

**S B**

**16**

02/20/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:41:00 PARTICIPANT LIST (ALL PARTICIPANTS) BY:FBX  
TCN:50237 SCHEDULED FOR:02/20/95 13:30 TO 15:30 FOR:FBX  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:FAIRBANKS  
SB 16 MR. BRIAN ROGERS - TESTIFY ✓

02/20/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:46:26 PARTICIPANT LIST (ALL PARTICIPANTS) BY:SEW  
TCN:50237 SCHEDULED FOR:02/20/95 13:30 TO 15:30 FOR:SEW  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:SEWARD  
LOCAL BOUNDRY MR RICK SMERIGLIO SELF TESTIFY

02/20/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:46:32 PARTICIPANT LIST (ALL PARTICIPANTS) BY:ANC  
TCN:50237 SCHEDULED FOR:02/20/95 13:30 TO 15:30 FOR:ANC  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:ANCHORAGE  
SB 16 MARTIN EPSTEIN U OF A TESTIFY ✓  
SB 16 CLIFF EAMES AK CNTR ENVIRON TESTIFY ✓  
SB 16 FRED KLOUDA AK SPORT FISH TESTIFY ✓

X ADDITIONAL NAME!

02/20/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:38:38 PARTICIPANT LIST (ALL PARTICIPANTS) BY:ANC  
TCN:50237 SCHEDULED FOR:02/20/95 13:30 TO 15:30 FOR:ANC  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:ANCHORAGE  
SB 16 MARTIN EPSTEIN U OF A TESTIFY  
SB 16 CLIFF EAMES AK CNTR ENVIRON TESTIFY

# SENATE COMMITTEE REPORT

## First Committee of Referr

DATE: 1/16/95

FURTHER: Resources  
Finance

Date of 5-Day Notice: 2/9/95  
(in accordance with Uniform Rule 23)

DATE TURNED  
INTO OFFICE: 2/22/95

C&RA      Committee considered      SENATE BILL NO. 16

University of Alaska and university land, authorizing the University of Alaska to select additional state public domain land, and defining net income from the University of Alaska's endowment trust fund as 'university receipts' subject to prior legislative appropriation.

and recommends:

- be replaced with \_\_\_\_\_ CS SB 16 (CRA)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill:

same title  
new title

House Bill:

technical change  
new: SCR# \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS:	DP	DNP	NR	AM
<i>Roll E Crook</i>			✓	
<i>Paul F. Knapp</i>			✓	
<i>Leon Hoffa</i>			X	
<i>Thom Kelly</i>	X			
CHAIR: <i>John Ingram</i>	✓			

**NEW FISCAL NOTE(S):**

Department      Date      Zero      Fiscal

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department      Date      Zero      Fiscal

Department	Date	Zero	Fiscal
UNIVERSITY	1/27/95		100.0
NATURAL RESOURCES	2/7/95		76.0
FISH & GAME	2/10/95		34.3
REVENUE	2/1/95	✓	
REVENUE O&G			
AVIATION DIV	2/6/95	✓	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

No. 7

Bill Version: CSSB 116 (FIN)

# FISCAL NOT (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, Sharp, Reider Land Development  
 Requestor: \_\_\_\_\_ Component Serial No. 427

Expenditures/Revenues	(Thousands of Dollars)					
	FY96	FY97	FY98	FY99	FY00	FY01
<b>OPERATING EXPENDITURES</b>						
PERSONAL SERVICES	60.01	60.01	60.01	60.01	60.01	60.01
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						
<b>TOTAL OPERATING</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHT/A						
Other I/A Receipts	71.01	71.01	71.01	71.01	71.01	71.01
<b>TOTAL</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>

01515

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: [Signature] Date: 3-9-95  
 Agency: Natural Resources

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No. 8

Bill Ver.

CSSB 16 FIN

(S) P:

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: Senate Resources COMPONENT SERIAL NO. 386

**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
<b>TOTAL OPERATING</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**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						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>

Estimate of any current year (FY95) cost: 0.0

**POSITIONS**

FULL-TIME	0.51	0.51	0.51	0.51	0.51	0.51
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: Elen Fritts, Acting Director Phone: 465-1105  
 Division: Habitat and Restoration Date: 3/8/95  
 Approved by Commissioner: Oliver Brown for Date: 3/7/95  
 Agency: Alaska Department of Fish and Game

NO. 9  
 Bill Version: BSSB 16 (Fin)  
 (S) Publish Date: 3-27-95

# FISCAL NOTE

## STATE OF ALASKA 1995 LEGISLATIVE SESSION

Revision Date: 3/9/95 Dept. Affected: Revenue  
 Title: Increase Land Grant to UAA BRU: Revenue Oos  
 Component: Oil and Gas Audit  
 Sponsor: Frank  
 Requester: ISIRES 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
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

**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

**CS FOR SENATE BILL NO. 16(CRA)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**NINETEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE**

**Offered:  
Referred:**

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

**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 net  
3 income from the University of Alaska's endowment trust fund as 'university receipts'  
4 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 beneficiary,  
9 and of March 4, 1915, 38 Stat. 1214, transferring certain land for its location and support, the  
10 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;

1 (3) the Territory was unable to receive most of the land conveyed by the Act of  
2 March 4, 1915, before repeal of that Act by Sec. 6(k) of the Alaska Statehood Act (P.L. 85-508,  
3 72 Stat. 339);

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

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

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

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

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

18 \* Sec. 2. AS 14.40.170(a) is amended to read:

19 (a) The Board of Regents shall

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

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

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

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

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

27 (B) land

28 (i) conveyed to the Board of Regents by the commissioner  
29 of natural resources in the settlement of the claim of the University of  
30 Alaska to land granted to the state in accordance with the Act of March 4,  
31 1915 (38 Stat. 1214), as amended, and in accordance with the Act of

1 January 21, 1929 (45 Stat. 1091), as amended; and

2 (ii) selected by the University of Alaska and conveyed  
3 to it by the commissioner of natural resources under AS 14.40.365.  
4 except as provided in AS 14.40.368(2);

5 (5) keep a correct and easily understood record of the minutes of every  
6 meeting and all acts done by it in pursuance of its duties;

7 (6) under procedures to be established by the commissioner of  
8 administration, and in accordance with existing procedures for other state agencies, have  
9 the care, control, and management of all money of the university and keep a complete  
10 record of all money received and disbursed;

11 (7) adopt reasonable rules for the prudent trust management and the  
12 long-term financial benefit to the university of the land of the university;

13 (8) provide public notice of sales, leases, exchanges, and transfers of the  
14 land of the university or of interests in land of the university;

15 (9) report each year within the first 10 days of the convening of a regular  
16 session of the legislature on the expenditures made during the preceding fiscal year from  
17 the funds of the University of Alaska that are derived from sales, leases, exchanges, or  
18 transfers of the land of the university or of interests in land of the university

19 (A) that were conveyed to the University of Alaska in settlement  
20 of the claim of the University of Alaska to land granted to the state in accordance  
21 with the Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance  
22 with the Act of January 21, 1929 (45 Stat. 1091), as amended; and

23 (B) that were selected by and conveyed to the University of  
24 Alaska under AS 14.40.365.

25 \* Sec. 3. AS 14.40.291 is amended to read:

26 Sec. 14.40.291. LAND OF THE UNIVERSITY OF ALASKA NOT PUBLIC  
27 DOMAIN LAND. (a) Notwithstanding any other provision of law, university-grant  
28 land, state replacement land that becomes university-grant land on conveyance to the  
29 university, land selected by and conveyed to the University of Alaska under  
30 AS 14.40.365, and any other land owned by the University of Alaska is not and may not  
31 be treated as state public domain land. However, land conveyed to the University of

1 Alaska under AS 14.40.365 shall be treated as other public land and shall be  
2 managed under AS 14.40.366 and rules or regulations of the Board of Regents of the  
3 University.

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

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

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

10 Sec. 14.40.365. UNIVERSITY LAND FROM STATEHOOD ACT LAND  
11 SELECTION CONVEYANCES. (a) The University of Alaska may select and is entitled  
12 to receive the conveyance of 1,000,000 acres of land conveyed to the state under sec. 6(b)  
13 of the Alaska Statehood Act (P.L. 85-508, 72 Stat. 339) that, on the date of its selection  
14 by the university,

15 (1) has not been conveyed by the state;

16 (2) has not been reserved by law from the public domain;

17 (3) is not land

18 (A) included in a five-year proposed oil and gas leasing program  
19 under AS 38.05.180(b); or

20 (B) leased under, or for which a lease application is pending  
21 under, AS 38.05.180(d);

22 (4) is not subject to a possessory interest or encumbrance other than

23 (A) a lease that is not an oil or gas lease;

24 (B) a timber contract;

25 (C) a mining claim;

26 (D) a sale of materials under AS 38.05.110 - 38.05.120;

27 (E) a land use permit or right-of-way issued by the Department  
28 of Natural Resources under AS 38.05;

29 (5) is not necessary to carry out the purpose of an interagency land  
30 management agreement; or

31 (6) is not subject to conveyance under a land exchange or land settlement

1 agreement.

2 (b) Notwithstanding AS 38.05.125(a), the transfer of ownership and management  
3 of land from the Department of Natural Resources to the Board of Regents of the  
4 University of Alaska under this section includes

5 (1) the interest of the state in the coal, ores, minerals, fissionable  
6 materials, geothermal resources, and fossils that may be in or on the land; and

7 (2) the interest of the state in the oil and gas that may be in or on the land,  
8 but only as to land that is selected by the University of Alaska under this section on and  
9 after the date that is the fifth anniversary of the effective date of this section.

10 (c) When the University of Alaska selects the land to which it is entitled under  
11 this section, unless the commissioner of natural resources determines under (e) of this  
12 section that title to the land should not be conveyed, the commissioner of natural  
13 resources shall convey, subject to divestiture under (n) of this section, a document of  
14 interim conveyance under (k) of this section or a patent to land.

15 (d) When a selection has been made by the University of Alaska under (c) of this  
16 section, the land selected is closed to entry until the land selected has been conveyed or  
17 the selection has been rejected by the commissioner of natural resources.

18 (e) The commissioner of natural resources may not convey title to any land  
19 selection made by the University of Alaska under this section if the commissioner  
20 determines that the proposed selection

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

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

25 (B) the commissioner reasonably believes the land may be  
26 selected by a municipality under AS 29.65.030, but the commissioner may not  
27 withhold under this subparagraph the conveyance of title to land selected by the  
28 university longer than three years after the date of the municipality's  
29 incorporation;

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

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

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

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

9 (A) the interest of the general public in retention of the land in  
10 state ownership;

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

13 (C) the public benefits achieved by conveyance of the land to the  
14 University of Alaska;

15 (D) the probable potential for the development of the land and its  
16 resources and the probable income to the University of Alaska from the  
17 conveyance of the land;

18 (E) benefits to the University of Alaska from the conveyance of  
19 the land to it; and

20 (F) the efficiency of the management of the land resulting from  
21 the conveyance of the land.

22 (f) If the Board of Regents of the University of Alaska disagrees with a decision  
23 of the commissioner of natural resources not to convey to the University of Alaska land  
24 selected by it under this section, the Board of Regents and the commissioner of natural  
25 resources shall submit the matter to the governor, who shall make the decision. The  
26 decision of the governor is final.

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

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

5 (i) Land transferred or conveyed to the University of Alaska under this section

6 (1) is subject to

7 (A) section 6(i) of the Alaska Statehood Act (P.L. 85-508, 72 Stat.  
8 339);

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

10 (C) AS 19.10.010;

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

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

15 (2) excludes any interest transferred to the state by quit claim deed dated  
16 June 30, 1959, under authority of the Alaska Omnibus Act, P.L. 86-70, 73 Stat. 141;

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

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

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

31 (2) if the land is unsurveyed, the commissioner shall survey the exterior

1 boundaries of the land to be conveyed without interior subdivision, and shall issue patent  
2 in terms of the exterior boundary survey within one year of request by the University of  
3 Alaska.

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

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

14 (m) The University of Alaska may not make a land selection under this section  
15 after December 31, 2009.

16 (n) When the commissioner of natural resources issues a document of interim  
17 conveyance under (k) of this section or a patent for land selected and held by the  
18 University of Alaska, the commissioner of natural resources shall retain the right to  
19 reenter the land conveyed and recover title to it. The commissioner of natural resources  
20 shall reenter and recover title if, on the 10th anniversary of the execution of the  
21 conveyance, the commissioner finds that the University of Alaska is not actively  
22 managing the land to provide income for the support of its education programs.  
23 However, if at any time during the 10-year period, litigation, including any appeal, has  
24 prevented the University of Alaska from actively managing the land to provide income,  
25 the date on which the commissioner of natural resources shall make the finding required  
26 by this subsection is extended by a period equal to the period attributable to the litigation  
27 during which the University of Alaska was prevented from actively managing the land  
28 to provide income. For purposes of this subsection, "actively managing the land to  
29 provide income" means that the University of Alaska is deriving revenue from the land  
30 selection.

31 \* Sec. 5. AS 14.40 is amended by adding new sections to read:

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

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

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

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

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

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

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

25                   (1) the state is entitled to receive the income obtained from the lease,  
26 contract, claim, sale, permit, or right-of-way for the duration of the term of the lease,  
27 contract, claim, sale, permit, or right-of-way, and during any renewal of it that is  
28 authorized by the lease, contract, claim, sale, permit, or right-of-way, or by law;

29                   (2) the responsibility for the management of the land vests with the  
30 University of Alaska only upon conclusion of the term of the lease, contract, claim, sale,  
31 permit, or right-of-way, and any renewal authorized by the lease, contract, claim, sale,

1 permit, or right-of-way, by law.

2 Sec. 14.40.369. CUSTOMARY AND TRADITIONAL USES TO BE  
3 CONTINUED. When land selected by the University of Alaska under AS 14.40.365 has  
4 been conveyed to it, before conveying or displaying of an interest in land to a third party,  
5 the University of Alaska shall manage the land in a manner that permits customary and  
6 traditional uses of the resources of that land to the maximum extent practicable.

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

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

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

19 \* Sec. 7. AS 14.40.400(a) is amended to read:

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

26 \* Sec. 8. AS 14.40.491 is amended to read:

27 Sec. 14.40.491. DEFINITION OF UNIVERSITY RECEIPTS. In AS 14.40.120  
28 - 14.40.491, "university receipts" includes

- 29 (1) student fees, including tuition;  
30 (2) receipts from university auxiliary services;  
31 (3) recovery of indirect costs of university activities;

- 1 (4) the net income of the trust fund established in AS 14.40.400 and  
2 receipts from sales and rentals of university property;  
3 (5) federal receipts;  
4 (6) gifts, grants, and contracts; and  
5 (7) receipts from sales, rentals, and the provision of services of  
6 educational activities.

7 = Sec. 9. AS 29.45.030(a) is amended to read:

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

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

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

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

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

26 (2) household furniture and personal effects of members of a household;

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

29 (4) property of a nonbusiness organization composed entirely of persons  
30 with 90 days or more of active service in the armed forces of the United States whose  
31 conditions of service and separation were other than dishonorable, or the property of an

1 auxiliary of that organization;

2 (5) money on deposit;

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

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

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

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

13 \* Sec. 10. APPLICABILITY OF UNIVERSITY SELECTION RIGHTS UNDER  
14 AS 14.40.365 TO CERTAIN LAND. In addition to the land that, under AS 14.40.365(e), the  
15 commissioner of natural resources may not convey to the University of Alaska, the commissioner  
16 of natural resources may not convey land that, at the time of its selection by the university, is  
17 subject to designation for conveyance or conveyance to the Alaska Mental Health Trust Authority  
18 under sec. 40, ch. 5, FSSLA 1994, as amended by secs. 4 and 5, ch. 1, SSSLA 1994.

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: LEGAL SERVICES FAX#: 2029

Attn: \_\_\_\_\_ RE: SB 16 9-LS0165 \ A

Date: 2/20/95 Pages, including this cover sheet: 3

Memoranda: S. CRA PASSED OUT SB 16 TODAY WITH THE  
ATTACHED AMENDMENTS THAT ARE TO BE INCORPORATED  
INTO A COMMITTEE SUBSTITUTE

@S(CRA) CAN BE DELIVERED TO CAP ROOM 427-  
ATTENTION SANDY

Telephone Contact: 465-4989 SANDY

SENATE BILL 16 - Relating to University Land Grant Lands

DRAFT AMENDMENTS

Page 4, Line 4.

Following last sentence:

INSERT: "Provided, however, that land conveyed to the University under AS 14.40.365 shall be treated as other public land and shall be managed in accordance with AS. 14.40.366 and regulations promulgated by the University."

Page 7, Line 5

Following semicolon:

INSERT: "and AS 37.13.010;"

Page 7, Line 29

DELETE period

INSERT: "within one year of request by the University."

Page 8, Line 1

Following "...resources shall":

INSERT: "within one year of request by the University"

Page 8, Line 5

DELETE: "..execution"

INSERT: "...recording"

Page 8, Line 6

Following period,

INSERT: "The State shall bear the cost of recording all documents and deeds."

Page 9, Line 28

Following "..University of Alaska shall"

INSERT: ", prior to disposal or conveyance to third parties."

Page 9, Line 31

ADD new section and renumber following sections:

\*Sec. \_\_\_\_ AS 14.40 is amended by adding a new section to read:

**Sec. 14.40.371. Tort immunity for claims arising on University land not improved by the University.** The University of Alaska is not liable in tort, except for an affirmative act that constitutes gross negligence or reckless or intentional misconduct, for property damage or for injury to or death of a person who enters or remains on land owned by the University of Alaska; provided that the above exemption from liability does not apply to claims which arise on that portion of those lands which have been improved and actively maintained by the University of Alaska after its receipt of title thereto.

Page 10, Lines 7-12

DELETE

Page 10, Line 28

DELETE: "or"

Following "...state property,"

INSERT: "or property owned by the University of Alaska"

pg 4, LINE 3 - CHANGE "30" DAYS TO "60" DAYS

9-LS0165C ✓  
Chenoweth  
2/21/95

CS FOR SENATE BILL NO. 16(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:  
Referred:

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

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 net  
3 income from the University of Alaska's endowment trust fund as 'university receipts'  
4 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 beneficiary,  
9 and of March 4, 1915, 38 Stat. 1214, transferring certain land for its location and support, the  
10 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;

1 (3) the Territory was unable to receive most of the land conveyed by the Act of  
2 March 4, 1915, before repeal of that Act by Sec. 6(k) of the Alaska Statehood Act (P.L. 85-508,  
3 72 Stat. 339);

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

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

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

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

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

18 \* Sec. 2. AS 14.40.170(a) is amended to read:

19 (a) The Board of Regents shall

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

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

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

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

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

27 (B) land

28 (i) conveyed to the Board of Regents by the commissioner  
29 of natural resources in the settlement of the claim of the University of  
30 Alaska to land granted to the state in accordance with the Act of March 4,  
31 1915 (38 Stat. 1214), as amended, and in accordance with the Act of

1 January 21, 1929 (45 Stat. 1091), as amended; and

2 (ii) selected by the University of Alaska and conveyed  
3 to it by the commissioner of natural resources under AS 14.40.365,  
4 except as provided in AS 14.40.368(2);

5 (5) keep a correct and easily understood record of the minutes of every  
6 meeting and all acts done by it in pursuance of its duties;

7 (6) under procedures to be established by the commissioner of  
8 administration, and in accordance with existing procedures for other state agencies, have  
9 the care, control, and management of all money of the university and keep a complete  
10 record of all money received and disbursed;

11 (7) adopt reasonable rules for the prudent trust management and the  
12 long-term financial benefit to the university of the land of the university;

13 (8) provide public notice of sales, leases, exchanges, and transfers of the  
14 land of the university or of interests in land of the university;

15 (9) report each year within the first 10 days of the convening of a regular  
16 session of the legislature on the expenditures made during the preceding fiscal year from  
17 the funds of the University of Alaska that are derived from sales, leases, exchanges, or  
18 transfers of the land of the university or of interests in land of the university

19 (A) that were conveyed to the University of Alaska in settlement  
20 of the claim of the University of Alaska to land granted to the state in accordance  
21 with the Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance  
22 with the Act of January 21, 1929 (45 Stat. 1091), as amended; and

23 (B) that were selected by and conveyed to the University of  
24 Alaska under AS 14.40.365.

25 \* Sec. 3. AS 14.40.291 is amended to read:

26 Sec. 14.40.291. LAND OF THE UNIVERSITY OF ALASKA NOT PUBLIC  
27 DOMAIN LAND. (a) Notwithstanding any other provision of law, university-grant  
28 land, state replacement land that becomes university-grant land on conveyance to the  
29 university, land selected by and conveyed to the University of Alaska under  
30 AS 14.40.365, and any other land owned by the University of Alaska is not and may not  
31 be treated as state public domain land. However, land conveyed to the University of

1 Alaska under AS 14.40.365 shall be treated as other public land and shall be  
2 managed under AS 14.40.366 and rules or regulations of the Board of Regents of the  
3 University.

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

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

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

10 Sec. 14.40.365. UNIVERSITY LAND FROM STATEHOOD ACT LAND  
11 SELECTION CONVEYANCES. (a) The University of Alaska may select and is entitled  
12 to receive the conveyance of 1,000,000 acres of land conveyed to the state under sec. 6(b)  
13 of the Alaska Statehood Act (P.L. 85-508, 72 Stat. 339) that, on the date of its selection  
14 by the university,

15 (1) has not been conveyed by the state;

16 (2) has not been reserved by law from the public domain;

17 (3) is not

18 (A) included in a five-year proposed oil and gas leasing program  
19 under AS 38.05.180(b); or

20 (B) leased under, or for which a lease application is pending  
21 under, AS 38.05.180(d);

22 (4) is not subject to a possessory interest or encumbrance other than

23 (A) a lease that is not an oil or gas lease;

24 (B) a timber contract;

25 (C) a mining claim;

26 (D) a sale of materials under AS 38.05.110 - 38.05.120;

27 (E) a land use permit or right-of-way issued by the Department  
28 of Natural Resources under AS 38.05;

29 (5) is not necessary to carry out the purpose of an interagency land  
30 management agreement; or

31 (6) is not subject to conveyance under a land exchange or land settlement

1 agreement.

2 (b) Notwithstanding AS 38.05.125(a), the transfer of ownership and management  
3 of land from the Department of Natural Resources to the Board of Regents of the  
4 University of Alaska under this section includes

5 (1) the interest of the state in the coal, ores, minerals, fissionable  
6 materials, geothermal resources, and fossils that may be in or on the land; and

7 (2) the interest of the state in the oil and gas that may be in or on the land,  
8 but only as to land that is selected by the University of Alaska under this section on and  
9 after the date that is the fifth anniversary of the effective date of this section.

10 (c) When the University of Alaska selects the land to which it is entitled under  
11 this section, unless the commissioner of natural resources determines under (e) of this  
12 section that title to the land should not be conveyed, the commissioner of natural  
13 resources shall convey, subject to divestiture under (n) of this section, a document of  
14 interim conveyance under (k) of this section or a patent to land.

15 (d) When a selection has been made by the University of Alaska under (c) of this  
16 section, the land selected is closed to entry until the land selected has been conveyed or  
17 the selection has been rejected by the commissioner of natural resources.

18 (e) The commissioner of natural resources may not convey title to any land  
19 selection made by the University of Alaska under this section if the commissioner  
20 determines that the proposed selection

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

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

25 (B) the commissioner reasonably believes the land may be  
26 selected by a municipality under AS 29.65.030, but the commissioner may not  
27 withhold under this subparagraph the conveyance of title to land selected by the  
28 university longer than three years after the date of the municipality's  
29 incorporation;

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

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

32 (B) the commissioner reasonably believes will be made part of,

1 an oil and gas exploration license issued under AS 38.05.131 - 38.05.134; the  
2 commissioner may not refuse to convey title to land to the University of Alaska  
3 under this subparagraph for more than three years after its first selection by the  
4 University of Alaska;

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

8 (A) the interest of the general public in retention of the land in  
9 state ownership;

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

12 (C) the public benefits achieved by conveyance of the land to the  
13 University of Alaska;

14 (D) the probable potential for the development of the land and its  
15 resources and the probable income to the University of Alaska from the  
16 conveyance of the land;

17 (E) benefits to the University of Alaska from the conveyance of  
18 the land to it; and

19 (F) the efficiency of the management of the land resulting from  
20 the conveyance of the land.

21 (f) If the Board of Regents of the University of Alaska disagrees with a decision  
22 of the commissioner of natural resources not to convey to the University of Alaska land  
23 selected by it under this section, the Board of Regents and the commissioner of natural  
24 resources shall submit the matter to the governor, who shall make the decision. The  
25 decision of the governor is final.

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

31 (h) In conveying land to the University of Alaska under this section, the  
32 commissioner of natural resources shall give public notice under AS 38.05.945(b) and

1 (c) and provide for access under AS 38.05.127, but other provisions of AS 38.04 and  
2 AS 38.05 do not apply.

3 (i) Land transferred or conveyed to the University of Alaska under this section

4 (1) is subject to

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

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

8 (C) AS 19.10.010;

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

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

13 (2) excludes any interest transferred to the state by quit claim deed dated  
14 June 30, 1959, under authority of the Alaska Omnibus Act, P.L. 86-70, 73 Stat. 141;

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

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

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

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

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

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

11 (m) The University of Alaska may not make a land selection under this section  
12 after December 31, 2009.

13 (n) When the commissioner of natural resources issues a document of interim  
14 conveyance under (k) of this section or a patent for land selected and held by the  
15 University of Alaska, the commissioner of natural resources shall retain the right to  
16 reenter the land conveyed and recover title to it. The commissioner of natural resources  
17 shall reenter and recover title if, on the 10th anniversary of the execution of the  
18 conveyance, the commissioner finds that the University of Alaska is not actively  
19 managing the land to provide income for the support of its education programs.  
20 However, if at any time during the 10-year period, litigation, including any appeal, has  
21 prevented the University of Alaska from actively managing the land to provide income,  
22 the date on which the commissioner of natural resources shall make the finding required  
23 by this subsection is extended by a period equal to the period attributable to the litigation  
24 during which the University of Alaska was prevented from actively managing the land  
25 to provide income. For purposes of this subsection, "actively managing the land to  
26 provide income" means that the University of Alaska is deriving revenue from the land  
27 selection.

28 \* Sec. 5. AS 14.40 is amended by adding new sections to read:

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

1 procedures for state land under AS 38.05.185 - 38.05.275.

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

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

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

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

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

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

21 (1) the state is entitled to receive the income obtained from the lease,  
22 contract, claim, sale, permit, or right-of-way for the duration of the term of the lease,  
23 contract, claim, sale, permit, or right-of-way, and during any renewal of it that is  
24 authorized by the lease, contract, 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, claim, sale,  
27 permit, or right-of-way, and any renewal authorized by the lease, contract, claim, sale,  
28 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 has  
31 been conveyed to it, before conveying or displaying of an interest in land to a third party,  
32 the University of Alaska shall manage the land in a manner that permits customary and

1 traditional uses of the resources of that land to the maximum extent practicable.

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

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

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

14 \* Sec. 7. AS 14.40.400(a) is amended to read:

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

21 \* Sec. 8. AS 14.40.491 is amended to read:

22 Sec. 14.40.491. DEFINITION OF UNIVERSITY RECEIPTS. In AS 14.40.120  
23 - 14.40.491, "university receipts" includes

- 24 (1) student fees, including tuition;
- 25 (2) receipts from university auxiliary services;
- 26 (3) recovery of indirect costs of university activities;
- 27 (4) the net income of the trust fund established in AS 14.40.400 and  
28 receipts from sales and rentals of university property;
- 29 (5) federal receipts;
- 30 (6) gifts, grants, and contracts; and
- 31 (7) receipts from sales, rentals, and the provision of services of

1 educational activities.

2 \* Sec. 9. AS 29.45.030(a) is amended to read:

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

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

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

9 (B) notwithstanding any other provision of law, property acquired  
10 by an agency, corporation, or other entity of the state through foreclosure or deed  
11 in lieu of foreclosure and retained as an investment of a state entity is taxable; this  
12 subparagraph does not apply to federal land granted to the University of Alaska  
13 under AS 14.40.380 or 14.40.390, [OR] to other land granted to the university by  
14 the state to replace land that had been granted under AS 14.40.380 or 14.40.390,  
15 or to land conveyed by the state to the University of Alaska under  
16 AS 14.40.365;

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

21 (2) household furniture and personal effects of members of a household;

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

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

28 (5) money on deposit;

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

31 (7) real property or an interest in real property that is exempt from

1           taxation under 43 U.S.C. 1620(d), as amended;

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

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

8       \* **Sec. 10. APPLICABILITY OF UNIVERSITY SELECTION RIGHTS UNDER**  
9 **AS 14.40.365 TO CERTAIN LAND.** In addition to the land that, under AS 14.40.365(e), the  
10 commissioner of natural resources may not convey to the University of Alaska, the commissioner  
11 of natural resources may not convey land that, at the time of its selection by the university, is  
12 subject to designation for conveyance or conveyance to the Alaska Mental Health Trust Authority  
13 under sec. 40, ch. 5, FSSLA 1994, as amended by secs. 4 and 5, Ch. 1, SSSLA 1994.

**SENATE BILL NO. 16**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**NINETEENTH LEGISLATURE - FIRST SESSION**

**BY SENATORS FRANK, Kelly, Sharp, Rieger**

**Introduced: 1/16/95**

**Referred: CRA, RES, FIN**

**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; and

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.

17 \* Sec. 2. AS 14.40.170(2) is amended to read:

18 (a) The Board of Regents shall

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

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

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

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

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

26 (B) land

27 (i) conveyed to the Board of Regents by the  
28 commissioner of natural resources in the settlement of the claim of the  
29 University of Alaska to land granted to the state in accordance with the  
30 Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance  
31 with the Act of January 21, 1929 (45 Stat. 1091), as amended; and



1 not be treated as state public domain land. Title to or interest in [TO] land described  
2 in this section may not be acquired by adverse possession, prescription, or in any other  
3 manner except by conveyance from the university. The land is subject to  
4 condemnation for public purpose in accordance with law.

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

6 Sec. 14.40.365. UNIVERSITY LAND FROM STATEHOOD ACT LAND  
7 SELECTION CONVEYANCES. (a) The University of Alaska may select and is  
8 entitled to receive the conveyance of ~~1,000,000~~<sup>2,000,000</sup> ~~acres~~<sup>570,000</sup> of land conveyed to the state  
9 under Sec. 6(b) of the Alaska Statehood Act (P.L. 85-508, 72 Stat. 339) that, on the  
10 date of its selection by the university,

11 (1) has not been conveyed by the state;

12 (2) has not been reserved by law from the public domain;

13 (3) is not land

14 (A) included in a five-year proposed oil and gas leasing  
15 program under AS 38.05.180(b); or

16 (B) leased under, or for which a lease application is pending  
17 under, AS 38.05.180(d);

18 (4) is not subject to a possessory interest or encumbrance other than

19 (A) a lease that is not an oil or gas lease;

20 (B) a timber contract;

21 (C) a mining claim;

22 (D) a sale of materials under AS 38.05.110 - 38.05.120;

23 (E) a land use permit or right-of-way issued by the Department  
24 of Natural Resources under AS 38.05;

25 (5) is not necessary to carry out the purpose of an interagency land  
26 management agreement; or

27 (6) is not subject to conveyance under a land exchange or land  
28 settlement agreement.

29 (b) Notwithstanding AS 38.05.125(a), the transfer of ownership and  
30 management of land from the Department of Natural Resources to the Board of  
31 Regents of the University of Alaska under this section includes

1 (1) the interest of the state in the coal, ores, minerals, fissionable  
2 materials, geothermal resources, and fossils that may be in or on the land; and

3 (2) the interest of the state in the oil and gas that may be in or on the  
4 land, but only as to land that is selected by the University of Alaska under this section  
5 on and after the date that is the fifth anniversary of the effective date of this section.

6 (c) When the University of Alaska selects the land to which it is entitled under  
7 this section, unless the commissioner of natural resources determines under (e) of this  
8 section that title to the land should not be conveyed, the commissioner of natural  
9 resources shall convey, subject to divestiture under (n) of this section, a document of  
10 interim conveyance under (k) of this section or a patent to land.

11 (d) When a selection has been made by the University of Alaska under (c) of  
12 this section, the land selected is closed to entry until the land selected has been  
13 conveyed or the selection has been rejected by the commissioner of natural resources.

14 (e) The commissioner of natural resources may not convey title to any land  
15 selection made by the University of Alaska under this section if the commissioner  
16 determines that the proposed selection

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

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

22 (B) the commissioner reasonably believes the land may be  
23 selected by a municipality under AS 29.65.030, but the commissioner may not  
24 withhold under this subparagraph the conveyance of title to land selected by the  
25 university longer than three years after the date of the municipality's  
26 incorporation;

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

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

29 (B) the commissioner reasonably believes will be made part of,  
30 an oil and gas exploration license issued under AS 38.05.131 - 38.05.134; the  
31 commissioner may not refuse to convey title to land to the University of Alaska

1 under this subparagraph for more than three years after its first selection by the  
2 University of Alaska;

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

6 (A) the interest of the general public in retention of the land in  
7 state ownership;

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

10 (C) the public benefits achieved by conveyance of the land to  
11 the University of Alaska;

12 (D) the probable potential for the development of the land and  
13 its resources and the probable income to the University of Alaska from the  
14 conveyance of the land;

15 (E) benefits to the University of Alaska from the conveyance  
16 of the land to it; and

17 (F) the efficiency of the management of the land resulting from  
18 the conveyance of the land.

19 (f) If the Board of Regents of the University of Alaska disagrees with a  
20 decision of the commissioner of natural resources not to convey to the University of  
21 Alaska land selected by it under this section, the Board of Regents and the  
22 commissioner of natural resources shall submit the matter to the governor, who shall  
23 make the decision. The decision of the governor is final.

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

29 (h) In conveying land to the University of Alaska under this section, the  
30 commissioner of natural resources shall give public notice under AS 38.05.945(b) and  
31 (c) and provide for access under AS 38.05.127, but other provisions of AS 38.04 and

1 AS 38.05 do not apply.

2 (i) Land transferred or conveyed to the University of Alaska under this section

3 (1) is subject to

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

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

7 (C) AS 19.10.010; and

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

10 (2) excludes any interest transferred to the state by quit claim deed  
11 dated June 30, 1959, under authority of the Alaska Omnibus Act, P.L. 86-70, 73 Stat.  
12 141;

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

19 (j) The University of Alaska shall bear all costs of selection, platting,  
20 surveying, and conveyance of the land that it selects under this section and, subject to  
21 appropriation, shall reimburse the Department of Natural Resources for the reasonable  
22 costs incurred by that department relating to that selection, platting, surveying, and  
23 conveyance. As to land due the University of Alaska under (e) of this section because  
24 it has not been disapproved under (e) of this section,

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

27 (2) if the land is unsurveyed, the commissioner shall survey the exterior  
28 boundaries of the land to be conveyed without interior subdivision, and shall issue  
29 patent in terms of the exterior boundary survey.

30 (k) For land due the University of Alaska under (e) of this section that is  
31 unsurveyed, pending the survey of exterior boundaries and issuance of patent, the

1 commissioner of natural resources shall prepare and provide to the University of  
2 Alaska a document of interim conveyance for the land to be conveyed.

3 (l) Except as provided in AS 14.40.368(2), management of land conveyed to  
4 the University of Alaska by patent or by a document of interim conveyance vests with  
5 the University of Alaska from the date of execution of the patent or document of  
6 interim conveyance.

7 (m) The University of Alaska may not make a land selection under this section  
8 after December 31, 2009.

9 <sup>IN HOUSE 144</sup> (n) When the commissioner of natural resources issues a document of interim  
10 conveyance under (k) of this section or a patent for land selected and held by the  
11 University of Alaska, the commissioner of natural resources shall retain the right to  
12 reenter the land conveyed and recover title to it. The commissioner of natural  
13 resources shall reenter and recover title if, on the 10th anniversary of the execution of  
14 the conveyance, the commissioner finds that the University of Alaska is not actively  
15 managing the land to provide income for the support of its education programs.  
16 However, if at any time during the 10-year period, litigation, including any appeal, has  
17 prevented the University of Alaska from actively managing the land to provide income,  
18 the date on which the commissioner of natural resources shall make the finding  
19 required by this subsection is extended by a period equal to the period attributable to  
20 the litigation during which the University of Alaska was prevented from actively  
21 managing the land to provide income. For purposes of this subsection, "actively  
22 managing the land to provide income" means that the University of Alaska is deriving  
23 revenue from the land selection.

24 \* Sec. 5. AS 14.40 is amended by adding new sections to read:

25 <sup>DIFF FROM 217</sup> Sec. 14.40.366. MANAGEMENT AND DISPOSITION OF UNIVERSITY  
26 <sup>→</sup> LAND. (a) The Board of Regents shall, by rule or regulation, establish procedures  
27 for mineral entry or location and mineral leasing on university land selections made  
28 under AS 14.40.365 that are substantially similar to mineral entry, location, and leasing  
29 procedures for state land under AS 38.05.185 - 38.05.275.

30 (b) Notwithstanding other provisions of law, the University of Alaska shall  
31 seek public comment on proposals for development or sale of university selections

1 made under AS 14.40.365. The Board of Regents shall adopt policies which provide  
2 that the university shall prepare an annual plan for management and disposition of  
3 university land under this section and shall, not less than ~~30~~<sup>50</sup> days prior to scheduled  
4 approval by the Board of Regents of the plan

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

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

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

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

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

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

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

26 Sec. 14.40.369. CUSTOMARY AND TRADITIONAL USES TO BE  
27 CONTINUED. When land selected by the University of Alaska under AS 14.40.365  
28 has been conveyed to it, the University of Alaska shall manage the land in a manner  
29 that permits customary and traditional uses of the resources of that land to the  
30 maximum extent practicable.

31 \* Sec. 6. AS 14.40.400(a) is amended to read:

1 (a) The Department of Revenue shall establish a separate endowment trust  
2 fund in which all net income derived from the sale or lease of the land granted under  
3 the Act of Congress approved January 21, 1929, and the land selected by and  
4 conveyed to the University of Alaska under AS 14.40.365, and in which all  
5 monetary gifts, bequests, or endowments made to the University of Alaska for the  
6 purpose of the fund, shall be held in trust.

7 \* Sec. 7. AS 14.40.400(e) is amended to read:

8 (e) Subject to legislative appropriation, the [THE] Department of  
9 Administration shall disburse the net income from the trust fund upon vouchers  
10 approved by the president and treasurer of the University of Alaska specifying the  
11 purpose for which the money is to be used and showing it is to be used in conformity  
12 with this section.

13 \* Sec. 8. AS 14.40.491 is amended to read:

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

- 16 (1) student fees, including tuition;
- 17 (2) receipts from university auxiliary services;
- 18 (3) recovery of indirect costs of university activities;
- 19 (4) the net income of the trust fund established in AS 14.40.400 and  
20 receipts from sales and rentals of university property;
- 21 (5) federal receipts;
- 22 (6) gifts, grants, and contracts; and
- 23 (7) receipts from sales, rentals, and the provision of services of  
24 educational activities.

25 \* Sec. 9. AS 29.45.030(a) is amended to read:

- 26 (a) The following property is exempt from general taxation:
- 27 (1) municipal property, including property held by a public corporation  
28 of a municipality, or state property, except that  
29 (A) a private leasehold, contract, or other interest in the  
30 property is taxable to the extent of the interest;  
31 (B) notwithstanding any other provision of law, property

1           acquired by an agency, corporation, or other entity of the state through  
2           foreclosure or deed in lieu of foreclosure and retained as an investment of a  
3           state entity is taxable; this subparagraph does not apply to federal land granted  
4           to the University of Alaska under AS 14.40.380 or 14.40.390, [OR] to other  
5           land granted to the university by the state to replace land that had been granted  
6           under AS 14.40.380 or 14.40.390, or to land conveyed by the state to the  
7           University of Alaska under AS 14.40.365;

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

12                      (2) household furniture and personal effects of members of a  
13          household;

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

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

20                      (5) money on deposit;

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

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

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

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

1     \* Sec. 10.   APPLICABILITY OF UNIVERSITY SELECTION RIGHTS UNDER  
2 AS 14.40.365 TO CERTAIN LAND. In addition to the land that, under AS 14.40.365(e), the  
3 commissioner of natural resources may not convey to the University of Alaska, the  
4 commissioner of natural resources may not convey land that, at the time of its selection by  
5 the university, is subject to designation for conveyance or conveyance to the Alaska Mental  
6 Health Trust Authority under sec. 40, ch. 5, FSSLA 1994, as amended by secs. 4 and 5,  
7 SSSLA 1994.

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB16

Revision Date: \_\_\_\_\_ Dept. Affected: Fish and Game  
 Title: University Land Selection BRU: Habitat and Restoration Division  
 Component: Habitat  
 Sponsor: Frank  
 Requester: Sen. Community and Regional Affairs 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	32.6	34.0	35.5	37.1	38.7
TRAVEL	1.6	1.6	1.7	1.8	1.9	2.0
CONTRACTUAL	1.0	1.1	1.1	1.1	1.1	1.2
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
<b>TOTAL OPERATING</b>	<b>34.3</b>	<b>35.8</b>	<b>37.3</b>	<b>38.9</b>	<b>40.6</b>	<b>42.4</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.3	35.7	37.3	38.9	40.6	42.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>34.3</b>	<b>35.7</b>	<b>37.3</b>	<b>38.9</b>	<b>40.6</b>	<b>42.4</b>

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  
 Division: Habitat and Restoration

Phone: 465-4105  
 Date: 2/6/95

Approved by Commissioner: Garon Bruce for Frank Rue  
 Agency: Alaska Department of Fish and Game

Date: 2/10/95

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FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB16

Revision Date:  
Title: Land Grant to the University  
Sponsor: Frank  
Requestor:

Department Affected: University of Alaska  
BRU: Statewide Programs and Services  
Component: Statewide Services

COMPONENT SERIAL NO.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.0	100.0	100.0	100.0	100.0	100.0

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

REVENUE FD SOURCE						
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FUNDING: (Thousands of Dollars)	FY96	FY97	FY98	FY99	FY00	FY01
1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND						
1006 GF/MHTIA						
1048 University Receipts	100.0	100.0	100.0	100.0	100.0	100.0
TOTAL FUNDING	100.0	100.0	100.0	100.0	100.0	100.0

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) The costs identified are for a contract with the Department of Natural Resources for land conveyance costs. Costs could exceed those identified if land conveyance can be done more quickly than is currently anticipated. Any additional expenses will be covered from the land grant trust fund, identified as University Receipts. Additional receipt and expenditure authority would be request at that time. Additional land will generate additional revenue. However, without specific identification of land we are unable to quantify the potential for revenue generation.

Prepared by: Wendy Matheny, Budget Analyst Phone: 463-3086

Division: Statewide Budget Office Date: \_\_\_\_\_

Approved by: Alison Elgee, Director  Date: 1/27/95

Agency: Statewide Budget Office

Distribution (by prepuser): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agencies)

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB 16 I

Revision Date: 2/6/95 Dept. Affected: Revenue  
 Title: An Act authorizing the University of Alaska BRU: \_\_\_\_\_  
to select state public land and defining University endowment income Component: \_\_\_\_\_  
 Sponsor: Senators Frank, Kelly, Sharo  
 Requester: Frank COMPONENT SERIAL NO. \_\_\_\_\_

**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						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDI. JRES						
-----------------------	--	--	--	--	--	--

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						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

This Bill would authorize the University of Alaska to select additional state public domain subject to a wide variety of statutorily defined limitations with respect to existing and potential public revenue and interest concerns. In addition, the Bill would require legislative appropriation of disbursements from the University endowment trust fund which would include any new revenues resulting from the new lands selected by the University. 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: \_\_\_\_\_  
 Division: Oil and Gas Audit Division  
 Approved by Commissioner: [Signature]  
 Agency: \_\_\_\_\_

Phone: 277-5627  
 Date: 2/6/95  
 Date: 2/6/95

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# FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 16

1995 LEGISLATIVE SESSION

Revision Date: Original Dept Affected: Natural Resources  
 Title: An Act relating to land of the Univ of AK and BRU: Resource Development  
authorizing the U of A to select additional... Component: Land Development  
 Sponsor: Senator Frank  
 Requestor: \_\_\_\_\_ Component Serial No. 431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
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						
<b>TOTAL OPERATING</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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
<b>TOTAL</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>	<b>71.0</b>

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

POSITIONS

FULL-TIME	1	1	1	1	1	1
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 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 Phone: 762-2692  
 Division: Land Date: 3-Feb-95  
 Approved by Commissioner: [Signature] Date: 2/2/95  
 Agency: Natural Resources

## FISCAL NOTE

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB 16

RECEIVED  
FEB 02 1995

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: An Act relating to land of the University of Alaska BRU: Revenue Operations  
authorizing selection of state public domain land Component: Treasury Management  
 Sponsor: Senators Frank, Kelly, Sharp  
 Requester: CRA, RES, FIN COMPONENT SERIAL NO. 121

**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						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This legislation would not affect operating costs. However, potential General Fund revenues resulting from development of land granted to the University would accrue to the benefit of the University of Alaska Trust Fund rather than the General Fund.

Prepared by: Carolyn Hartsog, Asst. Comptroller Phone: 465-4880  
 Division: Treasury Date: 2/1/95  
 Approved by Commissioner: Deborah Voigt, Deputy Commissioner Date: 2/1/95  
 Agency: Department of Revenue

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# Alaska State Legislature

STEVE FRANK

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



RECEIVED

JAN 30 1995

Ans'd.....

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.

18<sup>th</sup> Legislature 95/94

JRN-DATE	JRN-PG		ACTION
5/09/93	2230	(S)	READ THE FIRST TIME - REFERRAL(S)
5/09/93	2231	(S)	STATE AFFAIRS, HES, JUDICIARY
3/14/94	3182	(S)	STA RPT CS JDP 2NR NEW TITLE
3/14/94	3183	(S)	ZERO FNS TO SB & CS PUBLISHED (DPS, LAN)
3/14/94	3183	(S)	REFERRED TO HES

SB 217

HCS CSSB 217(CRA) AM H

"An Act relating to the University of Alaska and university land, authorizing the University of Alaska to select additional state public domain land, and defining net income from the University of Alaska's endowment trust fund as 'university receipts' subject to prior legislative appropriation; and providing for an effective date."

SPONSOR(S): SENATOR(S) FRANK, Kerttula, Miller, Rieger, Taylor, Sharp

CURRENT STATUS: RETURN TO (H) RLS STATUS DATE: 5/10/94

JRN-DATE	JRN-PG		ACTION
5/11/93	2311	(S)	READ THE FIRST TIME - REFERRAL(S)
5/11/93	2311	(S)	HES, RESOURCES, FINANCE
2/04/94	2679	(S)	HES RPT CS 4DP NEW TITLE
2/04/94	2679	(S)	FISCAL NOTE TO SB & CS (DNR)
2/18/94	2882	(S)	RES RPT CS JDP 1NR NEW TITLE
2/18/94	2882	(S)	PREVIOUS FISCAL NOTE APPLIES (DNR)
3/10/94	3145	(S)	FIN RPT CS 3DP 1DNP NEW TITLE
3/10/94	3145	(S)	FNS TO CS PUBLISHED (UA, F&G)
3/10/94	3145	(S)	ZERO FN TO CS PUBLISHED (REV)
3/16/94	3238	(S)	FISCAL NOTE TO CS PUBLISHED (DNR)
4/06/94	3465	(S)	RULES RPT 2CAL 1NR 4/6/94
4/06/94	3466	(S)	READ THE SECOND TIME
4/06/94	3466	(S)	FIN CS ADOPTED UNAN CONSENT
4/06/94	3466	(S)	AM NO 1 ADOPTED Y12 N8
4/06/94	3467	(S)	AM NO 2 WITHDRAWN
4/06/94	3473	(S)	AM NO 3 ADOPTED Y11 N9
4/06/94	3474	(S)	AM NO 4 ADOPTED Y11 N9
4/06/94	3475	(S)	MOTION TO RESCIND ACTION FAILED Y10 N10
4/06/94	3476	(S)	MTN TO RESCIND ADOPTING AM 4 WITHDRAWN
4/06/94	3476	(S)	HELD IN SECOND READING TO 4/7 CALENDAR
4/07/94	3505	(S)	HELD IN 2ND RDG TO 4/12 CAL W/AMS PNDG
4/12/94	3602	(S)	HELD IN 2ND RDG TO 4/14 CAL W/AMS PNDG
4/14/94	3674	(S)	AM NO 5 ADOPTED UNAN CONSENT
4/14/94	3675	(S)	AM NO 6 ADOPTED UNAN CONSENT
4/14/94	3677	(S)	AM TO AM 7 WITHDRAWN
4/14/94	3676	(S)	AM NO 7 ADOPTED Y12 N7 E1
4/14/94	3678	(S)	ADVANCED TO THIRD READING UNAN CONSENT
4/14/94	3678	(S)	READ THE THIRD TIME CSSB 217(FIN) AM
4/14/94	3679	(S)	PASSED Y14 N5 E1
4/14/94	3679	(S)	EFFECTIVE DATE SAME AS PASSAGE
4/14/94	3690	(S)	TRANSMITTED TO (H)
4/15/94	3458	(H)	READ THE FIRST TIME - REFERRAL(S)
4/15/94	3458	(H)	CRA, RESOURCES, FINANCE
5/08/94	4208	(H)	RES REFERRAL WAIVED
5/09/94	4218	(H)	CRA RPT HCS(CRA) 3DP 3NR
5/09/94	4218	(H)	DP: BUNDE, WILLIAMS, TOOHEY
5/09/94	4218	(H)	NR: DAVIES, WILLIS, OLBERG
5/09/94	4219	(H)	-PREVIOUS SENATE FISCAL NOTE (DNR) 3/16
5/09/94	4219	(H)	-2 PREVIOUS SENATE FNS (UA, F&G) 3/10/94
5/09/94	4219	(H)	-PREVIOUS SENATE ZERO FN (REV) 3/10/94
5/09/94	4219	(H)	REFERRED TO FINANCE
5/09/94	4234	(H)	FIN REFERRAL WAIVED
5/09/94	4234	(H)	REFERRED TO RULES
5/09/94	4260	(H)	RULES TO SUPPLEMENTAL CALENDAR 5/9/94
5/09/94	4260	(H)	READ THE SECOND TIME
5/09/94	4260	(H)	CRA HCS ADOPTED UNAN CONSENT
5/09/94	4261	(H)	AMENDMENT NO 1 BY FINKELSTEIN

PAGE 112

JRN-DATE	JRN-PG		ACTION
5/09/94	4261	(H)	AMENDMENT NO 1 F
5/09/94	4262	(H)	AMENDMENT NO 2 B
5/09/94	4262	(H)	AMENDMENT NO 2 F
5/09/94	4263	(H)	AMENDMENT NO 3 B
5/09/94	4263	(H)	AMENDMENT NO 3 A
5/09/94	4264	(H)	AMENDMENT NO 4 B
5/09/94	4273	(H)	AMENDMENT NO 4 F
5/09/94	4274	(H)	OBJECTION TO ADV
5/09/94	4274	(H)	ADVANCED TO THIR
5/09/94	4274	(H)	...LEGISLATIVE D
5/10/94	4383	(H)	RETURN TO RLS C

SB 218

"An Act relating to contributions to candidate office; and relating to what is a 'political' as that term is used in the laws relating to gaming."

SPONSOR(S): SENATOR(S) PEARCE, Kelly

CURRENT STATUS: (S) FIN STATUS DATE

JRN-DATE	JRN-PG		ACTION
5/11/93	2343	(S)	READ THE FIRST T
5/11/93	2343	(S)	LABOR & COMMERCE
1/28/94	2628	(S)	L&C REFERRAL WA
1/28/94	2628	(S)	REFERRED TO FINA

SB 219

"An Act making appropriations to the Department for support of kindergarten, primary, and education and community schools programs and construction debt retirement; and providing date."

SPONSOR(S): SENATOR(S) KERTTULA, Ellis

CURRENT STATUS: (S) CRA THEN HES, FIN STATUS DATE

JRN-DATE	JRN-PG		ACTION
1/03/94	2450	(S)	PREFILE RELEASE
1/10/94	2450	(S)	READ THE FIRST
1/10/94	2450	(S)	CRA, HES, FIN

SB 220

CSSB 220(STA)

"An Act amending schedule IA of the scheduled substances applicable to offenses relating substances to add the drug methcathinone, identified as 'cat.'"

SPONSOR(S): SENATOR(S) ELLIS, Little; REPRESENTATIVE Nicholia

CURRENT STATUS: CHAPTER 30 SLA 94 STATUS DATE

JRN-DATE	JRN-PG		ACTION
1/03/94	2451	(S)	PREFILE RELEASE
1/10/94	2451	(S)	READ THE FIRST
1/10/94	2451	(S)	STA, JUD
2/14/94	2824	(S)	ST. RPT CS JDP
2/14/94	2824	(S)	ZERO FNS TO SB
3/15/94	3212	(S)	JUD RPT SDP (S)

PAGE 113

ACTION  
 READ THE FIRST TIME - REFERRAL(S)  
 STATE AFFAIRS, HES, JUDICIARY  
 STA RPT CS JDP 2NR NEW TITLE  
 ZERO FNS TO SB & CS PUBLISHED (DPS, LAW)  
 REFERRED TO HES

University of Alaska and university  
 University of Alaska to select  
 ic domain land, and defining net income  
 of Alaska's endowment trust fund as  
 subject to prior legislative  
 providing for an effective date."

Kerttula, Miller, Rieger, Taylor, Sharp

RLS STATUS DATE: 5/10/94

ACTION  
 READ THE FIRST TIME - REFERRAL(S)  
 HES, RESOURCES, FINANCE  
 HES RPT CS 4DP NEW TITLE  
 FISCAL NOTE TO SB & CS (DNR)  
 RES RPT CS JDP 1NR NEW TITLE  
 PREVIOUS FISCAL NOTE APPLIES (DNR)  
 FIN RPT CS JDP 1DNP NEW TITLE  
 FNS TO CS PUBLISHED (UA, F&G)  
 ZERO FN TO CS PUBLISHED (REV)  
 FISCAL NOTE TO CS PUBLISHED (DNR)  
 RULES RPT 2CAL 1NR 4/6/94  
 READ THE SECOND TIME  
 FIN CS ADOPTED UNAN CONSENT  
 AM NO 1 ADOPTED Y12 N8  
 AM NO 2 WITHDRAWN  
 AM NO 3 ADOPTED Y11 N9  
 AM NO 4 ADOPTED Y11 N9  
 MOTION TO RESCIND ACTION FAILED Y10 N10  
 MTN TO RESCIND ADOPTING AM 4 WITHDRAWN  
 HELD IN SECOND READING TO 4/7 CALENDAR  
 HELD IN 2ND RDG TO 4/12 CAL W/AMS PNDG  
 HELD IN 2ND RDG TO 4/14 CAL W/AMS PNDG  
 AM NO 5 ADOPTED UNAN CONSENT  
 AM NO 6 ADOPTED UNAN CONSENT  
 AM TO AM 7 WITHDRAWN  
 AM NO 7 ADOPTED Y12 N7 E1  
 ADVANCED TO THIRD READING UNAN CONSENT  
 READ THE THIRD TIME CSSB 217(FIN) AM  
 PASSED Y14 N5 E1  
 EFFECTIVE DATE SAME AS PASSAGE  
 TRANSMITTED TO (H)  
 READ THE FIRST TIME REFERRAL(S)  
 CRA, RESOURCES, FINANCE  
 RES REFERRAL WAIVED  
 CRA RPT HCS(CRA) JDP 1NR  
 DP: BUNDE, WILLIAMS, TOOHEY  
 MR: DAVIES, WILLIS, OLBERG  
 -PREVIOUS SENATE FISCAL NOTE (DNR) 3/16  
 -2 PREVIOUS SENATE FNS (UA, F&G) 3/10/94  
 -PREVIOUS SENATE ZERO FN (REV) 3/10/94  
 REFERRED TO FINANCE  
 FIN REFERRAL WAIVED  
 REFERRED TO RULES  
 RULES TO SUPPLEMENTAL CALENDAR 5/9/94  
 READ THE SECOND TIME  
 CRA HCS ADOPTED UNAN CONSENT  
 AMENDMENT NO 1 BY FINKELSTEIN

PAGE 112

5/09/94	4261	(H)
5/09/94	4262	(H)
5/09/94	4263	(H)
5/09/94	4263	(H)
5/09/94	4263	(H)
5/09/94	4264	(H)
5/09/94	4273	(H)
5/09/94	4274	(H)
5/09/94	4274	(H)
5/09/94	4274	(H)
5/10/94	4383	(H)

AMENDMENT NO 1 FAILED Y15 N25  
 AMENDMENT NO 2 BY FINKELSTEIN  
 AMENDMENT NO 2 FAILED Y11 N29  
 AMENDMENT NO 3 BY NAVARRE  
 AMENDMENT NO 3 ADOPTED Y22 N17 A1  
 AMENDMENT NO 4 BY FINKELSTEIN  
 AMENDMENT NO 4 FAILED Y7 N33  
 OBJECTION TO ADVANCEMENT MOTION  
 ADVANCED TO THIRD READING ON NEXT  
 ...LEGISLATIVE DAY'S CALENDAR  
 RETURN TO RLS COMMITTEE

218

"An Act relating to contributions to candidates for public office; and relating to what is a 'political organization' as that term is used in the laws relating to charitable gaming."

SPONSOR(S): SENATOR(S) PEARCE, Kelly

PRESENT STATUS: (S) FIN

STATUS DATE: 1/28/94

JRN-DATE	JRN-PG	(S)
5/11/93	2343	(S)
5/11/93	2343	(S)
1/28/94	2628	(S)
1/28/94	2628	(S)

ACTION  
 READ THE FIRST TIME - REFERRAL(S)  
 LABOR & COMMERCE, FINANCE  
 L&C REFERRAL WAIVED Y10 N6 E4  
 REFERRED TO FINANCE

219

"An Act making appropriations to the Department of Education for support of kindergarten, primary, and secondary education and community schools programs and for school construction debt retirement; and providing for an effective date."

SPONSOR(S): SENATOR(S) KERTTULA, Ellis

PRESENT STATUS: (S) CRA  
 THEN HES, FIN

STATUS DATE: 1/10/94

JRN-DATE	JRN-PG	(S)
1/03/94	2450	(S)
1/10/94	2450	(S)
1/10/94	2450	(S)

ACTION  
 PREFILE RELEASED 1/3/94  
 READ THE FIRST TIME - REFERRAL(S)  
 CRA, HES, FIN

220

CSSB 220(STA)  
 "An Act amending schedule IA of the schedules of controlled substances applicable to offenses relating to controlled substances to add the drug methcathinone, commonly identified as 'cat.'"

SPONSOR(S): SENATOR(S) ELLIS, Little; REPRESENTATIVE(S) Navarre, Sitton  
 Scholla

PRESENT STATUS: CHAPTER 30 SLA 94

STATUS DATE: 5/08/94

JRN-DATE	JRN-PG	(S)
1/03/94	2451	(S)
1/10/94	2451	(S)
1/10/94	2451	(S)
2/14/94	2824	(S)
2/14/94	2824	(S)
3/15/94	3212	(S)

ACTION  
 PREFILE RELEASED 1/4/93  
 READ THE FIRST TIME - REFERRAL(S)  
 STA, JUD  
 STA RPT CS JDP NEW TITLE  
 ZERO FNS TO SB & CS PUBLISHED (DPS, LAW)  
 JUD RPT SDP (STA)CS

PAGE 113



Official Business

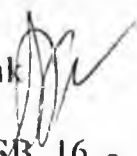
# Alaska State Senate

## Senate Finance Committee

JAN 17 1995

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

TO: Senator John Torgerson, Chair  
Community & Regional Affairs Committee

FROM: Senator Steve Frank 

RE: Hearing Request: SB 16 - Increase Land Grant  
to the University of Alaska

DATE: January 17, 1995

---

I am writing to request a hearing for SB 16 in the 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.

Thank you for your consideration.

**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**

February 21, 1995

**SUBJECT:** University of Alaska selection of land from state public domain and other University land-related matters (Work Order No. 9-LS0165\C)

**TO:** Senator John Torgerson, Chair  
Senate Community & Regional Affairs Committee  
ATTN: Sandy Nusbaum

**FROM:** Jack Chenoweth  
Legislative Council 

This bill draft incorporates the Senate Community & Regional Affairs Committee changes substantially as presented to me. I am sending this memo to set out my questions and concerns about the committee's action.

The material inserted by the committee in bill section 3 strikes me as repetitive of material already set out later in the bill in AS 14.40.365 and 14.40.366. What is intended by "shall be treated as public land"? Is there an inconsistency to say that this land shall be treated "as public land" when the preceding sentence says that it is not to be treated as state public domain land?

I've inserted the reference to "AS 37.13.010" substantially in the place instructed, and I've tried to include some language that indicates what I think may be the committee's intent. Inclusion of this material at this point seems to me to be, at best, awkward in that it amounts to a shorthand reference to a significant substantive provision dealing with money derived from development of the land rather than being a general legal constraint. Were this mine to draft freely, I'd propose to break the requirement out into a separate subsection, one that recognizes the very significant difference in the treatment of oil and gas rights under (i)(3) of that section and the apparent silence of this Act altogether on the disposition of other mineral revenues.

I've added the material requested at the end of AS 14.40.365(j)(2) and in the middle of AS 14.40.365(k). Both insertions use the word "request [by the University]" Unfortunately, there is no antecedent reference to or use of the word "request," so I think the change is potentially nettlesome in how it is to be interpreted and applied. Even if we can decide on what the benchmark event should be, what happens if the commissioner fails to meet the one-year deadline for conveyance?

Senator John Torgerson

February 21, 1995

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It seems to me that deletion of former bill section 7 of the original SB 16 without alteration of bill section 8 leaves the manner of handling university trust fund net income less certain. Though the committee eliminated the explicit directive that trust fund net income be subject to legislative appropriation, doesn't the handling of that same net income within the definition of "university receipt" make the money subject to prior legislative appropriation under AS 14.40.210(b)? If so, what did the committee intend by the deletion of former bill section 7? If some other objective was intended, the removal of that one section from the bill may not be sufficient to accomplish it, and might necessitate an amendment of the last clause of the bill's current title.

New in this committee substitute is the material in bill section 6 as set out. I am led to wonder why the committee departed from the language of the existing general tort immunity statute covering unimproved land, AS 09.65.200 (formerly AS 09.45.795), and the significance of the committee's decision to substitute "affirmative act" for "an act or omission" (the term used in the general immunity statute). Is it the committee's intent that omissions qualify for immunity? Even intentional omissions? Did the committee choose to not incorporate the particular limiting factors of AS 09.65.200(a)(1) and (2) from the general tort immunity statute, or is their omission an oversight? As this is written, based on the committee's submission, liability accrues only as to acts that are grossly negligent, reckless, or intentional and to acts or omissions that occur on land that has been improved and is actively maintained. Do those terms deserve amplification or definition? How does the requirement that the loss of immunity because the land is improved and "actively maintained" differ from the requirement of "actively managed," for which a definition is provided in AS 14.40.365(n) (albeit defined there for a wholly different purpose)? If no difference was intended, should those terms not be conformed? If a difference was intended, what is that difference?

In bill section 9 of this draft, is the addition sought to be included by the committee intended to be substantive? Does it change the law relating to exemption from municipal taxation in any way from the current law?

JBC:pl  
95-047 plm

Enclosure

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

January 26, 1995

**SUBJECT:** SB 16, relating to the University of Alaska -- sectional analysis (Work Order No. 9-LS0165/A)

**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) directs that when the University has made a land selection, the land selected is closed to entry until a decision is made on the proposed selection.

-- 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; 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.

-- Subsection (k) permits use of documents 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 execution.

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-- 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.

Bill section 5 adds a series of new related bill sections. Proposed AS 14.40.366 directs the University 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 it must permit continued "customary and traditional uses of the resources of that land to the maximum extent possible."

Bill section 6: 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 7 makes disbursements from the University endowment trust fund subject to legislative appropriation.

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.

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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

95-088.glc

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**FACT SHEET**  
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**SB 16 - Enhancing UA Land Grant**  
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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. Income from existing encumbrances (leases, mining claims, timber contracts, etc.) go to state until term of existing agreement is completed.

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**FACT SHEET**

**SB 217 - Enhancing UA Land Grant**  
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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 <sup>1,000,000</sup>~~500,000~~ 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. Income from existing encumbrances (leases, mining claims, timber contracts, etc.) go to state until term of existing agreement is completed.

## SB 217 - UA LAND GRANT

### Why 500,000 acres?

The University wanted 5 million acres -- which represents the average percentage of state grant lands given to Grant University Systems. Senate sponsors felt that was too much and settled for 1 million acres. The final Senate bill reduced the acreage to 500,000 acres. The additional acreage will maintain the University of Alaska as the land grant university that has received the smallest percentage of lands from the federal land grants given by the states to their universities.

### What is the impact relative to the Mental Health litigation?

The bill directs that the University cannot begin selections until final completion of all litigation relating to the Mental Health trust suit. [Sec. 1 ]

### Will we end up with another land litigation between the state and the UA?

SB 217 prohibits litigation in UA appeals on land selections. The bill directs that all appeals will be settled by the Governor [Sec. 4 (f)]

### Why should the University be involved in managing state lands?

The federal government established public land grant universities with land intended to be used to support the teaching, research, and public service activities deemed necessary by the state. With state revenues declining, an adequate land base will provide the University with alternative revenues to support its programs.

### This bill will divert state revenues to the University?

The purpose of this bill is to generate new state revenue. Other than oil and gas lands, the Department of Natural Resources has not been very successful in getting state lands into revenue generating development. Land management projects pursued by the University such as subdivision development, recreational sites, gravel, timber, and mineral exploration have all added new resources to the state that would likely not have been developed if the land remained in state ownership.

### How will the University account for additional land revenue?

The Finance version of SB 217 [Sec. 9] requires that all monies from the UA land trust be appropriated by the legislature as program receipts.

### What process is in place at the University for public hearings on its land management proposals?

As a public entity, the UA is subject to all provisions of the Open Meetings and Open Records acts. The annual land plan is noticed 30 days in advance, and sent out to all interested groups and individuals. Public testimony, including audio conferencing as requested, is taken at the Board of Regents meeting, and written comments from interested individuals are provided to the Board. In addition, individual projects in organized municipalities are subject to all the public processes associated with planning, zoning and re-platting. Other public processes which may be required for specific land transactions include permits and rights-of-way by the US Army Corps of Engineers, the State Division of Lands, the State Division of Forestry, and findings of

consistency with the Alaska Coastal Zone Management Law, the Forestry Practices Act and other state and federal statutes that govern the public and private development of Alaska's land.

Why doesn't UA land management fall under Title 38 provisions?

Title 38 (Alaska Public Lands) applies to the state's "public domain land" and UA trust land is specifically defined as "not public domain land". Public domain lands are intended to be managed in a way that provides for the broadest possible public interest. While this may be appropriate for state lands, the whole idea of UA trust lands is that they are established to "...provide income for the support of public higher education in the state."

Land made available for conveyance to the UA Trust must undergo the public notice provisions outlined in Title 38 [ Sec. 4.(h)] prior to availability for UA selections. SB 217 provides the Commissioner of DNR with the responsibility for making the "best interest" determinations on all lands available for transfer. The Senate bill requires that the Commissioner consider the impact on "traditional use" in the best use determination.

Is UA trust land exempt from the Forest Practices Act?

No. The act applies to all public and private land. As does the Coastal Zone Management Act.

Why should the UA be allowed to develop oil and gas leases?

SB 217 prevents all oil and gas lands in the DNR 5 year plan from being available for conveyance [Sec. 4.(a)(3)]. The Senate bill extends the effective date for selection of oil and gas lands by an additional 5 years to allow DNR an extended period to classify potential oil and gas lands. The fact is that if the University can get additional oil and gas lands into development it will be in the state's best interest. If the University, by some stroke of luck, selected land that the state had not already identified, and began earning millions of dollars a year in revenue, it is likely that the state would consider their option of displacing the current general fund base!

What happens to income from existing leases and encumbrances?

SB 217 provides that all income from existing leases and encumbrances remains with the state until termination of the contract [Sec. 6.].

Who will pay for surveying and land conveyance?

SB 217 provides that all costs will be paid by the University from program receipts [Sec. 4.(j)]

What is the current status of the UA land trust?

The UA trust owns 112,000 acres and interest in an additional 85,000 acres. Of the total 197,000 acres that the University owns or has an interest in, 109,000 or 55% is being actively managed for revenue potential. Of the remaining 88,000 acres, we estimate that 36,000 are glaciers, mountain tops, wetlands or physically undevelopable and the remaining 52,000 acres are either very remote or otherwise viewed as longer term development opportunities.

In FY87, the first year the University had management of its own lands, the trust had annual revenues of \$590,000. In FY93, the trust generated \$4.1 million, or approximately \$20.80 per acre. In FY93 the state generated \$9.2 million, or \$0.11 per acre from its 85 million acres (excluding oil and gas). Fiscal year 94 revenues are expected to be approximately \$7 million.

**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.

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**contact:**

Wendy Redman  
University Relations  
463-3086/474-7582

## 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
<b>48 Alaska</b>	<b>112,064</b>
49 Delaware	90,000
50 Hawaii	0
<b>TOTAL</b>	<b>16,707,787</b>

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%
<b>49 Alaska</b>	<b>0.11%</b>
50 Hawaii	0.00%
<b>TOTAL</b>	<b>5.09%</b>

Average 42.01%

Ranked by the amount of federal land given to the States	
<b>1 Alaska</b>	<b>104,569,251</b>
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
<b>TOTAL</b>	<b>328,426,536</b>

Average 6,568,531

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## ANCHORAGE FISH AND GAME ADVISORY COMMITTEE

MAT-SU FISH AND GAME  
ADVISORY COMMITTEE  
MT. YENLO FISH AND GAME  
ADVISORY COMMITTEE

March 22, 1995

VIA FAX

Senator Frank  
State Capitol  
Juneau, Alaska

Re: Our Opposition to SB 16 -- University Lands Bill

Dear Senator Frank:

We would like to convey our opposition to SB 16, the University lands bill.

The Anchorage Fish and Game Advisory Committee, the Mount Yenlo Fish and Game Advisory Committee and the Mat-Su Fish and Game Advisory Committee are all elected advisory bodies that by regulation, and to the best of their abilities, represent the diverse interests of fish and wildlife users. Included in our committees are commercial and sport fishers, subsistence users, trappers, guides, hunters, boaters, wildlife viewers and conservationists. Our committees represent, respectively, Anchorage, the west side of the Susitna Valley and the east side of the Susitna and Matanuska Valleys, including Anchorage, Eagle River, Palmer, Wasilla, Houston, Sutton, and Skwentna.

Approximately 25 members of the three committees met jointly on March 22, 1994 to discuss, among other topics, several bills now in the Legislature.

They voted unanimously to oppose SB 16. We understand the Administration does, too. By copy to the Governor's office, DNR and ADF&G, we encourage a veto of SB 16 if it were to pass.

As you know, SB 16 allows the University of Alaska to select 1,000,000 acres of unreserved state land. The bill would require the University to manage the land for income production, to help support the University.

We have every reason to support adequate funding for the

Bards Support Secuon, P.O. Box 25326, Juneau, Alaska 99802-5326

University. But we neither see nor hear any well reasoned argument to support this bill. There is no a defensible argument that this bill, or any University lands, will ever significantly fund the University of Alaska. This bill is simply an device to divest the State of land and to disrupt more than a decade of legislatively mandated land use planning, in which many interest groups have participated over the years.

We have two chief concerns.

The first is that the University will select land valuable for fish and wildlife habitat and for fishing, hunting, trapping and many other uses. For example, the staff of the University has made has made clear its desire to obtain forest land for timber harvest and recreational land along sport fishing rivers to sell or lease. The University has made fairly clear its desire to obtain land in the recreational and riverbank lands in the Susitna Valley, in Southwest Alaska, in Southeast Alaska and in other areas of the State. We are not confident of that the authority of the Commissioner of Natural Resources to deny selections will be sufficient to protect the public interests in such lands, given that judgments made will simply shift with political victors. SB 16 will create conflict, not only over historic timber issues in the Susitna Valley or Southeast, but also between recreational, subsistence, commercial, guide and unguided users in Southwest Alaska and the Susitna Valley. Rather than exacerbate conflicts over resources, particularly between subsistence and non-subsistence users, we recommend that the Legislature table this legislation at least until such time as the State has resolved the debate over subsistence. To do otherwise simply hurts all user groups and puts all of them at risk.

Second, we understand from the University that its current budget is on the order of \$300 million annually, including legislative appropriations, tuition, grant monies, and federal and other monies. In recent years, the University has been generating about \$10 million from its current land base, and that about \$7 million of that comes from its "one-shot" timber sale program. It is obvious that no matter how much land is given to the University, that land will never produce more than a minuscule portion of what the University needs over the near term and hardly an iota over the long term. Instead, SB 16 will produce conflict and agency expenses in resolving disputes over land and resource disposal and conservation, access, development, and regulatory actions.

One need only look at long dispute over mental health lands, the difficulty of creating the Mental Health Lands Trust and the unrealistic prospects that land will produce meaningful revenues to ascertain that the idea of funding major public services, such as mental health services, or the University, is a chimera. SB 16 is simply an end-run around public land laws and land use planning laws. They were enacted to facilitate orderly, planned and

productive resource development while protecting public uses associated with those lands. We respectfully urge you to reconsider your support for SB 16. By copy to other legislators, we respectfully urge them to reject it.

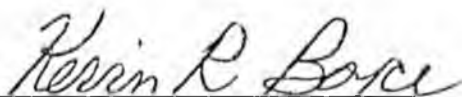
Sincerely yours,



ANCHORAGE FISH & GAME  
ADVISORY COMMITTEE  
Bob Churchill, Chair



MAT-SU FISH & GAME  
ADVISORY COMMITTEE  
Carl Grauvogel, Chair



MT YENLO FISH & GAME  
ADVISORY COMMITTEE  
Kevin Boyce, Chair

cc: all Senators and Representatives  
Senate Community & Regional Affairs Committee  
Senate Resources Committee  
Senate Finance Committee  
House Community & Regional Affairs Committee  
House Resources Committee  
Governor Knowles  
Commissioner Shively/DNR  
Commissioner Rue/ADF&G  
Joint Boards of Fisheries and Game/Beverly Reaume

SENATE BILL 16  
(Frank)

Increase Land Grant to University of Alaska  
In: 1/16/95           Out:  
Further referrals: Resources, Finance  
Request for Hearing: 1/17  
Hearing date: 2/20

Remarks: This bill is similar to legislation introduced by the sponsor during the 18th Legislature

Bill was introduced in 1993 (1,000,000 acres)  
Passed Senate in 1994 14-5 with amendment by Ellis  
reducing acreage to 500,000 - amendment passed  
12-9 with Halford and Kelly voting with minority)  
House CRA replaced with CS 3DP/3NR (500,000 acres)  
House Resources and Finance referrals waived  
1 House amendment adopted out of 4 proposed on floor  
amendment by Navarre passed 22-17 reducing acreage  
to 250,000  
Failed to advance to 3rd reading second to last night  
of regular session - returned to House Rules when  
no calendar adopted last day of Session  
No companion legislation in House last session or  
present session  
Present bill = 1,000,000 acres

NOTES FOR HEARING:

WENDY REDMAN INDICATED THAT UNIVERSITY AND DEPARTMENT OF NATURAL RESOURCES HAD REACHED COMPROMISE ON THIS LEGISLATION - WILL HAVE AMENDMENTS TO OFFER AND DRAFT CS FOR EACH READING

FOLLOWING HAVE REQUESTED TO OFFER TESTIMONY FROM OUT OF TOWN:

CLIFF AMES, ALASKA CENTER FOR THE ENVIRONMENT  
MARTY EPSTEIN, UAA  
BRIAN ROGERS, UAF  
RON SWANSON, DEPT. OF NATURAL RESOURCES  
RICK SMERIGLIO, MOOSE PASS

VOTING HISTORY ON SB 217 FROM LAST SESSION

Committee Reports:

Pearce signed "no rec" on S. Resources report  
Pearce signed "do not pass" on Finance report

Amendment to reduce acreage from 1,000,000 to 500,000:  
Halford/\*Kelly and \*Zharoff voted yea

Final passage:

\*Kelly/\*Phillips/\*Zharoff voted yea  
Halford and Pearce voted nay  
No opportunity for \*Hoffman to vote on in House

\* Present CRA Committee members