

S B

1 3 3

*average cap - 233,000 vs 13,000 another measure
management. 11
Quebec Bay 1978
Don't feel too long
D. caps too short
check leg
history*

1 IN THE SENATE
2 Date of printing 2/18/87
BY HENSLEY, HALFORD AND FAIKS
SENATE BILL NO. 133

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 shall consult with each municipality affected by this Act regarding classi-
2 fications of state land within its boundaries and may assist the munic-
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4 general grant land entitlement.

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6 are repealed.

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

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

Original sponsors: Hensley, Halford
and Faiks

1 IN THE SENATE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 133 (C&RA)

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25 aries of the municipality between [ON] the date of its incorporation
26 and two years after that date. However, a municipality may not re-
27 ceive an entitlement under this subsection that exceeds ^{21.4}~~25~~ acres per
28 person residing in the municipality on the date of its incorporation.

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22 receipt of the rejection, select additional state land as necessary to
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25 (b) All approved selections under former AS 29.18.190 and 29.-
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19 als as required by sec. 6(i) of the Alaska Statehood Act, that

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21 particular uses or purposes;

22 (B) has not been approved for patent to a municipali-
23 ty under this chapter or former AS 29.18.190 and 29.18.200; [OR]

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

1 the municipality; or

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

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

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11 are repealed.

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13 10.070(c).

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15 1988.

A M E N D M E N T

Offered in the SENATE

TO: SB 133

By the Community and

Regional Affairs Committee

Page 3, after line 13:

Insert a new bill section to read:

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

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

Renumber the following bill sections accordingly.

Page 4, line 7:

Delete "8"

Insert "9"

Page 4, line 9:

Delete "1 - 7 and 9"

Insert "1 - 8 and 10"

DNR position / not Administration position yet

MEMORANDUM

State of Alaska

TO: David Hoffman
Commissioner
Department of Community
and Regional Affairs

DATE: March 24, 1987

FILE NO:

TELEPHONE NO: 465-2400

FROM: Judith M. Brady *JMB*
Commissioner
Department of Natural Resources

SUBJECT: SB 133 - Muni
Entitlement Bill

The acreage cap formula we are considering would best fit in the section of the bill which applies only to new municipalities. Accordingly, I suggest the following be added to the end of what is now Section 2 of the bill:

"A municipality may not receive a general grant land entitlement under AS 29.65.030 that exceeds a per capita entitlement on the date of incorporation of 20 acres."

We believe this is the best method of providing for a cap as it focuses on acres/capita -- a concept already recognized in AS 29.65 (the municipal entitlement act) whereby a muni could receive payment in lieu of land if certain lands selected by a muni were undevelopable. The payments were based upon a usable acres per capita basis. As is clear from the figures, under the proposed bill, the NW Arctic Borough would receive a per capita entitlement far in excess of that received by any other Alaskan borough.

The proposed cap language would result in an entitlement for the NW Arctic Borough of approximately 115,800 acres, as opposed to approximately 240,000 acres under the existing bill which was 41.5 acres/capital.

<u>Borough</u>	<u>Entitlement</u>	<u>1980 Population</u>	<u>Acres/Capita</u>
Anchorage	44,893	174,431	.25
Juneau	19,584	19,528	1.0
Bristol Bay	2,898	1,094	2.6
Fairbanks	112,000	53,983	2.0
Kenai	155,780	25,282	6.1
Mat-Su	355,210	17,816	19.9
North Slope	89,850	4,199	21.4
NW Arctic	240,000	5,790	41.4
	(144,750)	(5,790)	2(25.0)
	(115,800)	(5,790)	(20.0)

The other boroughs are all in the 1-3 acres/capita vicinity. The average for all boroughs with a 1978 entitlement was only 2.6 acres/capita. I believe the 20 acres/capita is a defensible figure.

6110

13,000

5790

2.25

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate Community and Regional Affairs Committee

TO: Senate C&RA Members

March 31, 1987

FROM: Senate C&RA Staff

A handwritten signature in dark ink, appearing to be "MCK".

RE: SB 133 - Relating to General Grant Land Entitlements

Please bring the previously distributed packet on SB 133 to today's C&RA meeting.

Attached is a proposed committee substitute for SB 133. There are three changes in the CS and these are highlighted. There is also an amendment attached for the committee's consideration.

The first change occurs on page 1, lines 26 through 28. This change caps the entitlement a municipality may receive at 25 acres per capita based on the population at the date of incorporation. A memo from DNR on this issue is included in this packet.

The second change is on page three, line 26. This change deleted "transportation corridor" from the definition of vacant, unappropriated, unreserved land.

The third change occurs on page 4, lines 2 through 4. This change excludes land classified resource management prior to September 1, 1983 from selection by municipalities. Specifically this provision would preclude the selection of the surface estate of Prudhoe.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/12/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

DATE TURNED INTO OFFICE 4/1/87

Mr. President:

COMMUNITY & REGIONAL AFFAIRS Committee considered SB 133

general grant land entitlements; efd.

and recommended:

replace with CS for SB 133 (C+RA) same title
 attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

Rich Halford - unless amended

OTHER RECOMMENDATIONS

Fred A. Gray No Rec.
Tim Kelly No Rec.
Mike Szymanski - No Rec.

Arthur Stangulinski Do Pass
Chairman signature and recommendation

Committee Backup Attached



Senate Community and
Regional Affairs Committee

Senator Arliss Sturgulewski, Chairman

(5755)



General Grant Land

classified by Comm. prior

to Sept 1, 1983 as Res:

mg. does not qualify as

U, U, U. land for purposes

of a new establishment

established by this
act.

Pseudoclassified land classified resource mgt. prior to 1983

D+RA + DNR will have language on dates

SB414 from last year - leg grants being counted against entitlement.

Ch of 1 IN THE SENATE

BY HENSLEY, HALFORD AND FAIKS

Transportation² corridor

SENATE BILL NO. 133

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - FIRST SESSION

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STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

MUNICIPAL & REGIONAL ASSISTANCE DIVISION

STEVE COWPER, GOVERNOR

MAR 12 1987

March 12, 1987

The Honorable Fred Zharoff
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator Zharoff:

At the Senate Community and Regional Affairs Committee hearing on SB 133 held on March 5, you posed a question regarding notification of other agencies, particularly the Department of Natural Resources, of boundary changes approved by the Local Boundary Commission. I responded at the time that I assumed this important information was shared with appropriate agencies, but that I wanted to confirm my response with LBC staff and provide a more complete answer. This letter fulfills that commitment.

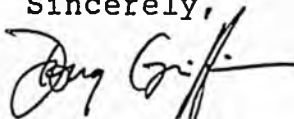
Whenever a certificate of incorporation or boundary change is signed by the Commissioner, we have the certificate recorded by the State Recorder's Office. In addition, a copy of the certificate, along with a map, is sent to the municipality affected and to each of the agencies listed on the enclosed pages. You will note that the agencies listed include the Department of Natural Resources, Division of Land and Water Management, the agency responsible for the administration of the municipal land entitlement program.

- P.O. BOX BH
JUNEAU, ALASKA 99811-2110
PHONE: (907) 465-4750
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 561-8586
- P.O. BOX 348
BETHEL, ALASKA 99559-0348
PHONE: (907) 543-3475
- P.O. BOX 41
NOME, ALASKA 99762-0041
PHONE: (907) 443-5457
- P.O. BOX 280
KOTZEBUE, ALASKA 99752-0280
PHONE: (907) 442-3675
- 1514 CUSHMAN STREET, ROOM 210
FAIRBANKS, ALASKA 99701-6286
PHONE: (907) 452-7126
- P.O. BOX 10041
DILLINGHAM, ALASKA 99576-0041
PHONE: (907) 842-2247

The Honorable Fred Zharoff
March 12, 1987
Page Two

If you have any questions or desire further information, please contact me.

Sincerely,



Doug Griffin
Legislative Liaison

Enclosures

cc: The Honorable Arliss Sturgulewski, Chair
Senate Community and Regional Affairs

David G. Hoffman, Commissioner
Department of Community and
Regional Affairs

Marty Rutherford, Director
Municipal and Regional
Assistance Division

Gary Bader, Director
Division of Administrative Services
Department of Administration
P.O. Box C
Juneau, AK 99811

Ervin B. Jones, Director
Division of Administrative Services
Department of Revenue
P.O. Box SA
Juneau, AK 99811

Thomas J. Hawkins, Director
Division of Land and Water Management
P.O. Box 7-005
Anchorage, AK 99510

U. S. Bureau of the Census
Geography Division
Washington, D.C. 20233

U.S. Geological Survey
National Mapping Division
Attn: Tom Taylor
4230 University Drive
Anchorage, AK 99508

Richard J. Knapp, Commissioner
Department of Transportation and Public Facilities
P.O. Box Z
Juneau, AK 99811

Al Bloomquist
Division of Plans, Programs and Budget
Department of Transportation and Public Facilities
P.O. Z-2500
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Betty Calhoon
Alcoholic Beverage Control Board
550 West 7th Avenue
Anchorage, AK 99501

Brian Rae
Division of Research and Analysis
Department of Labor
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Juneau, AK 99802

Sandi Stout
Division of Elections
Office of Director
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Juneau, AK 99811

Larry Huxel
Department of Education
Education, Finance and Support Service
P.O. Box F
Juneau, AK 99811

Ms. Gail Ozmina
Townsite Trustee
Bureau of Land Management
P.O. Box 13
Anchorage, AK 99513

Jim Plasman
Revenue Sharing/Municipal Assistance Coordinator
Department of Community and Regional Affairs
Municipal & Regional Assistance Division
P.O. Box BH
Juneau, AK 99811

Bruce Webb, Cartographer
Department of Community and Regional Affairs
Municipal & Regional Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, AK 99508

Municipal and Regional Assistance Division
Regional Office

Local Boundary Commission
LBC/GEO files

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 4, 1987

POSITION PAPER

STEVE COWPER, GOVERNOR

- POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 40C
ANCHORAGE, ALASKA 99508
PHONE: (907) 563-1073

RE: SB 133--"An Act Relating to General Grant Land Entitlements.

SPONSOR: Senators Hensley, Halford and Faiks

Program Effects of Bill

The bill accomplishes five purposes. It permits the Northwest Arctic Borough to select about 230,000 acres of land; it re-vests the North Slope Borough's 89,850 acre entitlement; it extends the period for city selection of state entitlement lands to January 1, 1988; it re-classifies land into categories suitable for municipal selection; and it establishes a consultation process between the Department of Natural Resources (DNR), and municipalities regarding land classification and selection.

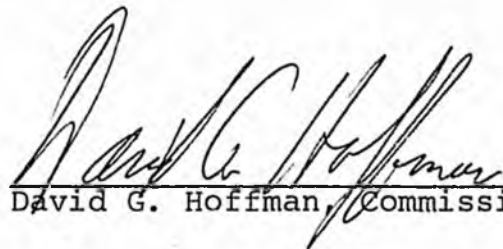
Comments

The Department endorses the bill as presently drafted. However, we support an amendment to the language in Section 1. Currently the bill closes the date for ^{municipal} city entitlements on January 1, 1988. The Department would prefer to see language permitting ^{municipal} city selections up until two years after the state's final selections from the federal government. The logic for extending the selection date is to give every ^{municipal} city which may contain state land within its boundaries in the future but does not now, the same opportunity to receive title to land as that enjoyed by existing cities with state selections. We think this is the most equitable approach since it places cities on an equal footing over time.

The Department supported a position last year to include land classified for forestry and wildlife habitat in the entitlement base. That provision is not in this bill, nor does the Department intend to recommend that it be included, out of our desire to see that this important bill is passed with the recommended amendment in section #1.

SB 133
March 4, 1987
Page Two

We feel the bill, with the suggested amendment, will promote equity among the state's municipalities; will guarantee an adequate land base in areas of the state which may wish to form regional governments; and will serve long-term economic development needs by placing land in local government and private ownership. Finally, in an era in which local governments must become more resourceful as they encounter fiscal restraints, a local land base for generating revenues and economic opportunities is that much more.


David G. Hoffman, Commissioner

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

March 5, 1987

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

Dear Senator Sturgulewski:

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

Position: The Department of Natural Resources supports the bill but has some concern over several provisions.

Recommendation: The bill allows the North Slope Borough (NSB) to select the surface estate to Prudhoe Bay and surrounding area. The department believes it is essential that the bill be altered in order to exempt this important state resource and revenue generation area from municipal selection. We have several ideas as to how this might be accomplished and would work with the bill's sponsor and your committee staff to amend the bill in this regard.

Secondly, we believe consideration should be given to the inclusion of an acreage cap for AS 29.65.030, the determination of entitlement for newly incorporated municipalities. This would help dissuade municipalities from incorporating merely to obtain a large land entitlement, particularly in rural areas where most state vacant unappropriated and unreserved (VUU) land is not particularly well suited to development or other municipal purposes.

The department strongly advocates the language in Section 7 which alters the VUU definition to match the department's new classification categories which were established by regulation in 1983.

The department is also pleased to note that the bill corrects a long-standing inequity whereby some cities maintain a zero acre land entitlement, even though their boundaries encompass state VUU land (as a result of post 1978 land transfers or

Senator Sturgulewski

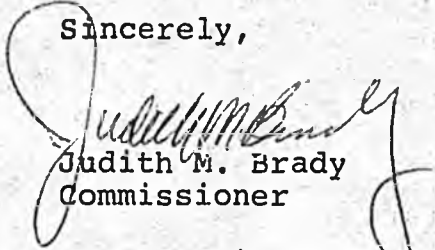
-2-

March 5, 1987

annexations). However, the burden of determining new or revised entitlements falls squarely upon the department. Therefore, the department has assembled an appropriate fiscal note equal to the task.

Finally, the department has several other minor comments and suggestions which will be made during the committee hearing on the bill. My staff and I remain available to answer questions and provide assistance.

Sincerely,



Judith M. Brady
Commissioner

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

Alaska State Legislature

ARLIS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF

P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate Community and Regional Affairs Committee

TO: Senate C&RA Members

March 5, 1987

FROM: Senate C&RA Staff



RE: SB 133 - Relating to General Grant Land Entitlements

Enclosed in this packet are a sectional analysis, position paper, and fiscal note from the Department of Natural Resources; a position paper from the Department of Community and Regional Affairs; and the 1987 policy statement from the Alaska Municipal League on land conveyances.

Both departments support this bill, but have some differences of opinion over proposed amendments. In particular, it seems the departments disagree on the closing date for municipal entitlements and the size of the North West Arctic Borough's entitlement.

Representative of both departments and of the sponsor will be at the meeting to discuss the bill. It is not expected that SB 133 will pass out of the committee today but will be back before the members in the near future.

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate Community and Regional Affairs Committee

TO: Senate C&RA Members

March 5, 1987

FROM: Senate C&RA Staff

A handwritten signature in dark ink, appearing to be "MEL".

RE: SB 133 - Relating to General Grant Land Entitlements

Enclosed in this packet are a sectional analysis, position paper, and fiscal note from the Department of Natural Resources; a position paper from the Department of Community and Regional Affairs; and the 1987 policy statement from the Alaska Municipal League on land conveyances.

Both departments support this bill, but have some differences of opinion over proposed amendments. In particular, it seems the departments disagree on the closing date for municipal entitlements and the size of the North West Arctic Borough's entitlement.

Representative of both departments and of the sponsor will be at the meeting to discuss the bill. It is not expected that SB 133 will pass out of the committee today but will be back before the members in the near future.

PART IV
LAND USE

A. LOCAL OPTIONS

1. Planning and Zoning: The League feels strongly that laws pertaining to the powers of local planning and zoning must allow for the greatest flexibility at the local level.

2. Land Use: The League supports the requirement that the State comply with all local land use and subdivision regulations.

B. LAND SELECTION

1. Easements: The League urges modification of State Statutes which encourage the practice of blanketing all waterways within municipal selections with reservations for public easements and encumbering patents with undefined easements. The League, however, supports the policy of preserving needed specific rights-of-way and easements which provide for present and future public access with the concurrence of affected municipalities.

2. Conveyance and Land Use

(a) The League urges the immediate conveyance of Native and State lands presently identified and jointly agreed upon for selection.

(b) The League urges the State to move expeditiously to complete in-lieu, cash entitlements, and to convey lands to municipalities with the least amount of encumbrance and restrictions, and to take whatever actions are necessary to correct existing inequities and overcome all remaining obstacles, to fulfill land entitlements, for all municipalities to receive their entitled share.

(c) The League urges the funding of a cooperative intergovernmental land use planning commission to expedite conveyance of lands not yet jointly agreed upon by considering municipal, state, and federal interests in lands affected by the land selection process.

(d) The League urges state funding for the surveying of municipally-selected State land.

(e) The League urges the modification of regulations for greater flexibility in the use of grant funds by municipalities for the disposal of municipal grant land entitlements.

(f) The League urges that an entitlement program be established for those municipalities not previously allowed to participate in the conveyance and entitlement process.

Alaska
MUNICIPAL
League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

MAR 10 1987

March 6, 1987

Mr. McKie Campbell
Office of Senator Arliss Sturgulewski
State of Alaska
P.O. Box V
Juneau, Alaska 99811

RE: SB 133

Dear Mr. Campbell,

In response to SB 133 Land Entitlement, the Alaska Municipal League supports this piece of legislation.

During the annual meeting of the Alaska Municipal League held this past November in Juneau, Land Entitlement was established as one of the top priorities of the League for the 1987 Legislative Session.

I have contacted Mr. Bruce Woolard of the City of Anderson who is the Chairman of the Subcommittee on Land Use, Resources and Economic Development to respond more in depth to SB 133.

As I stated previously, the Alaska Municipal League supports SB 133.

Should you have any questions, please contact me.

Yours truly,

David L. Soulak
Chairman
Alaska Municipal League Legislative Committee

DLS/cac

cc: Mayor Carte'
Scott Burgess
Bruce Woolard

Original sponsors: Hensley, Halford and Faiks

*Abstract
Fisher
Kelly
Kelly
Symons* 135

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 133 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

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

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

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

21 (a) The general grant land entitlement of a municipality incor-
22 porated after July 1, 1900, 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. [REDACTED]

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) or 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. *Subject to AS 29.65.02*
9 After January 1, 1988, general grant land entitlements provided
10 in AS 29.65.010 are vested property rights that must be fulfilled as
11 provided in AS 29.65.050 or 29.65.080.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*prior category
very tightly defined
9-1-83 all lands
(side) had to be classified
changed definition*

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

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

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

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

18
19
20
21 addition of Resource Management classification *in winter*
22
23 13000 to approx 240,000 *Jim*

AMENDMENT

#5

OFFERED IN THE SENATE:

By: Halford

To: 133 SENATE BILL No. 133

HOUSE BILL No. _____

PAGE: 3

LINE: 17

add new sentence to Sect 7

A Municipality may not acquire any interest in land within the Arctic National Wildlife Refuge by trading land with the Federal Government for land received as a general grant land entitlement.

*adopted
11-10*

By Sen Kuttia

5-0512La
Cook

A M E N D M E N T #1

Offered in the SENATE

TO: CSSB 133(Finance)

Page 3, line 16:

Delete "subsurface rights to"

Insert "any interest in"

Kuttia

~~wd~~

4-12

A M E N D M E N T

#2

Offered in the SENATE

By Kerttula

TO: CSSB 133(Fin)

Page 2, line 8:

Delete "After"

Insert "Subject to AS 29.65.122, after"

Filed

Is this redundant?

A M E N D M E N T

Offered in the SENATE

By Kerttula

TO: CSSB 133(Finance)

~~W/d~~

Page 3, line 28:

Delete "or"

After "settlement"

Insert ", or transportation corridor"

Look out DNR advised
if someone got a r.o.w. would be considered
transp. cord.

~~Carl Kivi~~

D.N.R. would ~~classify~~ ^{take action to} classify

No top cord - now.

4

6-10

5-0512Ld
Cook

A M E N D M E N T

Offered in the SENATE

TO: CSSB 133(Finance)

Kerfulla
Fahw
Fahw
Joseph
Stuyler

By Kerfulla

Page 1, line 26:

After "date"

Insert "However, a municipality may not receive an entitlement
 under this subsection that exceeds 21.4 acres per person residing in
 the municipality on the date of its incorporation"

STATE OF ALASKA 1987 LEGISLATIVE SESSION

FISCAL NOTE SENATE

BILL VERSION: CSSB 133(C&RA)
 PUBLISH DATE: 4/1/87

REQUEST: _____

Revision Date: 3/5/87

Title: general grant entitlement
(municipal selection)

Sponsor: Hansley, et al

Requestor: _____

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		(3,500.0)	(3,500.0)	(3,500.0)	(3,500.0)	(3,500.0)
---------	--	-----------	-----------	-----------	-----------	-----------

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 :

* If the North Slope Borough is allowed to selected state lands valuable for materials, these figures represent the current incoming revenue that will be lost.

Prepared by: Gary Gustafson GG Phone: 465-2400
 Division: Land and Water Management Date: 3/5/87

Approved by Commissioner: William R. Gustafson Date: 3/5/87
 Agency: Natural Resources

Distribution (by preparer):

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

SENATE BILL NO. 133 by Senators Hensley, Halford and Faiks, entitled:

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

was read the first time and referred to the Community and Regional Affairs Committee and the Finance Committee.

The Community and Regional Affairs Committee considered SENATE BILL NO. 133 (general grant land entitlements; efd) and recommended it be replaced with

CS FOR SENATE BILL NO. 133 (C&RA)

Senator Sturgulewski, Chairman signed "do pass". Senator Halford signed "do pass unless amended". Senators Zharoff, Kelly and Szymanski signed "no recommendation".

Fiscal note with impact published today from Department of Natural Resources.

SENATE BILL NO. 133 was referred to the Finance Committee.

The Finance Committee considered SENATE BILL NO. 133 (general grant land entitlements; efd) and a majority of the committee recommended it be replaced with

CS FOR SENATE BILL NO. 133 (FIN)

and do pass. The report was signed by Senator Binkley, Co-chairman and concurred in by Senators Zharoff, Uehling, Hensley, Bennett and Duncan. Senator Fischer signed "no recommendation".

SENATE BILL NO. 133 was referred to the Rules Committee.

The Rules Committee considered SENATE BILL NO. 133 (general grant land entitlements; efd) and a majority of the committee recommended calendar April 15. The report was signed by Senator Eliason, Chairman and concurred in by Senators Hensley, Binkley and Bennett.

SENATE BILL NO. 133 is on the April 15 calendar.

SENATE BILL NO. 133 (general grant land entitlements; afd) was read the second time.

Senator Binkley moved and asked unanimous consent for the adoption of the Finance Committee Substitute offered on page 879. Senator Kerttula objected.

The question being: "Shall the Finance Committee Substitute on SENATE BILL NO. 133 be adopted?" The roll was taken with the following result:

CSSB 133 (FIN)

Yeas: 13 Bennett, Binkley, Coghill, Duncan,
Eliason, Faiks, Fischer, Halford,
Hensley, Jones, Josephson,
Sturgulewski, Uehling

Nays: 5 Abood, Fahrenkamp, Kelly,
Kerttula, Szymanski

Excused: 2 Rodey, Zharoff

and so, <CS FOR SENATE BILL NO. 133 (FIN)> was adopted.

CS FOR SENATE BILL NO. 133 (FIN) was read the second time.

Senator Halford moved and asked unanimous consent that CS FOR SENATE BILL NO. 133 (FIN) be held one day. Without objection, CS FOR SENATE BILL NO. 133 (FIN) will be on the April 16 calendar in second reading.

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

M E M O R A N D U M

DATE: April 15, 1987

TO: All Senators

FROM: Senator Willie Hensley *WH*

SUBJ: Municipal lands entitlement

CSSB 133 (FIN) is a bill that resolves three outstanding municipal land entitlement issues. Corrected are land entitlement deficiencies for many of Alaska's small cities, the North Slope Borough, and the new Northwest Arctic Borough. The bill is crafted to avoid further entanglement or complication with the mental health trust lands issue.

The small cities 10% land entitlement program terminated in 1978. Subsequent federal approval of state land selections within many small municipal boundaries offer the possibility for equal treatment where before 1978 there was none.

The North Slope Borough was originally entitled to 89,850 acres. A court suite contesting the state's overriding interests in certain parcels of land and the NSB selection rights led to enactment of AS 29.65.110. This provision essentially says that if a municipality maintains a court action against the state on entitlement selection rights and loses, the municipality loses its entitlement. The NSB notified the state of its intention to withdraw from the litigation, but inadvertantly was technically tardy on a deadline proscribed by law. The bill re-vests the Borough's original entitlement.

The new Northwest Arctic Borough's entitlement suffered from the failure of last year's municipal land entitlement legislation. Without changes to the definition of "vacant, unappropriate, and un-reserved" (vu) land, it would receive 13,000 acres. CSSB 133 (FIN) would accomplish the same changes desired in last year's legislation and preserve the original intent of the 10% entitlement program.

The following is a brief sectional analysis:

Sectional analysis of lands entitlement bill: CSSB 133 (C&RA)

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.

Section 2 and 3: Allows Northwest Arctic Borough (NWAB) to benefit from vuu definition in section 8. Does not affect other existing boroughs.

Section 4: Allows North Slope Borough (NSB) to re-vest entitlement under existing law AS 29.65.010, 89,850 acres.

Section 5: Allows NSB time to make selections.

Section 6: This is a consistency section. Since AS 29.65.010(b) and 29.65.020(b) are repealed in section 10, this incorporates those same protections. These changes do not constitute an additional land entitlement to what was given municipalities under previous law AS 29.18.201 and 29.18.203.

Section 7: Prohibits land exchange for federal subsurface.

Section 8: Changes some of the land classifications that are included in the definition of "vacant, unappropriated, unreserved" (vuu) land. Subsection D exempts Prudhoe Bay from selection.

Section 9: Urges DNR to consult and assist municipalities in fulfillment of entitlement offering.

Section 10: Repealer section including AS 29.65.110, court litigation section.

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF

P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989



Senate Community and Regional Affairs Committee

TO: Senate C&RA Members

March 5, 1987

FROM: Senate C&RA Staff

Handwritten initials, possibly "MJK", written in dark ink.

RE: SB 133 - Relating to General Grant Land Entitlements

Enclosed in this packet are a sectional analysis, position paper, and fiscal note from the Department of Natural Resources; a position paper from the Department of Community and Regional Affairs; and the 1987 policy statement from the Alaska Municipal League on land conveyances.

Both departments support this bill, but have some differences of opinion over proposed amendments. In particular, it seems the departments disagree on the closing date for municipal entitlements and the size of the North West Arctic Borough's entitlement.

Representative of both departments and of the sponsor will be at the meeting to discuss the bill. It is not expected that SB 133 will pass out of the committee today but will be back before the members in the near future.

① need to break down part-entitlement and one entitlement of Reg. D. N. B.

M E M O R A N D U M

S T A T E O F A L A S K A

TO: TOM HAWKINS, DIRECTOR
LAND AND WATER MANAGEMENT

DATE: FEBRUARY 20, 1987

FILE NO:

TELEPHONE NO: 762-4346

FROM: GARY GUSTAFSON, CHIEF
LAND MANAGEMENT
LAND AND WATER MANAGEMENT

SUBJECT: SB 133 ANALYSIS

ANALYSIS OF SB 133 - AN ACT RELATING TO GENERAL GRANT LAND ENTITLEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 1. EXTENDS THE TIME DURING WHICH CITIES MAY RECEIVE AN ENTITLEMENT OF TEN PERCENT OF THE MAXIMUM TOTAL VACANT, UNAPPROPRIATED, UNRESERVED (VUU) LAND WITHIN THEIR BOUNDARIES FROM JULY 1, 1978 TO JANUARY 1, 1988. THIS BENEFITS CITIES WHERE:

- A. THE STATE HAS BEEN CONVEYED ADDITIONAL LAND FROM THE FEDERAL GOVERNMENT SINCE 1978; OR
- B. ANNEXATIONS SINCE 1978 HAVE ADDED ADDITIONAL STATE LAND; OR
- C. STATE LAND CLASSIFICATIONS HAVE OCCURRED OR CHANGED SINCE 1978 WHICH CREATED ADDITIONAL VUU LAND.

THIS SECTION CORRECTS A LONG-STANDING INEQUITY WHEREBY ONLY THOSE CITIES WITH STATE LAND WITHIN THEIR BOUNDARIES IN 1978 RECEIVED AN ENTITLEMENT. IN 1978, 125 CITIES RECEIVED A ZERO (0) LAND ENTITLEMENT. IT IS ESTIMATED THAT APPROXIMATELY 30 CITIES WOULD RECEIVE EITHER A NEW OR ENHANCED ENTITLEMENT AS A RESULT OF THIS SECTION. SOME CITIES EXPECTED TO BENEFIT ARE ANDERSON, SEWARD, WHITTIER AND WASILLA.

SECTION 2. ALTERS DETERMINATION OF ENTITLEMENT FOR NEWLY INCORPORATED MUNICIPALITIES TO APPLY ONLY TO THOSE WHICH DO NOT ALREADY HAVE A STATUTORY ENTITLEMENT. THE ONLY MUNICIPALITY WHICH FITS THIS CATEGORY IS THE NORTHWEST ARCTIC BOROUGH

(NWAB). THE TEN PERCENT FIGURE IS TAKEN FROM THE MAXIMUM TOTAL OF VUU LAND IN THE MUNICIPALITY BETWEEN THE DATE OF INCORPORATION AND TWO YEARS THEREAFTER. THIS CHANGE ALLOWS THE NWAB TO BENEFIT FROM THE CHANGES ALSO PROPOSED TO THE DEFINITION OF VUU LAND IN SECTION 7 OF THIS BILL WHICH EXPANDS THE ELIGIBLE CLASSIFICATION CATEGORIES BY WHICH ENTITLEMENTS ARE DETERMINED. THEREFORE, INSTEAD OF A 13,000 ACRE ENTITLEMENT (UNDER APPEAL), NWAB WOULD LIKELY RECEIVE ABOUT 230,000 ACRES.

- SECTION 3. ALLOWS THE DEPARTMENT ANOTHER TWO YEARS TO CALCULATE THE NWAB ENTITLEMENT, CONSISTENT WITH TWO YEAR EXTENSION IN SECTION 2, ABOVE.
- SECTION 4. PROVIDES THAT BOROUGH ENTITLEMENTS ARE VESTED PROPERTY RIGHTS AFTER JANUARY 1, 1988. ONLY AFFECTS THE NORTH SLOPE BOROUGH (NSB) AS ALL OTHER BOROUGH ENTITLEMENTS ARE ALREADY VESTED.
- SECTION 5. ALLOWS NSB UNTIL OCTOBER 1, 1990 TO COMPLETE NEW MUNICIPAL LAND SELECTIONS.
- SECTION 6. ADDS ALL THE FORMER ENTITLEMENT STATUTES UNDER AS 29.18 TO THE LIST OF VALID APPROVED SELECTIONS - ENSURES NO NEW ENTITLEMENTS ARE ESTABLISHED.
- SECTION 7. AMENDS THE VUU DEFINITION TO ELIMINATE THOSE CLASSIFICATION CATEGORIES NO LONGER IN EXISTENCE (COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY AND OPEN-TO-ENTRY) AND REPLACES THEM WITH THE NEW CLASSIFICATION CATEGORIES CONSIDERED APPROPRIATE FOR ENTITLEMENT DETERMINATION AND SELECTION (MATERIAL, PUBLIC RECREATION, RESOURCE MANAGEMENT, SETTLEMENT, OR TRANSPORTATION CORRIDOR). THE AGRICULTURAL AND GRAZING CLASSIFICATIONS REMAIN UNALTERED AND AVAILABLE FOR SELECTION, AS DO UNCLASSIFIED LANDS.

- SECTION 8. PROVIDES FOR DEPARTMENTAL CONSULTATION WITH AFFECTED MUNICIPALITIES REGARDING STATE LAND CLASSIFICATIONS AND ASSISTANCE IN IDENTIFYING LANDS SUITABLE FOR SELECTION.
- SECTION 9. REPEALS THE PROVISIONS THAT PREEMPTED ADDITIONAL ENTITLEMENTS BEYOND THOSE IN FORMER AS 29.18.201 AND 29.18.203 (SEE SECTION 6). ~~ALSO REPEALS THE STATUTE AFFECTING THE NSB WHICH PROVIDED THAT THEY EITHER HAD TO ACCEPT THE BENEFITS PROVIDED IN THE MUNICIPAL ENTITLEMENT ACT BY DISMISSING THE LITIGATION IN NSB V. LEBESCHE OR WAIVE ANY ENTITLEMENT.~~ THIS STATUTE HAD CAUSED THE NSB TO FORFEIT ITS 89,850 ACRE ENTITLEMENT WHEN IT DID NOT TIMELY DISMISS THE LITIGATION.
- SECTION 10. PROVIDES THE DEPARTMENT'S CONSULTATION AND ASSISTANCE TAKES EFFECT IMMEDIATELY.
- SECTION 11. PROVIDES THE REMAINDER OF THE ACT TAKES EFFECT ON JANUARY 1, 1988.
-

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

March 5, 1987

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

Dear Senator Sturgulewski:

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

Position: The Department of Natural Resources supports the bill but has some concern over several provisions.

Recommendation: The bill allows the North Slope Borough (NSB) to select the surface estate to Prudhoe Bay and surrounding area. The department believes it is essential that the bill be altered in order to exempt this important state resource and revenue generation area from municipal selection. We have several ideas as to how this might be accomplished and would work with the bill's sponsor and your committee staff to amend the bill in this regard.

Secondly, we believe consideration should be given to the inclusion of an acreage cap for AS 29.65.030, the determination of entitlement for newly incorporated municipalities. This would help dissuade municipalities from incorporating merely to obtain a large land entitlement, particularly in rural areas where most state vacant unappropriated and unreserved (VUU) land is not particularly well suited to development or other municipal purposes.

The department strongly advocates the language in Section 7 which alters the VUU definition to match the department's new classification categories which were established by regulation in 1983.

The department is also pleased to note that the bill corrects a long-standing inequity whereby some cities maintain a zero acre land entitlement, even though their boundaries encompass state VUU land (as a result of post 1978 land transfers or

Senator Sturgulewski

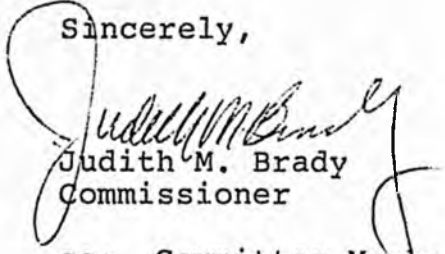
-2-

March 5, 1987

annexations). However, the burden of determining new or revised entitlements falls squarely upon the department. Therefore, the department has assembled an appropriate fiscal note equal to the task.

Finally, the department has several other minor comments and suggestions which will be made during the committee hearing on the bill. My staff and I remain available to answer questions and provide assistance.

Sincerely,



Judith M. Brady
Commissioner

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
 Revision Date: 3/5/87
 Title: general grant entitlement
 (municipal selection)
 Sponsor: Henslev, et al
 Requestor: _____

Bill Version: SE 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						
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* REVENUE		(3,500.0)	(3,500.0)	(3,500.0)	(3,500.0)	(3,500.0)
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Revenue on high side

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

pl. slope ground work

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)

* If the North Slope Borough is allowed to selected state lands valuable for materials, these figures represent the current incoming revenue that will be lost.

(SEE ATTACHED)

Prepared by: Gary Gustafson GG Phone: 465-2400
 Division: Land and Water Management Date: 3/5/87

Approved by Commissioner: Lemmie Boston Anseluk Date: 3/5/87
 Agency: Natural Resources

Distribution (by preparer):

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

SB 133
Fiscal Note Analysis

With the passage of S.B. 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 undoubtedly 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 (B.L.M.) records).

Presently, city boundaries are not depicted on the department's Land Administration (computer) System (L.A.S.) 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 new permanent part time positions 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 3 (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 liason 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 the adjudication and administrative phase will take place primarily in the Northern Region in Fairbanks, as the North Slope Borough would be able to select its entitlement of 89,950 acres while the new Northwest Borough would be able to select approximately 240,000 acres. This requires use of all of the state records and its various systems; coordinating with the borough in the actual selection; formulating the decision which would transfer management authority to the borough; reviewing the survey data, writing survey instructions, negotiating survey contracts for the vast areas many of which are totally unsurveyed, reviewing the survey accomplished by the private surveyors; and finally, conveying title.

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

In order to assist the municipalities in selecting the lands to which they are entitled and to transfer these lands to the municipalities with maximum efficiency, the Manager will work directly with the municipal land officer in each municipality for land identification. In that process the Manager must review general growth demographics and in conjunction with many plans, data, and studies in the resource libraries throughout Alaska that are particularly applicable to the area in question. The Manager will consult with other agencies; act as primary liaison between various state agencies, the individual city or municipality; provide information to the municipalities; and resolve problems.

The Officer II will be responsible for handling the logistics involved in the conveyance of title to several hundred thousand acres of land including the many legal notices and public hearings. A major problem in the past has been the lack of capability for handling the attendant paperwork which

has slowed the process of transferring title. A definitive filing system with computerization of the selection status of each application will be developed by this individual. The Officer, together with the Technician, would handle mapping and title work for the conveyance process. Working from the maps assembled for the certification, the Officer would add information concerning the selection and adjudication processes, and verify the information. That process might include a search of the old general land office records, Bureau of Land Management survey data and possible later state cadastral data to accurately determine survey status. The Technician would assist the Officers and the Manager with basic research and resource gathering, and mapping. The Clerk would supply support for the staff including typing, filing, and data entry.

Line Item Explanation

Y E A R 1

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

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

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

400 - (2.0) Supplies and commodities for staff.

Annual total year 1: 72.6

Y E A R 2

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

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

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 4, 1987

POSITION PAPER

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

RE: SB 133--"An Act Relating to General Grant Land Entitlements.

SPONSOR: Senators Hensley, Halford and Faiks

Program Effects of Bill

The bill accomplishes five purposes. It permits the Northwest Arctic Borough to select about 230,000 acres of land; it re-vests the North Slope Borough's 89,850 acre entitlement; it extends the period for city selection of state entitlement lands to January 1, 1988; it re-classifies land into categories suitable for municipal selection; and it establishes a consultation process between the Department of Natural Resources (DNR), and municipalities regarding land classification and selection.

Comments

The Department endorses the bill as presently drafted. However, we support an amendment to the language in Section 1. Currently the bill closes the date for city entitlements on January 1, 1988. The Department would prefer to see language permitting city selections up until two years after the state's final selections from the federal government. The logic for extending the selection date is to give every city which may contain state land within its boundaries in the future but does not now, the same opportunity to receive title to land as that enjoyed by existing cities with state selections. We think this is the most equitable approach since it places cities on an equal footing over time.

The Department supported a position last year to include land classified for forestry and wildlife habitat in the entitlement base. That provision is not in this bill, nor does the Department intend to recommend that it be included, out of our desire to see that this important bill is passed with the recommended amendment in section #1.

SB 133
March 4, 1987
Page Two

We feel the bill, with the suggested amendment, will promote equity among the state's municipalities; will guarantee an adequate land base in areas of the state which may wish to form regional governments; and will serve long-term economic development needs by placing land in local government and private ownership. Finally, in an era in which local governments must become more resourceful as they encounter fiscal restraints, a local land base for generating revenues and economic opportunities is that much more.


David G. Hoffman, Commissioner

PART IV
LAND USE

A. LOCAL OPTIONS

1. Planning and Zoning: The League feels strongly that laws pertaining to the powers of local planning and zoning must allow for the greatest flexibility at the local level.

2. Land Use: The League supports the requirement that the State comply with all local land use and subdivision regulations.

B. LAND SELECTION

1. Easements: The League urges modification of State Statutes which encourage the practice of blanketing all waterways within municipal selections with reservations for public easements and encumbering patents with undefined easements. The League, however, supports the policy of preserving needed specific rights-of-way and easements which provide for present and future public access with the concurrence of affected municipalities.

2. Conveyance and Land Use

(a) The League urges the immediate conveyance of Native and State lands presently identified and jointly agreed upon for selection.

(b) The League urges the State to move expeditiously to complete in-lieu, cash entitlements, and to convey lands to municipalities with the least amount of encumbrance and restrictions, and to take whatever actions are necessary to correct existing inequities and overcome all remaining obstacles, to fulfill land entitlements, for all municipalities to receive their entitled share.

(c) The League urges the funding of a cooperative intergovernmental land use planning commission to expedite conveyance of lands not yet jointly agreed upon by considering municipal, state, and federal interests in lands affected by the land selection process.

(d) The League urges state funding for the surveying of municipally-selected State land.

(e) The League urges the modification of regulations for greater flexibility in the use of grant funds by municipalities for the disposal of municipal grant land entitlements.

(f) The League urges that an entitlement program be established for those municipalities not previously allowed to participate in the conveyance and entitlement process.