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HOUSE COMMITTEE REPORT

95

(9)

Date referred: 4/22/87
(C&RA referral waived)

FURTHER REFERRALS: Finance

DATE: 5/4/87

The Resources Committee has considered CSSB 133 (Fin) am

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

RECOMMENDS:

- replace with HCS CSSB 133 (Res) 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 4/1/87
- zero fiscal note same as previous zero fiscal note published ~~4/1/87~~
- zero with analysis

SIGNING DO-PASS:

John Geste
Michael Sprague
Adelheid Herrmann
Cliff Davidson

SIGNING OTHER RECOMMENDATIONS:

Mike Lawrence (no rec)
Dick Stally (ok if not amended)
[Signature]
[Signature] Do Rec
[Signature] No Rec

John Geste

Chairman's signature

Alaska State Legislature

House of Representatives

Al Adams

Chairman

Committee on Finance

April 26, 1987

Official Business

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: Representative Sam Cotten, Co-Chair
Representative Ad Herrmann, Co-Chair
All Other Members
House Resources Committee

FROM: Representative Al Adams *APA*
District 22

SUBJ: SB 133: Municipal Land Entitlement Legislation

Thank you for your prompt consideration of CS SB 133 (FIN) am. This legislation, sponsored by Senator Hensley, is similar to legislation I introduced earlier in the session on the House side.

The bill resolves three outstanding municipal land entitlement issues. It corrects land entitlement deficiencies for many of Alaska's small cities, the North Slope Borough (NSB) and the newly created Northwest Arctic Borough (NWAB) in Senator Hensley's and my area of the state.

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 CS SB 133 (FIN) am 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 cities of Anderson, Yakutat and Seward are expected to benefit from this section of the proposed legislation.

NSB's entitlement is addressed in sections 4, 5 and 8 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. Hence, DNR was not able to allow NSB to select any land. Legislation is required to reconstitute NSB's original 89,850 acres. CS SB 133 (FIN) accomplishes this.

NWAB's entitlement is addressed in section 8. 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 full 10% entitlement.

The bill is crafted to avoid any entanglement with mental health land problems. It is the intention of Senator Hensley and myself to avoid any negative impact on mental health legislation and settlement efforts. However, if you feel that additional language is needed to further clarify this intent, we will not object.

Attached is a sectional analysis, fiscal note, and other pertinent back up. If you need any more information, please do not hesitate to request it.

Attachments

SECTION-BY-SECTION ANALYSIS OF CS SB 133 (FIN) am

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.

Section 4. Allows North Slope Borough (NSB) to revest 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. 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 8. 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 9. Requires that DNR consult with and assist municipalities in making their selections and fulfilling their entitlements.

Section 10. 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 11 and 12. 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 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

Committee Substitute for Senate Bill No. 133 (Finance)

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.

DAVID T. WALKER
ATTORNEY AT LAW
MENDENHALL BUILDING
320 FOURTH STREET, SUITE B
JUNEAU, ALASKA 99801
(907) 586-3537

April 3, 1987

Senator Willie Hensley
P.O. Box V
Juneau, Alaska 99811

Re: Senate Bill 133

Dear Senator Hensley:

I represent the class in Weiss v. State, trial court case no. 4FA-82-2208 Civil (the Mental Health Lands Trust Lawsuit). Last year when HB 587 was considered, the parties in interest agreed that they did not want municipal entitlement issues to become further linked to the mental health trust lands litigation. All agreed that additional selections of mental health trust land were not permitted under the law. For that reason, language was inserted into the various bills to maintain the status quo regarding mental health trust lands and the Weiss litigation. An example of the language added to the bills is found in Sec. 6 of CSHB 587 (Rules) am, Second Session of the Fourteenth Legislature. That language follows:

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

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

I believe SB 133 and any legislation that in any way relates to the use or selection of mental health trust lands by municipalities must contain language indicating that a

*Done -
check out
Don't have to have
OK to put in.
but*

Senator Willie Hensley
April 3, 1987
Page Two

municipality, whether existing or newly created, may not select mental health land after October 4, 1985, the date of the Weiss decision.

I will be happy to discuss this with you, or members of your staff at any time.

Very truly yours,


David T. Walker

DTW:jp

cc: James B. Gottstein, Esq.
William H. ("Chip") Dennerlein, Manager,
Office of Intergovernmental Affairs
G. Thomas Koester, Assistant Attorney General
Cooper Geraty, Esq.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

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

Bill Version: CSSB 132 (Fin)AM
 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	3.0	3.0
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: 3/5/87
 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 (vu) 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" vu 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 date (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 logistic 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
Certification

P.P.T. - Anc

18	23.3 (12 months)
12	12.2 (9 months)
8	12.0 (10 months)
	<u>47.5</u>

Administration

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

Administration

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

April 3, 1987

Senator Don Bennett, Co-Chairman
Senate Finance Committee
P.O. Box V
Juneau, Alaska 99811

Re: Senate Bill 133

Dear Senator Bennett:

I represent the class in Weiss v. State, trial court case no. 4FA-82-2208 Civil (the Mental Health Lands Trust Lawsuit). Last year when HB 587 was considered, the parties in interest agreed that they did not want municipal entitlement issues to become further linked to the mental health trust lands litigation. All agreed that additional selections of mental health trust land were not permitted under the law. For that reason, language was inserted into the various bills to maintain the status quo regarding mental health trust lands and the Weiss litigation. An example of the language added to the bills is found in Sec. 6 of CSHB 587 (Rules) am, Second Session of the Fourteenth Legislature. That language follows:

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

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

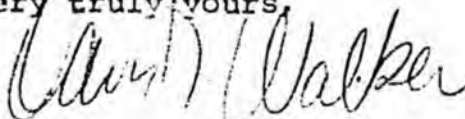
I believe SB 133 and any legislation that in any way relates to the use or selection of mental health trust lands by municipalities must contain language indicating that a

Senator Don Bennett, Co-Chairman
Senate Finance Committee
April 3, 1987
Page Two

municipality, whether existing or newly created, may not select mental health land after October 4, 1985, the date of the Weiss decision.

I will be happy to discuss this with you, or members of your staff at any time.

Very truly yours,



David T. Walker

DTW:jp

cc: James B. Gottstein, Esq.
William H. ("Chip") Dennerlein, Manager,
Office of Intergovernmental Affairs
G. Thomas Koester, Assistant Attorney General
Cooper Geraty, Esq.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

April 28, 1987

The Honorable Sam Cotten
The Honorable Adelheid Herrmann
Co-Chairs, House Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Representatives Cotten and Herrmann:

Subject: CSSB 94, relating to mineral policy.

Background: Representatives from the resource departments and the Department of Commerce and Economic Development met among themselves and with the Attorney General's office and various members of the minerals industry in fashioning CSSB 94.

Position: The Department of Natural Resources recognizes the need for and supports adoption of a state Mineral Policy Act.

With respect to Section 1, paragraph (1) of CSSB 94, the administration believes that this paragraph reiterates and reinforces the state's commitment to make state land available for mineral exploration and development, within the parameters set out in the Alaska Constitution.

Paragraph (2) of Section 1 of CSSB 94 recognizes the need for a streamlined, consistent, reasonable and non-duplicative permit process which will be designed to encourage, not hinder, investment in mineral development.

Paragraph (3) of Section 1 of CSSB 94 acknowledges that a statewide transportation infrastructure which is comprehensive in nature is a vital component in a policy which supports and encourages mineral exploration and development.

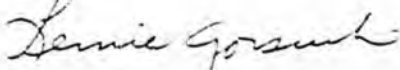
Finally, Section (b) of the proposed bill provides a framework for the administration to review its regulations and internal administrative policies in order to determine their consistency with the act, and to address any inconsistencies. It is intended that affected agencies will prepare reports for submission to the Governor and Legislature.

Representative Sam Cotten -2-
Representative Adelheid Herrmann

April 28, 1987

Recommendation: The administration supports CSSB 94 and believes that it will provide Alaska with a strong and meaningful mineral policy and set a positive tone for mineral exploration and development.

Sincerely,



for Judith M. Brady
Commissioner

cc: Members, House Resources Committee
Bill Sporsors
George Sullivan, Governor's Office
Rod Swope, Governor's Office
Commissioner Collinsworth
Commissioner Kelso
Commissioner Smith

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SSSB 94
Publish Date: _____

Revision Date: 3/12/87
Title: An Act adopting a mineral policy for the state
Sponsor: Cochill, Bennett, et. al
Requestor: House Resources

Agency Affected: Natural Resources
BRU: Minerals Management
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
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						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Activities required by this bill will be performed by existing staff.

Prepared by: Lawrence Z. Ostrovsky
Division: Commissioner's Office

Phone: _____
Date: 4/28/87

Approved by Commissioner: Jenni Gorsch
Agency: Natural Resources

Date: 4/28/87

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SB 94

Publish Date: _____

Revision Date: 2/26/87

Agency Affected: Dept. of Natural Resources

Title: Mineral Policy Act

BRU: Mineral Management

Sponsor: Cochill, Bennett et al

Components: _____

Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

As far as The Department of Natural Resources can determine,
there would be no additional cost of operation to the Department.

Prepared by: Lawrence Ostrovsky
Division: Commissioner's Office

Phone: 465-2400
Date: 2/26/87

Approved by Commissioner: Norm D Smith, Deputy
Agency: Natural Resources

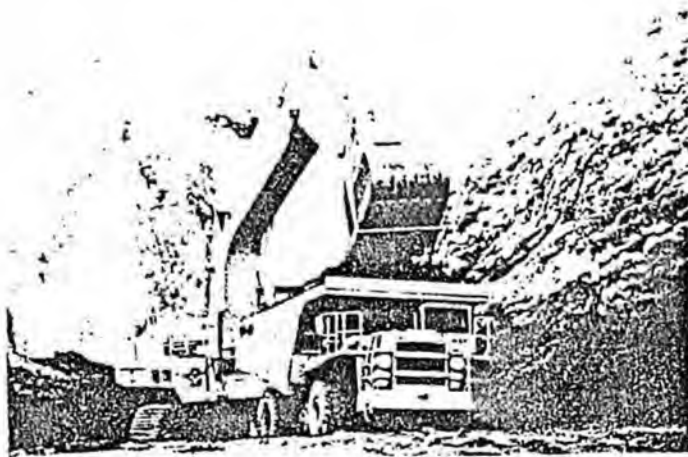
Date: 2/26/87

Distribution (by preparer):

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

12/1/87

Initial Report of the
Alaska Minerals Commission



January 1987

Initial Report of the
ALASKA MINERALS COMMISSION

to
Governor Steve Cowper
and the
Alaska Legislature

January 1987

FOREWORD

The Alaska Minerals Commission was created by the 14th Legislature through the enactment of Chapter 98 of the 1986 Session Laws of Alaska. The source of the Act was Senate Bill 418 (Appendix B) which was passed by the legislature and signed into law by Governor Bill Sheffield on June 6, 1986.

The enabling legislation instructs the Commission to make recommendations to the governor and legislature on ways to mitigate the constraints, including governmental constraints, on the development of minerals, including coal, in the state.

The Commission is charged with preparing an initial report to be presented to the governor and the legislature at the beginning of the 1987 legislative session and a final report to be presented to the 1989 legislative session, after which the Commission will expire. The Commission will also prepare an interim report for the 1988 legislative session.

Commission members are appointed by the Governor, the President of the Senate and the Speaker of the House. The current members include representatives of the placer, hard rock and coal mining industries and come from diverse areas of the state. Staff support to the Commission is provided by the Division of Minerals and Forest Products, Department of Commerce and Economic Development.

The inaugural meeting of the Commission was held in August 1986 and included the election of Earl Beistline, Chairman and Darrell Spilde, Vice Chairman. A Statement of Purpose was drafted (Appendix A) and committees were organized in the areas of land management, regulations, transportation, administrative policy and education.

Additional meetings were held in September, October, November and December of 1986 to prepare the Commission's initial report. Two meetings were held in Fairbanks and three were held in Anchorage. Meetings were preceded by public notice, and meeting agendas included public testimony. A mailing list of over 100 individuals, organizations and companies with interest in the minerals industry was prepared, and copies of meeting minutes and other business are sent to members on the mailing list.

In December 1986, Darrell Spilde resigned his seat due to work commitments, and Roger Burggraf was appointed by the President of the Senate, Don Bennett to fill the vacancy. Joe Usibelli was elected to succeed Darrell Spilde as Vice Chairman at the December meeting of the Commission.

Committees are chaired by Commission members and participants in committee meetings included representatives from miners' associations, mining companies, native corporations, government agencies, other resource industry associations and interested individuals.

The initial report of the Commission recommends as its priority the adoption of an Alaska Minerals Policy Act. Additional recommendations are proposed in the areas of land management; regulations and administrative policy; transportation and infrastructure; and the promotion of mineral development, education and technology.

One area which the Commission has not addressed in its initial report is the subject of mineral taxation, leasing and royalties. This subject is complex and while the Commission has not had sufficient time to review it, this area will be addressed in future reports.

The Commission will continue its work over the next two years, following up on the results of recommendations presented in this report and making additional recommendations in future reports.

I would like to thank all members of the Commission, the staff, and those members of the public who have provided their comments and worked on committees for their contributions in preparing this report.

Earl Beistline
Chairman

ALASKA MINERALS COMMISSION

Members

Del Ackels, Owner-Operator
GOLDUST MINES
Fairbanks, Alaska

Karl Hanneman
Mining Engineer
Fairbanks, Alaska

Earl Beistline
Mining Consultant
Fairbanks, Alaska

Jenny Hawley, Vice President
HAWLEY RESOURCE GROUP, INC.
Anchorage, Alaska

G. G. (Jerry) Booth, Mgr. Alaska Operations
COMINCO ALASKA, INC.
Anchorage, Alaska

Peter Richardson, Mgr. Project Admin.
GREENS CREEK MINING COMPANY
Juneau, Alaska

Roger Burggraf, President
ALASKA MINERS ASSOCIATION
Fairbanks, Alaska
(Appointed December 1986)

Darrell Spilde, Vice President
NERCO MINERALS, INC.
Fairbanks, Alaska
(Resigned December 1986)

Joe Davis, Senior Manager
INSPIRATION MINES, INC.
Nome, Alaska

Joe Usibelli, President
USIBELLI COAL MINE, INC.
Healy, Alaska

Don Finney, Ketchikan Manager
U. S. BORAX AND CHEMICAL CORP.
Ketchikan, Alaska

Ernest N. Wolff
Mining Consultant
Fairbanks, Alaska

Staff

Thyes Shaub, Director
Div. of Minerals and Forest Products
Department of Commerce and Economic
Development
P. O. Box D
Juneau, Alaska 99811
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INTRODUCTION

Alaska is entering a period of economic change. Those sectors of the economy supported directly by oil production or indirectly by pass-through spending of government revenues will be severely impacted.

Mining is one sector of the economy that is not directly affected by the loss of state revenue or by a decrease in oil related activities as it does not appreciably depend on the level of funding in state capital or operating budgets.

While economic changes have depressed the oil industry in Alaska, there have been several economic changes favorable to the mining industry. Increased metal prices, lower fuel and labor costs, and lower interest rates should be working favorably for the growth of the mining industry in Alaska.

Yet, economic information for 1986 indicates that all is not well. The placer mining industry suffered a 27 percent decrease in the number of mines, a loss of 390 jobs statewide and a 16 percent decrease in gold production. In contrast, placer gold production in the Yukon Territory is expected to set a new record in 1986.

Exploration activities in Alaska remained at their lowest level in some 15 years, down nearly 90 percent from 1981 levels. In contrast, exploration in British Columbia increased some 30 percent in 1986 to a level 10 times greater than in Alaska.

While there are many factors that contribute to the lowered level of mineral activity in Alaska, the comparison with activity in the Yukon Territory and British Columbia—areas which share similar geology, climates and costs—indicates that there are fundamental impediments and constraints to conducting exploration and mining in Alaska.

Comments from individuals in the industry are revealing. Questionnaires are annually mailed to miners for use in preparing an annual mineral industry report jointly published by the Department of Commerce and Economic Development and the Department of Natural Resources. The comments which follow are excerpts from the responses to those questionnaires.

The following two comments are from questionnaires returned by managers of exploration programs.

"I now confine most of my exploration activities to the southwestern U.S. where it is more economic and not as difficult to deal with the environmental regulations. Alaska is a wonderful place to try to develop mines but the economics and constantly more difficult environmental restrictions are almost too enormous to overcome. I hope this changes in the future. Somehow this message needs transmitting to those who can effectuate a change for the better. As I recommended the last four years, the only way to effectuate change for the better is to withdraw investment in exploration in Alaska. As you may realize, that was a very difficult thing for me to do. I hope in the future it will change."

"The problem is the lack of a clearly defined policy by governmental agencies toward mining activities. This uncertain environment makes us hesitate or abandon possible projects."

The following comment is from an Alaska Native Corporation.

"We have an extremely difficult time attracting joint venture partners from the minerals industry to finance development. Alaska has an extremely poor reputation with the minerals industry. Most companies prefer to invest their money elsewhere."

The following two comments are from placer miners.

"(The problems include) water quality regulations which are not practical and too costly to comply with. Lack of understanding of the placer industry by people in the regulatory agencies. There are new people all the time. Because of the uncertainty of getting revised standards for water quality regulations which would be practical and economically attainable, we cannot justify capital expenditures for modernizing our equipment. We are unable to implement long term mining plans."

"Without doubt, the main problem is the clean water regulations which for some operations are impossible to meet. I have not mined on my claims now for two years. I have been waiting for a reason to return if that ever happens."

The 14th Legislature, in the enabling legislation that created the Alaska Minerals Commission, cited many of the problems currently facing the industry.

"... there are major constraints on the continued development of a diverse mineral industry in the state, including the Environmental Protection Agency's effluent guidelines, state water quality standards and improperly classified streams and rivers, restrictions on surface access, complex and numerous permitting requirements, a limited access to minerals through mineral closing orders and restrictions on multiple use through state and federal land use plans."

Prior to World War II, Alaska enjoyed an international reputation for its placer and hard rock mining industries. Mining was primarily responsible for the construction of Alaska's highway and railroad systems, the founding of many of its modern communities including Fairbanks, Nome and Juneau, and the well being of much of Alaska's economy.

While the mining industry will never replace the bonanza revenues generated by oil production, it can provide thousands of new jobs, increase the tax base, reduce pass through payments and other economic benefits which will contribute to the increased diversity and stability of Alaska's economy.

This report sets out the preliminary findings of the Alaska Minerals Commission and proposes recommendations that will allow Alaska's mineral industry to grow and reestablish its economic importance to Alaska.

RECOMMENDATIONS OF THE ALASKA MINERALS COMMISSION

I. ALASKA MINERALS POLICY ACT

FINDINGS: Many of the problems facing the mineral industry stem from the lack of a clear, statutory policy supporting the responsible development of Alaska's mineral resources. The Commission members are unanimous in their belief that the greatest immediate need is the passage of a mineral policy act during the next legislative session which will implement Article VIII, Section 1 of the Constitution of Alaska by encouraging the development of Alaska's resources by making them available for maximum use, by establishing that resource development is consistent with the public interest, and by directing that resource development is an economic priority of the state. Such a policy act will become the foundation for other legislative and administrative actions recommended in this report.

The effectiveness of an act that sets policy depends entirely upon its implementation. To assure that the policies presented here will become active and enforceable policies of the state, a section enumerating the rights of citizens to take legal action has been incorporated. This section is modeled after the rights granted citizens under the federal Clean Water Act.

THE COMMISSION RECOMMENDS THAT:

1. The LEGISLATURE enact an Alaska Mineral Policy Act by amending Title 44, Article 99 of the Alaska Statutes with the addition of the following sections:

Section 44.99.200 DECLARATION OF STATE MINERAL POLICY. In conformance with Article VIII, Section 1 of the Constitution of Alaska, and to further the goals of the state economic development policy to maintain a sound economy, stable employment and to encourage responsible economic development in the state for the benefit of present and future generations through the purposeful development of the state's abundant mineral resources including metals, industrial minerals, and coal; it is the policy of this state:

- (1) that Alaska's lands be available for mineral exploration and development through multiple-use practices that shall not subordinate mineral resource development;
- (2) that mineral development not be encumbered by excessive, unreasonable or uneconomical legislative or administrative actions;
- (3) that a comprehensive system of transportation and infrastructure be developed in Alaska that allows mineral products from the state to enter the market place;
- (4) that the general and public functions of the state which promote mineral development, which inform and educate the people, and which advance the knowledge and technology of the mineral industry be supported.

Section 44.99.205 ENFORCEMENT. (a) Any citizen may commence a civil action on his or her own behalf against any person (including (i) the State of Alaska, (ii) any other governmental instrumentality or agency, and (iii) any government employee or officer acting in his or her official capacity) when there is alleged a failure of such person to carry out any policy under this act.

(b) The court, in issuing any final order in any action brought pursuant to this litigation, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

City of Sand Point

P.O. Box 249
Sand Point, Alaska 99661

(907) 383-2696

276 2700

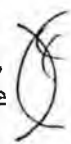
April 27, 1987

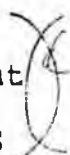
Honorable Sam Cotten
Alaska State House
Box V
Juneau, Alaska 99811


RE: CS SB 133

Dear Representative Cotten:

The communities of the Aleutians East area, Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon and Sand Point, are concerned by the impacts of CS SB 133 on the potential Aleutians East borough formation. We ask for your support of the following provisions and amendments to CS SB 133. They are identified by priority.

Priority #1) Ensure that Sec 8.AS.29.65.130(10)(D), which is in the committee substitute, remains in the adopted bill. 

Priority #2) Include provisions that count all State land classifications toward a municipality's entitlement base, but restrict the land which it can select to the land classifications in Sec 8.AS.29.65.130(10)(C) of CS SB 133. 

Priority #3) Expand the classifications used to determine the land entitlement base and those which are eligible for selection by municipalities to include, wildlife habitat, transportation corridor, resource management and forestry lands (language in HB 102 on municipal land entitlements). 

We believe that these priorities also correspond to their degree of difficulty of accomplishing as amendments. The reasons we request your support of the above position are outlined below.

BACKGROUND

There are about 755,196 acres of State land in the Aleutians East region, 523,404 of Federal lands that the State has selected. There are also 505,335 of State owned tidelands. In short, there are about 1,275,000 acres of State owned

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lands in the Aleutians East area, and 1,750,0000 if tidelands are included. However, only about 7,500 acres (classified as settlement lands) are presently included in classifications that allow selection by municipalities. Thus, if the Aleutians East area incorporates as a borough, it may be eligible to select only about 750 acres to fulfill its entitlement of 10% of State land. This selection is about .00024% of State land in the region, and is about .37 acres/resident. The communities of the Aleutians East area question if the intent of the municipal entitlement program is to provide such a small percentage of State lands in a region to satisfy the land requirements of municipalities. We also note that the language adopted in this bill would seriously impact future boroughs that may be established, such as those that may be mandated in SS HB 1, mandatory 3rd class boroughs for education purposes.

PRIORITY #1

The CS SB 133 includes a provision, Sec 8 AS.29.65.130(10) (D), that may increase the amount of acreage which the proposed Aleutians East Borough can select. This provision allows municipalities to select lands classified resource management no earlier than September 1, 1983. We strongly support this committee substitute amendment.

Most State lands in the Aleutians East area were classified in the Bristol Bay Cooperative Management Plan (BBCMP), which was adopted by the State in 1984. The State owns about 75,000 acres which were classified as resource management by the BBCMP. Thus, these lands should qualify as being classified resource management no earlier than September 1, 1983, and be eligible for selection by the proposed Aleutians East Borough. This acreage should increase the borough's total selection pool to about 82,000 acres. Ten percent (10%) of this amount is about 8,200 acres or about 4 acres/borough resident.

PRIORITY #2

A way to help counteract the effects of large amounts of lands in classifications ineligible for municipal selection is to include all land classifications or a broader range of the present classifications in the amount of acreage used to calculate a municipality's entitlement. A municipality would still be ineligible to select lands in these expanded classifications, but they would count toward a municipality's

selection pool. Thus, a municipality could select a greater amount of acreage in the eligible classifications. We support this proposed amendment as a means to provide a sufficient land base for regional governments, such as a borough. Further, we recommend including the following additional classifications be used to determine the selection pool, but not be eligible for selection by a municipality: resource management lands classified before September 1, 1983, wildlife habitat, transportation corridor and forestry.

In the Aleutians East area, this approach would increase the potential borough's entitlement base to 750,000 - 1,275,000 acres. The borough would be eligible to select 10% of these lands, 75,000 - 127,500 acres, in the eligible land classifications identified in Sec 8 AS.29.65.130(10)(C). However, in our area, selections would still be restricted to the 7,500 acres classified as settlement, (82,000 if resource management lands classified after September 1, 1983 are included, Priority #1) because there are no other lands in the eligible classifications. This provision would at least increase the amount of land the borough would receive from the present 750 acres, to 7,500 acres, or about 3.5 acres/resident and potentially 82,500 acres, or 41 acres/resident if Priority #1 amendment passes.

PRIORITY #3

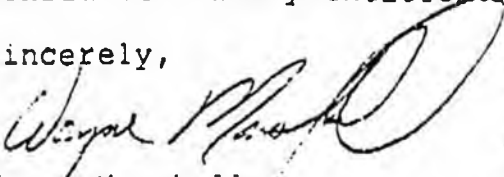
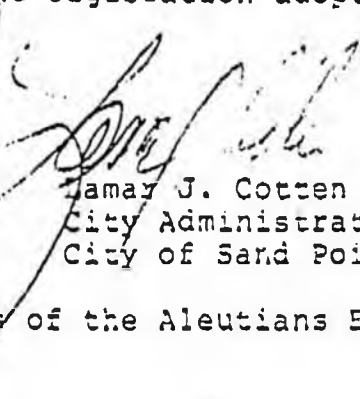
Language proposed in HB 102, (sponsored by Representative Adams) expands the land classifications eligible for selection by a municipality to include resource management, wildlife habitat, transportation corridor and forestry lands. Most lands in the Aleutians East area are included in these classifications, and presently are not eligible for selection by a municipality or to determine its entitlement base. If this language is adopted, the Aleutians East Borough may be eligible to select 10% of at least 750,000 acres, and potentially (depending on Federal transfers to State selected lands) 1,250,000 acres. Thus, the Aleutians East Borough could select 75,000 to 125,000 acres of State land, or 37.5 to 62.5 acres/resident.

We understand that DNR, ADF&G, and environmental organizations have previously opposed this language and that it may not be supported by the administration. We recognize that this amended language would be very difficult to obtain, but feel that our suggested Priority #2, may be a

viable option to this amendment which other parties would consider/accept. However, we would like to see the language in HB102 adopted in CS SB133.

We ask for your support and consideration of the amendments and hope that we can continue to work with you to ensure that the interests of the proposed Aleutians East Borough are considered in any entitlement legislation adopted.

Sincerely,

	
Wayne Marshall	Jamar J. Cotten
City Manager	City Administrator
City of King Cove	City of Sand Point

Representing the communities of the Aleutians East area.

City of Sand Point

P.O. Box 249
Sand Point, Alaska 99661

(907) 383-2696
276 2700

April 27, 1987

Honorable Sam Cotten
Alaska State House
Box V
Juneau, Alaska 99811

694-8211 Wayne @ home

RE: CS SB 133

PWS - same probs as habitat

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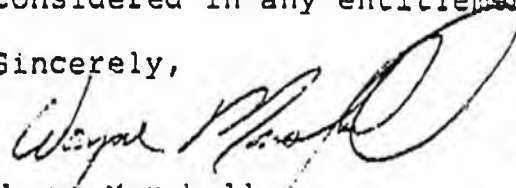
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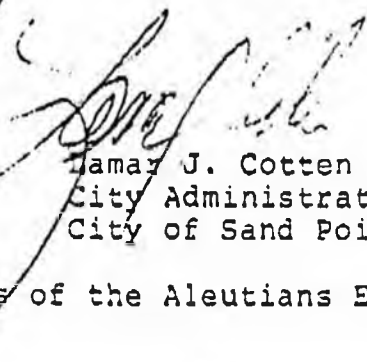
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Sincerely,


Wayne Marshall
City Manager
City of King Cove


Jamar J. Cotten
City Administrator
City of Sand Point

Representing the communities of the Aleutians East area.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

April 29, 1987

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99901-1796
PHONE: (307) 465-2400

The Honorable Sam Cotten, Co-Chair
The Honorable Adelheid Herrmann, Co-Chair
House Resources Committee
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Representatives Cotten and Herrmann:

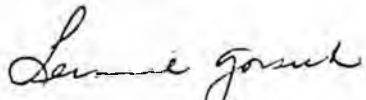
Subject: CS SB 133-An act relating to general grant land entitlement.

Position: The Department of Natural Resources supports the concept of municipal entitlements. The department is pleased to see that the legislature is moving to correct past inequities whereby some municipalities received a zero acre land entitlement. We also salute the alteration of the vacant, unappropriated, and unreserved (vu) land definition to match the classification regulations adopted in 1983. However the administration continues to have serious reservations about this particular piece of legislation, as detailed in the attached analysis.

Recommendation: The department supports the concept of municipal entitlements because there should be incentives for creating regional governments. Our concern is focused on the basis for establishing those entitlements. Most municipalities have already received entitlements under the existing statutory scheme. Changes in that scheme give rise to inconsistencies and support arguments for revisiting all past, as well as future, entitlements. Experience teaches that uncertain vesting dates promote exhaustive wrangling. Resource management is a classification category rather than a purpose. Material and public recreation lands, regularly retained by the state, should not become eligible for municipal selection without reclassification. Previous legislative land grants, and the conditions for them, should be acknowledged. Therefore, we recommend that the committee take a look at the history of the Municipal Entitlement Act, its purposes and results, prior to acting on this legislation.

We welcome the opportunity to work with the committee and interested groups to resolve these remaining issues.

Sincerely,



for Judith M. Brady
Commissioner

cc: Committee Members
Sponsor
George Sullivan, Governor's Office
Rod Swope, Governor's Office

ANALYSIS
CS SB 133

The first land entitlement for boroughs under state law was made in 1963 (AS 7.10.150). The purpose of that grant was "as assistance and incentive to exercise local government over broad areas" and was patterned after the grant of land made to the state by Congress in the Alaska Statehood Act. In addition, it was to supply a broad range of sites for municipal facilities (specific sites can also be acquired under AS 38.05.810, enacted at the time of statehood). Under this act up to 10% of the vacant, unappropriated, and unreserved (vu) land within borough boundaries was available for municipal selection. A 1970 amendment extended the grant to first and second class cities.

By 1978, the legislature found it necessary to do a wholesale revision of the program. The primary purposes of the revision were to remove uncertainties in the existing municipal entitlement law and to provide for an immediate, final determination and settlement of municipal land entitlements so that conveyances could proceed. Entitlements were set in statute (AS 29.65.010) for boroughs and unified municipalities with acreages ranging from a low of .26 acres per capita (Anchorage) to a high of 21.4 acres per capita (North Slope Borough). Cities and new municipalities retained the 10% formula. The 1978 statute provided a date certain for computation of entitlement which would allow the entitlement to be set and conveyed within a short period of time.

Other circumstances have changed since the Act's inception nearly 25 years ago: Municipalities are able to obtain land grants for facilities under several different mechanisms; the state is no longer a principal landowner at the heart of most municipalities; and the state has obtained more land from the federal government.

As a result of the Alaska Native Claims Settlement Act (ANCSA) passed in 1971, the state was no longer a principal landowner in and near many municipalities. Much of the land near the core of municipalities, especially in rural Alaska, was transferred to Native corporations. In recognition of that fact, Native corporations are required under ANCSA to transfer lands to municipalities where appropriate.

When the legislature first contemplated the grant of state land to municipalities, the total of all state land amounted to 7.5 million acres. When acreages were set in 1978, all land granted under the statehood act amounted to 35 million acres. It now amounts to 80.5 million acres. Of course, only a portion of this land is available to municipalities.

All of these factors combine to create a situation in which, under the current version of the bill, newer, smaller municipal entities could obtain more land than large, long established municipalities. For instance, without a cap in place, the Northwest Arctic Borough may obtain as much as 41.45 acres per capita in addition to whatever land it will obtain from local Native corporations. Additionally, this bill appears to revisit previous legislation which repealed an 89,850 acre entitlement to the North Slope Borough.

An additional concern is that without a date certain for the computation of entitlements, the state may find itself in the position it was prior to the

1978 amendments. Before 1978, almost no land was conveyed to municipalities due to uncertainties within the act concerning entitlement determinations. Because the bill proposes to remove the date certain for computation of entitlement, replacing it with a range of dates during which maximum vuu land is to be computed, these computations will be more open to dispute.

Finally, the revised Section 8 appears to answer concerns regarding the vulnerability of the Prudhoe Bay surface estate. However, the department suggests a clarification of the provision, to read; "classified resource management no earlier than October 1, 1983 and is still classified resource management." The statement that the land be classified for resource management "purposes" is too broad to be meaningful.

We also note that several bills have been introduced which require the retention of state material lands (SB 71, HB 69, SCR 4, HCR 5) and public recreation lands (SB 18, HB 18, SB 55, HB 93, SB 163, SB 190, HB 210, HB 244 and others). An effort should be made to coordinate legislative intent.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
 Revision Date: 4/9/87
 Title: General Land Grant Entitlement
 (municipal selection)
 Sponsor: Henslev, Halford, et al
 Requestor: House Resources

Bill Version: CSSB 133
 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	3.0	3.0
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	2.0	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: Tom Hawkins Phone: 465-2400
 Division: Land and Water Management Date: 4/28/87

Approved by Commissioner: *Armi Goruk* Date: 4/28/87
 Agency: Natural Resources

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 date (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
Certification

P.P.T.	-	Anc
23.3	(12 months)	
12.2	(9 months)	
<u>12.0</u>	(10 months)	
47.5		

18
12
8

Administration

P.F.T.	-	Fbx
4.6	(1 month)	
4.0	(1 month)	
3.2	(1 month)	
<u>2.3</u>	(1 month)	
14.1		

18
16
12
8

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

Administration

P.F.T.	-	Fbx
54.8		
48.2		
38.4		
<u>27.5</u>		
168.9		

18
16
12
8

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

Alaska State Legislature

House of Representatives

Al Adams

Chairman

Committee on Finance

May 15, 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

Official Business

MEMORANDUM

TO: Representative Pourchot, Chair
Representative Goll
Representative Frank

FROM: Representative Al Adams
District 22

AAA

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.

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 HCS SB 133 (RES) 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. HCS SB 133 (RES) accomplishes this.

NWAB's entitlement is addressed in section 9. 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 bill is crafted to avoid any entanglement with mental health land problems.

Senator Hensley and I would appreciate your consideration of the attached amendments. The amendments are a product of discussions between ourselves and Governor Cowper. The Governor plans to develop comprehensive state land policy over the interim. Also, he is interested in the results of the Northwest Area Plan which will soon be completed. Our amendments will allow the NWAB to get an entitlement now that is less than the 10% it is entitled to under present law, but to have an opportunity to get its full entitlement after the Governor develops his land policy and after completion of the Northwest Area Plan. These amendments do not affect the NSB's entitlement at all.

Attached is the proposed amendments, a sectional analysis of the current version of the bill, a fiscal note, and other pertinent back up.

Attachments

By Representative Adams
and Senator Hensley

PROPOSED AMENDMENTS TO HCS SB 133 (RES):

P. 1, LINE 26 -- AFTER "after that date" add a new sentence to read "However, a municipality may not receive an entitlement under this subsection that exceeds 20 acres per person residing in the municipality on the date of its incorporation. For purposes of this subsection, the population of a municipality shall be determined by the Department in accordance with AS 29.60.020 and AS 29.60.150."

NWAS
pop 6696

This amendment caps entitlements by saying that if the 10% entitlement given to new boroughs under .030(a) is more than 20 acres per person, the borough will only get an entitlement equivalent to 20 acres per person. For the above language, the population count would be the count reported for the Northwest Arctic Borough in the Municipal Population Report, published by C&RA each year. This is the population count used for revenue sharing purposes.

P. 4, AFTER LINE 23, add a new section to read:
"Section 11. The general grant land entitlement authorized for the Northwest Arctic Borough under AS 29.65.030(a), as amended in sec. 2 of this Act, is a partial entitlement for the borough. After completion of the Northwest Area Plan prepared under AS 38.04.065, the governor shall submit to the legislature recommendations for additional general grant land entitlements for the Northwest Arctic Borough."

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.

Section 4. Allows North Slope Borough (NSB) to revest 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. 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 12 and 13. 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.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: HCS SB 133 (RES)

Publish Date: _____

Revision Date: 4/9/87

Title: General grant entitlement
(municipal selection)

Agency Affected: Natural Resources

BRU: Land and Water Management

Sponsor: Hensley, et al

Requestor: Senate Finance

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	163.9	100.9
TRAVEL		5.0	5.0	4.0	3.0	3.3
CONTRACTUAL		4.0	9.0	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

Phone: 465-2400

Division: Land and Water Management

Date: 3/3/87

Approved by Commissioner: *Harold Hensley*

Date: 4/16/87

Agency: Natural Resources

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 date (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.

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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.

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Line Item Explanation

Y E A R 1

100 - Personal Services
Certification

P.P.T. - Anc

18	23.3 (12 months)
12	12.2 (9 months)
8	12.0 (10 months)
	<u>47.5</u>

Administration

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

Administration

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

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.



Official Business

COMMITTEE:

RESOURCES

DATE: MAY 4, 1987

SIGN-IN

Subject of meeting:

HB 289 SB 55
182 86
133
94

NAME	ADDRESS	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
Debbie Garrison	305 Highland Dr	586-3564		# 86
BRUCE BAKER	AK. DEPT. FISH & GAME - JUNEAU	465-4105	ADFFG	SB 55
Coil Cotton	JNU	6-2345	AEL	HB 289 SB 55
Row Sumerville	Duncan	9-2399	AK. Outdoor Council	SB 55
Phil Holdsworth	Lumena	6-1783	AMA/RDC	HB 289 SB 94

1
2
3

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

2.4

230/240

1 AS 38.05.300, is classified for agricultural, grazing, material,
 2 public recreation, or settlement [COMMERCIAL, INDUSTRIAL, PRIVATE
 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.

SB 133

Master

April 3, 1987

Senator Don Bennett, Co-Chairman
Senate Finance Committee
P.O. Box V
Juneau, Alaska 99811

Re: Senate Bill 133

Dear Senator Bennett:

I represent the class in Weiss v. State, trial court case no. 4FA-82-2208 Civil (the Mental Health Lands Trust Lawsuit). Last year when HB 587 was considered, the parties in interest agreed that they did not want municipal entitlement issues to become further linked to the mental health trust lands litigation. All agreed that additional selections of mental health trust land were not permitted under the law. For that reason, language was inserted into the various bills to maintain the status quo regarding mental health trust lands and the Weiss litigation. An example of the language added to the bills is found in Sec. 6 of CSHB 587 (Rules) am, Second Session of the Fourteenth Legislature. That language follows:

"*Sec. 6. AS 29.65.060 is amended by adding ^anew subsections to read:

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



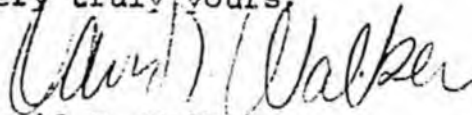
I believe SB 133 and any legislation that in any way relates to the use or selection of mental health trust lands by municipalities must contain language indicating that a

Senator Don Bennett, Co-Chairman
Senate Finance Committee
April 3, 1987
Page Two

municipality, whether existing or newly created, may not select mental health land after October 4, 1985, the date of the Weiss decision.

I will be happy to discuss this with you, or members of your staff at any time.

Very truly yours,



David T. Walker

DTW:jp

cc: James E. Gottstein, Esq.
William H. ("Chip") Dennerlein, Manager,
Office of Intergovernmental Affairs
G. Thomas Koester, Assistant Attorney General
Cooper Geraty, Esq.

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.) *where 100 new def.*

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

Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1978	Additional Reason for Entitlement "0" or low After 1978	Reason for 1978 entitlement	Probability of more State land in boundaries since 1978 & before 1988	Last Revision: 4/2/87	Page 1 of 8	Comments:
Akhiok	0	NO	YES	None	NO	No land	None			
Akiachak	0	NO	YES	None	NO	No land	None			
Akiak	0	NO	YES	None	NO	No land	None			
Alakanuk	0	YES	YES	None	NO	No land	None			
Aleknagik	0	NO	YES	Low	NO	No land	Low ✓			
Allakaket	0	NO	YES	Remote to none	NO	No land	None			
Ambler	0	NO	YES	Remote to none	NO	No land	None			
Anaktuvuk Pass	0	NO	YES	None	NO	No land	None			
Anderson	0	NO	NO	High	NO	No land	High			
Angoon	0	YES	YES	None	NO	No land	None			Land not already selected by natives is not selectable
Aniak	0	NO	YES	Remote to none	YES*	No land	None			*Rec'd land under AS 38.05.810
Anvik	0	NO	YES	Remote to none	NO	No land	None			
Atmoutluak	0	NO	YES	None	NO	No land	None			
Barrow	0	NO	YES	None	NO	No land	None			
Bethel	40	NO	YES	Low	NO	No land	Low ✓			35 acres remaining from 1978 entitlement
Brevig Mission	0	NO	YES	Remote to none	YES*	No land	None			*Land gained under the provisions of AS 38.05.810
Buckland	0	NO	YES	Remote to none	NO	No land	None			
Chefornak	0	NO	YES	None	NO	No land	None			
Chevak	0	NO	YES	None	NO	No land	None			

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Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1978	Additional Entitlement After 1978	Reason for "0" or low 1978 entitlement	Probability of more State land in boundaries since 1978 & before 1988	Comments:
Chuathbaluk	0	NO	YES	Remote to none	NO	No general grant land	None	
Clark's Point	0	NO	YES	Remote to none	NO	No land	None	
Cordova	235	NO	NO	Medium	NO	Little General grant land	Medium ✓	22 acres remaining from 1978 entitlement
Craig	0	NO	YES	Remote to none	YES*	No general grant land	None	*Made some conveyances under AS 38.05.810(a) (Mental Health land)
Deering	0	NO	YES	Low	NO	No general grant land	None	
Delta Junction	400	NO	NO	Low to medium	NO	Little general grant land	Low ✓	309 acres conveyed; remainder approved
Dillingham	1	NO	YES	Low	YES	No general grant land	Low ✓	Rec'd additional land under AS 38.05.810
Diomedea	0	NO	YES	None	NO	No general grant land	None	
Eagle City	0	NO	NO	Low	NO	No land	None	New selections made - none in current corporate boundaries
Eek	0	NO	YES	None	NO	No land	None	
Ekwok	0	NO	YES	Remote	NO	No land	None	
Elim	0	NO	YES	None	NO	No land	None	
Emmonak	0	NO	YES	None	NO	No land	None	
Fairbanks	15	YES	NO	High (but very few acres)	YES*	Little General Grant land	Low ✓	*Other lands received under 38.05.810
Fort Yukon	0	NO	YES	None	NO	No land	None	
Galena	0	YES	YES	Low to remote	NO	No land	None	
Gambell	0	NO	YES	None	NO	No land	None	
Golovin	0	NO	YES	Remote to none	NO	No land	None	
Goodnews Bay	0	NO	YES	Remote to none	NO	No land	None	
Grayling	0	NO	YES	Remote to none	NO	No land	None	

Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1978	Additional Entitlement After 1978	Reason for "0" or low 1978 entitlement	Probability of more State land in boundaries since 1978 & before 1988	Last Revision: 4/2/87	Page 3 of 8
								Comments:	
Haines	0	YES	NO	Low	NO	Most land not General Grant	Low ✓		
Holy Cross	0	NO	YES	Remote to none	NO	No land	None		
Homer	16	YES	NO	Low	NO	Little general grant land	Low ✓	1 acraa remains from 1978 entitlement	
Hoonah	15	HC	YES	Low	NO	*Little GG land	Low ✓	*The state had previously con- veyed most excess land to city	
Hooper Bay	0	NO	YES	None	NO	No land	None		
Houston	405	YES	NO	Low to medium	NO	N/A	Low ✓	Received all land under 1978 entitlement	
Hughes	0	NO	YES	Remote to none	NO	No land	None		
Huslia	0	NO	YES	None	NO	No land	None		
Hydaburg	0	NO	YES.	Remote to none	NO	No land	None		
Kachemak	0	NO	NO	None	NO	No land	None		
Kake	0	NO	YES	Medium to high*	NO	No land	Low ✓	*about 200 acres selected at request of City and Kake tribal to trade for airport lands	
Kaktovik	0	NO	YES	None	NO	No land	None		
Kaltag	0	NO	YES	Remote to none	NO	No land	None		
Kasaan	0	NO	YES	Low	NO	No GG land	None		
Kenai	307	NO	NO	Low	NO	Little GG land	Low ✓	Received all land under 1978 entitlement	
Ketchikan	.5	YES	NO	(Small acreages) *Medium	NO*	No GG land	Low ✓	*Small fragments released by Forest Service to be conveyed to City (AS 38.05.810(a))	
Kiana	0	NO	YES	Remote to none	NO	No land	None		
King Cove	0	YES	YES	None	NO	No land	None		

Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village after 1978	Probability of more State land ever in boundaries after 1978	Additional Reason for Entitlement "0" or low 1978 entitlement	Probability of more State land in boundaries since 1978 & before 1988	Last Revision 4/2/87	Comments:
Kivalina	0	NO	YES	Remote	NO	No land	None	
Klawock	0	YES	YES	Remote	NO	No GG land	None	
Kobuk	0	NO	YES	Remote	NO	No GG land	None	
Kodiak	32	YES		Low	NO	Little GG land	Low ✓	27 acres remaining under 1978 entitlement
Kotlik	0	NO	YES	None	NO	No land	None	
Kotzebue	0	NO	YES	Remote to none	NO	No land	None	
Koyuk	0	NO	YES	Low	NO	No land	None	
Koyukuk	0	NO	YES	Remote	NO	No land	None	
Kupreanof	0	NO	no	Medium	YES*	All land MH- no GG	Low to medium ✓	* Conveyed 181 acres in lieu of entitlement (court settlement)
Kwethluk	0	NO	YES	None	NO	No land	None	
Larsen Bay	0	NO	YES	Remote to none	NO	No land	None	
Lower Kalskag	0	NO	YES	Low	NO	No land	Low ✓	
Manokotak	0	NO	YES	None	NO	No land	None	
Marshall	0	NO	YES	Remote to none	NO	No land	None	
McGrath	0	NO	YES	Low	YES*	No GG land	Low to none ✓	*Rec'd lands under AS 38.05.810
Mekoryuk	0	NO	YES	None	NO	No land	None	
Metlakatla	0	NO	no	None	NO	No state land	None	Not a city under state law (Native Reservation)
Mountain Village	0	NO	YES	None	NO	No land	None	
Napakiaik	0	NO	YES	None	NO	No land	None	
Napaskiak	0	NO	YES	None	NO	No land	None	

Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1978	Additional Entitlement After 1978	Reason for "0" or low 1978 entitlement	Probability of more State land in boundaries since 1978 & before 1998	Last Revision 4/2/87	Comments:
Nenana	0	NO	YES	Low to medium	NO	No land	Low	✓	
New Stuyahok	0	NO	YES	Remote	NO	No land	None		
Newhalen	0	NO	YES	Remote to none	NO	No land	None		
Newtok	0	NO	YES	None	NO	No land	None		
Nightmute	0	NO	YES	None	NO	No land	None		
Nikolai	0	NO	YES	Low	NO	No land	Low to none	✓	
Nome	0	YES	YES	Low	NO	No land	Low	✓	
Nondalton	0	NO	YES	Low	NO	No land	None		
Noorvik	0	YES	YES	None	NO	No land	None		
North Pole	.5	YES	NO	Low to none	NO	Little GG land	Low to none	✓	Entitlement satisfied
Nuiqsut	0	NO	YES	Remote to none	NO	No land	None		
Nulato	0	NO	YES	Low	NO	No land	None		
Nunapitchuk	0	YES	YES	None	NO	No land	None		
Old Harbor	0	NO	YES	None	NO	No land	None		
Ouzinkie	240	NO	YES	Low	NO	Little GG land	None		Has 240 acres remaining in 1978 entitlement
Palmer	0	YES	NO	Low	YES*	No GG land	Low	✓	*Rec'd some land under AS 38.05.810
Pelican	0	YES	NO	Medium	YES*	No land received	Medium-some received after 1978	✓	*Special Leg. Conv. 10 Act Also some small AS 38.05.810(a) Conv.
Petersburg	*0	YES	NO	Low to medium	YES*	No GG land all MH	Low to medium-some received after 1978	✓	*Conveyed 461 (96 MH) in lieu of entitlement (court settlement)
Pilot Station	0	NO	YES	None	NO	No land	None		
Platinum	0	NO	YES	Remote to none	NO	No land	None		

Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1978	Additional Reason for Entitlement "0" or low After 1978	Probability of more State land in boundaries since 1978 & before 1988	Last Revision 4/2/87	Comments:
Point Hope	0	YES	YES	High	NO	No land	None	
Port Alexander	0	NO	NO	High (Have some NFCG)	NO	No land	High	
Port Heiden	0	NO	YES	Remote to none	NO	No land	None	
Port Lions	35	YES	YES	Low	NO	No land	Low ✓	35 acres remaining in 1978 entitlement
Quinhagak	0	NO	YES	None	NO	No land	None	
Ruby	0	NO	YES	Low to remote	NO	No land	None	
Russian Mission	0	NO	YES	Remote to none	NO	No land	None	
Saint Mary's	0	YES	YES	None	NO	No land	None	
Saint Michael	0	YES	YES	None	NO	No land	None	
Saint Paul	0	YES	YES	None	NO	No land	None	
Sand Point	0	NO	YES	None	NO	No land	None	
Savoonga	0	NO	YES	None	NO	No land	None	
Saxman	0	NO	YES	None	NO	No GS land	None	
Scammon Bay	0	NO	YES	None	NO	No land	None	
Selawik	0	NO	NO	None	NO	No land	None	
Seldovia	0	NO	YES	Low	?*	No land	None	* Has pending application under AS 38.05.810
Seward	562	NO	NO	Low to medium	NO	Little GG land	Low ✓	30 acres remaining in 1978 entitlement
Shageluk	0	NO	YES	Remote to none ?	NO	Little GG land	None	
Shaktolik	0	NO	YES	Low	NO	Little GG land	None	
Sheldon Point	0	NO	YES	None	NO	Little GG land	None	

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Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1970	Additional Reason for Entitlement "0" or low After 1970	1978 entitlement	Probability of more State land in boundaries since 1978 & before 1988	Comments:
Shishmaref	0	NO	YES	Remote to none	NO	Little GG land	None	
Shungnak	0	NO	YES	Remote to none	NO	No land	None	
Skaqway	500	YES	NO	Low	NO	Land not TA'ed	Low ✓	
Soldotna	14	YES	NO	Low	NO	Little GG land	Low ✓	
Stebbins	0	NO	YES	None	NO	No land	None	
Tanana	0	NO	YES	Remote	NO	No land	None	
Teller	0	YES	YES	None	NO	No land	None	
Tenakee Springs	C*	NO	NO	*High (Land rec'd & con- veyed after 1978)	YES*	No NFCG Land	High Land red'd & conv.	*City acquired over 3,000 acres through court settement and cannot receive more.
Toqiak	0	YES	YES	None	NO	No land	None	
Toksook Bay	0	NO	YES	None	NO	No land	None	
Tuluksak		NO	YES	Remote to none	NO	No land	None	
Tununak		NO	YES	None	NO	No land	None	
Unalakleet	0	NO	YES	Remote to none	NO	No land	None	
Unalaska	0	YES	YES	Remote	NO	No land	None	
Upper Kalskaq	0	NO	YES	Low	NO	No land	Low ✓	
Valdez	4,805	NO	no	High	NO	N/A	High	514 remaining from 1978 entitlement
Wainwright	0	NO	YES	None	NO	No land	None	
Wales	0	NO	YES	Remote to none	NO	No land	None	
Wasilla	0	YES	no	Low to none	YES*	No land	Low ✓	*Rec'd land under AS 38.05.810

Cities Incorporated in or before 1979	1978 Land Entitlement	Annexations Since 1978 (#)	ANCSA Village	Probability of more State land ever in boundaries after 1979	Additional Reason for Entitlement "0" or low After 1979	1979 entitlement	Probability of more State land in boundaries since 1978 & before 1988	Last Revision 4/2/87	Comments:
White Mountain	0	NO	YES	Remote to none	NO	No land	None		
Whittier	*0	NO	NO	Medium (NFCG Selections)	YES*	No state land	Low		*Granted 600 acres under Chapter 73 SLA 1984
Wrangell	*0	NO	NO	Medium	YES*	No land	Some rec'd-after ✓ 78		*310 acres (MH land) in lieu of entitlement (court settlement)
Yakutat	*104	NO	YES	High	YES*	N/A	High		*Decision to convey another 300 acres under AS 38.05.810(a)

Footnote: "GG" means General Grant.

"MH" means Mental Health.

"NFCG" means National Forest Community Grant lands.