

S B

16

HOUSE RESOURCES COMMITTEE
Roll Call and Members' Bill Votes

* (indicates first public hearing)

Room 124, Capitol Bldg.

Mon., Wed., Fri. Thurs.

Date: 4-27-95

Tape# 95-58 Joint _____

Time: 4:15 am/pm am Time Adjourned: _____ am/pm

ROLL CALL:	PRES	ABS	TIME	AR	^{HB} 312	_____	_____
Rep. Joe Green	✓	_____	<u>4:13</u>	_____	Y	_____	_____
Rep. Bill Williams	✓	_____	_____	_____	Y	_____	_____
Rep. Scott Ogan	✓	_____	_____	_____	Y	_____	_____
Rep. Alan Austerman	✓	_____	_____	_____	Y	_____	_____
Rep. Ramona Barnes	✓	_____	_____	_____	Y	_____	_____
Rep. John Davies	_____	_____	<u>4:16</u>	_____	Y	_____	_____
Rep. Pete Kott	✓	_____	_____	_____	Y	_____	_____
Rep. Eileen MacLean	_____	_____	_____	_____	_____	_____	_____
Rep. Irene Nicholia	_____	_____	<u>4:17</u>	_____	N	_____	_____

7-1

Other Legislators Present _____

AGENDA:

Bill No.	Short Title	Action Taken
<u>HB 312</u>	<u>Extend Current Substance Law</u>	<u>CS HB 312 (RES) OUT</u>
<u>HJR 38</u>	<u>Magnuson Fisheries Conservation 1991 Act</u>	<u>Out</u>
<u>HJR 46</u>	<u>Endorsing Fall Creek Hydropower Project</u>	<u>Out</u>
<u>SB 16</u>	<u>Increase Land Grant to Univ of AK</u>	_____
_____	_____	_____
_____	_____	_____

OTHER

LEGISLATIVE REFERENCE LIBRARY

LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3808
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 400
Juneau, Alaska 99801-2105

Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

Mary Pagenkopf

House Resources
5-3-95 8:13am
Tape #95-62, Side A
SB 16

House Resources
4-27-95 4:15 pm
Tape #95-58
SB 16

05/03/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

08:01:09

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:PSG

TCN:50704 SCHEDULED FOR:05/03/95 08:00 TO 10:00

FOR:PSG

PUBLIC HEARING

HOUSE RESOURCES

LOCATION: PETERSBURG

SB 77

MR.

DON

CORNELIUS

Defenders of wild life

TESTIFY

HOUSE RESOURCES COMMITTEE



Alaska State Legislature
House of Representatives

DATE: 5/3/95

PLACE: ROOM 124

SUBJECT OF MEETING:
SJR 27 - Fall Creek Hydro Project
SB 16 - University Land Grant
SB 77 - Intensive Game Management

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Wayne Regelin	Fish & Game	P.O. Box 25526	99801			<input checked="" type="radio"/> Y	<input type="radio"/> N	SB 77
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	

HOUSE RESOURCES COMMITTEE

Alaska State Legislature
House of Representatives



DATE:

PLACE: ROOM 124

SUBJECT OF MEETING:
SJR 27 - Fall Creek Hydro Project
SB 16 - University Land Grant
SB 77 - Intensive Game Management

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
						Y	N	
Sara Hanna	AEL				463-3366	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SB 77
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	
						<input type="checkbox"/>	<input type="checkbox"/>	

9-LS0165VK ✓
Chenoweth
5/2/95

HOUSE CS FOR CS FOR SENATE BILL NO. 16()
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS FRANK, Kelly, Sharp, Rieger, Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the University of Alaska and university land, authorizing the
2 University of Alaska to select additional state public domain land, and defining
3 net income from the University of Alaska's endowment trust fund as 'university
4 receipts' subject to prior legislative appropriation."

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

6 * Section 1. FINDINGS AND PURPOSE. The legislature finds that

7 (1) as the beneficiary under the provisions of the Acts of August 30, 1890, and
8 March 4, 1907, designating the Alaska Agricultural College and School of Mines as
9 beneficiary, and of March 4, 1915, 38 Stat. 1214, transferring certain land for its location and
10 support, the University of Alaska is a land grant university;

11 (2) under the Acts of March 4, 1915, 38 Stat. 1214, and January 21, 1929, 45
12 Stat. 1091, the Congress of the United States granted to the Territory of Alaska certain federal
13 land to be held in trust for the benefit of the predecessor of the University of Alaska;

14 (3) the Territory was unable to receive most of the land conveyed by the Act

1 of March 4, 1915, before repeal of that Act by Sec. 6(k) of the Alaska Statehood Act (P.L.
2 85-508, 72 Stat. 339);

3 (4) the Congress of the United States granted the State of Alaska the right to
4 select 102,500,000 acres of federal land under Sec. 6(b) of the Alaska Statehood Act;

5 (5) the land selection rights embodied in the Alaska Statehood Act reflect in
6 part congressional recognition that the state would need the land to support its government and
7 programs, and the Congress assumed that the State of Alaska would in turn devote some of
8 the land or the income from it for the use and benefit of the University of Alaska;

9 (6) most land grant colleges in the western United States have obtained a larger
10 land grant from the federal government than the University of Alaska has received;

11 (7) an academically strong and financially secure state university system is a
12 cornerstone to the long-term development of a stable population and to a healthy, diverse
13 economy in the state;

14 (8) it is in the best interests of the state and the University of Alaska that the
15 university take ownership of a significant and substantial portfolio of income producing land
16 in order to provide income for the support of public higher education in the state; and

17 (9) renewable resources should be managed on a sustained yield basis, taking
18 into account the total land grant.

19 * Sec. 2. LEGISLATIVE INTENT. It is the intent of the legislature that the University
20 of Alaska encourage the development of in-state value-added industries to the maximum extent
21 feasible when developing land conveyed under AS 14.40.365.

22 * Sec. 3. AS 14.40.170(a) is amended to read:

23 (a) The Board of Regents shall

24 (1) appoint the president of the university by a majority vote of the
25 whole board, and the president may attend meetings of the board;

26 (2) fix the compensation of the president of the university, all heads of
27 departments, professors, teachers, instructors, and other officers;

28 (3) confer such appropriate degrees as it may determine and prescribe;

29 (4) have the care, control, and management of

30 (A) all the real and personal property of the university; and

31 (B) land

- 1 (i) conveyed to the Board of Regents by the
2 commissioner of natural resources in the settlement of the claim of the
3 University of Alaska to land granted to the state in accordance with the
4 Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance
5 with the Act of January 21, 1929 (45 Stat. 1091), as amended; and
6 (ii) selected by the University of Alaska and conveyed
7 to it by the commissioner of natural resources under AS 14.40.365,
8 except as provided in AS 14.40.368(2);
9 (5) keep a correct and easily understood record of the minutes of every
10 meeting and all acts done by it in pursuance of its duties;
11 (6) under procedures to be established by the commissioner of
12 administration, and in accordance with existing procedures for other state agencies,
13 have the care, control, and management of all money of the university and keep a
14 complete record of all money received and disbursed;
15 (7) adopt reasonable rules for the prudent trust management and the
16 long-term financial benefit to the university of the land of the university;
17 (8) provide public notice of sales, leases, exchanges, and transfers of
18 the land of the university or of interests in land of the university;
19 (9) report each year within the first 10 days of the convening of a
20 regular session of the legislature on the expenditures made during the preceding fiscal
21 year from the funds of the University of Alaska that are derived from sales, leases,
22 exchanges, or transfers of the land of the university or of interests in land of the
23 university
24 (A) that were conveyed to the University of Alaska in
25 settlement of the claim of the University of Alaska to land granted to the state
26 in accordance with the Act of March 4, 1915 (38 Stat. 1214), as amended, and
27 in accordance with the Act of January 21, 1929 (45 Stat. 1091), as amended;
28 and
29 (B) that were selected by and conveyed to the University of
30 Alaska under AS 14.40.365.
31 * Sec. 4. AS 14.40.280 is amended to read:

1 Sec. 14.40.280. ENDOWMENTS AND DONATIONS. All monetary gifts,
2 bequests, or endowments that are made to the University of Alaska for the purpose of
3 the separate trust fund created under AS 14.40.400 shall be held by the university.
4 The university [TRANSFERRED TO THE DEPARTMENT OF REVENUE. THE
5 DEPARTMENT OF REVENUE] shall manage that money in accordance with
6 AS 14.40.400. Title to and control or possession of land, personal property, and all
7 money [OTHER THAN] that [TRANSFERRED TO THE DEPARTMENT OF
8 REVENUE, WHICH] is devised, bequeathed, or given to the universit,' shall be taken
9 by the university in its corporate capacity acting by and through the regents or an
10 authorized agent, and shall be entered in the perpetual inventory of the university.

11 * Sec. 5. AS 14.40.291 is amended to read:

12 Sec. 14.40.291. LAND OF THE UNIVERSITY OF ALASKA NOT PUBLIC
13 DOMAIN LAND. (a) Notwithstanding any other provision of law, university-grant
14 land, state replacement land that becomes university-grant land on conveyance to the
15 university, land selected by and conveyed to the University of Alaska under
16 AS 14.40.365, and any other land owned by the University of Alaska is not and may
17 not be treated as state public domain land. However, land conveyed to the
18 University of Alaska under AS 14.40.365 shall be treated as other public land and
19 shall be managed under AS 14.40.366 and rules or regulations of the Board of
20 Regents of the University.

21 (b) Title to or interest in [TO] land described in (a) of this section may not
22 be acquired by adverse possession, prescription, or in any other manner except by
23 conveyance from the university.

24 (c) The land described in (a) of this section is subject to condemnation for
25 public purpose in accordance with law.

26 * Sec. 6. AS 14.40 is amended by adding a new section to read:

27 Sec. 14.40.365. UNIVERSITY LAND FROM STATEHOOD ACT LAND
28 SELECTION CONVEYANCES. (a) The University of Alaska may select and, except
29 as provided in (n) of this section, is entitled to receive the conveyance of 350,000
30 acres of land conveyed to the state under sec. 6(b) of the Alaska Statehood Act (P.L.
31 85-508, 72 Stat. 339) that, on the date of its selection by the university,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

- (1) has not been conveyed by the state;
 - (2) has not been reserved by law from the public domain;
 - (3) is not land
 - (A) included in a five-year proposed oil and gas leasing program under AS 38.05.180(b); or
 - (B) leased under, or for which a lease application is pending under, AS 38.05.180(d);
 - (4) is not subject to a possessory interest or encumbrance other than
 - (A) a lease that is not an oil or gas lease;
 - (B) a timber contract;
 - (C) a mining claim, a prospecting site, or a prospecting permit on tide or submerged land;
 - (D) a sale of materials under AS 38.05.110 - 38.05.120;
 - (E) a land use permit or right-of-way issued by the Department of Natural Resources under AS 38.05;
 - (5) is not necessary to carry out the purpose of an interagency land management agreement; or
 - (6) is not subject to conveyance under a land exchange or land settlement agreement.
- (b) Notwithstanding AS 38.05.125(a), the transfer of ownership and management of land from the Department of Natural Resources to the Board of Regents of the University of Alaska under this section includes
- (1) the interest of the state in the coal, ores, minerals, fissionable materials, geothermal resources, and fossils that may be in or on the land; and
 - (2) the interest of the state in the oil and gas that may be in or on the land, but only as to land that is selected by the University of Alaska under this section on and after the date that is the fifth anniversary of the effective date of this section.
- (c) When the University of Alaska selects the land to which it is entitled under this section,
- (1) selections must be made in whole sections of 640 acres, whether surveyed or unsurveyed, and may not be made in fractional parts of sections; and

Handwritten note: purchase 40 of 640 acres, 2000000000

1 (2) unless the commissioner of natural resources determines under (e)
2 of this section that title to the land should not be conveyed, the commissioner of
3 natural resources shall convey, subject to divestiture under (n) of this section, a
4 document of interim conveyance under (k) of this section or a patent to land.

5 (d) Notwithstanding any other provision of law, on land selected by but not
6 yet patented to the University of Alaska or for which a document of interim
7 conveyance has not been issued to the University of Alaska under this section,

8 (1) the state is authorized to enter into contracts and grant leases,
9 licenses, prospecting sites, claims, permits, rights-of-way, or easements and any interim
10 conveyance or patent shall be subject to the contract, lease, license, prospecting site,
11 claim, permit, right-of-way, or easement, except that the authority granted the state by
12 this subsection

13 (A) is the authority that the state otherwise would have had
14 under existing laws and regulations had the land not been selected by the
15 University of Alaska; and

16 (B) may be exercised only if the University of Alaska has
17 concurred before the action is taken by the state;

18 (2) 90 percent of the proceeds derived from contracts, leases, licenses,
19 prospecting sites, claims, permits, rights-of-way, or easements, or from trespasses,
20 originating after the date of selection by the University of Alaska shall be held by the
21 state until the land has been conveyed by the patent or by a document of interim
22 conveyance; upon the issuance of a document of interim conveyance or a patent, the
23 state shall pay to the University of Alaska the proceeds allocable to the land that were
24 derived from the contracts, leases, licenses, prospecting sites, claims, permits, rights-of-
25 way, or easements, or from trespasses, and subsequent to the issuance of a document
26 of interim conveyance or a patent, the University of Alaska shall receive 100 percent
27 of the proceeds derived from the contracts, leases, licenses, prospecting sites, claims,
28 permits, rights-of-way, or easements, or from trespasses;

29 (3) responsibility for management of contracts, leases, licenses,
30 prospecting sites, claims, permits, rights-of-way, or easements vests with the University
31 of Alaska upon issuance of a patent or a document of interim conveyance.

1 (e) The commissioner of natural resources may not convey title to a land
2 selection made by the University of Alaska under this section if the commissioner
3 determines that the proposed selection

4 (1) includes land for which, at the time of its selection under this
5 section,

6 (A) a municipality has made a selection under AS 29.65, unless
7 the land selection is, at a later date, rejected by the commissioner of natural
8 resources or relinquished by the municipality; or

9 (B) the commissioner reasonably believes the land may be
10 selected by a municipality under AS 29.65.030, but the commissioner may not
11 withhold under this subparagraph the conveyance of title to land selected by the
12 university longer than three years after the date of the municipality's
13 incorporation;

14 (2) includes land that, at the time of its selection under this section,

15 (A) is subject to an oil and gas exploration license; or

16 (B) the commissioner reasonably believes will be made part of,
17 an oil and gas exploration license issued under AS 38.05.131 - 38.05.134; the
18 commissioner may not refuse to convey title to land to the University of Alaska
19 under this subparagraph for more than three years after its first selection by the
20 University of Alaska;

21 (3) is not in the best interests of the state; in making a determination
22 under this paragraph as to whether a selection by the University of Alaska is in the
23 best interests of the state, the commissioner shall consider

24 (A) the interest of the general public in retention of the land in
25 state ownership;

26 (B) ensuring an appropriate diversity in the character of land
27 owned by the state and by the University of Alaska;

28 (C) the public benefits achieved by conveyance of the land to
29 the University of Alaska;

30 (D) the probable potential for the development of the land and
31 its resources and the probable income to the University of Alaska from the

1 conveyance of the land;

2 (E) benefits to the University of Alaska from the conveyance
3 of the land to it; and

4 (F) the efficiency of the management of the land resulting from
5 the conveyance of the land.

6 (f) If the Board of Regents of the University of Alaska disagrees with a
7 decision of the commissioner of natural resources not to convey to the University of
8 Alaska land selected by it under this section, the Board of Regents and the
9 commissioner of natural resources shall submit the matter to the governor, who shall
10 make the decision. The decision of the governor is final.

11 (g) When land is conveyed to the University of Alaska under this section, the
12 University of Alaska takes the land subject to any possessory interest held by another
13 person on the effective date of the conveyance. Except as provided in
14 AS 14.40.368(1), the University of Alaska is entitled to receive the consideration due
15 under that interest for the duration of the interest.

16 (h) In conveying land to the University of Alaska under this section, the
17 commissioner of natural resources shall give public notice under AS 38.05.945(b) and
18 (c) and provide for access under AS 38.05.127, but other provisions of AS 38.04 and
19 AS 38.05 do not apply.

20 (i) Land transferred or conveyed to the University of Alaska under this section
21 (1) is subject to

22 (A) section 6(i) of the Alaska Statehood Act (P.L. 85-508, 72
23 Stat. 339);

24 (B) art. IX of the state constitution;

25 (C) AS 19.10.010;

26 (D) payment to the Alaska permanent fund of the amounts
27 required by AS 37.13.010(a) and (b); and

28 (E) the rights of the state under former 43 U.S.C. 932 (sec. 8,
29 Act of July 26, 1866, 14 Stat. 253);

30 (2) excludes any interest transferred to the state by quit claim deed
31 dated June 30, 1959, under authority of the Alaska Omnibus Act, P.L. 86-70, 73 Stat.

1 141;

2 (3) based on a land selection filed by the University of Alaska on or
3 after the effective date of this section and until the day before the day that is the fifth
4 anniversary of the effective date of this section is subject to reservation by the state
5 in perpetuity of all oil and gas that may be in or on the land, together with the right
6 to explore the land for oil and gas and to remove from the land all oil and gas located
7 in and on it.

8 (j) The University of Alaska shall bear all costs of selection, platting,
9 surveying, and, except as provided in (l) of this section, conveyance of the land that
10 it selects under this section and, subject to appropriation, shall reimburse the
11 Department of Natural Resources for the reasonable costs incurred by that department
12 relating to that selection, platting, surveying, and conveyance. As to land due the
13 University of Alaska under (c) of this section because it has not been disapproved
14 under (e) of this section,

15 (1) if the land has been surveyed, the boundaries of the land conveyed
16 must conform to the public land subdivisions established by the approved survey;

17 (2) if the land is unsurveyed, the commissioner shall survey the exterior
18 boundaries of the land to be conveyed without interior subdivision, and shall issue
19 patent in terms of the exterior boundary survey within one year of request by the
20 University of Alaska.

21 (k) For land due the University of Alaska under (c) of this section that is
22 unsurveyed, pending the survey of exterior boundaries and issuance of patent, the
23 commissioner of natural resources shall, within one year of request by the University
24 of Alaska, prepare and provide to the University of Alaska a document of interim
25 conveyance for the land to be conveyed.

26 (l) Except as provided in AS 14.40.368(2), management of land conveyed to
27 the University of Alaska by patent or by a document of interim conveyance vests with
28 the University of Alaska from the date of recording of the patent or document of
29 interim conveyance. The state shall pay the cost of recording all patents and
30 documents of interim conveyance.

31 (m) The University of Alaska may not make a land selection under this section

1 after December 31, 2009.

2 (n) When the commissioner of natural resources issues a document of interim
3 conveyance under (k) of this section or a patent for land selected and held by the
4 University of Alaska, the commissioner of natural resources shall retain the right to
5 reenter the land conveyed and recover title to it. The commissioner of natural
6 resources shall reenter and recover title

7 (1) if, on the 10th anniversary of the execution of the conveyance, the
8 commissioner finds that the University of Alaska is not actively managing the land to
9 provide income for the support of its education programs; however, if at any time
10 during the 10-year period, litigation, including any appeal, has prevented the University
11 of Alaska from actively managing the land to provide income, the date on which the
12 commissioner of natural resources shall make the finding required by this paragraph
13 is extended by a period equal to the period attributable to the litigation during which
14 the University of Alaska was prevented from actively managing the land to provide
15 income; for purposes of this paragraph, "actively managing the land to provide
16 income" means that the University of Alaska is deriving revenue from the land
17 selection, or has in place a development program to derive income from the land
18 selection; or

19 (2) if, before January 1, 2010, any land selected and conveyed to the
20 University of Alaska under this section is conveyed, except in an acre-for-acre land
21 exchange, directly by the University of Alaska or indirectly by third parties, to the
22 United States; the reentry and recovery of title under this paragraph terminates the
23 university's title or ownership interest in all land conveyed to it under this section and
24 the University of Alaska may not thereafter make any other land selections under this
25 section.

26 * Sec. 7. AS 14.40 is amended by adding new sections to read:

27 Sec. 14.40.366. MANAGEMENT AND DISPOSITION OF UNIVERSITY
28 LAND. (a) The Board of Regents shall, by rule or regulation, establish procedures
29 for mineral entry or location and mineral leasing on university land selections made
30 under AS 14.40.365 that are substantially similar to mineral entry, location, and leasing
31 procedures for state land under AS 38.05.185 - 38.05.275.

1 (b) Notwithstanding other provisions of law, the University of Alaska shall
2 seek public comment on proposals for development or sale of university selections
3 made under AS 14.40.365. The Board of Regents shall adopt policies which provide
4 that the university shall prepare an annual plan for management and disposition of
5 university land under this section and shall, not less than 60 days before scheduled
6 approval by the Board of Regents of the plan

7 (1) make copies of the plan available at all legislative information
8 offices and at such other locations as the university may designate;

9 (2) publish a notice in newspapers of general circulation in the state
10 which provides the public with information on the locations where the plan is available
11 for public inspection;

12 (3) give notice to all legislators and to local governments with
13 jurisdiction over the land affected by the proposal; and

14 (4) seek public comment on the annual plan prior to action by the
15 Board of Regents approving the plan.

16 Sec. 14.40.368. MANAGEMENT AND DISPOSITION OF INCOME FROM
17 EXISTING ENCUMBRANCES. For the land selected by and conveyed to the
18 University of Alaska under AS 14.40.365 that is subject to a lease, contract,
19 prospecting site, claim, sale, permit, or right-of-way identified in AS 14.40.365(a)(4)

20 (1) the state is entitled to receive the income obtained from the lease,
21 contract, prospecting site, claim, sale, permit, or right-of-way for the duration of the
22 term of the lease, contract, prospecting site, claim, sale, permit, or right-of-way, and
23 during any renewal of it that is authorized by the lease, contract, prospecting site,
24 claim, sale, permit, or right-of-way, or by law;

25 (2) the responsibility for the management of the land vests with the
26 University of Alaska only upon conclusion of the term of the lease, contract,
27 prospecting site, claim, sale, permit, or right-of-way, and any renewal authorized by
28 the lease, contract, prospecting site, claim, sale, permit, or right-of-way, by law.

29 Sec. 14.40.369. CUSTOMARY AND TRADITIONAL USES TO BE
30 CONTINUED. When land selected by the University of Alaska under AS 14.40.365
31 has been conveyed to it, before conveying or disposing of an interest in land to a third

1 party, the University of Alaska shall manage the land in a manner that permits
2 customary and traditional uses of the resources of that land to the maximum extent
3 practicable.

4 * Sec. 8. AS 14.40 is amended by adding a new section to read:

5 Sec. 14.40.375. TORT IMMUNITY FOR PERSONAL INJURIES, DEATH,
6 OR PROPERTY DAMAGE OCCURRING ON UNIVERSITY LAND. (a)
7 Notwithstanding AS 09.65.200 and except as provided in (b) of this section, the
8 University of Alaska is not liable in tort, except for an affirmative act that constitutes
9 gross negligence or reckless or intentional misconduct, for damages for the injury to
10 or death of a person, or for property damage to the property of a person, who enters
11 onto or remains on land owned by the University of Alaska.

12 (b) The provisions of (a) of this section do not apply to damages for injury to
13 or death of a person, or for property damage to the property of a person, that occurs
14 on land of the University of Alaska that, after receipt of title to the land by the
15 University of Alaska, has been improved and is actively maintained by the University
16 of Alaska.

17 * Sec. 9. AS 14.40.400(a) is amended to read:

18 (a) The University of Alaska [DEPARTMENT OF REVENUE] shall establish
19 a separate endowment trust fund in which all net income derived from the sale or lease
20 of the land granted under the Act of Congress approved January 21, 1929, and the
21 land selected by and conveyed to the University of Alaska under AS 14.40.365, and
22 in which all monetary gifts, bequests, or endowments made to the University of Alaska
23 for the purpose of the fund, shall be held in trust.

24 * Sec. 10. AS 14.40.400(b) is amended to read:

25 (b) The president of the University of Alaska [COMMISSIONER OF
26 REVENUE] is the fiduciary of the trust fund and shall account for and invest the fund
27 as set out for the commissioner of revenue in AS 37.14.110(c), 37.14.160, and
28 37.14.170, except that the president of the university [COMMISSIONER] shall report
29 the condition and investment performance of the fund to the Board of Regents and to
30 the legislature.

31 * Sec. 11. AS 14.40.491 is amended to read:

1 Sec. 14.40.491. DEFINITION OF UNIVERSITY RECEIPTS. In
2 AS 14.40.120 - 14.40.491, "university receipts" includes

- 3 (1) student fees, including tuition;
4 (2) receipts from university auxiliary services;
5 (3) recovery of indirect costs of university activities;
6 (4) the net income of the trust fund established in AS 14.40.400 and
7 receipts from sales and rentals of university property;
8 (5) federal receipts;
9 (6) gifts, grants, and contracts; and
10 (7) receipts from sales, rentals, and the provision of services of
11 educational activities.

12 * Sec. 12. AS 29.45.030(a) is amended to read:

13 (a) The following property is exempt from general taxation:

14 (1) municipal property, including property held by a public corporation
15 of a municipality, [OR] state property, or property of the University of Alaska,
16 except that

17 (A) a private leasehold, contract, or other interest in the
18 property is taxable to the extent of the interest;

19 (B) notwithstanding any other provision of law, property
20 acquired by an agency, corporation, or other entity of the state through
21 foreclosure or deed in lieu of foreclosure and retained as an investment of a
22 state entity is taxable; this subparagraph does not apply to federal land granted
23 to the University of Alaska under AS 14.40.380 or 14.40.390, [OR] to other
24 land granted to the university by the state to replace land that had been granted
25 under AS 14.40.380 or 14.40.390, or to land conveyed by the state to the
26 University of Alaska under AS 14.40.365;

27 (C) an ownership interest of a municipality in real property
28 located outside the municipality acquired after December 31, 1990, is taxable
29 by another municipality; however, a borough may not tax an interest in real
30 property located in the borough and owned by a city in that borough;

31 (2) household furniture and personal effects of members of a

1 household;

2 (3) property used exclusively for nonprofit religious, charitable,
3 cemetery, hospital, or educational purposes;

4 (4) property of a nonbusiness organization composed entirely of persons
5 with 90 days or more of active service in the armed forces of the United States whose
6 conditions of service and separation were other than dishonorable, or the property of
7 an auxiliary of that organization;

8 (5) money on deposit;

9 (6) the real property of certain residents of the state to the extent and
10 subject to the conditions provided in (e) of this section;

11 (7) real property or an interest in real property that is exempt from
12 taxation under 43 U.S.C. 1620(d), as amended;

13 (8) property of a political subdivision, agency, corporation, or other
14 entity of the United States to the extent required by federal law; except that a private
15 leasehold, contract, or other interest in the property is taxable to the extent of that
16 interest;

17 (9) natural resources in place including coal, ore bodies, mineral
18 deposits, and other proven and unproven deposits of valuable materials laid down by
19 natural processes, unharvested aquatic plants and animals, and timber.

20 * Sec. 13. AS 36.30.850(b)(15) is amended to read:

21 (15) a contract that is a delegation, in whole or in part, of investment
22 powers held by the commissioner of revenue under [AS 14.40.400,] AS 14.42.200,
23 14.42.210, AS 18.56.095, AS 37.10.070, 37.10.071, or AS 37.14;

24 * Sec. 14. AS 14.40.400(e) is repealed.

25 * Sec. 15. UNIVERSITY OF ALASKA ENDOWMENT TRUST FUND: TRANSITION.

26 A contract, right, liability, or obligation in effect on the effective date of this Act remains in
27 effect notwithstanding the amendments to AS 14.40.280 or 14.40.400 made in secs. 4, 9, 10,
28 and 14 of this Act. Assets and liabilities of the University of Alaska endowment trust fund
29 held by the Department of Revenue on the effective date of this Act shall be transferred by
30 the Department of Revenue to the University of Alaska to implement this Act.

31 * Sec. 16. APPLICABILITY OF UNIVERSITY SELECTION RIGHTS UNDER

1 AS 14.40.365 TO CERTAIN LAND. In addition to the land that, under AS 14.40.365(e), the
2 commissioner of natural resources may not convey to the University of Alaska, the
3 commissioner of natural resources may not convey land that, at the time of its selection by
4 the university, is subject to designation for conveyance or conveyance to the Alaska Mental
5 Health Trust Authority under sec. 40, ch. 5, FSSLA 1994, as amended by secs. 4 and 5,
6 ch. 1, SSSLA 1994, and may not convey land that, at the time of its selection by the
7 university, is land obtained under the Alaska Mental Health Enabling Act of 1956, P.L. 84 -
8 830, 70 Stat. 709, redesignated by ch. 181, SLA 1978, as state general grant land, not later
9 disposed of by the state, and not part of the mental health trust as reconstituted by ch. 66,
10 SLA 1991, ch. 5, FSSLA 1994, and ch. 1, SSSLA 1994, until all litigation regarding
11 reconstitution of the mental health trust has been concluded.

HOUSE RESOURCES COMMITTEE
Roll Call and Members' Bill Votes

* (indicates first public hearing)

Room 124, Capitol Bldg.

Mon., Wed, Fri.

Date: 5/3/95

Tape# 95-62 Joint _____

Time: 8:13 am/pm Time Adjourned: _____ am/pm

ROLL CALL:	PRES	ABS	TIME	AR	<i>Amend #1</i>	<i>SB 777 amendments</i>	<i>340000</i>	<i>341000</i>	<i>Bill 19-25</i>
Rep. Joe Green	✓	_____	_____	_____	N	Y	N	N	N
Rep. Bill Williams	✓	_____	_____	_____	N	Y	Y	Y	N
Rep. Scott Ogan	✓	_____	_____	_____	N	Y	N	N	N
Rep. Alan Austerman	✓	_____	_____	_____	N	Y	Y	Y	N
Rep. Ramona Barnes	_____	_____	_____	_____	_____	_____	_____	_____	_____
Rep. John Davies	✓	_____	_____	_____	Y	N	Y	Y	Y
Rep. Pete Kott	✓	_____	_____	_____	N	Y	N	N	N
Rep. Eileen MacLean	_____	_____	_____	_____	_____	_____	_____	_____	_____
Rep. Irene Nicholia	_____	_____	_____	_____	_____	_____	_____	_____	_____

3-3 3-3 1-5

Other Legislators Present _____

AGENDA:

Bill No.	Short Title	Action Taken
<u>SB 16</u>	<u>Increase Bond Grant to Univ. of AK</u>	<u>HCS CSSB 16 (RES) OUT</u>
<u>SJR 27</u>	<u>Endorsing Falls Creek Hydropower Project</u>	<u>SJR 27 OUT</u>
<u>SB 77</u>	<u>Intensive Management of Rivers</u>	<u>HCS SB 77 (RES) OUT</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

OTHER

HOUSE RESOURCES COMMITTEE



Alaska State Legislature
House of Representatives

DATE: 4/27/95

PLACE: ROOM 124

SUBJECT OF MEETING:
 HB 312 - Extended License Subsistence Law
 HJR 38 - Magnuson Fishery Conservation + mgmt. Act
 HJR 46 - Endorsing Fall Creek Hydropower Project
 SB16 - Increased Land Grant Volume of AK

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
→ P. LAMAR LEVITT	GUSTAVUS ELEC. CO.	Box 102 Gustavus			6972299	(Y) N	HJR 46
→ KYLE SANGU	"	3475 W " "			7904477	(Y) N	"
Oliver [unclear]	Grand Central ANIS					(Y) N	HB 312
→ ANDREW EBONA	GR. CAMP ANIS	ONE SE ALASKA PLAZA JUN. AK.				Y (N)	
✓ Nico Blas	AK - DNR	400 Willoughby Ave			2406	(Y) N	SB16
Sara Hamon	A.E.L	PO Box 22151 JUNEAU, AK 99801			463-3364	(Y) N	SB16
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

HOUSE RESOURCES COMMITTEE



Alaska State Legislature
House of Representatives

DATE: 4-27-95

PLACE: ROOM 124

SUBJECT OF MEETING:
SB 16 -
HB 312 -

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Wendy Redma	Ug A					<input checked="" type="radio"/> Y	<input type="radio"/> N	SB 16
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	

04/27/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

18:08:42

PARTICIPANT LIST (TESTIFIERS ONLY)

BY:JNU

TCN:50677 SCHEDULED FOR:04/27/95 16:00 TO 19:00

FOR:ALL

PUBLIC HEARING

HOUSE RESOURCES

LOCATION: ANCHORAGE

HB 312	GEORGE	IRWIN	2801 Touche Ct. 99517 274-3611	AFN	TESTIFY
SB 16	JEFF	PARKER	1201 Hyler 99507	ASA/TU 274-5418	TESTIFY
SB 16	ERUK	WILLIAMSON	12720 Kuparuk Rd. 99516	ANCH F & G ADV.	TESTIFY
SB 16	CLIFF	EAMES	519 W. 8th # 201 99501	AK CNTR ENVIR. 274-3621	TESTIFY

LOCATION: BARROW

LOCATION: BETHEL

HB 312	CALVIN	SIMEON	P.O. Box 219 99559	AVCP 5143-3521	TESTIFY
--------	--------	--------	--------------------	----------------	---------

LOCATION: FAIRBANKS

SB 16	MS. BONNIE	WILLIAMS	1335 Sunny Slope 99709	455-6652	TESTIFY
SB 16	MR. DAN	RITZMAN	218 Driveway Fb 99701	NAEC	TESTIFY
SB 16	MR. COLIN	READ	653 Love Rd 99712	488-7117	TESTIFY
SB 16	MS. MARIE	BEAVER	bx 86433 99708	479-8129	TESTIFY
SB 16	MR. BRIAN	ROGERS	100 Cushman St. #388 99701	457-4209	TESTIFY
SB 16	MR. SEAN	MCGUIRE	351 Cloudberry Dr. 99709	479-7134	TESTIFY

LOCATION: HOMER

HB 312	MR. JACK	POLSTER	1506 Decon Dr 99603		TESTIFY
SB 16	MS. LAUREN	CARLTON	bx 198 99603		TESTIFY

LOCATION: JUNEAU

ALL ITEMS	REP	B	WILLIAMS	CO-CHAIR	TESTIFY
ALL ITEMS	REP	J	GREEN	CC-CHAIR	TESTIFY
ALL ITEMS	REP	S	OGAN		TESTIFY
ALL ITEMS	REP	R	BARNES		TESTIFY
ALL ITEMS	REP	A	AUSTERMAN		TESTIFY
ALL ITEMS	REP	P	KOTT		TESTIFY
ALL ITEMS	REP	J	DAVIES		TESTIFY

ALL ITEMS	REP	I	NICKOLIA	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY
ALL ITEMS		TO	TESTIFY	TESTIFY

LOCATION: PETERSBURG
 SB 16 MR. DON CORNELIUS TESTIFY
10x 1727 99833

LOCATION: KEN/SOL

Alaska Federation of Natives, Inc.

AFN TESTIMONY ON H.B. 312 - HOUSE RESOURCES - 4/27/95 (GI)

The Alaska Federation of Natives urges the Nineteenth Alaska Legislature not to enact H.B. 312. This bill will do nothing to resolve the real issue of subsistence in Alaska - which is the federal-state impasse over the rural preference and the steadily expanding loss of state authority over our own resources.

In 1992, the Hickel administration tried to force on the Native community a whole new system of subsistence eligibility which, if enacted, would have dismantled village economies and social structures. That plan was firmly rejected, and all that the former administration could get was bits and pieces of an anti-subsistence statute. It got the power to designate huge regions of the state as non-subsistence use areas - in which sport and commercial uses were to be protected from all other competition and no Alaskan, no matter how great his or her need, could hunt or fish for food. It also got a definition of "customary trade," a definition of "customary and traditional" uses, and a "reasonable opportunity" standard of subsistence protections - none of which is adequate to the state's needs or complies with federal law.

Non-subsistence use areas have been struck down as unconstitutional by the Superior Court. That ruling will likely be upheld by the Alaska Supreme Court - in which case the state government will not enjoy that power regardless of what the Legislature does on H.B. 312.

The 1992 statute also provided an automatic "sunset" on October 1, 1995 and required an in-depth analysis of the 1992 law's implementation, including specific policy recommendations, prior to further legislative action. No such analysis has ever been conducted, and the legislative leadership's determined neglect of the entire issue has now brought it face to face with its own deadline. H.B. 312 therefore proposes to renege on the commitments of 1992, to hide from difficult policy choices and continue applying last-minute Band-Aids to every hemorrhage of state sovereignty.

AFN urges the Legislature to reject H.B. 312 - because it is inadequate to the state's needs, because it is anti-subsistence in intent and effect, and because it means that this Legislature has no intention of taking its responsibilities on the most divisive issue in state politics.

SB 16, Amendment #6

We do not support the requirement for selections not being less than 640 acres. Selections of that size make sense for mineralized or oil and gas areas as you need to make sure you cover the development area. 640 acres is way to large, however, for commercial development, recreation, commercial, industrial or residential tracts. A minimum of 40 acres makes much more sense in these cases. Often we do not mind development within a 40 - 160 acre site within a section but cannot support development within the whole section because of other public interest values. We need some flexibility in order to deal effectively with these concerns.

STEVE FRANK

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

Alaska State Legislature



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

Senate

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.

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

DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450

FAX (907) 465-2029

Mail Stop 3101

130 Seward Street, Suite 409

Juneau, Alaska 99801-2105

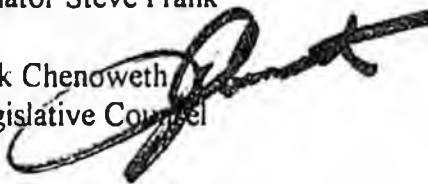
MEMORANDUM

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
Page 4

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: CSB 16 (Final)
 (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 BRU: Revenue Ops
 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: [Signature] Phone: 907-276-1363
 Division: Oil and Gas Audit Date: 3/9/95
 Approved by: [Signature]
 Commissioner: Deborah Voigt Date: 3/9/95
 Agency: Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

SB 16

No. 8Version: CSSB 16 Fin(S) Publish Date: 3-27-95

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSIONBILL 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: Senate Resources COMPONENT SERIAL NO. 486

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	1.8	1.8	1.8	1.8
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 *Ellen Fritts*
 Division: Habitat and Restoration
 Approved by Commissioner: Oliver Bruce *Oliver Bruce*
 Agency: Alaska Department of Fish and Game

Phone: 465-4105
 Date: 3/8/95
 Date: 3/9/95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

FISCAL NOT

BILL NO. CSSB16(CRA)

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

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, Sharp, Reiger Land Development
 Requestor: _____ Component Serial No. 427

Expenditures/Revenues	(Thousands of Dollars)					
	FY96	FY97	FY98	FY99	FY00	FY01
OPERATING EXPENDITURES						
PERSONAL SERVICES	60.0	60.0	60.0	60.0	60.0	60.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0
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						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0

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

POSITIONS						
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 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: 3-9-95
 Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

515 16

LEGISLATIVE SESSION

Revision Date: 9-Mar-95 Dept Affected: Natural Resources
 Title: An Act relating to the University of Alaska and BRIJ: 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

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, plating, 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

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

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.

HC60 Box 306T
Copper Center, AK 99573
April 25, 1995

House Committee on Community & Regional Affairs
c/o Representative Ivan Ivan, Co-Chair
State Capitol
Juneau, AK 99801

Re: SB 16 (University Land Grant)

For the Record

Dear Committee Members:

I strongly urge your providing increased financial support for the University of Alaska, but not through the means proposed in SB 16.

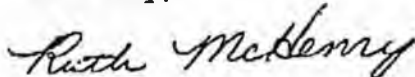
As a UAF graduate, I am grateful for and appreciative of the special role that the university plays in our state. It is disturbing to hear that maintenance has been deferred, that students wear parkas in some classrooms because of aging heating systems, and that a nearly-completed natural science building sits unused for lack of funds. Clearly, these conditions must be corrected, and state funding should be part of the solution.

The land grant system of funding the university would create more problems than it would solve. The cash-strapped university would be forced to sell, lease or develop lands in ways and at times that often would not be in the best interests of the state as a whole. Our state lands belong to all of us, and all of us should have a say in how and when they are used. This important public process would not be available if these lands were granted to the university.

As an alternative, I would be willing to pay a state income tax or sales tax to help bridge the "budget gap" and help the university continue to meet the needs of Alaska and Alaskans.

Again, I urge you to vote "no" on SB 16.

Sincerely,



Ruth McHenry

by FAX to (907)465-4589



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.

contact:

Wendy Redman
University Relations
463-3086/474-7582

Position Paper

State Land Grant Rankings

Ranked by the amount of federal land given to Higher Education	
1	New Mexico 1,346,546
2	Oklahoma 1,050,000
3	New York 990,000
4	Arizona 849,197
5	Pennsylvania 780,000
6	Ohio 699,120
7	Utah 556,141
8	Illinois 526,080
9	Indiana 436,080
10	Montana 388,721
11	Idaho 386,686
12	Alabama 383,785
13	Missouri 376,080
14	South Dakota 366,080
15	Massachusetts 360,000
16	Mississippi 348,240
17	Washington 336,080
18	North Dakota 336,080
19	Wisconsin 332,160
20	Kentucky 330,000
21	Tennessee 300,000
22	Virginia 300,000
23	Iowa 286,080
24	Michigan 286,080
25	Georgia 270,000
26	North Carolina 270,000
27	Louisiana 256,292
28	Minnesota 212,160
29	Maine 210,000
30	Maryland 210,000
31	New Jersey 210,000
32	California 196,080
33	Arkansas 196,080
34	Florida 182,160
35	Connecticut 180,000
36	South Carolina 180,000
37	Texas 180,000
38	Kansas 151,270
39	New Hampshire 150,000
40	Vermont 150,000
41	West Virginia 150,000
42	Colorado 138,040
43	Oregon 136,165
44	Nevada 136,080
45	Nebraska 136,080
46	Wyoming 136,080
47	Rhode Island 120,000
48	Alaska 112,064
49	Delaware 90,000
50	Hawaii 0
TOTAL 16,707,787	

Average 334,156

Ranked by the percentage of the state grant given to Higher Education	
1	New York 100.00%
2	Pennsylvania 100.00%
3	Massachusetts 100.00%
4	Tennessee 100.00%
5	Virginia 100.00%
6	Georgia 100.00%
7	North Carolina 100.00%
8	Maine 100.00%
9	Maryland 100.00%
10	New Jersey 100.00%
11	Connecticut 100.00%
12	South Carolina 100.00%
13	Texas 100.00%
14	New Hampshire 100.00%
15	Vermont 100.00%
16	West Virginia 100.00%
17	Rhode Island 100.00%
18	Delaware 100.00%
19	Kentucky 93.06%
20	Oklahoma 33.92%
21	Ohio 25.34%
22	Washington 11.04%
23	Indiana 10.79%
24	South Dakota 10.66%
25	North Dakota 10.62%
26	New Mexico 10.52%
27	Idaho 9.09%
28	Illinois 8.44%
29	Arizona 8.05%
30	Alabama 7.67%
31	Utah 7.41%
32	Montana 6.52%
33	Mississippi 5.71%
34	Missouri 5.07%
35	Nevada 4.99%
36	Nebraska 3.93%
37	Iowa 3.55%
38	Wisconsin 3.26%
39	Wyoming 3.13%
40	Colorado 3.09%
41	Michigan 2.36%
42	Louisiana 2.24%
43	California 2.22%
44	Kansas 1.94%
45	Oregon 1.94%
46	Arkansas 1.64%
47	Minnesota 1.29%
48	Florida 0.75%
49	Alaska 0.11%
50	Hawaii 0.00%
TOTAL 5.09%	

Average 42.01%

Ranked by the amount of federal land given to the States	
1	Alaska 104,569,251
2	Florida 24,214,366
3	Minnesota 16,422,051
4	New Mexico 12,794,718
5	Michigan 12,142,846
6	Arkansas 11,936,834
7	Louisiana 11,441,343
8	Arizona 10,543,753
9	Wisconsin 10,179,804
10	California 8,825,508
11	Iowa 8,061,262
12	Kansas 7,794,669
13	Utah 7,501,737
14	Missouri 7,417,022
15	Oregon 7,032,847
16	Illinois 6,234,655
17	Mississippi 6,097,997
18	Montana 5,963,338
19	Alabama 5,006,883
20	Colorado 4,471,604
21	Wyoming 4,342,520
22	Idaho 4,254,448
23	Indiana 4,040,518
24	Nebraska 3,458,711
25	South Dakota 3,435,373
26	North Dakota 3,163,552
27	Oklahoma 3,095,760
28	Washington 3,044,471
29	Ohio 2,758,862
30	Nevada 2,725,226
31	New York 990,000
32	Pennsylvania 780,000
33	Massachusetts 360,000
34	Kentucky 354,607
35	Tennessee 300,000
36	Virginia 300,000
37	Georgia 270,000
38	North Carolina 270,000
39	Maine 210,000
40	Maryland 210,000
41	New Jersey 210,000
42	Connecticut 180,000
43	South Carolina 180,000
44	Texas 180,000
45	New Hampshire 150,000
46	Vermont 150,000
47	West Virginia 150,000
48	Rhode Island 120,000
49	Delaware 90,000
50	Hawaii 0
TOTAL 328,426,536	

Average 6,568,531



Charlie Boddy
Vice President Of Governmental Relations

April 11, 1995

The Honorable Steve Frank
Alaska State Legislature
Juneau, Alaska

Subject: CSSB16 - University Of Alaska Lands Bill

Senator Frank:

The Alaska Coal Association (ACA) has asked me to contact you regarding the above mentioned legislation. The question or concern of the ACA membership is regarding language contained in section 14.40.365 (a)(4)(A). If we are reading this section correctly, all current state coal leases would be available for transfer to the University if selected for conveyance. Is our understanding correct?

Certain leased coal properties, that were original mental health trust lands, were not included in the final reconstituted trust land package. These lands are however still the subject of legal challenges, and their former trust status yet to be determined by the Supreme Court Of Alaska. This pending court decision, unless pressed for by the State under an expedited review, could be years away. The prospect of having any of these coal lands also subject to claim under another state selection process (CSSB-16), would certainly tend to exacerbate the problem, if action were taken prior to a final Supreme Court resolution of mental health land status.

If you could assist us in determining our "lease status" in relation to the selection process envisioned by your legislation, we would be most thankful. If there are questions you have of the ACA members, I can assist in facilitating those discussions. As in the past, thank you for your prompt attention to all matters which impact our business, and to this piece of legislation in particular. With best regards, I remain,

Sincerely,



Charlie Boddy

cc: Joseph E. Usibelli Jr.
Robert B. Stiles
V. Kent Dawson
Senator Bert Sharp
ACA Membership

sf041195



Alaska Sportfishing Association

P. O. Box 24-1847 Anchorage, AK 99524-1847

3 pp.

To: Tom Wright ^{Fax} 465 4589

From: Jeff Parker, ASA Board
 Trout Unlimited, Vice Pres.
 AK State Council

Re: SB 16 - University Lands Bill

4/28/95

Please include the attached in materials for HCRA Committee. I had planned to testify for ASA & TU but understand the SB 16 hearing will not be teleconferenced in Anchorage and that it will likely be rescheduled for Thursday.

ASA & TU oppose SB 16

Thank you,

Jeff Parker

272 9377 work
 272 9319 fax
 274 5418 home

FORUM / LETTERS TO

Legislature threatens to

By PHIL CUTLER and DENNIS RANDA

In his recent speech to the Anchorage Chamber of Commerce, Gov. Tony Knowles articulated clear goals for Cook Inlet fisheries: return more fish to rivers, protect habitat, improve sport opportunities, maintain healthy sport and commercial fishing industries, afford responsible access and work with local governments. Those goals, he noted, will not be reached if the Alaska Legislature cuts the Fish and Game budget as much as some lawmakers propose.

In contrast — and despite years of fruitless, pro-sport posturing by many lawmakers — the legislature is pursuing a three-pronged attack on fishery resources, sport fisheries and state management of fish and game.

First, the Senate seeks to cut Fish and Game's general fund budget below that of 1979. The cuts include one-third of the Habitat Division budget, thereby closing all offices except Anchorage and Juneau; 50 percent reduction of staff to review timber operations near streams; elimination of Fish and Game's program to assure public access when state or federal agencies convey land to private ownership; and a 15 percent reduction of staff who administer permits for development activities affecting salmon streams, while applications for such permits are increasing 8 percent to 10 percent annually.

Second, the Senate passed SB 16. In a nearly party-line vote, all but two Repub-



licans voted for the bill; all but one Democrat against. SB 16, opposed by the governor, is the University of Alaska lands bill. It will move public land and riverfront out of public ownership. It allows the university to select an additional 1 million acres of state land (except land under oil, coal, timber or mineral leases, contracts or claims). The land would have to be used to fund the university. But is funding the university from land realistic or nonsense? The university budget, from all sources, is about \$300 million. Only \$8.5 million of the university's budget is from its current 500,000 acres, and 75 percent of that is from one-shot timber sales. Over time, the university will fund less than 1 percent of its needs from land. The university now says it wants land along sport-fishing rivers in southcentral and southwest Alaska to sell to us sport fishermen, nonresidents, would-be lodge owners and guides. Nothing like "No Trespassing" signs, crowding and competition to make a fine outing, discourage tourists and provoke fish wars between sport, commercial, subsistence, guided and unguided, motorized

THE DAILY NEWS

overturn fisheries boat

and float fishermen, let alone that private property accounts for two-thirds of the fish habitat destruction on the Kenai River. Fish wars, squabbles between users and habitat protection cost money. It is in too short supply for uneconomic schemes like SB 16.

Third, the Senate leadership proposed zeroing-out the Subsistence Division budget. Now, there's a prescription for retrieving fish and game management from the feds. That proposal shows the unseemly side of subsistence politics. It shows that for some legislators, their past criticism of the governor's dismissal of the Babbitt case — regardless of whether one agrees or disagrees with that dismissal — is simply political posturing. For even if the governor had not dismissed the Babbitt case and supposing the state would have won the case with a Subsistence Division in place, the state would have plainly lost without one.

No attorney general, in his or her right mind, would have a prayer of winning the state's Babbitt argument — that the state, despite the inconsistency of state and federal subsistence law, should be allowed to manage subsistence on federal land — when the legislature had just abolished the Subsistence Division that is fundamental to state management. In other words, to simultaneously criticize the Babbitt dismissal as abandoning state management and then turn around to advocate doing away with the state Sub-

sistence Division, as some legislators have simultaneously said, reveals insincerity. Sport fishermen should not be fooled by legislators who posture by pushing hot buttons.

So, fishery politics quaked at the chamber. The legislature's primarily Republican leadership, that too often pushes hot buttons while axing budgets and disposing of rivers, found itself outmaneuvered. Can the legislature recoup? Yes.

Produce a sensible Fish and Game budget. Stop legislation that gives away rivers, like SB 16. Stop posturing on subsistence.

Finally, credit is due. Senators Halford and Phillips bucked fellow Republicans and voted against SB 16. Rep. Gail Phillips pledged to work with the governor on subsistence to secure changes to both state and federal law. Those Republicans broke ice in debates over land and subsistence by seeking cooperation with Democrats. We need similar cooperation on Fish and Game's budget. The days when legislators simultaneously could push publicly hot sport buttons and quietly pursue wholesale attacks on Fish and Game's budget and public land are gone.

□ Phil Cutler is president of the Alaska Sportfishing Association. Dennis Randa is president of the Alaska State Council of Trout Unlimited.



Northern Alaska Environmental Center

218 DRIVEWAY
FAIRBANKS, ALASKA 99701
(907) 452-5021

To: House Community & Regional Affairs
From: Northern Alaska Environmental Center
Re: SB 16 -- Disposal of Land to the University

The Northern Alaska Environmental Center opposes SB 16

While the Northern Center is a strong supporter of the University, we do not believe that SB 16 is the proper mechanism for funding the University. If the State is truly committed to the University there should be no problem funding it through the normal appropriations process.

SB 16 transfers public lands out of public ownership -- this means that Alaskans will lose their voice on the decisions that affect the management of a million unspecified acres. The University will select the best and most valuable land leaving the poorer land to the public. This type of "highgrading" without the opportunity for public comment is not responsible land management.

The land will no longer be managed for multiple public uses, the protection of wildlife habitat will be limited, water quality may be affected.

SB 16 exempts the land transferred from virtually all of the public participation and resource protection requirements of the Alaska Lands Act (AS 38.04 and 38.05).

The "abuse it or lose it" clause forces the University to rush into hasty, ill-conceived and especially destructive development; large-scale clearcutting for export may be one of the few ways that revenue can be generated within the specified timeframe.

SB 16 is not good for Alaska, it is not the answer to University funding and it is not responsible resource management.

Thank You,

Dan Ritzman
Boreal Forest Coordinator



printed on recycled paper



Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

Phone: 907-463-3366

Fax: 907-463-3312

SB 16 UNIVERSITY LAND GRANT

- This bill does not endow the University - it turns the University into an aggressive land developer, which is a separate and improper mission for them.
- The University of Alaska's land grant obligation is fulfilled, and they have **no higher right to State resources** than any other agency. This special grant of resources may create a constitutional problem by creating what could be considered a dedicated fund.
- All Alaskans currently have a say in land disposals and development of public lands. Putting one million acres of land into the "private" ownership of the University preempts equal access.
- The public and adjacent communities will have no voice in the disposition and management of University lands. University lands are considered private and thus exempt from the land management provisions of Title 38.04 and 38.05, including those which provide for public process.
- "Customary and traditional use" of the land is only protected until the University's development plans conflict with it.

4/10/95

ALASKA CENTER FOR THE ENVIRONMENT • ALASKA CHAPTER, SIERRA CLUB • ALASKA FRIENDS OF THE EARTH
ANCHORAGE AUDUBON SOCIETY • ARCTIC AUDUBON SOCIETY • CLEAN AIR COALITION • DENALI CITIZENS' COUNCIL
DENALI GROUP, SIERRA CLUB • JUNEAU AUDUBON SOCIETY • JUNEAU GROUP, SIERRA CLUB
KACHEMAK BAY CONSERVATION SOCIETY • KENAI PENINSULA AUDUBON SOCIETY • KNIK CANOERS AND KAYAKERS
KNIK GROUP, SIERRA CLUB • KODIAK AUDUBON SOCIETY • LYNN CANAL CONSERVATION • NORTHERN ALASKA ENVIRONMENTAL CENTER
PRINCE WILLIAM SOUND CONSERVATION ALLIANCE • SITKA CONSERVATION SOCIETY • SOUTHEAST ALASKA CONSERVATION COUNCIL • TONGASS CONSERVATION SOCIETY



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.