

C S S B

/ 3 3

HOUSE COMMITTEE REPORT

(11)

Date referred: 5/5/87

FURTHER REFERRALS:

5/16
Ruler

DATE: 5-16-87

The Finance Committee has considered SSB 133(Fin)am

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

RECOMMENDS:

- replace with HCS SSB 133 (FIN) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

[Handwritten signatures]

SIGNING OTHER RECOMMENDATIONS:

[Handwritten signature]

[Handwritten signature]

 Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
 Revision Date: 4/9/87
 Title: General grant entitlement
 (municipal selection)
 Sponsor: Wensley, et al
 Requestor: Senate Finance

Bill Version: HCS SB 133 (FIM)
 Publish Date: _____

Agency Affected: Natural Resources
 BRU: Land and Water Management
 Components: Land Conveyance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		61.5	168.9	168.9	168.9	168.9
TRAVEL		5.0	5.0	4.0	5.0	5.0
CONTRACTUAL		4.0	6.0	6.0	4.0	4.0
SUPPLIES		2.0	2.0	2.0	1.5	1.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		72.5	181.9	181.9	181.9	181.9
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1.0	3.0	3.0	3.0	3.0
PART-TIME		2.0	1.0	1.0	1.0	1.0
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)
 (See attached)

Prepared by: Gary Gustafson
 Division: Land and Water Management
 Approved by Commissioner: [Signature]
 Agency: Natural Resources

Phone: 465-2400
 Date: 3/2/87
 Date: 4/16/87

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)
 Senate Secretary

CSSB 133
Fiscal Note Analysis

With the passage of CSSB 133, the department will be required to determine and certify the entitlement of an estimated 146 first and second class cities within the state within six months. Because the bill changes the definition of vacant, unappropriated and unreserved (vuu) land, and expands the date of eligibility, while retaining the language which states that cities are entitled to 10% of "the maximum total acreage of" vuu land within their boundaries which existed "at any time" between their initial eligibility (presumably the enactment of the referenced statutes in 1972) and the new data (January 1, 1988), the research involved will be quite extensive.

Many of the 146 cities will be unaffected by the legislation. However, to facilitate the Certification by the Director, numerous state records must be searched to assure the correct acreage for each municipality and make that determination. These records include those of the Department of Community and Regional Affairs (city incorporations and boundaries), the Department of Natural Resources (land title records, status plats, classification and planning documents) and the federal government (land title records, status plats, and other Bureau of Land Management (BLM) records).

Presently, city boundaries are not depicted in the department's Land Administration (computer) System (LAS) nor on state status plats. This will necessitate a time consuming manual adjudication process which must be accomplished within the six month limitation. In order to accomplish this expedited certification process the department will require the following for a maximum of twelve months:

CERTIFICATION

1. A Project Manager (Natural Resource Manager I, range 18, 12 months). The Manager will supervise a staff consisting of a Natural Resource Technician II (range 12), and a Clerk Typist III (range 8). The manager must have sufficient background to understand and work with the various processes involved, including the land transfer process from the federal government to the state, and from the state to municipalities (Title 29, etc.). The manager must act as liaison and problem solver for involved agencies and cities. This position will also be responsible for public notice and conducting hearings associated with the process of certification. The Manager will also review records and make determinations concerning those records as necessary for creating background for certification. The Manager must also work with the department's title personnel to recheck these results with the federal title documents and plats to assure everything is in order; and with the Technician to ensure correct mapping from department documents.

2. The necessary record and resource gathering, mapping and general support for the manager will be provided by the Natural Resource Technician (range 12, first 6 months or less). The Technician, with the direct supervision of the Officer will review and delineate on a single pictorial document the following: correct municipal boundaries (from information obtained from the Department of Community and Regional Affairs by the Technician); many classifications from old land planning reports, classification orders (original and renumbered), regional, area and management plans. This document will be used to provide a focal point from which a rational review of all the data may be accomplished.

3. The Clerk Typist III (range 8, 10-12 months) would supply data entry, clerical, typing and general office support for the Certification staff. The Clerk will be responsible for typing documents, decisions, etc.; monitoring files; and inputting computer data.

ADMINISTRATION

After the initial certification and adjudication and administrative phase will take place primarily in the Northern Region in Fairbanks, as the North Slope Borough would be able to select its entitlement of 89,950 acres while the new Northwest Borough would be able to select approximately 240,000 acres. This requires use of all of the state records and its various systems; coordinating with the borough in the actual selection; formulating the decision which would transfer management authority to the borough; reviewing the survey data, writing survey instructions, negotiating survey contracts for the vast areas many of which are totally unsurveyed, reviewing the survey accomplished by the private surveyors; and finally, conveying title.

To date the division has conveyed 372,000 acres of the total municipally selected amount of 785,000 acres. The number of people involved has run to a high of 15 people in past years, while the division presently has only 1 3/4 people working on municipal entitlements. The present reduction is attributable to a wind down phase as most action is awaiting survey of the land. To expeditiously handle the selections and get the land conveyed a level 18 manager, one grade 16 officer, and 1 technician at a level 12 with a Clerk Typist, level 8 would be required. These people would be permanent and located in Fairbanks. The duties of this staff focus on the process following certification: Land selection and conveyance. The administration staff should be assembled and begin work during the last month of FY 88 in order to coordinate with the certification team.

In order to assist the municipalities in selecting the lands to which they are entitled and to transfer these lands to the municipalities with maximum efficiency, the Manager will work directly with the municipal land officer in each municipality for land identification. In that process the Manager must review general growth demographics and in conjunction with many plans, data, and

studies in the resource libraries throughout Alaska that are particularly applicable to the area in question. The Manager will consult with other agencies; act as primary liaison between various state agencies, the individual city or municipality; provide information to the municipalities; and resolve problems.

The Officer II will be responsible for handling the logistics involved in the conveyance of title to several hundred thousand acres of land including the many legal notices and public hearings. A major problem in the past has been the lack of capability for handling the attendant paperwork which has slowed the process of transferring title. A definitive filing system with computerization of the selection status of each application will be developed by this individual. The Officer, together with the Technician, would handle mapping and title work for the conveyance process. Working from the maps assembled for the certification, the Officer would add information concerning the selection and adjudication processes, and verify the information. That process might include a search of the old general land office records, Bureau of Land Management survey data and possible later state cadastral data to accurately determine survey status. The Technician would assist the Officers and the Manager with basic research and resource gathering, and mapping. The Clerk would supply support for the staff including typing, filing, and data entry.

Line Item Explanation

Y E A R 1

100 - Personal Services			
<u>Certification</u>	P.P.T.	-	Anc
18	23.3		(12 months)
12	12.2		(9 months)
8	12.0		(10 months)
	<u>47.5</u>		
<u>Administration</u>	P.F.T.	-	Fbx
18	4.6		(1 month)
16	4.0		(1 month)
12	3.2		(1 month)
8	2.3		(1 month)
	<u>14.1</u>		

200 - (5.0) Travel to Pt. Barrow, Kotzebue, and various cities.

300 - (4.0) Extensive legal advertising, hearings, printing, charter, telephones, certified mailings.

400 - (2.0) Supplies and commodities for staff.

Annual total year 1: \$72.6

Y E A R 2

<u>Administration</u>	P.F.T.	-	Fbx
18	54.8		
16	48.2		
12	38.4		
8	27.5		
	<u>168.9</u>		

200 - (5.0) Travel to Pt. Barrow, Kotzebue, and various cities.

300 - (6.0) Extensive legal advertising, hearings, printing, charter, telephone, certified mailings.

400 - (2.0) Supplies and commodities for staff.

Annual total year 2: \$181.9

Original sponsors: Hensley, Halford
and Faiks

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 133 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to 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 29.65.020(a) is amended to read:

10 (a) The general grant land entitlement of a city formerly eligi-
11 ble to receive general grant land under the provisions of former
12 AS 29.18.190 and 29.18.200 is 10 percent of the maximum total acreage
13 of vacant, unappropriated, unreserved land in the boundaries of each
14 city at any time between the initial date of eligibility under former
15 AS 29.18.190 and 29.18.200 and January 1, 1988 [JULY 1, 1978]. Within
16 six months after January 1, 1988 [JULY 1, 1978], the director shall
17 determine the entitlement for each city eligible to receive general
18 grant land under this section [FORMER AS 29.18.202] and certify that
19 entitlement to the city.

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

21 (a) The general grant land entitlement of a municipality incor-
22 porated after July 1, 1978, that does not qualify for an entitlement
23 under AS 29.65.010 or 29.65.020 is 10 percent of the maximum total
24 acreage of vacant, unappropriated, unreserved land within the bound-
25 aries of the municipality between [ON] the date of its incorporation
26 and two years after that date. However, a municipality may not re-
27 ceive an entitlement under this subsection that exceeds 20 acres per
28 person residing in the municipality on the date of its incorporation.
29 For purposes of this section the population of a municipality shall be

1 determined by the department in accordance with AS 29.60.020
2 and 29.60.150.

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

4 (b) Within two years and six months after the date of incorpo-
5 ration of the [A] municipality [THAT IS INCORPORATED AFTER JULY 1,
6 1978], the director shall determine the entitlement of each municipal-
7 ity eligible to receive general grant land under (a) of this section
8 and certify the entitlement to the municipality.

9 * Sec. 4. AS 29.65.040(a) is amended to read:

10 (a) After July 1, 1978, general grant land entitlements provided
11 in former AS 29.18.201 and [FORMER AS] 29.18.202 are vested property
12 rights that must be fulfilled as provided in AS 29.65.050 or 29.65.-
13 080. After January 1, 1988, general grant land entitlements provided
14 in AS 29.65.010 are vested property rights that must be fulfilled as
15 provided in AS 29.65.050 or 29.65.080.

16 * Sec. 5. AS 29.65.040(c) is amended to read:

17 (c) Land may be selected or nominated for selection by a munic-
18 ipality to satisfy a general grant land entitlement under former
19 AS 29.18.201 and 29.18.202 at any time before October 1, 1980. Land
20 may be selected or nominated for selection by a municipality to satis-
21 fy a general grant land entitlement under AS 29.65.010 at any time
22 before October 1, 1990. However, if a municipal selection or nomina-
23 tion or a part of a municipal selection or nomination is rejected by
24 the director, the municipality may, not later than 90 days after
25 receipt of the rejection, select additional state land as necessary to
26 satisfy its entitlement.

27 * Sec. 6. AS 29.65.050(b) is amended to read:

28 (b) All approved selections under former AS 29.18.190 and 29.-
29 18.200 for which patent has not been issued to a municipality on July

1 1, 1978, shall be reviewed by the director within nine months after
2 July 1, 1978. Any approved selection of land that was vacant, unap-
3 propriated, or unreserved on the date of selection is valid as of the
4 date of the approval under former AS 29.18.190, [AND] 29.18.200,
5 29.18.201, 29.18.202, and 29.18.203 and a patent shall be issued to
6 the municipality within three months after approval by the director of
7 a plat of survey. The acreage shall be credited toward fulfillment of
8 the municipality's entitlement. A municipality is not entitled to
9 receive patent under this chapter to more than its entitlement de-
10 termined under AS 29.65.010 - 29.65.030. Any prior approval by the
11 director of municipal selections for land that was not vacant, unap-
12 propriated, or unreserved on the date of selection shall be rescinded,
13 and patent may not be issued except when disposal to a third party by
14 sale or lease has occurred. Transfers of land to municipalities under
15 this chapter are subject to AS 38.05.321. Classification actions as
16 reflected on the land status records of the Department of Natural
17 Resources are determinative of land classification status for purposes
18 of this chapter.

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

20 (g) Notwithstanding (a) of this section, a municipality may not
21 select school land or mental health land after October 4, 1985.
22 Nothing in this section affects the legal rights of any person with
23 regard to selections of school land or mental health land made by a
24 municipality on or before October 4, 1985.

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

26 Sec. 29.65.122. PROHIBITION. A municipality may not acquire
27 subsurface rights to land of the federal government by trading land
28 received as a general grant land entitlement. A municipality may not
29 acquire any interest in land within the Arctic National Wildlife

1 Refuge by trading land with the Federal Government for land received
2 as a general grant land entitlement.

3 * Sec. 9. AS 29.65.130(10) is amended to read:

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

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

9 (B) has not been approved for patent to a municipal-
10 ity under this chapter or former AS 29.18.190 and 29.18.200; [OR]

11 (C) is unclassified or, if classified under AS 38.-
12 05.300, is classified for agricultural, grazing, material, public
13 recreation, or settlement [COMMERCIAL, INDUSTRIAL, PRIVATE
14 RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY] purposes,
15 or is classified in accordance with an agreement between a munic-
16 ipality and the state providing for state management of land of
17 the municipality; or

18 (D) was classified no earlier than September 1, 1983,
19 as resource management and is still classified as resource man-
20 agement under AS 38.05.300.

21 * Sec. 10. Before January 1, 1988, the Department of Natural Resources
22 shall consult with each municipality affected by this Act regarding classi-
23 fications of state land within its boundaries and may assist the munic-
24 ipality in identifying land suitable for selection in fulfillment of its
25 general grant land entitlement.

26 * Sec. 11. The general grant land entitlement authorized for the North-
27 west Arctic Borough under AS 29.65.030(a), as amended in sec. 2 of this
28 Act, is a partial entitlement for the borough. After completion of the
29 Northwest Area Plan prepared under AS 38.04.065, the governor shall submit
HCS CSSB 133(Fin)

1 to the legislature recommendations for additional general grant land en-
2 titlements for the Northwest Arctic Borough consistent with the general
3 grant land entitlement policy developed by the governor. The governor
4 shall also submit recommendations for additional general grant land enti-
5 tlements for other newly-formed municipalities consistent with the general
6 grant land entitlement policy developed by the governor.

7 * Sec. 12. AS 29.65.010(b), 29.65.020(b), 29.65.030(c), and 29.65.110
8 are repealed.

9 * Sec. 13. Section 7 of this Act is retroactive to October 4, 1985.

10 * Sec. 14. Sections 7, 10, and 13 of this Act take effect immediately
11 under AS 01.10.070(c).

12 * Sec. 15. Sections 1 - 6, 8, 9, 11, and 12 of this Act take effect
13 January 1, 1988.

Alaska State Senate

P.O. Box V
Juneau, AK 99811
Phone: (907) 465-2444
465-3862/465-4923



Senate Finance Committee
State Affairs Committee
Vice-Chair, Rules Committee
Chair, Administrative Regulation Review

William L. Hensley

HOUSE Committee Substitute for Senate Bill No. 133 ()

Amount of Municipal General Grant Land Expressed as a Percent of Total Land Area in the Municipality.

Municipality of Anchorage	3.7% - 1.8%*
Matanuska-Susitna Borough	2.7%
Fairbanks North Star Borough	2.3%
Kenai Peninsula Borough	1.7%
Kodiak Island Borough	1.6%
Ketchikan Gateway Borough	1.5%
City and Borough of Juneau	1.0%
Northwest Arctic Borough	1.0% **
Bristol Bay Borough	0.4%
City and Borough of Sitka	0.2%
Haines Borough	0.2%
North Slope Borough	0.16%

* Anchorage received approximately 1/2 of its entitlement.

** Assumes a 230,000 acre entitlement.

§ 29.60.410

for a grant
bed by the
ment made
velopment on
include any
substance

is approved
rtment of

grant if the
disbursed

or project

part of a
approval

re federal
subject to
mize the
te;
ost of the

becomes
on of the
shall be
shall be

t;
uld have
9.60.400

ment or

nt shall
ntinued
of the
ntinu-
zed for

§ 29.60.420

MUNICIPAL GOVERNMENT

§ 29.60.440

Sec. 29.60.420. Powers and duties of the commissioner. (a) The commissioner of commerce and economic development shall provide an annual report to the legislature about grants made under AS 29.60.400.

(b) The commissioner of commerce and economic development shall adopt regulations to carry out the purposes of AS 29.60.400 — 29.60.440. (§ 16 ch 74 SLA 1985)

Sec. 29.60.430. Allocation of money. If the amount of money appropriated by the legislature for grants under AS 29.60.400 is not adequate to satisfy amounts required for approved grant applications, money shall be allocated on the basis of priority established by regulations of the Department of Commerce and Economic Development. (§ 16 ch 74 SLA 1985)

Sec. 29.60.440. Limitation. AS 29.60.400 — 29.60.440 does not require that a recipient of a grant for a feasibility study must proceed with construction of the project, regardless of whether the project is determined to be feasible. (§ 16 ch 74 SLA 1985)

Chapter 63. Special Assessments and Service Areas.

[Repealed, § 88 ch 74 SLA 1985, effective January 1, 1986.]

Chapter 65. General Grant Land.

Section	Section
10. Determination of entitlement of boroughs and unified municipalities	60. School and mental health land
20. Determination of entitlement for cities	70. Selection and conveyance procedure
30. Determination of entitlement for newly incorporated municipalities	80. Payment for land deficiency
40. Status of entitlements	90. Authorization for land exchanges
50. Fulfillment of land entitlements	100. Public purpose and expansion needs
	110. Election of benefits
	120. Administration
	130. Definitions
	140. Application

Effective date of chapter. — Section 90, ch. 74, SLA 1985 provides: "This Act takes effect January 1, 1986."

Sec. 29.65.010. Determination of entitlement of boroughs and unified municipalities. (a) The general grant land entitlement of each of the municipalities in this section is the amount set out opposite each:

- (1) Municipality of Anchorage — 44,893 acres;
- (2) City and Borough of Juneau — 19,584 acres;
- (3) City and Borough of Sitka — 10,500 acres;
- (4) Bristol Bay Borough — 2,898 acres;
- (5) Fairbanks North Star Borough — 112,000 acres;
- (6) Haines Borough — 2,800 acres;
- (7) Kenai Peninsula Borough — 155,780 acres;
- (8) Ketchikan Gateway Borough — 11,593 acres;
- (9) Kodiak Island Borough — 56,500 acres;
- (10) Matanuska-Susitna Borough — 355,210 acres;
- (11) North Slope Borough — 89,850 acres.

(b) This section is a continuation of the provisions of former AS 29.18.201 and does not grant additional entitlements. (§ 17 ch 74 SLA 1985)

Sec. 29.65.020. Determination of entitlement for cities. (a) The general grant land entitlement of a city formerly eligible to receive general grant land under the provisions of former AS 29.18.190 and 29.18.200 is 10 percent of the maximum total acreage of vacant, unappropriated, unreserved land in the boundaries of each city at any time between the initial date of eligibility under former AS 29.18.190 and 29.18.200 and July 1, 1978. Within six months after July 1, 1978, the director shall determine the entitlement for each city eligible to receive general grant land under former AS 29.18.202 and certify that entitlement to the city.

(b) This section is a continuation of the provisions of former AS 29.18.203 and does not grant additional entitlements to cities incorporated before January 1, 1986. (§ 17 ch 74 SLA 1985)

Sec. 29.65.030. Determination of entitlement for newly incorporated municipalities. (a) The general grant land entitlement of a municipality incorporated after July 1, 1978, is 10 percent of the total acreage of vacant, unappropriated, unreserved land within the boundaries of the municipality on the date of its incorporation.

(b) Within six months after the date of incorporation of a municipality that is incorporated after July 1, 1978, the director shall determine the entitlement of each municipality eligible to receive general grant land under (a) of this section and certify the entitlement to the municipality.

boroughs and entitlement of amount set out

of former AS 17 ch 74 SLA

cities. (a) The ble to receive 29.18.190 and ge of vacant, ch city at any AS 29.18.190 July 1, 1978, ity eligible to id certify that

of former AS nts to cities 5)

newly incor- titlement of a nt of the total within the tion. of a municipi- rector shall e to receive entitlement

(c) This section is a continuation of the provisions of former AS 29.18.203 and does not grant additional entitlements to municipalities incorporated before January 1, 1986. (§ 17 ch 74 SLA 1985)

Sec. 29.65.040. Status of entitlements. (a) After July 1, 1978, general grant land entitlements provided in former AS 29.18.201 and former AS 29.18.202 are vested property rights that must be fulfilled as provided in AS 29.65.050 or 29.65.080.

(b) General grant land entitlements provided by AS 29.65.030 are property rights that vest on the date of incorporation of the municipality. The entitlement must be fulfilled as provided in AS 29.65.050.

(c) Land may be selected or nominated for selection by a municipality to satisfy a general grant land entitlement under former AS 29.18.201 and 29.18.202 at any time before October 1, 1980. However, if a municipal selection or nomination or a part of a municipal selection or nomination is rejected by the director, the municipality may, not later than 90 days after receipt of the rejection, select additional state land as necessary to satisfy its entitlement.

(d) Land may be selected by a municipality to satisfy a general grant land entitlement under AS 29.65.030 at any time within one year after the director certifies the entitlement to the municipality.

(e) The time limitations imposed by (c) and (d) of this section for exercising a vested general grant land entitlement do not apply to

(1) the portion of an entitlement that cannot be satisfied by that date because of a shortage of land suitable for residential, commercial, and industrial purposes that is vacant, unappropriated, unreserved land;

(2) payments for land deficiency under AS 29.65.080;

(3) the portion of an entitlement that cannot be satisfied because the land selected by a municipality has been selected by a party entitled to select land owned by the United States or the state; or

(4) the portion of an entitlement that cannot be satisfied because the land nominated for selection by the municipality is not tentatively approved for patent to the state. (§ 17 ch 74 SLA 1985)

Sec. 29.65.050. Fulfillment of land entitlements. (a) The acreage of each municipality's land selections for which patent has been issued before July 1, 1978, shall be credited toward fulfillment of the entitlement of that municipality.

(b) All approved selections under former AS 29.18.190 and 29.18.200 for which patent has not been issued to a municipality on July 1, 1978, shall be reviewed by the director within nine months after July 1, 1978. Any approved selection of land that was vacant.

unappropriated, or unreserved on the date of selection is valid as of the date of the approval under former AS 29.18.190 and 29.18.200, and a patent shall be issued to the municipality within three months after approval by the director of a plat of survey. The acreage shall be credited toward fulfillment of the municipality's entitlement. A municipality is not entitled to receive patent under this chapter to more than its entitlement determined under AS 29.65.010 — 29.65.030. Any prior approval by the director of municipal selections for land that was not vacant, unappropriated, or unreserved on the date of selection shall be rescinded, and patent may not be issued except when disposal to a third party by sale or lease has occurred. Transfers of land to municipalities under this chapter are subject to AS 38.05.321. Classification actions as reflected on the land status records of the Department of Natural Resources are determinative of land classification status for purposes of this chapter.

(c) The director shall approve each selection for patent within nine months of its selection by a municipality, and a patent shall be issued to the municipality for land selected in satisfaction of a general grant land entitlement vested under AS 29.65.010 — 29.65.030 within three months after approval by the director of a plat of survey. (§ 17 ch 74 SLA 1985)

Sec. 29.65.060. School and mental health land. (a) If an entitlement determined under AS 29.65.010 or 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 school or mental health land in the municipality in partial fulfillment of its land entitlement under this chapter. School or mental health land may be selected notwithstanding the fact that this land is not unappropriated and unreserved within the meaning of this chapter and under former AS 29.18.190 and 29.18.200, but each selection of school or mental health land by a municipality must be vacant, unappropriated, or unreserved land as defined in this chapter, except that it need not be general grant land.

(b) The acreage of school, university or mental health land, if any, in a municipality may not be included in the determination of entitlement under AS 29.65.010 or 29.65.020.

(c) Land conveyed under this section will be credited against a municipality's remaining land entitlement under this chapter.

(d) Within six months after approval of a municipal selection of school or mental health land, the director shall identify state general grant land of approximately equal value to the land requested by the municipality and shall propose the replacement land for the concurrence of the appropriate board. If a proposal by the director is rejected by the board, the director shall meet with the board as often as

valid as of 29.18.200, see months ge shall be lement. A chapter to 65.010 — selections ed on the be issued occurred. subject to nd status inative of

thin nine be issued ral grant thin three 17 ch 74

n entitle- in a per one-half lth land nt under notwith- reserved 9.18.190 and by a land as nt land. if any, tion of

ainst a

tion of general by the concur- ejected ten as

necessary to determine the type and amount of equal value replacement land that would be required to obtain the board's concurrence, and shall propose the replacement land for consideration by the board. The replacement land shall thereafter be managed for the purposes for which the land selected by the municipality was acquired by the Territory and State of Alaska.

(e) The notice provisions of AS 38.05.945 apply to the designation of other general grant land as school, university or mental health land in replacement of land selected under this section. The provisions of AS 38.50 do not apply to such designations under this section.

(f) For purposes of determining the per capita entitlement under (a) of this section, the population of a 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 or 29.18.202. (§ 17 ch 74 SLA 1985)

Sec. 29.65.070. Selection and conveyance procedure. (a) If land selected by a municipality is unsurveyed at the time of approval, the director shall survey, or may approve the municipality's survey of, the exterior boundaries of an approved selection without interior subdivision, and shall issue patent in terms of the exterior boundary survey. The cost of the survey shall be borne by the municipality. If land selected by a municipality has been surveyed at the time of its selection, the boundaries shall conform to the public land subdivisions established by the approved survey.

(b) The director may approve municipal selections of land that have been tentatively approved or patented to the state by the federal government but may not issue patent to a municipality until the land has first been patented to the state. After approval of a selection by the director, but before patent to a municipality, the municipality may execute conditional leases and make conditional sales only with the consent of the director. Conditional sales and conditional leases made before July 1, 1978, do not require the consent of the director.

(c) Nothing in this chapter affects a valid existing claim, location, or entry under the laws of the state or the United States whether for homestead, mineral, right-of-way, or other purposes. Nothing in this chapter affects the rights of an owner, claimant, locater, or entryman to the full use and enjoyment of the land so occupied. (§ 17 ch 74 SLA 1985)

Sec. 29.65.080. Payment for land deficiency. (a) The Alaska municipal land account is established in the general fund for the following purposes:

(1) providing payment to the boroughs and unified municipalities designated in AS 29.65.010 for a deficiency of land physically suitable for residential, commercial, or industrial purposes; or

(2) providing payment to the boroughs and unified municipalities designated in AS 29.65.010 for certain general grant lands selected by the state and conveyed to a Native corporation under the provisions of the Alaska Native Claims Settlement Act.

(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 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.

(c) If a municipality selected vacant, unappropriated, unreserved land on or before December 18, 1971, to which the state had received tentative approval or patent, and that land was also selected by a Native corporation organized under the Alaska Native Claims Settlement Act (P.L. 92-203), and title to that land is ultimately vested in that Native corporation, the municipality may, at its option, request payment for land deficiency from the municipal land account. The acceptance of payment under this subsection by a municipality constitutes a relinquishment of any other right, title, or claim to the land by that municipality. The total payment to a municipality under this subsection may not exceed \$1,000 per acre to a maximum of 8,000 acres.

(d) The governor shall annually submit to the legislature a request for an appropriation to the municipal land account for the municipalities that have elected to receive payments under (b) and (c) of this section. The request for appropriation shall distinguish between amounts necessary to make payments for land deficiency under (b) of

The Alaska fund for the

municipalities locally suitable

municipalities and selected by provisions of

land deficiency liable to receive amount of land for residential, more than one-third of the land is less than subsection, be subsection, be commercial, or subsection is to \$1,000 per one-third of the physically uses that has subsection, as determined be made to a

unreserved had received selected by a Claims Settlements vested in tion, request account. The municipality claim to the pality under num of 8,000

ure a request e municipali- and (c) of this ish between : under (b) of

this section and those required to make payments for land deficiency under (c) of this section.

(e) For purposes of fulfilling entitlements under this section, the legislature is authorized to appropriate

(1) not more than \$4,000,000 per fiscal year, and not more than \$12,000,000 in total, for the purpose of paying entitlements under (b) of this section:

(2) not more than \$1,000,000 per fiscal year, and not more than \$8,000,000 in total, for the purpose of paying entitlements under (c) of this section.

(f) If an annual appropriation is not sufficient to meet the amount due to all municipalities that have elected to accept payment for land deficiency under (b) or (c) of this section, the governor shall apportion the appropriation among the municipalities in proportion to the payment calculated for each municipality for that year. When a distribution of payments is made under (c) of this section, the remaining entitlement of a municipality to which payment is made shall be reduced in an amount equal to the number of acres for which payment was received. An appropriation made under this section is in addition to other grants and entitlements authorized to eligible municipalities.

(g) Payments authorized by this section may not be made to a municipality eligible for an entitlement under AS 29.65.020 or 29.65.030.

(h) Payments made under this section shall be used by a municipality that levies property taxes to reduce the levy in proportion to the amount of state payments received by the municipality for a given fiscal year. The governing body of each municipality shall furnish a notice with the tax statement describing the effect on property tax levies of payments received under this section. (§ 17 ch 74 SLA 1985)

Sec. 29.65.090. Authorization for land exchanges. The director, and a municipality are authorized to exchange land or interests in land when it is in the public interest. Land or interests in land exchanged under this section must be of approximately equal value, including the nonmonetary value of public benefits. Exchange procedures shall comply with applicable law and municipal ordinances. The notice and review provisions of AS 38.05.945 apply to exchanges of land under this section. The provisions of AS 38.50 do not apply to exchanges of land under this section. (§ 17 ch 74 SLA 1985)

Sec. 29.65.100. Public purpose and expansion needs. (a) Consistent with the best interests of the state, if a municipality does not contain and cannot reasonably acquire sufficient nonfederal land within its boundaries to meet its legitimate needs for public or private settlement or development, it is the policy of the state to select federal land reasonably necessary to meet the needs of the municipality and to make the land selected available to the municipality under AS 38.05.810 or (b) of this section.

(b) The state may contract with a municipality to act as its agent in an auction of state land under applicable statutes. When a municipality acts as the agent of the state in an auction, the municipality may retain from the proceeds of the auction the capital and other expenses that the director determines to be necessary and reasonable.

(c) Nothing in this chapter limits or impairs the authority of the director to transfer land to municipalities, without limit or consideration, for public purposes in accordance with AS 38.05.810. If there is a remaining entitlement of the municipality, land transferred under AS 38.05.810 shall be credited toward fulfillment of the entitlement. (§ 17 ch 74 SLA 1985)

Sec. 29.65.110. Election of benefits. (a) A municipality that on July 1, 1978, was engaged in litigation, or that becomes engaged in litigation, regarding a claim to state land under former AS 29.18.190 or 29.18.200 shall elect either to obtain the benefits provided in this chapter or to pursue the litigation and waive any claim to entitlement under this chapter. An election shall be made by filing a motion for dismissal with prejudice in the court in which the litigation is pending. If the claim involves a municipality identified in AS 29.65.010, the municipality shall file its motion for dismissal within 60 days after July 1, 1978. If a claim involves a city eligible to receive an entitlement under AS 29.65.020, the city shall file its motion for dismissal within 60 days after receiving the certificate of entitlement provided by the director under AS 29.65.020. Failure of the municipality to file a motion for dismissal during the time period provided in this subsection is considered a waiver of entitlement under this chapter.

(b) A municipality that was eligible to file land selections under former AS 29.18.190 or 29.18.200 and that does not enter into litigation over a claim to rights under those sections before the expiration of the time period within which it could make an election under (a) of this section is considered to have elected to receive benefits under this chapter and to have waived any claim that might have been raised under former AS 29.18.190 or 29.18.200.

needs. (a) Con-
municipality does not
confederal land
public or private
to select federal
municipality and
ality under AS

as its agent in
in a municipal-
municipality may
other expenses
able.
authority of the
it or consider-
10. If there is
nsferred under
e entitlement.

municipality that on
es engaged in
AS 29.18.190
rovided in this
to entitlement
; a motion for
litigation is
tified in AS
missal within
ble to receive
its motion for
of entitlement
he municipal-
d provided in
t under this

ctions under
t enter into
s before the
e an election
d to receive
n that might

(c) The provisions of this chapter do not affect the rights of a party to litigation regarding former AS 29.18.190, 29.18.200 or 29.18.420 maintained by a municipality that has elected not to obtain the benefits provided by this chapter. (§ 17.ch 74 SLA 1985)

Sec. 29.65.120. Administration. The commissioner of natural resources may adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) necessary to carry out the purposes of this chapter. (§ 17 ch 74 SLA 1985)

Sec. 29.65.130. Definitions. In this chapter, unless the context otherwise requires,

(1) "approved selection" means a municipal land selection that has been approved in writing by the director for transfer by patent to a municipality;

(2) "director" means the director of lands, Department of Natural Resources;

(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 university land;

(4) "mental health land" means land granted under Title II, sec. 202 of P.L. 94-830, as amended before or after July 1, 1978;

(5) "municipal land selection" means a request by a municipality, filed in writing with the director under authority of former AS 29.18.190 and 29.18.200 or under this chapter for vacant, unappropriated, unreserved general grant land within its municipal boundaries in partial fulfillment of its municipal entitlement;

(6) "patent" means a document, issued by the director to a municipality for a previously approved selection, that conveys and quitclaims all the right, title, and interest of the state without reservation or condition except as may be required by law;

(7) "remaining entitlement" means the general grant land entitlement determined in accordance with this chapter, reduced by the total acreage of approved selections, including both patented and unpatented parcels;

(8) "school land" means those rectangular sections 16 and 36 within each township surveyed on or before January 3, 1959, and confirmed and transferred to the State of Alaska upon its admission under sec. 6(k), Alaska Statehood Act, 72 Stat. 339, and any other land designated solely for school revenues;

(9) "university land" has the meaning given in AS 38.05.365;

(10) "vacant, unappropriated, unreserved land" means general grant land as defined in (3) of this section, excluding minerals as required by sec. 6(1) of the Alaska Statehood Act, that

ESTIMATED INDIVIDUAL ENTITLEMENT AVAILAGE UNDER SSSB 414
Based on March, 1986 Land Status

	KEITHIAN GATEWAY	SITKA	JUNEAU	WAINES	DUPLICATE BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	WATNAUSKA SUSITNA	FATIGIANS HILL STAR	MIAMI SLOPE	INDIVIDUAL (PROJECTED)
Total 6(a) and 6(b) State-owned Land Conveyed to State	26,900	15,600	25,000	165,000	50,500	402,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	0	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	252,800	175,000	0	0
- Land Ex/Agmt.	0	0	0	0	0	0	292,965	0	116,500	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,519	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	2,981	412,000	762,000	1,000	4,970,000	2,232,000	7,506,000	2,300,000
SSSB 414 Entitlement (10% of W)	1,470	490	430	13,300	298	41,200	76,200	1,000	400,000*	223,200	400,000*	230,000
978 Entitlement	11,593	10,500	19,584	2,800	2,698	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 no entitlement pursuant to election of benefits in 19.65.110.

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

APPENDIX

Description of Classification Categories 11 AAC 55

X **Agricultural Land.** Land classified agricultural is, by reason of climate, physical features, and location, suitable for present or future agricultural cultivation or development and is intended for present or future agricultural use. When agricultural land is disposed of, only an agricultural interest may be conveyed.

Coal Land. Land classified coal is where known coal resources exist and development is occurring or is reasonably likely to occur, or where the coal potential has been determined to be high or moderate under 11 AAC 58.010.

Forest Land. Land classified forest is, or has been, forested and is suited for forest management because of its physical, climatic, and vegetative conditions.

Geothermal Land. Land classified geothermal is where known geothermal resources exist and where development is occurring or is reasonably likely to occur, or where there is reason to believe commercial quantities of geothermal resources exist.

X **Grazing Land.** Land classified grazing is suitable in the cultivated or uncultivated state, for supporting domestic livestock or reindeer.

Heritage Resources Land. Land classified heritage resources is where there is active preservation of, or research for, significant historical, prehistorical, paleontological, or other cultural values or where there is reason to believe that these values exist.

X **Material Land.** Land classified material is land suitable for the extraction of common varieties of sand, gravel, stone, peat, clay, and similar materials.

Mineral Land. Land classified mineral is where known mineral resources exist and where development is occurring, or is reasonably likely to occur, or where there is reason to believe that commercial quantities of minerals exist.

Oil and Gas Land. Land classified oil and gas is where known oil and gas resources exist and where development is occurring, or is reasonably likely to occur, or where there is reason to believe that commercial quantities of oil and gas exist.

X **Public Recreation Land.** Land classified public recreation is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways.

Reserved Use Land.

(a) Land classified reserved use is:

- (1) reserved for transfer to another governmental or nongovernmental agency that is performing a public service;
- (2) reserved for transfer through land exchange; or
- (3) designated for a public facility.

(b) Nothing in this section requires classification of land identified for a future land exchange under AS 38.50.

X **Resource Management Land.** Land classified resource management is presently unaccessible and remote and may have a number of resources but where there is the lack of adequate resource, economic, or other relevant information combined with the unlikelihood of resource development within the next 10 years makes a specific resource allocation decision unnecessary.

X **Settlement Land.** Land classified settlement is, by reason of its physical qualities and location, suitable for year-round or seasonal residential or private recreational use or for commercial or industrial development.

Transportation Corridor Land. Land classified transportation corridor is identified for the location of easements and rights-of-way under AS 38.04.065(f), including transportation, pipeline, or utility corridor purposes, or is under consideration for a right-of-way lease.

Water Resources Land. Land classified water resources encompasses watersheds or portions of watersheds and is suitable for such uses as water supply, watershed protection, or hydropower sites.

Wildlife Habitat Land. Land classified wildlife habitat is primarily valuable for:

- (1) fish and wildlife resource production, whether existing or through habitat manipulation, to supply sufficient numbers or a diversity of species to support commercial, recreational, or traditional uses on an optimum sustained yield basis; or
- (2) a unique or rare assemblage of a single or multiple species of regional, state, or national significance.

SECTION-BY-SECTION ANALYSIS OF HCS SB 133 (RES)

Section 1. Opens up the 10% selection to small cities that did not get or take option before. Would also affect cities who by annexation now have "vuu" state lands within their boundaries.

Sections 2 and 3. Give the Northwest Arctic Borough (NWAB) the ability to get an entitlement based on the new definition of "vuu" land in section 8. Does not give any other existing borough additional land. An entitlement provided under this section is capped at 20 acres per person.

Section 4. Allows North Slope Borough (NSB) to re-vest its entitlement of 89,850 acres.

Section 5. Gives NSB about three years to make its selections.

Section 6. This is a technical consistency section. It makes clear that a community cannot get any more acreage than originally entitled to. Since AS 29.65.010(b), .020(b), and .030(c) are repealed in the bill, adding the old statute references into this section of the law insures that protection is still in the statute.

Section 7. Insures no mental health or school land selections.

Section 8. Prohibits land exchanges for subsurface rights on any federal land and specifically prohibits land exchanges for any rights in ANWR. This prohibition applies to all communities.

Section 9. Adds additional types of land to what is classified "vacant, unappropriated, unreserved" and available for selection. The new types of land are material, public recreation, settlement, and resource management land classified as such on or after September 1, 1983. The resource management land that is available does not include any land in the Prudhoe Bay area.

Section 10. Requires that DNR consult with and assist municipalities in making their selections and fulfilling their entitlements.

Section 11. Provides that the entitlement provided NWAB in section 2 is a partial entitlement. After the Northwest Area Plan is completed, the Governor will ask for an additional entitlement for NWAB that is consistent with his land policy. The section also provides that after he completes his land policy, the Governor will make recommendations for land entitlements for any other new municipalities.

Section 12. Repeals following sections of existing law: AS 29.65.010(b), .020(b), and .030(c) insuring that new selections do not give additional entitlements beyond old selections (but these protections are continued in section 6--see description); AS 29.65.110 stating that if a court battle over selections is lost by a community than any entitlement rights are forfeited. This is repealed so that NSB can get its entitlement.

Sections 13 and 14. Effective date sections. The whole bill goes into effect January 1, 1988 except for section 9 which calls for DNR to consult with the affected communities. It goes into effect immediately.

Alaska State Legislature

House of Representatives

Al Adams
Chairman
Committee on Finance

Official Business

May 16, 1987

WHILE IN SESSION
P.O. Box V
State Capitol
Juneau, Alaska 99811
(907) 465-3706

OUT OF SESSION
P.O. Box 333
Kotzebue, Alaska 99752
(907) 442-3320

1024 W. 6th
Anchorage, Alaska 99501
(907) 274-0615

MEMORANDUM

TO: Members of the House Finance ^{APA} Committee

FROM: Representative Al Adams ^{APA}
District 22

SUBJ: SB 133: Municipal Land Entitlement Legislation

This bill, sponsored by Senator Hensley, resolves three outstanding municipal land entitlement issues. It corrects land entitlement deficiencies for Alaska's small cities, the North Slope Borough (NSB) and the newly created Northwest Arctic Borough (NWAB) in the Kotzebue region.

When it was first before the full committee, I referred the bill to a subcommittee for further work, consisting of Rep. Pourchot, Rep. Goll and Rep. Frank. The subcommittee has made two amendments to the bill which the administration, Senator Hensley, the communities involved, and I support. The amendments cap the entitlement provided to NWAB under the bill. However, after the Northwest Area Plan is completed and the Governor has an opportunity to develop comprehensive land policy, recommendations will be made for an additional land entitlement for NWAB. The amendments also provide for new entitlements for newly formed municipalities in the future after the Governor has the opportunity to develop comprehensive land policy.

The original 10% land entitlement available to small cities terminated in 1978. Since that time, however, federal approval of state land selections has made land available within some city boundaries. Section 1 of proposed HCS CS SB 133 (FIN) would allow those cities to select some of that land, thus providing them an opportunity equal to that enjoyed by other small communities before 1978. The City of Anderson is expected to benefit from this section of the proposed legislation.

NSB's entitlement is addressed in sections 4, 5 and 9 of the bill. NSB did select land under the original 10% entitlement statute but wound up in court with the state over these

selections. While the lawsuit was pending, the statute was changed in 1978 in two ways that affected NSB. First, instead of the 10% formula, NSB was given 89,850 acres. Second, a provision was inserted in the law that said that if a municipality contested its entitlement in court and lost, it could no longer pursue its entitlement rights. NSB notified the state of its intention to end the lawsuit but did not do so in the procedurally correct manner proscribed in the statute. So, DNR was not able to allow NSB to select any land. Legislation is required to revest NSB's original 89,850 acres. The proposed HCS CS SB 133 (FIN) accomplishes this.

NWAB's entitlement is addressed in section 2,9 and 11. Although NWAB can select land under the current law, it would only receive about 13,000 acres which is much less than the 10% it is entitled to. This is because of the type of land available in NWAB that is eligible for selection under the current definition of "vacant, unappropriated, unreserved land". Changes to that definition, principally including resource management land in it, will allow the new borough to get its entitlement. The proposed CS also adds a new element to the entitlement for NWAB. It provides that NWAB's 10% entitlement is capped at 20 acres per person unless the Governor recommends an additional land grant entitlement. This will not happen until after the Northwest Area (land use) Plan is completed and only if it is consistent with the Governor's land entitlement policy.

The bill is crafted to avoid any entanglement with mental health land problems.

Attached is the proposed C.S., a sectional analysis, a fiscal note, and other pertinent back up.

Attachments

Original sponsors: Hensley, Halford
and Faiks

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 133 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to 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 29.65.020(a) is amended to read:

10 (a) The general grant land entitlement of a city formerly eligi-
11 ble to receive general grant land under the provisions of former
12 AS 29.18.190 and 29.18.200 is 10 percent of the maximum total acreage
13 of vacant, unappropriated, unreserved land in the boundaries of each
14 city at any time between the initial date of eligibility under former
15 AS 29.18.190 and 29.18.200 and January 1, 1988 [JULY 1, 1978]. Within
16 six months after January 1, 1988 [JULY 1, 1978], the director shall
17 determine the entitlement for each city eligible to receive general
18 grant land under this section [FORMER AS 29.18.202] and certify that
19 entitlement to the city.

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

21 (a) The general grant land entitlement of a municipality incor-
22 porated after July 1, 1978, that does not qualify for an entitlement
23 under AS 29.65.010 or 29.65.020 is 10 percent of the maximum total
24 acreage of vacant, unappropriated, unreserved land within the bound-
25 aries of the municipality between [ON] the date of its incorporation
26 and two years after that date.

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

28 (b) Within two years and six months after the date of incorpo-
29 ration of the [A] municipality [THAT IS INCORPORATED AFTER JULY 1,

1 1978], the director shall determine the entitlement of each municipal-
2 ity eligible to receive general grant land under (a) of this section
3 and certify the entitlement to the municipality.

* Sec. 4. AS 29.65.040(a) is amended to read:

5 (a) After July 1, 1978, general grant land entitlements provided
6 in former AS 29.18.201 and [FORMER AS] 29.18.202 are vested property
7 rights that must be fulfilled as provided in AS 29.65.050 or 29.65.-
8 080. After January 1, 1988, general grant land entitlements provided
9 in AS 29.65.010 are vested property rights that must be fulfilled as
10 provided in AS 29.65.050 or 29.65.080.

11 * Sec. 5. AS 29.65.040(c) is amended to read:

12 (c) Land may be selected or nominated for selection by a munic-
13 ipality to satisfy a general grant land entitlement under former
14 AS 29.18.201 and 29.18.202 at any time before October 1, 1980. Land
15 may be selected or nominated for selection by a municipality to satis-
16 fy a general grant land entitlement under AS 29.65.010 at any time
17 before October 1, 1990. However, if a municipal selection or nomina-
18 tion or a part of a municipal selection or nomination is rejected by
19 the director, the municipality may, not later than 90 days after
20 receipt of the rejection, select additional state land as necessary to
21 satisfy its entitlement.

22 * Sec. 6. AS 29.65.050(b) is amended to read:

23 (b) All approved selections under former AS 29.18.190 and 29.-
24 18.200 for which patent has not been issued to a municipality on July
25 1, 1978, shall be reviewed by the director within nine months after
26 July 1, 1978. Any approved selection of land that was vacant, unap-
27 propriated, or unreserved on the date of selection is valid as of the
28 date of the approval under former AS 29.18.190, [AND] 29.18.200,
29 29.18.201, 29.18.202, and 29.18.203 and a patent shall be issued to

1 the municipality within three months after approval by the director of
2 a plat of survey. The acreage shall be credited toward fulfillment of
3 the municipality's entitlement. A municipality is not entitled to
4 receive patent under this chapter to more than its entitlement de-
5 termined under AS 29.65.010 - 29.65.030. Any prior approval by the
6 director of municipal selections for land that was not vacant, unap-
7 propriated, or unreserved on the date of selection shall be rescinded,
8 and patent may not be issued except when disposal to a third party by
9 sale or lease has occurred. Transfers of land to municipalities under
10 this chapter are subject to AS 38.05.321. Classification actions as
11 reflected on the land status records of the Department of Natural
12 Resources are determinative of land classification status for purposes
13 of this chapter.

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

15 (g) Notwithstanding (a) of this section, a municipality may not
16 select school land or mental health land after October 4, 1985.
17 Nothing in this section affects the legal rights of any person with
18 regard to selections of school land or mental health land made by a
19 municipality on or before October 4, 1985.

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

21 Sec. 29.65.122. PROHIBITION. A municipality may not acquire
22 subsurface rights to land of the federal government by trading land
23 received as a general grant land entitlement. A municipality may not
24 acquire any interest in land within the Arctic National Wildlife
25 Refuge by trading land with the Federal Government for land received
26 as a general grant land entitlement.

27 * Sec. 9. AS 29.65.130(10) is amended to read:

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

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

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

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

6 (C) is unclassified or, if classified under AS 38.-
7 05.300, is classified for agricultural, grazing, material, public
8 recreation, or settlement [COMMERCIAL, INDUSTRIAL, PRIVATE
9 RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY] purposes,
10 or is classified in accordance with an agreement between a munic-
11 ipality and the state providing for state management of land of
12 the municipality; or

13 (D) was classified no earlier than September 1, 1983,
14 as resource management and is still classified as resource man-
15 agement under AS 38.05.300.

16 * Sec. 10. Before January 1, 1988, the Department of Natural Resources
17 shall consult with each municipality affected by this Act regarding classi-
18 fications of state land within its boundaries and may assist the munic-
19 ipality in identifying land suitable for selection in fulfillment of its
20 general grant land entitlement.

21 * Sec. 11. AS 29.65.010(b), 29.65.020(b), 29.65.030(c), and 29.65.110
22 are repealed.

23 * Sec. 12. Section 7 of this Act is retroactive to October 4, 1985.

24 * Sec. 13. Sections 7, 10, and 12 of this Act take effect immediately
25 under AS 01.10.070(c).

26 * Sec. 14. Sections 1 - 6, 8, 9, and 11 of this Act take effect
27 January 1, 1988.

Original sponsors: Hensley, Halford
and Faiks

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 133 (Finance) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to 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 29.65.020(a) is amended to read:

10 (a) The general grant land entitlement of a city formerly eligi-
11 ble to receive general grant land under the provisions of former
12 AS 29.18.190 and 29.18.200 is 10 percent of the maximum total acreage
13 of vacant, unappropriated, unreserved land in the boundaries of each
14 city at any time between the initial date of eligibility under former
15 AS 29.18.190 and 29.18.200 and January 1, 1988 [JULY 1, 1978]. Within
16 six months after January 1, 1988 [JULY 1, 1978], the director shall
17 determine the entitlement for each city eligible to receive general
18 grant land under this section [FORMER AS 29.18.202] and certify that
19 entitlement to the city.

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

21 (a) The general grant land entitlement of a municipality incor-
22 porated after July 1, 1978, that does not qualify for an entitlement
23 under AS 29.65.010 or 29.65.020 is 10 percent of the maximum total
24 acreage of vacant, unappropriated, unreserved land within the bound-
25 aries of the municipality between [ON] the date of its incorporation
26 and two years after that date.

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

28 (b) Within two years and six months after the date of incorpo-
29 ration of the [A] municipality [THAT IS INCORPORATED AFTER JULY 1,

1 1978], the director shall determine the entitlement of each municipal-
2 ity eligible to receive general grant land under (a) of this section
3 and certify the entitlement to the municipality.

4 * Sec. 4. AS 29.65.040(a) is amended to read:

5 (a) After July 1, 1978, general grant land entitlements provided
6 in former AS 29.18.201 and [FORMER AS] 29.18.202 are vested property
7 rights that must be fulfilled as provided in AS 29.65.050 or 29.65.-
8 080. After January 1, 1988, general grant land entitlements provided
9 in AS 29.65.010 are vested property rights that must be fulfilled as
10 provided in AS 29.65.050 or 29.65.080.

11 * Sec. 5. AS 29.65.040(c) is amended to read:

12 (c) Land may be selected or nominated for selection by a munic-
13 ipality to satisfy a general grant land entitlement under former
14 AS 29.18.201 and 29.18.202 at any time before October 1, 1980. Land
15 may be selected or nominated for selection by a municipality to satis-
16 fy a general grant land entitlement under AS 29.65.010 at any time
17 before October 1, 1990. However, if a municipal selection or nomina-
18 tion or a part of a municipal selection or nomination is rejected by
19 the director, the municipality may, not later than 90 days after
20 receipt of the rejection, select additional state land as necessary to
21 satisfy its entitlement.

22 * Sec. 6. AS 29.65.050(b) is amended to read:

23 (b) All approved selections under former AS 29.18.190 and 29.-
24 18.200 for which patent has not been issued to a municipality on July
25 1, 1978, shall be reviewed by the director within nine months after
26 July 1, 1978. Any approved selection of land that was vacant, unap-
27 propriated, or unreserved on the date of selection is valid as of the
28 date of the approval under former AS 29.18.190, [AND] 29.18.200,
29 29.18.201, 29.18.202, and 29.18.203 and a patent shall be issued to

1 the municipality within three months after approval by the director of
2 a plat of survey. The acreage shall be credited toward fulfillment of
3 the municipality's entitlement. A municipality is not entitled to
4 receive patent under this chapter to more than its entitlement de-
5 termined under AS 29.65.010 - 29.65.030. Any prior approval by the
6 director of municipal selections for land that was not vacant, unap-
7 propriated, or unreserved on the date of selection shall be rescinded,
8 and patent may not be issued except when disposal to a third party by
9 sale or lease has occurred. Transfers of land to municipalities under
10 this chapter are subject to AS 38.05.321. Classification actions as
11 reflected on the land status records of the Department of Natural
12 Resources are determinative of land classification status for purposes
13 of this chapter.

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

15 Sec. 29.65.122. PROHIBITION. A municipality may not acquire
16 subsurface rights to land of the federal government by trading land
17 received as a general grant land entitlement. A municipality may not
18 acquire any interest in land within the Arctic National Wildlife
19 Refuge by trading land with the Federal Government for land received
20 as a general grant land entitlement.

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

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

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

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

29 (C) is unclassified or, if classified under

1 AS 38.05.300, is classified for agricultural, grazing, material,
2 public recreation, or settlement [COMMERCIAL, INDUSTRIAL, PRIVAT
3 RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY] purposes,
4 or is classified in accordance with an agreement between a munic-
5 ipality and the state providing for state management of land of
6 the municipality; or

7 (D) was classified no earlier than September 1, 1983,
8 for resource management purposes and is still classified for
9 resource management purposes under AS 38.05.300.

10 * Sec. 9. Before January 1, 1988, the Department of Natural Resources
11 shall consult with each municipality affected by this Act regarding classi-
12 fications of state land within its boundaries and may assist the munic-
13 ipality in identifying land suitable for selection in fulfillment of its
14 general grant land entitlement.

15 * Sec. 10. AS 29.65.010(b), 29.65.020(b), 29.65.030(c), and 29.65.110
16 are repealed.

17 * Sec. 11. Section 9 of this Act takes effect immediately under AS 01.-
18 10.070(c).

19 * Sec. 12. Sections 1 - 8 and 10 of this Act take effect January 1,
20 1988.

Original sponsors: Hensley, Halford
and Faiks

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 133 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to 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 29.65.020(a) is amended to read:

10 (a) The general grant land entitlement of a city formerly eligi-
11 ble to receive general grant land under the provisions of former
12 AS 29.18.190 and 29.18.200 is 10 percent of the maximum total acreage
13 of vacant, unappropriated, unreserved land in the boundaries of each
14 city at any time between the initial date of eligibility under former
15 AS 29.18.190 and 29.18.200 and January 1, 1988 [JULY 1, 1978]. Within
16 six months after January 1, 1988 [JULY 1, 1978], the director shall
17 determine the entitlement for each city eligible to receive general
18 grant land under this section [FORMER AS 29.18.202] and certify that
19 entitlement to the city.

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

21 (a) The general grant land entitlement of a municipality incor-
22 porated after July 1, 1978, that does not qualify for an entitlement
23 under AS 29.65.010 or 29.65.020 is 10 percent of the maximum total
24 acreage of vacant, unappropriated, unreserved land within the bound-
25 aries of the municipality between [ON] the date of its incorporation
26 and two years after that date.

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

28 (b) Within two years and six months after the date of incorpo-
29 ration of the [A] municipality [THAT IS INCORPORATED AFTER JULY 1,

1 1978], the director shall determine the entitlement of each municipal-
2 ity eligible to receive general grant land under (a) of this section
3 and certify the entitlement to the municipality.

4 * Sec. 4. AS 29.65.040(a) is amended to read:

5 (a) After July 1, 1978, general grant land entitlements provided
6 in former AS 29.18.201 and [FORMER AS] 29.18.202 are vested property
7 rights that must be fulfilled as provided in AS 29.65.050 or 29.65.-
8 080. After January 1, 1988, general grant land entitlements provided
9 in AS 29.65.010 are vested property rights that must be fulfilled as
10 provided in AS 29.65.050 or 29.65.080.

11 * Sec. 5. AS 29.65.040(c) is amended to read:

12 (c) Land may be selected or nominated for selection by a munic-
13 ipality to satisfy a general grant land entitlement under former
14 AS 29.18.201 and 29.18.202 at any time before October 1, 1980. Land
15 may be selected or nominated for selection by a municipality to satis-
16 fy a general grant land entitlement under AS 29.65.010 at any time
17 before October 1, 1990. However, if a municipal selection or nomina-
18 tion or a part of a municipal selection or nomination is rejected by
19 the director, the municipality may, not later than 90 days after
20 receipt of the rejection, select additional state land as necessary to
21 satisfy its entitlement.

22 * Sec. 6. AS 29.65.050(b) is amended to read:

23 (b) All approved selections under former AS 29.18.190 and 29.-
24 18.200 for which patent has not been issued to a municipality on July
25 1, 1978, shall be reviewed by the director within nine months after
26 July 1, 1978. Any approved selection of land that was vacant, unap-
27 propriated, or unreserved on the date of selection is valid as of the
28 date of the approval under former AS 29.18.190, [AND] 29.18.200,
29 29.18.201, 29.18.202, and 29.18.203 and a patent shall be issued to

1 the municipality within three months after approval by the director of
2 a plat of survey. The acreage shall be credited toward fulfillment of
3 the municipality's entitlement. A municipality is not entitled to
4 receive patent under this chapter to more than its entitlement de-
5 termined under AS 29.65.010 - 29.65.030. Any prior approval by the
6 director of municipal selections for land that was not vacant, unap-
7 propriated, or unreserved on the date of selection shall be rescinded,
8 and patent may not be issued except when disposal to a third party by
9 sale or lease has occurred. Transfers of land to municipalities under
10 this chapter are subject to AS 38.05.321. Classification actions as
11 reflected on the land status records of the Department of Natural
12 Resources are determinative of land classification status for purposes
13 of this chapter.

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

15 Sec. 29.65.122. PROHIBITION. A municipality may not acquire
16 subsurface rights to land of the federal government by trading land
17 received as a general grant land entitlement.

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

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

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

24 (B) has not been approved for patent to a municipal-
25 ity under this chapter or former AS 29.18.190 and 29.18.200; [OR]

26 (C) is unclassified or, if classified under AS 38.-
27 05.300, is classified for agricultural, grazing, material, public
28 recreation, or settlement [COMMERCIAL, INDUSTRIAL, PRIVATE
29 RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY] purposes,

1 or is classified in accordance with an agreement between a munic-
2 ipality and the state providing for state management of land of
3 the municipality; or

4 (D) was classified no earlier than September 1, 1983,
5 for resource management purposes and is still classified for
6 resource management purposes under AS 38.05.300.

7 * Sec. 9. Before January 1, 1988, the Department of Natural Resources
8 shall consult with each municipality affected by this Act regarding classi-
9 fications of state land within its boundaries and may assist the munic-
10 ipality in identifying land suitable for selection in fulfillment of its
11 general grant land entitlement.

12 * Sec. 10. AS 29.65.010(b), 29.65.020(b), 29.65.030(c), and 29.65.110
13 are repealed.

14 * Sec. 11. Section 9 of this Act takes effect immediately under AS 01.-
15 10.070(c).

16 * Sec. 12. Sections 1 - 8 and 10 of this Act take effect January 1,
17 1988.

1 IN THE SENATE

BY HENSLEY, HALFORD AND FAIKS

2

SENATE BILL NO. 133

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to 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 29.65.020(a) is amended to read:

10 (a) The general grant land entitlement of a city formerly eligi-
11 ble to receive general grant land under the provisions of former
12 AS 29.18.190 and 29.18.200 is 10 percent of the maximum total acreage
13 of vacant, unappropriated, unreserved land in the boundaries of each
14 city at any time between the initial date of eligibility under former
15 AS 29.18.190 and 29.18.200 and January 1, 1988 [JULY 1, 1978]. Within
16 six months after January 1, 1988 [JULY 1, 1978], the director shall
17 determine the entitlement for each city eligible to receive general
18 grant land under this section [FORMER AS 29.18.202] and certify that
19 entitlement to the city.

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

21 (a) The general grant land entitlement of a municipality incor-
22 porated after July 1, 1978, that does not qualify for an entitlement
23 under AS 29.65.010 or 29.65.020 is 10 percent of the maximum total
24 acreage of vacant, unappropriated, unreserved land within the bound-
25 aries of the municipality between [ON] the date of its incorporation
26 and two years after that date.

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

28 (b) Within two years and six months after the date of incorpo-
29 ration of the [A] municipality [THAT IS INCORPORATED AFTER JULY 1,

1 1978], the director shall determine the entitlement of each
2 municipality eligible to receive general grant land under (a) of this
3 section and certify the entitlement to the municipality.

4 * Sec. 4. AS 29.65.040(a) is amended to read:

5 (a) After July 1, 1978, general grant land entitlements provided
6 in former AS 29.18.201 and [FORMER AS] 29.18.202 are vested property
7 rights that must be fulfilled as provided in AS 29.65.050 or 29.65.-
8 080. After January 1, 1988, general grant land entitlements provided
9 in AS 29.65.010 are vested property rights that must be fulfilled as
10 provided in AS 29.65.050 or 29.65.080.

11 * Sec. 5. AS 29.65.040(c) is amended to read:

12 (c) Land may be selected or nominated for selection by a munic-
13 ipality to satisfy a general grant land entitlement under former
14 AS 29.18.201 and 29.18.202 at any time before October 1, 1980. Land
15 may be selected or nominated for selection by a municipality to
16 satisfy a general grant land entitlement under AS 29.65.010 at any
17 time before October 1, 1990. However, if a municipal selection or
18 nomination or a part of a municipal selection or nomination is reject-
19 ed by the director, the municipality may, not later than 90 days after
20 receipt of the rejection, select additional state land as necessary to
21 satisfy its entitlement.

22 * Sec. 6. AS 29.65.050(b) is amended to read:

23 (b) All approved selections under former AS 29.18.190 and
24 29.18.200 for which patent has not been issued to a municipality on
25 July 1, 1978, shall be reviewed by the director within nine months
26 after July 1, 1978. Any approved selection of land that was vacant,
27 unappropriated, or unreserved on the date of selection is valid as of
28 the date of the approval under former AS 29.18.190, [AND] 29.18.200,
29 29.18.201, 29.18.202, and 29.18.203 and a patent shall be issued to

1 the municipality within three months after approval by the director of
2 a plat of survey. The acreage shall be credited toward fulfillment of
3 the municipality's entitlement. A municipality is not entitled to
4 receive patent under this chapter to more than its entitlement de-
5 termined under AS 29.65.010 - 29.65.030. Any prior approval by the
6 director of municipal selections for land that was not vacant, unap-
7 propriated, or unreserved on the date of selection shall be rescinded,
8 and patent may not be issued except when disposal to a third party by
9 sale or lease has occurred. Transfers of land to municipalities under
10 this chapter are subject to AS 38.05.321. Classification actions as
11 reflected on the land status records of the Department of Natural
12 Resources are determinative of land classification status for purposes
13 of this chapter.

14 * Sec. 7. AS 29.65.130(10) is amended to read:

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

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

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

22 (C) is unclassified or, if classified under AS 38.-
23 05.300, is classified for agricultural, grazing, material, public
24 recreation, resource management, settlement, or transportation
25 corridor [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESI-
26 DENTIAL, UTILITY, OR OPEN-TO-ENTRY] purposes, or is classified in
27 accordance with an agreement between a municipality and the state
28 providing for state management of land of the municipality.

29 * Sec. 8. Before January 1, 1988, the Department of Natural Resources

1 shall consult with each municipality affected by this Act regarding classi-
2 fications of state land within its boundaries and may assist the munic-
3 ipality in identifying land suitable for selection in fulfillment of its
4 general grant land entitlement.

5 * Sec. 9. AS 29.65.010(b), 29.65.020(b), 29.65.030(c), and 29.65.110
6 are repealed.

7 * Sec. 10. Section 8 of this Act takes effect immediately under AS 01.-
8 10.070(c).

9 * Sec. 11. Sections 1 - 7 and 9 of this Act take effect January 1,
10 1988.