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241

HOUSE COMMITTEE REPORT

(9)

Date Referred: May 6, 1989

FURTHER REFERRALS:

Date of Committee Action: 5-8-89

The RESOURCES Committee considered:

CSSB 241 (RESOURCES)

CS FOR SENATE BILL NO. 241 (Resources)

[AUTHORIZING STATE TO ACCEPT TRUST LAND]

"An Act authorizing the commissioner of community and regional affairs to accept land conveyed by a state or federal agency and to receive land from dissolved municipalities and requiring the transfer of certain land to the commissioner of natural resources; and providing for an effective date."

RECOMMENDATIONS:

- be replaced with _____ the same title
- have 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):
(Dept)

APPROVES PREVIOUS: (Date/Dept)

- fiscal impact _____
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) _____
- zero fiscal note(s) DNR - CIRA 5/5/89
- zero fn/analysis _____

SIGNING DO PASS:

Cliff Davidson
Chris Swartz
Sen. J. ...
Michael ...
Mike ...

SIGNING:
(Check approp. column)

	Do Not Pass	No Rec	Amend
<u>Ben ...</u>		<input checked="" type="checkbox"/>	
<u>Bill ...</u>		<input checked="" type="checkbox"/>	

Cliff Davidson

Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act..DCRA..accept land..receive land from dissolved municipalities."
Sponsor: Senator Adams
Requestor: _____

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Jim Plasman
Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: 4/5/89
Approved by Commissioner: [Signature] Date: 4-7-89
Agency: Community & Regional Affairs

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

*Changes in the Resources CS
have no fiscal effect.
This fiscal note is appropriate.
DC 5/5/89*

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SSB 241 (Resources)

PUBLISH DATE: 5/5/89

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Authorizing the DCRA to accept land
 land conveyed by agencies and receive land
 Sponsor: Senator Adams
 Requestor: Senate C&RA Committee

Agency Affected: Natural Resources
 BRU: Division of Land and Water Mgt.
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		0.0	0.0	0.0	0.0	0.0
TRAVEL		0.0	0.0	0.0	0.0	0.0
CONTRACTUAL		0.0	0.0	0.0	0.0	0.0
SUPPLIES		0.0	0.0	0.0	0.0	0.0
EQUIPMENT		0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Larry Ostrovsky *[Signature]* Phone: 465-2400
 Division: Commissioner's Office Date: 5-Apr-89

Approved by Commissioner: Lennie Gorsuch *[Signature]* Date: _____
 Agency: Department of Natural Resources

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

*Changes in the Resources CS have
 no fiscal impact.*

This fiscal note is appropriate.

DC 5/5/89

ALASKA FEDERATION OF NATIVES, INC.

411 W. 4th Avenue, Suite 301 • Anchorage, Alaska 99501 • Phone (907) 274-3611

April 24, 1989



The Honorable Al Adams
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Dear Senator Adams:

This letter is in support of Senate Bill No. 241 and thus your efforts to resolve land conveyance problems it addresses. Included in these comments are suggested amendments to the committee substitute that emerged from Senate CRA.

The purpose of SB 241 is to broaden Department of Community and Regional Affairs (DCRA) authority, specifically that of the Municipal Lands Trust Program, to accept and administrator land other than land reconveyed under provisions of Section 14(c)(3) of the Alaska Native Claims Settlement Act (ANCSA).

Should the bill become law as currently written, the Municipal Lands Trust (MLT) Program within DCRA would have the statutory authority to accept and administer (manage) land conveyed by the State of Alaska, Federal Government (Federal Townsite Program) and municipal dissolution, in addition to its current ANCSA 14(c)(3) obligations.

Acceptance and administration of such land would be subject to established policy and regulations that govern the MLT Program.

Section 14(c)(3) of ANCSA establishes the Municipal Lands Trust. Alaska Statute 44.47.150 accepts the trust and defines its structure. 19 AAC 90 establishes regulations under which the trust program is administered.

The intent of the trust program is to serve as trustee for land reconveyed under ANCSA 14(c)(3) for future municipalities. Trust villages are those communities currently unincorporated and thus subject to future incorporation as municipalities under state law.

Land conveyed to the MLT Program is administered or managed by DCRA in conjunction with a local advisory entity known as an "Appropriate Village Entity" (AVE). Regulations require that such an entity be established through a local petition process.

Integrity • Pride in Heritage • Progress

Communities not having a recognized AVE may provide input through a representative association or a public hearing process conducted in the respective community.

The MLT Program maintains records and accounts of all land transactions. Upon incorporation as a municipality all records, accounts, revenues and land title is turned over to the new city and the trust responsibility for that particular community is removed from the State.

It is important to note that extraordinary relationships and policies exist with respect to community land conveyed to the State in trust. This arises from the language of Section 14(c)(3) of ANCSA establishing the trust, the acceptance of the trust by the State legislature in AS 44.47.150 and the expectations of rural people affected by the land trust.

The State is expected to assume and maintain a constructive trust role by the Congress, the legislature, and affected rural people. The Commissioner of DCRA, as trustee, accepts the adoption of legal trust principles as the underlying policy of the MLT Program. As trustee, the State does not acquire title to, nor administer, municipal trust land for its own sovereign use and benefit. Rather, land is conveyed and administered "in trust" for any municipal corporation established in the Native village in the future.

The trust administered through the MLT Program is quite different from the Department of Natural Resources (DNR) trust role over State land. In DNR's case the State is a sovereign and interests to be protected extend beyond individual community interests.

Senate Bill 241 is intended to address three land conveyance related problems.

The first problem relates to the conveyance of land title when a municipality elects to dissolve its incorporated status.

Current law (AS 29.06) directs that assets, including land, and liabilities of a dissolved municipality succeed to the State of Alaska. The DNR is the only State land managing agency with authority to accept land assets in the case of municipal dissolution.

This presents the problem of an agency (DNR) acquiring land that a community needs for public purposes without a mandate or structure that allows it to accommodate said community needs. The DNR is not structured to accommodate land management with respect to individual community interests nor, I suspect, does it want that responsibility.

Since the MLT Program is specifically designed to accommodate such a role, ie administrative structure is in place and policies and regulations established, it is logical to convey the land to the MLT Program. Senate Bill 241 provides DCRA/MLT the authority to accept and administer land succeeding to the State via municipal dissolution.

The second problem Senate Bill 241 addresses relates to the Federal Townsite Program.

Under 1891 and 1926 Acts of Congress, federal land in and around certain communities was made available for individual and community purposes. A municipality could acquire land for a public purpose. Individuals could "prove-up" and claim a parcel for a residence and/or business.

Ninety nine rural Alaska communities are affected by the Federal Townsite Program. Communities petitioned the Bureau of Land Management (BLM) to be subdivided or platted into lots, rights of ways, etc. The plats were recorded and title provided as appropriate.

The Federal Townsite Program was repealed in 1976 by the Federal Land Policy and Management Act (FLPMA). The FLPMA requires that the Federal Townsite Program be terminated as soon as possible.

As previously stated, the Bureau of Land Management has the authority to convey townsite lots to individuals and municipalities. An obstacle to terminating the program is that twenty six unincorporated communities have approximately seven hundred and eighty three vacant parcels remaining within their settlement areas and BLM lacks the tools to transfer title to other than incorporated municipalities.

Senate Bill 241, as written, addresses this problem by providing an option which allows DCRA/MLT to accept federal townsite land. BLM needs parallel legislation at the federal level to authorize the Federal Townsite Trustee to convey land to the State. Such legislation is being considered by BLM.

Again, providing DCRA/MLT the authority to accept and administer federal townsite land on behalf of an unincorporated community is logical. Of the remaining twenty-six unincorporated communities in the program, nineteen are in the MLT Program and have established an appropriate village entity to foster local control over land management decisions. One of the twenty-six communities is non-Native and thus has no ANCSA 14(c)(3) reconveyance and no entry to the MLT Program.

The third problem Senate Bill 241 addresses relates to scattered parcels of State land within unincorporated communities.

Capitol projects funded by State appropriations require site control. Site control is achieved by acquiring an interest in the land on which the project is to be built. In a small number of past situations (Stony River, Egegik and Iliamna) the DNR has acquired an interest in land so as to facilitate the construction and use of a community facility for an unincorporated community. This action was necessary as DCRA/MLT authority to accept and administer land did not extend beyond ANCSA 14(c)(3) reconveyances and the land in question was not 14(c)(3) land.

If given the authority as proposed in Senate Bill 241, DCRA would be in a position to accept a transfer of these lands from the DNR to the MLT Program, thus resolving the problem of having community land in an agency that has neither the mandate nor administrative structure to protect community interests as does DCRA.

As a final note, it is my understanding that the DNR is concerned about the recovery of municipal land entitlements when a municipality dissolves its corporate status. This concern appears reasonable since, to some extent, municipal land entitlements are intended as an incentive to municipal incorporation. However, while it appears reasonable for the State to recover land entitlements in the case of municipal dissolution, I strongly recommend that such recovery be limited to undeveloped land.

The incorporated or unincorporated status of a community does not eliminate the factors that create physical growth and thus the need for public and private land. Unincorporated communities will continue to need a land base for public service facilities. If entitlement land, or a portion thereof, is developed for public use it is logical that it be entered into the MLT Program and thus administered for the benefit of the community.

The issue of recovery of municipal land entitlements may be of minor importance. Municipalities receiving such entitlements are larger communities where dissolution is very unlikely. Smaller rural municipalities that are considering dissolution do not have entitlements and in almost all cases the State has no land ownership presence in the area.

With regard to amendments to the version of Senate Bill 241 which passed out of Senate CRA Committee, I offer the following recommendations and explanations.

1. Section 1, (2) line 23 - the term recognized village entity should be changed to "appropriate" village entity. This is consistent with the term used throughout the MLT Program. Retaining the term "recognized" may imply a desire to create an entity other than an AVE.

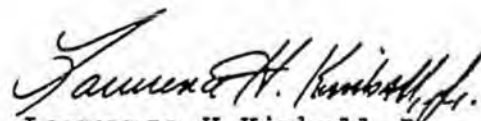
I believe the problem is a drafting oversight.

2. Section 4, (f) lines 16 through 21 - the Committee amendment should be redrafted to read "notwithstanding any other section of this act, and in the case of municipal dissolution, municipal land acquired pursuant to a municipal entitlement grant and undeveloped on the date of dissolution shall succeed directly to the Department of Natural Resources".

The intent of this recommended language is to convey only the undeveloped portion of an entitlement grant to the DNR with the portion developed for public use being entered into the MLT Program.

Secondly, land succeeding to the DNR would do so directly to avoid the administrative cost of an additional transfer step, ie, from DCRA to DNR.

Best regards,


Lawrence H. Kimball, Jr.
Land Manager

Tundra Times

Alaska's Oldest Statewide Newspaper

50¢

March 20, 1989

Vol. XXVI

Akiachak plans for dissolution of government November election

by Steve Pilkington
Tundra Times reporter

If next November's election goes as voters in Akiachak plan, their city government will dissolve after a five-year power struggle with the state, leaving the welfare and safety of Akiachak entirely up to its tribal members.

And according to state officials, the provoke five other Yukon-Kuskokwim Delta communities, which are seriously considering dissolving their own city governments, to follow suit.

Moses Peter, a former mayor of Akiachak, said it is too difficult to run a traditional Native government together with the state government.

"We tried to put both governments together, but it didn't work," Peter said.

"One of them has to go. We have to go by what people want," he said.

Willie Kasayulie, chairman of the Akiachak Indian Reorganization Act Council, said the main reason

Photo by Chris Cushman



Game Board members Nicholas Jackson of Gakona, foreground, and Sidney Huntington of Galena listen to testimony given last week by Arnold Melchiemer of English Bay. Melchiemer was discussing a request for goat and moose subsistence season date changes in the Port Graham-English Bay area. The Game Board met in Anchorage last week at the William A. Egan Civic & Convention Center.

Akiachak faces vote in November

(Continued from Page One)

residents want to dissolve the city government is to avoid state and tribal conflicts.

"What we wanted to achieve was to have one responsible village government instead of two," Kasayulie said.

But the process of getting the state to allow the election has been long and difficult.

It began in 1985 when the Akiachak City Council members jointly resigned.

The village IRA council tried to abolish the city government once before by a popular vote from the residents, he said, but state law and the Local Boundary Commission only allowed that in rare circumstances.

Before the 1988 session of the Legislature, cities could dissolve only if they had become ghost towns. If a city grew out of the exploitation of a resource which had dried up, the state and boundary commission would allow it to dissolve.

But last year, legislators passed a dissolution statute which says a city can be dissolved if:

- A petition is signed by at least 50 percent of the residents who voted in the last election.

- The city owes no debts.

The commissioner of the Department of Community and Regional Affairs must also believe that residents will be better off before the city can be dissolved.

Marty Rutherford, director of the department's Municipal and Regional

Assistance Division, said the state supports the dissolution. The department is assisting the village, she said.

Akiachak has also met the first two parts of the statute, and the Local Boundary Commission recently set the date for the election for Nov. 7.

"I had hoped that the vote would take place in March or April," Kasayulie said.

One of the conflicts which arises between the two forms of government is criminal procedures, Kasayulie said.

"One of our concerns was that whenever one of our tribal members or community residents broke a law, they were taken out of the village without the council or anyone hearing about it," he said.

Barb Garber, an attorney with the Native American Rights Fund, said the November election will definitely dissolve the city government.

"Not a problem," he said.

The petition for an election was signed by 99 residents. This equals 72.8 percent of the number of votes cast in the last general election in the city — well over the statutory 50 percent needed for the city to be dissolved.

According to the state's schedule, the Department of Community and Regional Affairs will release its decision about the dissolution June 5. The boundary commission will conduct a hearing in Akiachak June 26.

Dan Bockhorst, supervisor of the boundary commission under the community affairs department, said

'What we wanted to achieve was to have one responsible village government instead of two.'

—Willie Kasayulie

Akiachak's election may affect other villages on the Yukon-Kuskokwim Delta.

"There are other communities that are potentially interested in dissolution," he said.

tion," he said.

The five other communities seeking dissolution, according to the boundary commission, are Atmautluak, Chefor-nak, Kasigluk, Tununak and Newtok.

ATTENTION

Former Food Stamp Recipients

Some Alaskans were not given enough food stamps during the May 1985 through July 1987 period if they received Alaska Native Claims Settlement Act (ANCSA) dividend payments or land from Native corporations. Households participating in the Food Stamp Program which received ANCSA dividends or land during this period may be eligible for restored food stamp benefits. This advertisement seeks to find affected households which are no longer receiving food stamps.

To be considered eligible for these food stamp benefits, you must send your name, Social Security Number, and current address no later than May 30, 1989 to: Department of Health and Social Services, Division of Public Assistance, Claims Unit, 130 Seward Street, Suite 314, Juneau, Alaska 99801, Attn: ANSCA Project.

NOTE: If you are now receiving food stamps or other Public Assistance benefits DO NOT write to the address above. Any additional food stamps to which you are entitled will be sent directly to you.

Sec. 44.47.145. Bulk fuel storage facilities grant fund. (a) There is established in the department the bulk fuel storage facilities grant fund. Grants may be made by the department from this fund to a community to acquire and install community bulk storage facilities.

(b) Grants made under this section for the acquisition and installation of a bulk fuel storage facility may not exceed \$100,000 per community.

(c) If the governing body of two or more communities determine that their fuel requirements may be served by a single bulk fuel storage facility, the communities may jointly apply for grants to acquire and install a single bulk fuel storage facility. When communities apply jointly under this subsection, the limitation in (b) of this section is multiplied by the number of communities which submit the joint application.

(d) Before a grant is made under this section, the city council or, if the community is not incorporated, a reasonable representative body in the community shall agree in writing to maintain and operate the bulk storage facility to be constructed with the proceeds of the grant. (§ 40 ch 83 SLA 1980; am § 2 ch 46 SLA 1981)

Effect of amendments. — The 1981 amendment substituted "\$100,000" for "\$60,000" in subsection (b).

Sec. 44.47.150. Village land conveyed in trust. (a) The commissioner is designated to accept, administer, and dispose of land conveyed to the state in trust by village corporations under 43 U.S.C. 1613(c)(3) of the Alaska Native Claims Settlement Act for the purposes specified in that section.

(b) Transfer of land by sale, lease, right-of-way, easement, or permit, including transfer of surface resources, may be made by the commissioner only after approval of an appropriate village entity such as the traditional council, a village meeting, or a village referendum. This approval shall be by resolution filed with the department.

(c) Within one complete state fiscal year after the incorporation of a municipality in the village or of a municipality which includes all or part of the village, land acquired under this section shall be conveyed without cost to the municipality, and the municipality shall succeed to all the entrusted interest in the land.

(d) Separate accounts shall be maintained in the name of each village for the land, including the revenues from the land, acquired from each village corporation under this section, and within 90 days of the close of each state fiscal year a statement of the account for each municipality shall be prepared by the commissioner and be made available to the village and to the public upon request.

(e) Upon the conveyance of land to a municipality under this section, the commissioner shall account to the municipality for all profits

including interest from the land, and the municipality may then request that the governor submit a request to the legislature for an appropriation for the amount due it.

(f) A title or interest to lands acquired by the department under this section may not be acquired by adverse possession or prescription.

(g) For the purposes of this section, the term municipality includes only first and second class cities incorporated under the laws of the state. (§ 1 ch 119 SLA 1975; am § 47 ch 94 SLA 1980)

Effect of amendments. — The 1980 "chapter" near the beginning of subsection amendment substituted "section" for (g).

Sec. 44.47.155. Loan information officers. (a) The department may provide itinerant loan information officers to serve persons who reside outside the major population centers of the state.

(b) The loan information officers shall be trained, to the extent that the department considers necessary, in a program administered by the department and approved by the Alaska Housing Finance Corporation, the Alaska Industrial Development Authority, and the principal departments of the executive branch that administer loan programs.

(c) A majority of the loan information officers shall be persons who are conversant in Alaska Native languages that are spoken by a significant number of Alaska Natives. The department shall provide brochures and other printed materials, written in easily understandable English and in the Alaska Native languages that are spoken by a significant number of Alaska Natives, for distribution by the loan information officers. The brochures and printed materials shall explain the purposes of the various state loan programs, the minimum qualifications under the programs, the method for obtaining assistance in the completion of applications for the programs, and other information the department determines will improve the access of persons in rural areas to the state's loan programs.

(d) The department shall coordinate its efforts under this section with local financial institutions and community groups to determine the proper itinerary and travel schedule of the loan information officers and to provide adequate notice to persons in rural areas of the itinerary and travel schedule of the loan information officers.

(e) The department shall assign the loan information officers to rural areas based on the current and potential future demands for loans in those areas and shall establish offices for the loan information officers in rural areas if the department determines it is necessary to provide familiarity with the area served by the loan information officers and to reduce travel costs. (§ 37 ch 106 SLA 1980)

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DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

MUNICIPAL LANDS TRUSTEE PROGRAM

FEBRUARY 1989

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS MUNICIPAL LANDS TRUSTEE PROGRAM

FEBRUARY 1989

SUMMARY

Section 14(c)(3) of the Alaska Native Claims Settlement Act (ANCSA) provides that after Native village corporations receive their land conveyances from the federal government, the corporations must turn over a certain amount of land for community use and expansion to the local municipal corporation (city). If there is no city in the Native village, the land is reconveyed to the State of Alaska to hold in trust for a future city.

The responsibility for administering land reconveyed to the State in trust was assigned to the Commissioner of the Department of Community and Regional Affairs by the State Legislature in 1975 with the enactment of Alaska Statute 44.47.150.

The Municipal Lands Trustee (MLT) Program was created to carry out the trust responsibilities of the State. The MLT Program is within the Municipal and Regional Assistance Division. The Director of the Municipal and Regional Assistance Division is the "Municipal Land Trust Officer" and is principally responsible, under delegation and general direction of the Commissioner, for carrying out the State's trust responsibilities. There are currently 88 unincorporated ANCSA villages which must be dealt with in regard to Section 14(c)(3) reconveyances.

CURRENT STATUS

A review of the MLT staff monthly reports shows that from July 1, 1988 to January 31, 1989, MLT staff have traveled to 10 communities to work on 14(c)(3) land conveyances or management issues. MLT staff assisted communities or took trust actions in 41 villages during this period. Many communities were assisted several times during this period (see the MLT PROGRAM ACTIVITY AND TRAVEL SUMMARY TABLE). Travel to 15 additional villages is planned during the remainder of FY 89.

Forty-seven village corporations have completed, or are in the process of completing, reconveyances into trust. In past years, a number of "site specific" conveyances for community projects were accomplished. The MLT Program is now encouraging village corporations to plan for their total 14(c) reconveyances. The ultimate product of the 14(c) planning is a map of boundaries which identifies the location of the 14(c) claims on an aerial photograph. The village corporations submit the map to the Bureau of Land Management (BLM) for surveying.

The MLT program has worked closely with 22 villages to prepare 14(c) maps of boundaries. Eleven maps of boundaries have been submitted to the BLM. Seven have been surveyed on the ground, two are scheduled for survey by BLM and two are awaiting BLM approval. It is anticipated that five additional maps of boundaries will be submitted before the end of the fiscal year. (see ANCSA 14(c) MAPS OF BOUNDARIES SUMMARY TABLE).

The MLT Program is presently holding approximately 7,530 acres of land in trust for future cities.

In addition to assistance in preparing 14(c) maps of boundaries and the acceptance of land into trust, the MLT Program must manage the land after it is accepted. The MLT Program has made land available for a number of community purposes such as schools, community halls, airports and other public facilities. Land has also been made available for public housing projects and for residential expansion.

Local control is an important aspect of the MLT Program. No disposal actions are taken without the approval of the village residents through a recognized "appropriate village entity" (AVE) or a meeting of village residents. The AVE serves as the "eyes and ears" for the MLT Program and plays a very important role in ensuring that the views of the village residents are considered.

When a village incorporates as a city, the MLT Program transfers all trust land to the city and accounts for revenues generated from the land. During this fiscal year, Atka incorporated as a city. The MLT Program recently transferred approximately 140 acres to the newly formed city. Additionally, the City will be entitled to over \$30,000 in revenues which have been generated from the land.

MLT PROGRAM CONCEPT

It has been the policy of the MLT Program to encourage 14(c) planning through an education process. The Program strives to build working relationships and a degree of trust with our clients which we believe is more effective than trying to force a village corporation to address its 14(c) obligation.

The Program also encourages and seeks a high level of local input in planning for 14(c)(3) reconveyances. The philosophy of the Program is that the local residents best know the land and what their community land needs are.

MLT PROGRAM ACTIVITY AND TRAVEL
(JULY 1, 1988 THROUGH JANUARY 31, 1989)

SUMMARY TABLE

<u>Community</u>	<u>MLT Travel</u>	<u>Reported Incidents of Technical Assistance or Trust Action</u>
Atka		5
Belkotski		1
Chignik Lake		2
Circle	1	4
Council	1	6
Crooked Creek		4
Dot Lake	1	4
Eagle		1
Egegik	1	4
Ekuk	1	1
English Bay	1	3
False Pass		4
Igiugig		1
Ivanof Bay		5
Kipnuk		2
Klukwan		1
Kokhanok	1	2
Koliganek		3
Kongiganak		4
Kwigillingok		2
Manley Hot Springs		2
Minto		4
Nikolski		2
Pedro Bay	1	1
Perryville		1
Pilot Point		5
Pitkas Point		3
Port Graham	1	3
Portage Creek		3

<u>Community</u>	<u>MLT Travel</u>	<u>Reported Incidents of Technical Assistance or Trust Action</u>
Rampart		1
Red Devil		2
Sleetmute		5
Solomon		1
South Naknek		4
Stony River		2
Takotna	1	6
Tatitlek		1
Telida		1
Tyonek		1
Ugashik		1
Uyak		1
TOTALS	41	112

ANCSA 14(c) MAPS OF BOUNDARIES
SUMMARY TABLE

<u>Community</u>	<u>Approximate Acreage</u>
1. Kokhanok	1,280
2. Pedro Bay	405
3. South Naknek	1,100
4. Takotna	1,069
5. Ugashik	1,149
6. Dot Lake	149
7. Nelson Lagoon	235
8. False Pass	374
9. Council	234
10. Tatitlek	469
11. Telida	193
12. Portage Creek	225

14(c) MAPS OF BOUNDARIES
EXPECTED TO BE COMPLETED WITHIN
THE NEXT FOUR MONTHS

<u>Community</u>	<u>Approximate Acreage</u>
1. Ivanof Bay	199
2. Pilot Point	800
3. Ekuk	40
4. Eyegik	650
5. Koliyanek	50

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS

ANCSA PROGRAM

February 1989

SUMMARY

The ANCSA program is established to assist communities with land issues which arose after the passage of the Alaska Native Claims Settlement Act (ANCSA). The focus of this program is to work with communities to help them establish proper site control for projects, understand and implement ANCSA 14(c), and to help them complete the documents required for land conveyance including ordinances, resolutions, deeds and leases.

Assistance is delivered through the Fairbanks, Nome, Bethel, Anchorage, and Southeast regional office with technical support from the central office in Anchorage. In addition, the department administers a grant to the Alaska Native Foundation who work with village corporations.

Communities benefit from this assistance in the following ways:

1. Projects involving land are properly sited; this protects the public resource and alleviates extra time and money needed to resolve improperly sited projects;
2. Programs which make land available to individuals and businessmen are facilitated;
3. Land is made available to cities for their public service needs through ANCSA 14(c)(3);
4. The community can more efficiently institute economic and community development projects when the land status is determined and known.
5. Alaskans receive special training which will help them in supporting their communities.

IMPLEMENTATION OF SECTION 14(C), ALASKA NATIVE CLAIMS SETTLEMENT ACT

Under the provisions of section 14(c)(3), cities and future cities are entitled to receive land under existing improvements as well as title to land necessary for foreseeable community needs and rights-of-way. Many communities rely upon the entitlement under this section to acquire land for existing and foreseeable capital improvement projects such as clinics, community halls, sewer and water systems and roads. Financing for economic development projects may be stalled until land title questions are resolved through ANCSA 14(c) land conveyances. Individuals and nonprofit organizations are also entitled to receive land which was occupied as of December, 1971, as a primary place of residence or business. Under 14(c)(1), many Alaskans will finally receive title to the land on which they have built houses or businesses. ANCSA places the responsibility for settling these land entitlements on the village corporations.

CURRENT STATUS OF ANCSA 14(C) ACTIVITY

All village corporations have received interim conveyances or patents containing 14(c) settlement requirements. One of the last steps in the process of settling 14(c) land entitlements is the submission of a Map of Boundaries. This map shows the proposed boundaries of the land which the village corporation will convey to individuals, the city or the Municipal Lands Trustee and the airport operator. To date, 33 village corporations have substantially completed 14(c) land conveyances. We estimate about 65 (31%) of the village corporations or communities are working on some aspect of 14(c) land settlements. This level of activity is expected to continue for some time since it takes at least three years to complete 14(c) conveyances.

STATE FUNDED ANCSA 14(C) ASSISTANCE PROGRAMS

Through the Department there are two 14(c) assistance programs which are not duplicated elsewhere in the State. Both are funded under the ANCSA Plan of Survey Component of the Rural Development Budget Request Unit. One in-house program (initiated in FY 61) concentrates on assisting communities accomplish 14(c)(3) land settlements.

The second program is the Alaska Native Foundation 14(c) Assistance Program funded with a grant through DCRA. This program concentrates on assisting village corporations develop policies and procedures to complete 14(c) land settlements.

The reason for two programs is that the settlement of 14(c)(3) land entitlements involves negotiations between a city (or the Municipal Lands Trustee) and a village corporation. Because of the different goals and responsibilities of the parties involved, village corporations may feel uncomfortable receiving assistance from DCRA. Local governments would feel equally compromised if only village corporations had access to assistance. Also, since village corporations must resolve 14(c)(1) and (2) claims before making final decisions on 14(c)(3) settlements, ANF's program on development of the policies, procedures and documents to complete 14(c)(1) and (2) claims accelerates the whole process.

Both ANF and DCRA provide training, workshops, maps, handbooks, and other training material, and provide research and technical assistance on ANCSA related jobs which the average American could not do without special training. To increase the effective of DCRA assistance, we have developed two land management/ANCSA 14(c) training courses which are being offered in regions through the community colleges or as independent DCRA efforts. As a result of our profiles contract, we also provide some communities with an accurate base map which will make it easier to work on 14(c). ANF provides a quarterly newsletter and has other grants which support Alaskans.

Major Benefits of ANCSA 14(c) Assistance Programs.

1. Projects involving land are properly sited; this protects the public resource and alleviates extra time and money needed to resolve improperly sited projects;
2. Programs which make land available to individuals and businessmen are facilitated. Settling land title questions are essential to promote economic and residential development in rural Alaska;
3. Land is made available to Cities for their public service needs through ANCSA 14(c)(3);
4. The community can more efficiently institute economic and community development projects when the land status is known.
5. The training provided on land management, planning and State or Federal laws increases the capability of community and village corporation staff to serve residents of this State. Under the provisions of ANCSA, responsibility for the ownership and management of land in and around over 200 communities has shifted from the Federal Government to local residents who serve on the councils or village corporation boards. In less than 20 years, many local residents have gone from a situation of not worrying about who owns the land to a situation where they just determine property boundaries between neighbors, prepare deeds and deal with trespassers.

TECHNICAL UNIT

14(C) COMMUNITY DEVELOPMENT
(One Year ended February 1989)

Villages with Interim Conveyances or Patents Containing 14(c) Obligations.....	211
Completed 14(c) Maps or BC.aries submitted to BIA as of February 1989	33
Communities actively working on 14(c).....	52
DORA ANCSA Travel (No. of Trips)	12
DORA Land Travel (No. of Trips)	6
ANR ANCSA Travel (No. of Trips)	10
DORA ANCSA Contact with Communities (Maps, Information, Technical Assistance, Training ect, No. of Contacts)	121
ANR ANCSA Contact with Communities (Maps, Information, Technical Assistance, Training ect, No. of Contacts)	141
Total Communities contacted by ANR.....	62

Note - Does not include community travel and contacts made by
NLT and does not include regional 14(c) workshop travel and
contacts excepts for contacts made in Southeastern Alaska. The
52 communities actively working on 14(c) includes mergers; the
65 communities or village corporations working on 14(c) in the
next includes all communities.

BRIEFING PAPER
ALASKA UNINCORPORATED TOWNSITES

Originally Prepared for: Assistant Secretary Steve Griles
December 10, 1987

ISSUE: The Alaska BLM Townsite Trustee lacks title transfer tools to satisfactorily address community development and expansion needs in 29 unincorporated Alaska villages. The issues of technical trespass and disposal of residual lands are the principal problems. Proposed legislative solutions are complicated by a July 1987 Federal court ruling and the potential that sovereignty claims may be enhanced by the legislation.

DEPARTMENT OR ADMINISTRATION POSITION: The Department seeks to dispose of lands in Alaska expeditiously where the law intends transfer from the Federal government to private individuals or local communities. Solving community needs has been identified as a possible initiative for recommendation to the Domestic Council. Interaction with the Alaska public has been high in developing possible solutions to the townsite issues. Limiting future litigation has also been an underlying premise of administration action. Moderating the Department position on favoring community over Federal control of land decisions has been a concern that the concept of Native sovereignty would be enhanced. The Department has appealed a District Court decision authorizing disposals of residual townsite land to the local Native governing body in unincorporated communities. Assistant Secretary Swimmer has been briefed on aspects of the townsite issue by Alaska BIA Liaison Officer. The Solicitor Office is receiving briefings on this issue. The most recent to Tom Sansonetti on December 7, 1987.

POSITION OF MAJOR CONSTITUENCIES: The State of Alaska and Native organizations are supportive of the Bureau's efforts to resolve the issues associated with unincorporated townsites in Alaska. Each constituent group has varying concerns about possible solutions. Tanana Chiefs Conference a non-profit organization representing central Alaska Natives communities has taken the lead on this issue. They have communicated frequently with Assistant Secretary Griles. The State of Alaska has pending legislation which would permit the State Municipal Land Trustee to receive title to former townsite land. Hearings on the legislation will take place in the next months. In October a draft of Federal legislation to resolve the townsite issues was jointly developed by the State of Alaska and Tanana Chiefs Conference.

CONGRESSIONAL POSITION: Congressman Young has taken a pragmatic view of resolving these issues and has been highly flexible in alternative solutions. Senator Stevens has taken a more cautious approach to the disposal of land to traditional councils or Indian Reorganization Act governments as a solution. Senator Murkowski's office has not played an active role in the discussions. All members recognize this is a long standing problem and that some solution needs to be determined.

Townsite Briefing Paper

ISSUE BACKGROUND: Existing townsite procedures call for transfers to incorporated villages. There are 29 townsite communities which have not incorporated under State law and may never do so. Also, transfers of lots to individuals can only be made if entry to the lot occurred before the date the survey plat for the townsite was approved or 1976 (date of repeal of the townsite laws by FLPMA) whichever date is earlier. At present the BLM Townsite Trustee can only dispose of lots through public auction under regulations found at 43 CFR 2565.5. This sale mechanism is strongly opposed by the communities and is critically viewed by the State of Alaska. The villages in comments state that local control would be lost to land speculators outbidding local people of limited resources. The BLM Alaska State Office commenced an initiative in the summer of 1986 to determine the specific nature of title transfer problems that existed in the unincorporated communities of rural Alaska. A townsite action plan was prepared by the Alaska State Director on January 1, 1987. Based upon these recommendations, discussions started involving Alaska Natives and the State to develop a concensus legislative solution. In July a court decision in the Aleknagik appeal addressed unincorporated townsite communities. The court stated transfers to the local governmental bodies could take place. Future disposals by those bodies would be without regard to race or nationality. The Department has filed a protective appeal to the 9th Circuit and a request for a continuance of the case for 6 months in order to pursue legislation. Tanana Chiefs Conference has written Assistant Secretary Griles indicating a desire to pursue a legislative solution but also signaling that they would intervene in the appeal. A November 4 meeting with Congressional and Departmental representatives discussed the concepts of the State-Native draft. An effort to identify alternative legislative concepts which calm sovereignty concerns is to be developed.

PROGRAM CONTACT: Robert Faithful or David E. Wickstrom
Alaska Programs Staff 343-6511

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

April 5, 1989

POSITION PAPER

RE: Senate Bill 241

SPONSOR: Senator Adams

Departmental Position

The department strongly supports this bill.

Program Effects of Bill

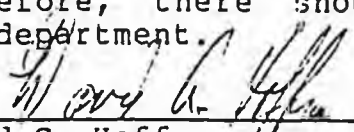
This bill would expressly authorize the Department of Community and Regional Affairs to accept, in trust, land conveyed by a state or federal agency or from dissolution of a municipality.

Comments

The State currently acts as trustee for land conveyed under section 14(c)(3) of the Alaska Native Claims Settlement Act (ANCSA) in unincorporated communities. That section of ANCSA requires village corporations to convey certain land to municipalities or to the state in trust for future municipalities. In rural communities of the state, there is often a local community need for land held by other state or federal agencies. However, without a municipality there is no recognized governing entity to which the land may be transferred for community purposes. Under this bill, a state or federal agency could transfer land to the state in trust to administer for community purposes.

This legislation also identifies the department as a possible recipient and administrator of land from a dissolved municipality. Such lands generally are subject to the same types of administrative program concerns as lands already under the Municipal Lands Trustee Program.

The department would administer land conveyed under this bill along with section 14(c)(3) land received from village corporations and placed under the Municipal Lands Trustee Program. The department would accept land only for ANCSA villages that the department would be working with under the current provisions of law. Therefore, there should be no additional costs or burdens on the department.



David G. Hoffman
Commissioner

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- 949 E. 36TH AVENUE, SUITE 400
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FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: "An Act..DCRA..accept land..receive
 land from dissolved municipalities."
 Sponsor: Senator Adams
 Requestor: _____

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director
 Division: Municipal & Regional Assistance

Phone: 465-4750
 Date: 4/5/89

Approved by Commissioner: [Signature]
 Agency: Community & Regional Affairs

Date: 4-7-89

Distribution (by preparer):

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

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1798
PHONE: (907) 465-2400

April 6, 1989

The Honorable Al Adams
Chair, Senate Community
and Regional Affairs Committee
P.O. Box V
Juneau, AK 99801

Dear Senator Adams:

Subject: SB 241, An Act authorizing the Department of Community and Regional Affairs (DCRA) to accept land conveyed by a State or Federal agency and to receive land from dissolved municipalities.

Position: DNR supports the concept of this bill as a method to resolve specific problems related to village expansion that are difficult to address under current statute. The ANCSA 14(c)(3) Municipal Trust program within DCRA is the logical entity to accept and hold title for villages for land and improvements for communities in non-incorporated municipalities. However, the department suggests changes to the language in Section 1, AS 44.47.150(a)(2) which applies to the dissolution of a municipality under AS 29.06.450 - 29.06.530.

Background: In most cases DNR is the designated landowner for all state land. In many cases a municipality acquires its land via municipal entitlement authority as administered by DNR and if it dissolves, the land should revert to DNR as the landowner. If improvements are involved, a determination is made by the Department of Administration as to their disposition.

This bill would alter the arrangement to allow DCRA to administer land for communities in the event a municipality dissolves. If a municipality dissolves, the land should revert to the department as the landowner with a determination made by the Department of Administration as to the proper disposal of improved properties.

Recommendation: We suggest the following change be made to the bill in Sec. 1, AS 44.47.150(a)(2). Add at the end of the subsection "except that land acquired through the municipal

Senator Adams

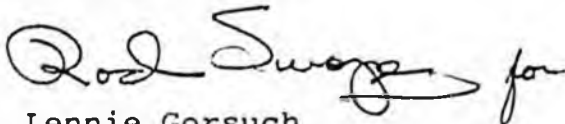
-2-

April 6, 1989

entitlement program under AS 29.65 reverts back to the Department of Natural Resources as general grant land to be managed under Title 38."

Thank you for the opportunity to comment. We look forward to working with the committee and staff on this legislation.

Sincerely,



Lennie Gorsuch
Commissioner

Enclosure

cc: Committee Members
Bill Sponsor
Denby Lloyd, Special Staff Assistant
Office of the Governor
Bob Evans, Legislative Liaison
Office of the Governor
Gary Gustafson, Director
Division of Land and Water Management
Jim Plasman
Department of Community and Regional Affairs

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SB 241

PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Authorizing the DCRA to accept land
 land conveyed by agencies and receive land
 Sponsor: Senator Adams
 Requestor: Senate C&RA Committee

Agency Affected: Natural Resources
 BRU: Division of Land and Water Mgt.
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		0.0	0.0	0.0	0.0	0.0
TRAVEL		0.0	0.0	0.0	0.0	0.0
CONTRACTUAL		0.0	0.0	0.0	0.0	0.0
SUPPLIES		0.0	0.0	0.0	0.0	0.0
EQUIPMENT		0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Larry Ostrovsky
 Division: Commissioner's Office

Phone: 465-2400
 Date: 5-Apr-89

Approved by Commissioner: Lennie Gorsuch
 Agency: Department of Natural Resources

Date: _____

Distribution (by preparer) :

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- Requestor
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- Impacted Agency(ies)