

SB

16

BY: SEN. ZHAROFF

TO: CS SB 16 (FIN)

LETTER OF INTENT
FOR
CS SB 16 (FIN)

It is the intent of the legislature the University of Alaska require the continuation of customary and traditional uses to the maximum extent practicable in any conveyance or disposal of land to a third party under the provisions of AS 14.40.369.

4/10/95:Adopted by the Senate

FACT SHEET
SB 16 - Enhancing UA Land Grant

1. Does not take effect until final settlement of the mental health land dispute;
2. Gives priority to Municipal land selections;
3. Provides that land transfers are subject to:
 - * 6(i) of Alaska Statehood Act
 - * Permanent Fund requirements for oil, gas and mineral royalties and bonuses
 - * Other rights of the state
4. Allows UA to select 1,000,000 acres including lands:
 - * Not conveyed by the state
 - * Not reserved from public domain
 - * Not included in 5-year oil & gas leasing program
 - * Not necessary for interagency agreement
 - * Not subject to land exchange
 - * Unconveyed and unencumbered, except:
 - Leases (other than oil and gas)
 - Timber contracts
 - Mining claims
 - Materials sales
 - Land use permits
 - Exploration licensing area
5. Department of Natural Resources can refuse to convey land if the Commissioner considers the retention of land in state ownership to be in the best interests of the state;
6. The University can appeal the Commissioner's decision to the Governor, but is prohibited from entering into litigation;
7. The University pays the costs of land conveyance and surveying;
8. The University and DNR will allow leases, licenses, permits, rights-of-way, or easements prior to final conveyance, with 90% of proceeds held in escrow pending final conveyance;
9. Existing leases and encumbrances will be honored throughout the term, including any provisions for lease extensions;
10. Income from existing encumbrances (leases, mining claims, timber contracts, etc.) go to state until term of existing agreement is completed.
11. Mineral entry or location and mineral leasing on UA land will be substantially similar to provisions currently provided on state lands;
12. Customary and traditional uses of resources on UA land, including hunting and fishing, will be permitted to the maximum extent practicable;
13. Provides additional requirement for UA regarding public notification and comment on land plans.

SB 16 has had three substantive hearings in the Senate that resulted in additional amendments. The changes and clarifications that have been made in response to concerns and questions raised by legislators and members of the public.

Senate Community & Regional Affairs Committee

- * Provides tort immunity for personal injuries, death, or property damage occurring on UA land because of continuation of customary and traditional use
- * Clarifies that UA oil and gas development is subject to Permanent Fund royalties and bonus provisions

Senate Resources Committee:

- * No amendments were made in Resources Committee

Senate Finance Committee:

- * Adds language that allows UA and DNR to approve entry on land following selection but prior to conveyance. 90% of proceeds are to be held in escrow pending final conveyance; the state retains 10% of proceeds.

DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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Juneau, Alaska 99801-2105

MEMORANDUM

April 20, 1995

SUBJECT: CSSB 16 (FIN) am, relating to the University of Alaska -- sectional analysis (Work Order No. 9-LS0165/F)

TO: Senator Steve Frank

FROM: Jack Chenoweth
Legislative Counsel

The measure proposes (1) to permit the University of Alaska to select and receive the conveyance of 1 million acres of land that has been selected by the state under the provisions of section 6(b) of the Alaska Statehood Act and (2) to hold the land selected in trust as part of the University endowment.

Specifically--

Bill section 4, proposing a new section, AS 14.40.365, would authorize selection of, and conveyance of, state land by the University:

-- Subsection (a) sets the total amount of land the University may select and describes the kind of land that is available to the University to complete its selection, tying the description of the kind of land that may be selected to its status on the date the land is selected.

-- Subsection (b) sets aside the effect of AS 38.05.125(a) to allow the state to pass the mineral or subsurface estate in the land selected to the University. However, the state's oil and gas interest in land that the University may select passes only as to land that the University selects after the fifth anniversary date of the Act's effective date.

-- Subsection (c) mandates conveyance of University selections "unless the commissioner [of natural resources] determines under [subsection (e)] that the title should not be conveyed." Conveyances are subject to later divestiture.

-- Subsection (d) prescribes the authority of the respective parties, the state and the University, for land that the University has selected but as to which it has not received title, and sets out the circumstances under which the respective parties have a claim on the earnings

or proceeds of the land selected before and after issuance of a document of interim conveyance or a patent.

-- Subsection (e) precludes the commissioner of natural resources from conveying land if the conveyance of the proposed selection conflicts with a municipal land selection, is subject to an oil and gas exploration license, or is not in the state's best interests, and identifies factors that the commissioner is to consider.

-- If there is a difference of opinion between the Board of Regents and the commissioner of natural resources as to a land selection, subsection (f) directs the governor to make a final decision with respect to the conflict over the selection.

-- Subsection (g) declares that the University takes land conveyed to it subject to any outstanding possessory interest--any outstanding interest in the party held or asserted by a third party--but gives to the University the right to any consideration otherwise due the state for that possessory interest from date of conveyance to termination of the possessory interest.

-- Subsection (h), applicable to the land conveyances, imposes on the commissioner of natural resources the duty to provide notice and allow access.

-- Subsection (i) subjects the land that is transferred or conveyed to the University to certain other laws:

- section 6(i) of the Statehood Act, reserving to the state--under subsection (b), presumably to the University the mineral estate;
- article IX of the state constitution, addressing, generally, matters of finance and taxation;
- AS 19.10.010, a provision relating to the reservation of state land for public highway purposes;
- payment of all amounts due the Alaska Permanent Fund; and
- the rights of the state under former 43 U.S.C. 932--more commonly known as RS 2477--relating to rights-of-way over unreserved public land for public highway construction;

but it excludes from selection by and conveyance to the University certain lands obtained by the state under the Alaska Omnibus Act, P.L. 86-70. In addition, under paragraph (3) of the subsection, for land selections made by the University within five years of the taking effect of the Act, the state shall reserve to itself in perpetuity any oil and gas interests on that land.

-- Subsection (j) requires the University to bear the costs of selection, platting, surveying, and conveyance of its selections and sets limits on the nature of the survey requirements that attach to land selections. This subsection also sets a time limit of one year on the conveyance of selected land that is unsurveyed.

-- Subsection (k) permits use of documents of interim conveyance. This subsection also sets a time limit of one year on the issuance of a document of interim conveyance.

-- Subsection (l) declares that, with the exception specifically noted, management of land conveyed by a final or an interim conveyance document vests with the University from the date of the document's recording. The state is to bear the costs of recording the conveyance documents.

-- Subsection (m) sets a final land selection limitation date of December 31, 2009.

-- Subsection (n) establishes a divestiture mechanism under which the land may be reconveyed to the state if, within 10 years of the date of conveyance, the University is not actively managing the land to provide income.

The remainder of the bill includes a series of collateral provisions --

Bill section 2 amends AS 14.40.170(a) to add to the duties of the Board of Regents responsibility for the land selected and conveyed to the University under AS 14.40.365, and requires the Regents to include within their required annual report a discussion of the expenditures made based on the earnings of that land.

Bill section 3 adds "land selected by and conveyed to the University [of Alaska] under AS 14.40.365" as land that is not to be treated as part of the state public domain land. The section further directs that the land conveyed is to be treated as other public land and that it is to be managed by the University as provided by law and in accordance with management rules established by the Board of Regents.

Bill section 5 adds a series of new related bill sections. Proposed AS 14.40.366 directs the University to establish rules for mineral entry, location, or leasing on the land selections, and to develop an annual plan for the management and disposition of land and describes a framework under which the public has the opportunity to comment on the Regents' plan. Proposed AS 14.40.368 addresses the manner of the management and disposition of income from encumbrances on land selected by and conveyed to the University. That responsibility shifts from the state to the University only after conclusion of the term of an existing encumbrance and the term of any renewal that may be authorized by the language of the existing encumbrance. Proposed AS 14.40.369 declares that the University's management of land conveyed to and held by it must permit continued "customary and traditional uses of the resources of that land to the maximum extent possible."

Bill section 6 adds a tort immunity provision to protect the University against claims for personal injury, death, or property damage on its land that is unimproved or not actively maintained. Under this bill section, the University does not enjoy tort immunity as to that land when injury or damage is due to its gross negligence or its reckless or intentional misconduct.

Senator Steve Frank
April 20, 1995
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Bill section 7: This amendment of AS 14.40.400(a) alters the provision that directs the University to establish an endowment trust fund for land conveyed to it under the 1929 grant to the Territory of Alaska for the benefit of the University to require deposit into the trust the land selected by the University and conveyed by the state under AS 14.40.365. The land selections made under bill section 4 would be managed under applicable trust principles.

Bill section 8 amends the definition of "university receipts" to incorporate reference to the net income of the University trust fund.

Bill section 9: This amendment of AS 29.45.030(a) would extend to the land selected by the University and conveyed to it under AS 14.40.365 the exemption from municipal taxation that is provided to other land granted by the federal or state governments to the University for land grant purposes, by extending to this selected land the exception to an exemption of state land held for purposes of investment.

Bill section 10 sets aside land that may be used to satisfy the obligation to reconstitute the mental health trust as other land that may not be conveyed to the University under the Act.

Finally, bill section 1 incorporates into proposed findings and a statement of purpose a brief history of University land transactions and a justification for this measure.

JBC:glc:lmb
95-176.lmb

FISCAL NOTE

Bill Version: 9

(S) Publish Date: 3-27-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: 3/9/95 Dept. Affected: Revenue
 Title: Increase Land Grant to UAA SFU: Revenue Oos
 Component: Oil and Gas Audit
 Sponsor: Frank
 Requester: (S)RES COMPONENT SERIAL NO. 115

| Expenditures/Revenues | | (Thousands of Dollars) | | | | | |
|------------------------|--|------------------------|-------|-------|-------|-------|-------|
| OPERATING EXPENDITURES | | FY 96 | FY 97 | FY 98 | FY 99 | FY 00 | FY 01 |
| PERSONAL SERVICES | | | | | | | |
| TRAVEL | | | | | | | |
| CONTRACTUAL | | | | | | | |
| SUPPLIES | | | | | | | |
| EQUIPMENT | | | | | | | |
| LAND & STRUCTURES | | | | | | | |
| GRANTS, CLAIMS | | | | | | | |
| MISCELLANEOUS | | | | | | | |
| TOTAL OPERATING | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

| FUND SOURCE | | (Thousands of Dollars) | | | | | |
|--------------------------|--|------------------------|-----|-----|-----|-----|-----|
| 1002 Federal Receipts | | | | | | | |
| 1003 GF Match | | | | | | | |
| 1004 GF | | | | | | | |
| 1005 GF/Program Receipts | | | | | | | |
| 1006 GF/MHTIA | | | | | | | |
| Other | | | | | | | |
| TOTAL | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY95) cost: \$ _____

| POSITIONS | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| FULL-TIME | | | | | | | |
| PART-TIME | | | | | | | |
| TEMPORARY | | | | | | | |

There would be no identifiable revenue or cost impacts resulting from the passage of this legislation over the period covered by this fiscal note.

Prepared by: Deborah Voort Phone: 907-276-1363
 Division: Oil and Gas Audit Date: 3/9/95
 Approved by: Deborah Voort
 Commissioner: Deborah Voort Date: 3/9/95
 Agency: Revenue

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No. 8

Version: CSSB 16 Final

(S) Publish Date: 3-27-95

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSSB 16 (CRA)

Revision Date: 3/9/95 Dept. Affected: Fish and Game
 Title: University Land Selection BRU: Habitat and Restoration Division
 Component: Habitat
 Sponsor: Senator Frank
 Requester: Sonata Resources COMPONENT SERIAL NO. 488

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 96 | FY 97 | FY 98 | FY 99 | FY 00 | FY 01 |
|------------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | 31.2 | 31.2 | 31.2 | 31.2 | 31.2 | 31.2 |
| TRAVEL | 1.8 | 1.8 | 1.3 | 1.8 | 1.8 | 1.3 |
| CONTRACTUAL | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| SUPPLIES | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| EQUIPMENT | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| LAND & STRUCTURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| GRANTS, CLAIMS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| MISCELLANEOUS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL OPERATING | 34.3 | 34.3 | 34.3 | 34.3 | 34.3 | 34.3 |
| CAPITAL EXPENDITURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|------|------|------|------|------|------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 34.3 | 34.3 | 34.3 | 34.3 | 34.3 | 34.3 |
| 1005 GF/Program Receipts | | | | | | |
| 1008 GF/MHTIA | | | | | | |
| Other | | | | | | |
| TOTAL | 34.3 | 34.3 | 34.3 | 34.3 | 34.3 | 34.3 |

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

| | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

The Department of Fish and Game will require approximately one-half full time equivalent for a Habitat Biologist to review university land selections and advise the Department of Natural Resources on the effects of conveyance to fish and wildlife resources, public uses of fish and wildlife; and potentially for legislatively designated state game refuges, critical habitat areas, and game sanctuaries. Additionally, as university land selections are made, existing state land management and Special Area plans will have to be revised to reflect the changes in land management. This will require approximately one-half full time equivalent of Habitat Biologist participation to advise the Department of Natural Resources on their revised land management plans and to revise the Department of Fish and Game's Special Area plans.

Prepared by: Ellen Fritts, Acting Director

Phone: 465-4105

Division: Habitat and Restoration

Date: 3/8/95

Approved by Commissioner: Oliver Brown

Date: 3/9/95

Agency: Alaska Department of Fish and Game

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No. 7
Version: CSSB 16 (FIN)

FISCAL NOTE (S) Publish Date: 3-27-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSSB16(CRA)

Revision Date: 9-Mar-95 Dept Affected: Natural Resources
Title: An Act relating to the University of Alaska and BRU: Resource Development
University land, authorizing the University of Alaska to select... Component: Information Resource Management
Sponsor: Senator(s) Frank, Kelly, Sharo, Reider Land Development
Requestor: _____ Component Serial No. 427

| Expenditures/Revenues | (Thousands of Dollars) | | | | | |
|-------------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|
| | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 |
| OPERATING EXPENDITURES | | | | | | |
| PERSONAL SERVICES | 50.01 | 50.01 | 50.01 | 50.01 | 50.01 | 50.01 |
| TRAVEL | 5.01 | 5.01 | 5.01 | 5.01 | 5.01 | 5.01 |
| CONTRACTUAL | 5.01 | 5.01 | 5.01 | 5.01 | 5.01 | 5.01 |
| SUPPLIES | 1.01 | 1.01 | 1.01 | 1.01 | 1.01 | 1.01 |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 71.01 | 71.01 | 71.01 | 71.01 | 71.01 | 71.01 |
| CAPITAL EXPENDITURES | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| CHANGE IN REVENUES () | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |

| FUND SOURCE | (Thousands of Dollars) | | | | | |
|--------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1006 GF/MHTIA | | | | | | |
| Other I/A Receipts | 71.01 | 71.01 | 71.01 | 71.01 | 71.01 | 71.01 |
| TOTAL | 71.01 | 71.01 | 71.01 | 71.01 | 71.01 | 71.01 |

Estimate of any current year (FY95) cost: \$ None

| POSITIONS | | | | | | |
|-----------|----|----|----|----|----|----|
| FULL-TIME | 01 | 01 | 01 | 01 | 01 | 01 |
| PART-TIME | 01 | 01 | 01 | 01 | 01 | 01 |
| TEMPORARY | 01 | 01 | 01 | 01 | 01 | 01 |

ANALYSIS: (Attach a separate page if necessary)

This fiscal note is for the minimum necessary for DNR to process land conveyances to the University of Alaska. All costs for the conveyance work will be paid by the University to DNR using Interagency Receipts. We assume this includes all costs to include selection, conveyance, records notation, deed recordation, survey, litigation, etc.

*It is impossible to project the exact amount of revenue these conveyances will generate for the University, and will be lost to the state, without knowing what lands will be transferred. With the inclusion of oil and gas, the revenue lost to the state will be significant.

Prepared by: Ron Swanson, Director Phone: 465-2406
Division: Division of Land Date: 9-Mar-95
Approved by Commissioner: _____ Date: 3-4-95
Agency: Natural Resources

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FISCAL NOTE

No. 6

Bill Version: CS SB16(CRA)

(S) Publish Date: 3/26/95

STATE OF ALASKA

LEGISLATIVE SESSION

Revision Date: 9-Mar-95 Dept Affected: Natural Resources
 Title: An Act relating to the University of Alaska and B.U.: Resource Development
university land, authorizing the University of Alaska to select... Component: Information Resource Management
 Sponsor: Senator(s) Frank, Kelly, Sharp, Reiger
 Requestor: _____ Component Serial No. 427

| Expenditures/Revenues | (Thousands of Dollars) | | | | | |
|------------------------|------------------------|------------|------------|------------|------------|------------|
| OPERATING EXPENDITURES | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 |
| PERSONAL SERVICES | 22.0 | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | 2.0 | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 24.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|----------------------|-----|-----|-----|-----|-----|-----|
| CAPITAL EXPENDITURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|----------------------|-----|-----|-----|-----|-----|-----|

| | | | | | | |
|------------------------|-----|-----|-----|-----|-----|-----|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|------------------------|-----|-----|-----|-----|-----|-----|

| FUND SOURCE | (Thousands of Dollars) | | | | | |
|--------------------------|------------------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 24.0 | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1006 GF/MHTIA | | | | | | |
| Other | | | | | | |
| TOTAL | 24.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY95) cost: \$ None

| POSITIONS | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 |
|-----------|------|------|------|------|------|------|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| TEMPORARY | 0 | 0 | 0 | 0 | 0 | 0 |

ANALYSIS: (Attach a separate page if necessary)

This proposed legislation involves considerable public records notation work; however, since the University of Alaska is responsible for covering all cost associated with the selection, platting, survey and conveyance, those costs will be identified after we have worked with the University to identify a deliverables and a contract. The Land Records Information Section assumes that the records work associated with each of these steps will be paid by the University based on actual cost.

LRIS will need to set up a tracking system to facilitate the selection and conveyance process. LRIS must develop a new Land Administration System (LAS) casetype for these conveyances, and will establish a tracking subsystem within LAS. A separate tracking mechanism is necessary to comply with Sec. 14.40.365(n), where the commissioner is required to recover title after 10 years if certain conditions are not met. These are not expenses specified to be covered by the University.

Prepared by: Nico Bus, Acting Director Phone: 465-2406
 Division: Support Services Date: 3-Mar-95
 Approved by Commissioner: _____ Date: 3-9-95
 Agency: Natural Resources

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STEVE FRANK

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Alaska State Legislature



Senate

While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 417

Sponsor Statement - Senate Bill No. 16

"An Act relating to land of the University of Alaska and authorizing the University of Alaska to select additional state public domain land."

SB 16 would allow the University of Alaska to select one million acres of unencumbered land from the State of Alaska.

In this era of declining state funds, endowing the university with additional lands will allow it to develop those lands to produce income for university programs.

Under the Congressional Morrill Act of 1862, each state was entitled to receive a grant for public lands, the income from which would provide the financial base of operation for at least one college or university. The University of Alaska received about 112,000 acres of land, less than any other western public land state and less than the national average entitlement of over 300,000 acres. Some universities in states with much smaller state land grants, such as New Mexico and Oklahoma, have received up to one million acres.

An additional grant of land would bring Alaska up to the level of other western states and follows through with the original purpose of land grant colleges.

Thank you for your consideration.

STEVE FRANK

119 N. Cushman, Rm. 213
Fairbanks, Alaska 99701
(907) 452-3421

Alaska State Legislature



Senate

While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 417

TO: Representative Alan Austerman, Co-Chair
Representative Ivan Ivan, Co-Chair
House Community and Regional Affairs Committee

FROM:  Senator Steve Frank, Co-Chair
Senate Finance Committee

RE: Hearing Request: CS SB 16 (FIN)- Increase Land Grant
to the University of Alaska

DATE: April 13, 1995

I am writing to request a hearing for CS SB 16 (FIN) in the House Community and Regional Affairs Committee at your earliest possible convenience.

The legislation would allow the University of Alaska to select up to one million acres of land from the State of Alaska, and the income produced from those lands would be available for university programs subject to legislative appropriation.

Under the Congressional Morrill Act of 1862, each state was entitled to receive a grant for public lands, the income from which would provide the financial base of operation for at least one college or university. The University of Alaska received about 112,000 acres of land, less than any other western public land state and less than the national average entitlement of over 300,000 acres. For example, New Mexico and Oklahoma have each received about one million acres.

I believe that an additional grant of land would bring Alaska up to the level of other western states and follows through with the original intent of the land grant college tradition.



SB 16 EXPANDING UNIVERSITY OF ALASKA LAND GRANT

By Senators FRANK, Kelly, Sharp

The University of Alaska is called a "Land Grant University" in the tradition of American land grant universities, providing teaching, research and public service to the people of Alaska. While the University has attempted to mold itself in the land grant tradition, one piece of that tradition is lacking -- a sufficient land grant.

In 1915, Congress provided a land grant of approximately 250,000 acres -- every section 33 in the Tanana Valley -- to support the Territorial Agricultural College and School of Mines, together with a site for the institution itself. In 1929 Congress granted an additional 100,000 acres of public lands for the use and benefit of the Agricultural College and School of Mines.

In 1959, the Alaska Statehood act extinguished the University's right to receive the unsurveyed sections 33 of the Tanana Valley, leaving the University with 100,000 acres. Congress so acted because its land grant to the state was by far the most generous of all state land grants. Supporters of the extinguishment said the state clearly was receiving enough land that it could provide necessary land to support the University. The State of Alaska has never kept this moral obligation to the University of Alaska.

Forty-nine of the states received land grants to support their universities. In all but one, the universities received more land than the University of Alaska, notwithstanding the fact that Alaska's state land grant is 16 times the size of the average state land grant. In eighteen of the lower 48 states, the entire federal land grants -- 100% -- went to support the universities. In Alaska, less than one percent -- 0.11% -- went to the University.

The State of Alaska did not manage what land the University received well. In 1978, following legislative appropriation of the University's most valuable acreage, the University sued, eventually winning a legislative settlement that reconstituted the University land trust. Later litigation brought replacement land for the legislatively-appropriated acreage. The University's total land grant holdings today total 140,000 acres. Still, nearly 50,000 acres of limited timber cutting rights west of Icy Bay remains tied up in litigation.

Alaskans look to the University of Alaska to provide for some of its financial needs by earning income from the federal land grant, yet Alaskans do not realize the paucity of lands managed by the university.

If the University of Alaska received the average percentage of the total federal grant to the state -- 42.01% of the State of Alaska grant -- the University would be managing 43 million acres, and would probably need no further state support. If the University of Alaska received a proportional share of the total federal grant to universities -- 5.09% of the State of Alaska grant -- the University would be managing 5.3 million acres. Even bringing the University of Alaska's federal grant up to the average of the smaller states -- 340,000 -- would triple the size of the University's federal grant.

Passage of this legislation will allow expansion of the University of Alaska land grant, and allow the University to generate additional revenue in support of its programs. The lands would be responsibly managed to generate income. The University is currently involved in a wide range of projects including commercial leasing, development and sale of residential and remote subdivisions, oil and gas lease sales, timber and gravel sales and mineral leasing.

Position Paper

contact:

Wendy Redman
University Relations
463-3086/474-7582