

SB

16

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/20/95

FURTHER:

DATE TURNED INTO OFFICE: 3/27/95

The Finance Committee considered SENATE BILL NO. 16

Univ^{ers} SB 16 INCREASE LAND GRANT TO UNIVERSITY OF ALASKA onal state public
domai id as 'university
receipts' subject to prior legislative appropriation.

and recommends:

- be replaced with CS SB 16 (Fix)
- 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:
same title
technical change
new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i> Unless Amended		✓	
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	<i>[Signature]</i>			
Co-Chair:		<i>[Signature]</i>	✓		

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
DNR (Land Dev)	3/9/95		71.0
DF+G	3/9/95		34.0
DOR	3/9/95	0	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
#5 Univ.	1/27/95		100.0
#6 DNR (Info Res)	3/9/95		24.0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

3131195

15 ELS

3128

CSSB16

Attached is new original for CSSB16 to reflect the correct Component name and Component serial number. No other changes have been made. A copy of the wrong version is attached.

51516

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSSB16(FIN)

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: Land Development
 Sponsor: Senator(s) Frank, Kelly, Sharp, Reiger
 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						
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0

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

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

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

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

Prepared by: Ron Swanson, Director Phone: 465-2406
 Division: Division of Land Date: 9-Mar-95
 Approved by Commissioner: [Signature] Date: 3-28-95
 Agency: Natural Resources

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3/13/95
(S) RES, FIN

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB16(CRA)

1995 LEGISLATIVE SESSION

Revision Date: 9-Mar-95 Dept Affected: Natural Resources
 Title: An Act relating to the University of Alaska and BRU: Resource Development
University land, authorizing the University of Alaska to select... Component: Information Resource Management
 Sponsor: Senator(s) Frank, Kelly, Sharp, Reiger Land Management
 Requestor: _____ Component Serial No. 427 131

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							
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0	
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0	
CHANGE IN REVENUES ()	0.0*	0.0*	0.0*	0.0*	0.0*	0.0*	

FUND SOURCE		(Thousands of Dollars)					
*002 Federal Receipts							
*003 GF Match							
*004 GF							
*005 GF/Program Receipts							
*006 GF/MHTIA							
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0	
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0	

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

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

ANALYSIS: *Replaced by 3/23/95 note* (Attach a separate page if necessary)

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

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

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

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(S) RES, FIN

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSSB 16 (CRA)

Revision Date: 3/8/95 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. 488

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	31.2	31.2	31.2	31.2	31.2	31.2
TRAVEL	1.8	1.8	1.8	1.8	1.8	1.8
CONTRACTUAL	1.0	1.0	1.0	1.0	1.0	1.0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	34.3	34.3	34.3	34.3	34.3	34.3

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.3	34.3	34.3	34.3	34.3	34.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	34.3	34.3	34.3	34.3	34.3	34.3

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

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

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

Prepared by: Ellen Fritts, Acting Director
 Division: Habitat and Restoration
 Approved by Commissioner: [Signature]
 Agency: Alaska Department of Fish and Game

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

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FISCAL NOTE

No. 5

Bill Version: SB16

(S) Publish Date: 2/22/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date:
Title: Land Grant to the University

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

Sponsor: Frank
Requestor:

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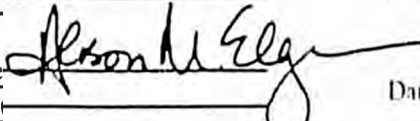
REVENUE FD SOURCE						
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FUNDING: (Thousands of Dollars)	FY96	FY97	FY98	FY99	FY00	FY01
1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND						
1006 GF/MHTIA						
1048 University Receipts	100.0	100.0	100.0	100.0	100.0	100.0
TOTAL FUNDING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

POSITIONS:						
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 Date:
 Approved by: Alison Elee, Dir  Date:
 Agency: Statewide Budget Date: 1/27/95

FISCAL NOTE

No. 6
 Bill Version: CSSB16(CRA)
 (S) Publish Date: 3/20/95

STATE OF ALASKA

BILL

LEGISLATIVE SESSION

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

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

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

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

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

ANALYSIS: (Attach a separate page if necessary)

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

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

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

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3/27/95
Technical
Amend.
Adopted

SB 16 - UA LAND GRANT

AMENDMENT

By Senator Steve Frank

Page 10, Line 8 -- DELETE "displaying", INSERT "disposing"

SENATE FINANCE
COMMITTEE

Amendment Number: 1
Bill Number: SB 16
Sponsor: FRANK Date: 3/27/95
Logged In By: [Signature]

3/27/95
Adopted

SB 16 - UA LAND GRANT

AMENDMENT

BY Senator Bert Sharp

Page 5, Lines 16-18 - DELETE

Page 5, After Line 15 - INSERT

(d) Notwithstanding any other provision of law, on land selected by but not yet patented or for which a document of interim conveyance has not been issued to the University of Alaska, under AS 14.40.365:

(1) the state is authorized to enter into contracts and grant leases, licenses, permits, rights of way or easements and any interim conveyance or patent shall be subject to such contract, lease, license, permit, right of way or easement; except that

(A) the authority granted the state by this subsection is that authority the state otherwise would have had under existing laws and regulations had the lands not been selected by the University of Alaska; and

(B) the University of Alaska has concurred prior to such action by the State.

(2) Ninety percent (90%) of any and all proceeds derived from contracted, leases, licenses, permits, rights of way, or easements or from trespasses originating after the date of selection by the University of Alaska shall be held by the state until such lands have been conveyed by the patent or by a document of interim conveyance. Upon the issuance of a document of interim conveyance or a patent the State shall pay to the University of Alaska the proceeds allocable to such lands which are derived from contracts, leases, licenses, permits, rights of way, or easements or from trespasses. Further, subsequent to the issuance of a document of interim conveyance or a patent the University shall receive one hundred percent (100%) of any and all proceeds derived from such contracts, leases, licenses, permits, rights of way, or easements or from trespasses.

(3) The responsibility for management of any contracts, leases, licenses, permits, rights of way, or easements shall vest with the University of Alaska upon issuance of a patent or a document of interim conveyance.

SENATE FINANCE
COMMITTEE

Amendment Number: 2

Bill Number: SB 16

Sponsor: SHARP Date: 3/27/95

Logged In By: [Signature]

Adopted
3/27/95
as working
9-LS0165\C Document

Fin
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: 2/22/95

Referred: RES, FIN

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

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

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

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

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

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

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

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

26 * Sec. 3. AS 14.40.291 is amended to read:

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

1 not be treated as state public domain land. However, land conveyed to the
2 University of Alaska under AS 14.40.365 shall be treated as other public land and
3 shall be managed under AS 14.40.366 and rules or regulations of the Board of
4 Regents of the University.

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

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

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

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

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

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

18 (3) is not land

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

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

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

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

25 (B) a timber contract;

26 (C) a mining claim;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (A) the interest of the general public in retention of the land in
12 state ownership;

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

15 (C) the public benefits achieved by conveyance of the land to
16 the University of Alaska;

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

20 (E) benefits to the University of Alaska from the conveyance
21 of the land to it; and

22 (F) the efficiency of the management of the land resulting from
23 the conveyance of the land.

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

29 (g) When land is conveyed to the University of Alaska under this section, the
30 University of Alaska takes the land subject to any possessory interest held by another
31 person on the effective date of the conveyance. Except as provided in

1 AS 14.40.368(1), the University of Alaska is entitled to receive the consideration due
2 under that interest for the duration of the interest.

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

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

8 (1) is subject to

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

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

12 (C) AS 19.10.010;

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

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

17 (2) excludes any interest transferred to the state by quit claim deed
18 dated June 30, 1959, under authority of the Alaska Omnibus Act, P.L. 86-70, 73 Stat.
19 141;

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

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

1 under (e) of this section,

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

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

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

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

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

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

1 managing the land to provide income. For purposes of this subsection, "actively
2 managing the land to provide income" means that the University of Alaska is deriving
3 revenue from the land selection.

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

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

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

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

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

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

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

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

29 (1) the state is entitled to receive the income obtained from the lease,
30 contract, claim, sale, permit, or right-of-way for the duration of the term of the lease,
31 contract, claim, sale, permit, or right-of-way, and during any renewal of it that is

1 authorized by the lease, contract, claim, sale, permit, or right-of-way, or by law;

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

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

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

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

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

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

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

1 * Sec. 8. AS 14.40.491 is amended to read:

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

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

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

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

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

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

20 (B) notwithstanding any other provision of law, property
21 acquired by an agency, corporation, or other entity of the state through
22 foreclosure or deed in lieu of foreclosure and retained as an investment of a
23 state entity is taxable; this subparagraph does not apply to federal land granted
24 to the University of Alaska under AS 14.40.330 or 14.40.390. [OR] to other
25 land granted to the university by the state to replace land that had been granted
26 under AS 14.40.380 or 14.40.390, or to land conveyed by the state to the
27 University of Alaska under AS 14.40.365;

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

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

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

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

9 (5) money on deposit;

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

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

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

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

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

MEMO

TO: Legal Services

FROM: Kathy
Senate Finance
465-2618

DATE: March 27, 1995

RE: Senate Finance Committee Substitute for SB 16

Please incorporate attached Amendments 1 and 2 into CSSB 16 (CRA) to produce a CSSB 16 (Fin). The bill was reported out of committee this morning and was read across the floor of the Senate into Rules Committee, so time is of the essence. Please deliver the final to either Kathy or Norma, Room 520, Capitol Building. Give me a call if you have any questions. Thank you.

Enclosure

Fiscal Notes

SB 16 - INCREASE LAND GRANT TO UNIV. OF ALASKA

<u>No.</u>	<u>Dept.</u>	<u>Date</u>	<u>SB 16</u>	<u>CS(CRA)</u>
1.	DOR	2/6/95	0	
2.	DOR(Treasury)	2/1/95	0	
3.	DF&G(Habitat)	2/10/95	34.3	
4.	DNR(Land Dev.)	2/7/95	71.0	
5.	University	1/27/95	100.0	
6.	DNR(Info.Mgmt.)	3/9/95		24.0

Other Notes

DNR(Info.Mgmt.)	2/7/95	24.0	
DNR(Info.Mgmt.)	3/9/95	(Land Development)	71.0
DF&G(Habitat)	3/9/95		34.3
DOR(O&G Audit)	3/9/95		0

Ali - Does \$100.0
Univ. Fiscal Note
go with CS5B 16(Fix)?

Kathy

Yes!

Fiscal Notes

SB 16 - INCREASE LAND GRANT TO UNIV. OF ALASKA

<u>No.</u>	<u>Dept.</u>	<u>Date</u>	<u>SB 16</u>	<u>CS (CRA)</u>
1.	DOR	2/6/95	0	
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Other Notes

DNR(Info.Mgmt.)	2/7/95	24.0	
DNR(Info.Mgmt.)	3/9/95		71.0
DF&G(Habitat)	3/9/95		34.3
DOR(O&G Audit)	3/9/95		0

~~100.0~~
24.0
71.0
34.3

229.3

3/13/95
(S) RES, FIN

FISCAL NOTE

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 Resoucre Management
 Sponsor: Senator(s) Frank, Kelly, Sharp, Reiger
 Requestor: _____ Component Serial No. 427

Expenditures/Revenues	(Thousands of Dollars)					
	FY96	FY97	FY98	FY99	FY00	FY01
OPERATING EXPENDITURES						
PERSONAL SERVICES	60.0	60.0	60.0	60.0	60.0	60.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0*	0.0*	0.0*	0.0*	0.0*	0.0*

FUND SOURCE	(Thousands of Dollars)					
	FY96	FY97	FY98	FY99	FY00	FY01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0

515 10

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

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

ANALYSIS: (Attach a separate page if necessary)

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

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

Prepared by: Ron Swanson, Director Phone: 465-2406
 Division: Division of Land Date: 9-Mar-95
 Approved by Commissioner: _____ Date: 3-6-95
 Agency: Natural Resources

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 1
Bill Version: SB16
(S) Publish Date: 2/22/95

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, Sharp
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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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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						
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						

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

No. 2

Bill Version: SB 16

BILL (S) Publish Date: 2/22/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 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 Voqt, Deputy Commissioner Date: 2/1/95
 Agency: Department of Revenue

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FISCAL NOTE

No. 3

Bill Version: SB 16

(S) Publish Date: 2/22/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

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
TOTAL OPERATING	34.3	35.8	37.3	38.9	40.6	42.4

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
------------------------	-----	-----	-----	-----	-----	-----

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						
TOTAL	34.3	35.7	37.3	38.9	40.6	42.4

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
 Approved by Commissioner: Gordon Bruce, Sr. Frank Rice
 Agency: Alaska Department of Fish and Game

Phone: 465-4105
 Date: 2/6/95
 Date: 2/11/95

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FISCAL NOTE

No. 4
 Bill Version: SB 16
 (S) Publish Date: 2/22/95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BI

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						
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	*	*	*	*	*	*

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0

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

POSITIONS

FULL-TIME	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

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Alaska State Legislature

STEVE FRANK

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



Senate

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

TO: Senator Rick Halford, Co-Chair
Senate Finance Committee

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

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

DATE: March 15, 1995

I am writing to request a hearing for CS SB 16 (C&RA) in the Senate Finance 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.

FACT SHEET

SB 16 - Enhancing UA Land Grant

1. Does not take effect until final settlement of the mental health land dispute;
2. Gives priority to Municipal land selections;
3. Provides that land transfers are subject to:
 - * 6(i) of Alaska Statehood Act
 - * Permanent Fund requirements for oil, gas and mineral royalties and bonuses
 - * Other rights of the state
4. Allows UA to select 1,000,000 acres including lands:
 - * Not conveyed by the state
 - * Not reserved from public domain
 - * Not included in 5-year oil & gas leasing program
 - * Not necessary for interagency agreement
 - * Not subject to land exchange
 - * Unconveyed and unencumbered, except:
 - Leases (other than oil and gas)
 - Timber contracts
 - Mining claims
 - Materials sales
 - Land use permits
 - Exploration licensing area
5. Department of Natural Resources can refuse to convey land if the Commissioner considers the retention of land in state ownership to be in the best interests of the state;
6. The University can appeal the Commissioner's decision to the Governor, but is prohibited from entering into litigation;
7. The University pays the costs of land conveyance and surveying;
8. Income from existing encumbrances (leases, mining claims, timber contracts, etc.) go to state until term of existing agreement is completed.

SB 16 EXPANDING UNIVERSITY OF ALASKA LAND GRANT

By Senators FRANK, Kelly, Sharp

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

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

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

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

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

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

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

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

contact:

Wendy Reuman
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
48	Alaska 112,064
49	Delaware 90,000
50	Hawaii 0
TOTAL 16,707,787	

Average 334,156

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

Average 42.01%

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

Average 6,568,531

Alaska Environmental Lobby
P.O. Box 22151
Juneau, AK
99802
Phone: (907) 463-3366
Fax: (907) 463-3312

Fax Cover Sheet

Date: Fri 3/23 Time: 2:30 pm

From: Sara Hannan To: Larry Stevens

Number of pages: 1 40 Sea Helyford

Additional Notes:

Please include in
member packets for
Mon mtg. SB16



Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

Phone: 907-463-3366

Fax: 907-463-3312

SB 16 UNIVERSITY LAND GRANT

The Alaska Environmental Lobby opposes SB16 which would grant the University of Alaska an additional one million acres of State land,

Endowing the University with a large amount of land may be an extremely appealing idea to those who support the University, who value higher education and scholarship and who recognize the need for a securely funded institution of higher learning in Alaska.

However, the idea is fraught with problems. There are serious public policy questions that must be addressed.

What is the obligation of the State to the University to provide revenue for operations now, and if additional land is given? In the future how will the University's budget be developed by the Legislature? Will this additional revenue be deducted from General Fund support? Will General Fund moneys be used for the University to develop it's land?

Does the University have a special claim to resources? Is the State creating a constitutional conflict over dedicated funds?

Will current users of State land have a say in this disposal of land? Virtually all of Alaska is currently and has been for many years used by individuals, organizations, sport, commercial and subsistence hunters and fishermen, and others.

Will there be compensation to communities and current users for their loss of lands previously used?

University lands are private and thus exempt from the land management provisions of Title 38.04 & 38.05, including those which provide for public process. The public and adjacent communities will have no voice in the disposition and management of University Lands.

3/10/95

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

TOTAL P.02

3/13/95
(S) RES, FIN

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB16(CRA)

1995 LEGISLATIVE SESSION

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

Expenditures/Revenues	(Thousands of Dollars)					
	FY96	FY97	FY98	FY99	FY00	FY01
OPERATING EXPENDITURES						
PERSONAL SERVICES	60.0	60.0	60.0	60.0	60.0	60.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0*	0.0*	0.0*	0.0*	0.0*	0.0*

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0

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

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

ANALYSIS: (Attach a separate page if necessary)

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

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

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

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5/3/10

Did not transfer with the bill

FISCAL NOTE

3/13/95
(S)RES, FIN

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 Resoucre Management
 Sponsor: Senator(s) Frank, Kelly, Sharp, Reiger
 Requestor: _____ Component Serial No. 427

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	60.0	60.0	60.0	60.0	60.0	60.0
TRAVEL	5.0	5.0	5.0	5.0	5.0	5.0
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	71.0	71.0	71.0	71.0	71.0	71.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0*	0.0*	0.0*	0.0*	0.0*	0.0*

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.0	71.0	71.0	71.0	71.0	71.0
TOTAL	71.0	71.0	71.0	71.0	71.0	71.0

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

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

ANALYSIS: (Attach a separate page if necessary)

This 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.

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

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FISCAL NOTE

#16 2/9/95
3 (cen) Bus. Fin.

STATE OF ALASKA

BILL NO. SB16

1995 LEGISLATIVE SESSION

Revision Date: Original 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, Relger
 Requestor: _____ Component Serial No. 427

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

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

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

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

ANALYSIS: (Attach a separate page if necessary)

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

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

Prepared by: Nico Bus, Acting Director Phone: 465-2406
 Division: Support Services Date: 2-Feb-95
 Approved by Commissioner: [Signature] Date: 2/7/95
 Agency: Natural Resources

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(S)RES, FIN

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB16(CRA)

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

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Prepared by: [Signature] Phone: 07-276-1363
 Division: Oil and Gas Audit Date: 3/9/95
 Approved by: [Signature]
 Commissioner: Deborah Voigt Date: 3/9/95
 Agency: Revenue

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SB16

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

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.

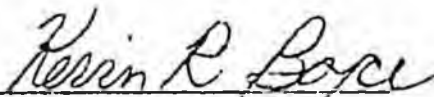
One need only look at long dispute over mental health lands, the difficulty of creating the Mental Health Lands Trust and the unrealistic prospects that land will produce meaningful revenues to ascertain that the idea of funding major public services, such as mental health services, or the University, 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
Commissicler Rue/ADF&G
Joint Boards of Fisheries and Game/Beverly Reaume



Northern Alaska Environmental Center

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

To: Senate Finance Committee
From: Northern Alaska Environmental Center
Re: SB 16 -- Disposal of Land to the University

The Northern Alaska Environmental Center opposes SB 16

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

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

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

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

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

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

Thank You,

Dan Ritzman
Boreal Forest Coordinator

Post-It™ brand fax transmittal memo 7671		# of pages	1
To	Ali	From	Dan
Co.	Sen. Frank	Co.	NACEL
Dept.		Phone #	
Fax #	465-4714	Fax #	



those other uses and also with industries like tourism and commercial fishing.

** The university will select the best and most valuable land leaving the poorer land to the public.

** Political opposition could be substantial, especially as lands to be transferred are actually identified on the ground. Attempts to compensate the mental health lands trust with large amounts of public land (some sort of reasonable compensation was mandated by the court in that instance; the university land dispute has already been settled) generated opposition, both in and out of court, not only from conservationists but also from sport and commercial fishers, hunters, other recreationists, subsistence users, recreational cabin owners, local residents, lodge owners, air taxi operators, the Anchorage Hotel/Motel Association, the oil and coal industries, the Alaska Miners Association, and the Resource Development Council (as well as mental health advocates who recognized that managing land was likely to create more headaches than revenue, and that in any case any revenue that might be generated would almost certainly result in an equal reduction in their General Fund support).

** Access to public lands traditionally used for fishing, hunting, trapping and many other recreational purposes will be lost or restricted after their transfer.

** Development on public lands transferred to the university will conflict with existing uses of private lands by neighboring landowners.

** The "use it or lose it" clause (lands not actually generating revenue 10 years after conveyance to the university revert to the state) forces the university to rush into hasty, ill-conceived and especially destructive development; controversial clearcut logging might be one of the few ways that revenue can be generated that quickly.

Cliff Eames
Issues Director
3/22/95



ALASKA CENTER *for the* ENVIRONMENT

519 West 8th Avenue; Suite 201 • Anchorage, Alaska 99501
 (907) 274-3621 • fax: 274-8733

SB 16 DISPOSAL OF LAND TO THE UNIVERSITY

The Alaska Center for the Environment opposes SB 16, which would transfer to the University of Alaska one million acres of unidentified multiple use public land to be used for the single purpose of generating the maximum amount of revenue for the university's operations.

** ACE and other conservation organizations strongly support the university. However, the university, like other important public institutions, facilities, programs, and services should continue to be funded through the normal appropriations process rather than further fragmenting Alaska's land ownership and management patterns. The university is no more entitled to a dedicated source of revenue than is any other state entity.

** In fact, gratuitously transferring land to the university is quite likely to be illegal as a violation of the dedicated fund prohibition in the state constitution. Even if it's not illegal, it runs counter to the wise policy adopted by our founding fathers. At the very least it creates a de facto dedicated fund or entitlement that ties the hands of both the legislature and the general public during the appropriations process and in land management, and that forecloses funding and land management options for the future. Finally, it would seem to invite litigation that could threaten the mental health lands settlement that was finally achieved last year after nearly a decade of costly lawsuits and negotiations (although we believe the two situations can be distinguished).

** That the university was established decades ago as a land grant university is irrelevant; the most sensible way to fund it and other public programs in 1995 and in the foreseeable future is through appropriations.

** Public lands should remain in general public ownership so that all Alaskans can continue to participate in decisions affecting their use. SB 16 exempts the land transferred to the university from virtually all of the public participation and resource protection requirements of the Alaska Lands Act (AS 38.04 and 38.05). It negates years of good faith public participation in state land use planning that resulted in decisions to retain most lands for fish and wildlife habitat, public recreation and a host of other purposes (including development).

** The lands will no longer be managed for multiple public uses, such as fishing, hunting, and other public recreation, and the protection of fish and wildlife habitat, water quality, and scenic beauty (as well as for direct revenue generating purposes), but for revenue generation only--which will generally be incompatible with

SENATE COMMITTEE REPORT

DATE: 2/22/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 3-17-95

DMR

Resources 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.

FN's & OFN's

and recommends:

- be replaced with _____ CS _____
- adopt previous _____ CS SB 16 (CRA)
- 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 DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
		<i>[Signature]</i>		<input checked="" type="checkbox"/>	
CHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DNR-Info Res.	3/9		24.0

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
UNIV.	1/27		100.0
DNR-Land	2/7		71.0
FISH/GAME	2/10		34.3
REVENUE	2/1	<input checked="" type="checkbox"/>	
REVENUE AUDIT	2/6	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 1/16/95

FURTHER: Resources
Finance

Date of 5-Day Notice: 1/9/95
(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 CSI SB 16 (CRA)
- adopt previous CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

O + FN's

- Senate Bill: same title
- new title
- House Bill: technical change
- new: SCR# _____

SIGNING WITH RECOMMENDATIONS:	DP	DNP	NR	AM
<i>Roll E. Brown</i> (2) NR			✓	
<i>Paul J. ...</i> (2) NR			✓	
<i>John Hoff</i> (2) NR			✓	
<i>Wim Kelly</i> (1) DP	X			
CHAIR: <i>John Ingram</i> (1) DP	✓			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

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			
ACROSS DIV	2/6/95	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill