights expire (January 2, 1996).

NOTE: The title of this section should read "DETERMINATION OF ENTITLEMENT FOR NEWLY INCORPORATED MUNICIPALITIES".

Section 5. This section previously allowed municipalities to select and receive school and mental health land, under certain circumstances. If school or mental health land was selected, the director was to identify replacement land of approximately equal value and propose such replacement land for the concurrence of the appropriate board. If approved, the replacement land was then to be managed in accord with the purposes for which the land was originally acquired.

The section is now proposed for repeal because a recent Alaska Supreme Court decision (Weiss v. Alaska) ordered the state to return mental health land to trust status and prohibited the department from divestiture of mental health land unless the trust is compensated for at least fair market value of the land. As school lands pose very similar trust obligations (although there has been no court determination), it is prudent to also exclude school lands from municipal selection. University lands are proposed for exclusion because a 1982 agreement with the university has transferred title to these lands to the University of Alaska.

Section 6. This section amends the definition of "vacant, unappropriated and unreserved land" to eliminate those classification categories no longer in existence (commercial, industry, private, recreational, residential, utility, open-to-entry) and replaces them

with those new classification categories considered appropriate for municipal entitlement determinations and selection (material, public recreation, resource management, settlement, transportation corridor, wildlife habitat and water resources). The agricultural and grazing classifications have not been altered and remain available for selection, as do unclassified lands. The classification categories ineligible for municipal selection are oil and gas, coal, minerals, heritage resources, geothermal and reserved use.

The majority of the state's vacant, unappropriated and unreserved land is presently classified as resource management.

Section 7. This section repeals several provisions of AS 29.65 which are either out-dated or inconsistent with this bill. Specifically,

- (a) AS 29.65.030(c) - Is inconsistent with the bill because it specified the section will not grant additional entitlements to municipalities incorporated before January 1, 1986.
- (b) AS 29.65.040(e) - This provision is out-dated and no longer serves any useful purpose.
- (c) AS 29.65.050(b) and (c) - Subsection (b) is out-dated as all approved selections under former AS 29.18.190 and 29.18.200 for which patent was not issued on July 1, 1978 by the director have now been reviewed. Subsection (c) required the director to approve each municipal selection for patent within nine months of selection and a patent within three months of approval of plat of survey. These requirements simply can not be met under the new bill due to lack of sufficient departmental staff to process the increased workload. Alternative deadlines could be proposed, although the department prefers to repeal the requirement and process selections as staff and resources allow.
- (d) AS 29.65.090 - This would repeal the present authorization for the state and municipalities to exchange land or interests in land of

approximate value if in the public interest. It is the experience of department that this exchange authority is very difficult to administer because it does not require trades to be based upon equal appraised value and exempt such trades from the more stringent public review and legislative approval requirements otherwise necessary for exchanges under AS 38.50. Furthermore, there are no regulations to implement the existing section. The repeal of this section will not eliminate state land exchanges with municipalities. Instead, such trades may still occur, only subject to AS 38.50.

- (e) AS 29.65.110 - The election of benefits covered by this section no longer apply as no municipalities are still engaged in litigation regarding a claim to state land under former AS 29.18.190 or 29.18.200 and the statute of limitations has expired.

Section 8. As the act is not proposed to take effect until January 1, 1987 (see Section 10), this section will ensure coordination and consultation with affected municipalities should the department proceed with a land classification effort prior to the effective date of the act.

Section 9. Making the act effective on January 1, 1987 will reduce associated fiscal impacts of the bill for FY 87 and allow the state to complete any classification actions necessary to protect sensitive state lands.

GG/jlj

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 : _____

EXPENLITURES/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						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

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.

Offered: 3/24/86
Referred: Finance

Original sponsor: Adams

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 587 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to general grant land entitlements;

7

and providing for an effective date."

8

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

9

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

10

Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-

11

ITIES. The general grant land entitlement of a municipality is 10

12

percent of the maximum total acreage of vacant, unappropriated, unre-

13

served land within its boundaries at any time between the date of its

14

incorporation and two years after the expiration of the state's right

15

to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.

16

By January 1 of each year the director shall determine or update the

17

unfulfilled entitlement for each municipality under this section and

18

certify that entitlement to that municipality.

19

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

20

Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-

21

ity is eligible for only one general grant land entitlement. A munic-

22

ipality that qualifies for an entitlement under AS 29.65.010 and

23

29.65.015 shall receive the larger of the two entitlements.

24

(b) A municipality may not receive a general grant land en-

25

titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

26

(c) All conveyances of legal title to land by the state to a

27

municipality under AS 29.65.010 or a former law shall be credited

28

toward fulfillment of the entitlement for that municipality. All

29

payments for land under AS 29.65.080 or former AS 29.18.208 shall be

1 credited toward fulfillment of the entitlement for that municipality.

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

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

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

10 (b) A general grant land entitlement under AS 29.65.015 is a
11 property right that vests on the date of incorporation of the 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. Before January 1, 1987, the Department of Natural Resources
7 shall consult with each municipality affected by this Act regarding classi-
8 fications of state land within its boundaries and shall assist the munic-
9 ipality in identifying land suitable for selection in fulfillment of its
10 general grant land entitlement.

11 * Sec. 9. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090
12 and 29.65.110 are repealed.

13 * Sec. 10. Sections 4 and 8 of this Act take effect immediately in
14 accordance with AS 01.10.070(c).

15 * Sec. 11. Sections 1 - 3, 5 - 7, and 9 of this Act take effect
16 January 1, 1987.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : 4/4/86

REQUEST

Bill/Resolution No. : CS for 2d SS SB 414
 Title : An act relating to general grant
land entitlements

Sponsor : Ferguson
 Requestor : Senate Resources
 Date of Request : 4/3/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land and Water Management -
Public Use

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		48.7	48.7	48.7	48.7	48.7
TRAVEL		10.0	5.0	5.0	5.0	5.0
CONTRACTUAL		15.5	6.0	6.0	6.0	6.0
SUPPLIES		.3	.3	.3	.3	.3
EQUIPMENT		.9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		75.4	60.0	60.0	60.0	60.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		75.4	60.0	60.0	60.0	60.0
FEDERAL FUNDS						
OTHER						
TOTAL		75.4	60.0	60.0	60.0	60.0

POSITIONS :

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Gary Gustafson Phone : 762-4346
 Division : Land and Water Management Date : 4/4/86

Approved by Commissioner : Thomas D. Arnold, Deputy Date : 4/4/86
 Agency : Natural Resources

Distribution (by Agency preparing fiscal note) :

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

4/4/86

Analysis - CS SS SB 414

This revised fiscal note includes funding for a Natural Resource Manager I position located in Anchorage.

This position will serve to coordinate all municipal land entitlement calculations required as a result of the proposed legislation and oversee the subsequent process of transferring selected lands. This position will likely be supported by existing land disposal staff already within the department.

Associated costs include travel funds to attend coordination meetings with municipalities and contractual monies to cover land title record duplications and associated mailing costs.

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414
Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	HAINES	BRISTOL BAY	KOOTIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	NW ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehood Land Conveyed to State	26,900	15,600	25,000	165,000	51,500	482,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	483,000	2,603,600	614,600	0	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	118,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,584	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	806	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	185,590	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	504,000	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
SSSB 414 Entitlement (10% of WJU)	1,470	490	430	13,300	4,900	41,200	76,200	1,700	400,000*	223,200	400,000*	230,000
1978 Entitlement	11,593	10,500	19,584	2,800	2,898	58,787	155,780	44,893	355,210	112,000	89,850**	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.

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

Cook
4/25/86

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.

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 received
9 less than market value.

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 (f) Conveyances of land under this chapter are subject to
18 AS 38.05.035(e).

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

20 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) A general grant
21 land entitlement under AS 29.65.010 is a vested property right that
22 must be fulfilled in accordance with AS 29.65.025, 29.65.060, and
23 29.65.080.

24 (b) A general grant land entitlement under AS 29.65.015 is a
25 property right that vests on the date of incorporation of the munici-
26 pality. The entitlement must be fulfilled in accordance with AS 29.-
27 65.025.

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

29 (a) If an entitlement determined under AS 29.65.010 or 29.65.015

1 [29.65.020] results in a per capita entitlement for the municipality
2 of less than one and one-half acre, the municipality may select vacant
3 school land or mental health land in the municipality in partial
4 fulfillment of its land entitlement under this chapter. School land
5 or mental health land may be selected notwithstanding the fact that
6 this land is not unappropriated and unreserved within the meaning of
7 this chapter and under former AS 29.18.190 and 29.18.200, but each
8 selection of school land or mental health land by a municipality must
9 be vacant, unappropriated, or unreserved land as defined in this
10 chapter, except that it need not be general grant land.

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

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

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

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

18 (h) Nothing in this section affects the legal rights of any
19 person with regard to selections of school land, university land, or
20 mental health land made by a municipality on or before October 4,
21 1985.

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

23 (i) A municipality that may enter into an agreement under
24 sec. 15 of this Act is entitled to just compensation in the form of
25 land or other payment for a selection made by it under this section or
26 former AS 29.18.206 (ch. 180, SLA 1978) that was pending or on timely
27 appeal on April 1, 1986, and that cannot be conveyed to the
28 municipality as a result of final judicial action or law, except that
29 compensation is not required for a selection of land by a municipality

1 within a special use area under AS 16 or AS 41 or for a selection of
2 land not qualified to be selected under this section or former AS
3 29.18.206. Compensation under this subsection shall be credited
4 against the municipality's remaining land entitlement under this
5 chapter.

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

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

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

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

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

16 (3) "general grant land"

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

20 (B) does not include mental health land, school land,
21 or university land;

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

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

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

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

1 (C) is unclassified or, if classified under AS 38.-
2 05.300, is classified for agricultural, grazing, public recre-
3 ation, resource management, settlement, forestry, or wildlife
4 habitat [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDEN-
5 TIAL, UTILITY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in
6 accordance with an agreement between a municipality and the state
7 providing for state management of land of the municipality.

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

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

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

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

26 (1) state land classified as agricultural land that has
27 been selected by a municipality under the provisions of former AS 29.-
28 18.190 - 29.18.200 if the selection is an approved selection before
29 April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or

1 former AS 29.18.205(b); or

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

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

9 * Sec. 15. The commissioner of natural resources shall negotiate with
10 and may enter into an agreement to convey state land to a borough or
11 unified municipality whose entitlement under AS 29.65.010 in the commis-
12 sioner's determination cannot be fulfilled by January 1, 1987, if the
13 borough or unified municipality elects in writing before January 1, 1987,
14 to pursue a settlement of that existing entitlement. The commissioner has
15 authority under this section to convey state land without regard as to
16 whether the land is vacant, unappropriated, unreserved land as defined
17 under AS 29.65.130(10) if the commissioner determines, after public notice,
18 that the land lies outside the smallest practicable tract of land actually
19 used in connection with the administration of a state function on July 1,
20 1986, except the commissioner may not convey land owned by another state
21 agency without its consent. Land conveyed to a borough or a unified munic-
22 ipality under an agreement entered into under this section may constitute
23 complete fulfillment of the municipality's general grant land entitlement
24 as specified in the agreement and agreed to by both parties. Conveyances
25 under an agreement entered into under this section may not contain reser-
26 vations or conditions that are not required to be imposed by law, except
27 restrictions or conditions agreed upon by the parties.

28 * Sec. 16. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.-
29 080(h) and 29.65.110 are repealed.

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

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

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

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Official Business

Alaska State Legislature

Senate

Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman
Members
Senator Ferguson, Vice Chairman
Senator Coghill
Senator Sturgulewski
Senator V. Fischer

Pouch V
Juneau, Alaska 99811

March 27, 1986

TO: McKie Campbell
Senate Resources Committee

FROM: Trudie Alford ~~ta~~
Senate C&RA Committee

SUBJ: CS 2d SSSB 414 (C&RA)

This bill will be coming to your committee in the next few days.

Wanted you to know that Ned Farquhar, DNR, informed me that he does not believe their fiscal note has changed from the one prepared on the earlier version of the bill, SS SB 414. He is checking the matter out and will send Senator DeVries advice in writing.

I will forward a copy of his letter to Senate Resources to your attention.

Atchs **DNR is preparing new fiscal note which is expected to be significantly lower. MSL**

Offered: 3/24/86
Referred: Finance

Original sponsor: Adams

1 IN THE HOUSE
2
3 CS FOR HOUSE BILL NO. 587 (C&RA)
4 IN THE LEGISLATURE OF THE STATE OF ALASKA
5 FOURTEENTH LEGISLATURE - SECOND SESSION
6 A BILL
7 For an Act entitled: "An Act relating to general grant land entitlements;
8 and providing for an effective date."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. AS 29.65 is amended by adding a new section to read:
11 Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-
12 ITIES. The general grant land entitlement of a municipality is 10
13 percent of the maximum total acreage of vacant, unappropriated, unre-
14 served land within its boundaries at any time between the date of its
15 incorporation and two years after the expiration of the state's right
16 to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.
17 By January 1 of each year the director shall determine or update the
18 unfulfilled entitlement for each municipality under this section and
19 certify that entitlement to that municipality.
20 * Sec. 2. AS 29.65 is amended by adding a new section to read:
21 Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-
22 ity is eligible for only one general grant land entitlement. A munic-
23 ipality that qualifies for an entitlement under AS 29.65.010 and
24 29.65.015 shall receive the larger of the two entitlements.
25 (b) A municipality may not receive a general grant land en-
26 titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.
27 (c) All conveyances of legal title to land by the state to a
28 municipality under AS 29.65.010 or a former law shall be credited
29 toward fulfillment of the entitlement for that municipality. All
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 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. Before January 1, 1987, the Department of Natural Resources
7 shall consult with each municipality affected by this Act regarding classi-
8 fications of state land within its boundaries and shall assist the munic-
9 ipality in identifying land suitable for selection in fulfillment of its
10 general grant land entitlement.

11 * Sec. 9. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090
12 and 29.65.110 are repealed.

13 * Sec. 10. Sections 4 and 8 of this Act take effect immediately in
14 accordance with AS 01.10.070(c).

15 * Sec. 11. Sections 1 - 3, 5 - 7, and 9 of this Act take effect
16 January 1, 1987.

accepted

Cook

A M E N D M E N T

Offered in the SENATE

By V. Fischer

TO: 2d SSSB 414

Page 2, line 22, after "served." delete all material through line 24