

SB

16

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)

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

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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FISCAL NOTE

OF ALASKA

BILL NO. CSSB16(CRA)

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)

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	24.0					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	24.0	0.0	0.0	0.0	0.0	0.0

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

POSITIONS

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

ANALYSIS:

(Attach a separate page if necessary)

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

LRIS will need to set up a tracking system to facilitate the selection and conveyance process. LRIS must develop a new Land Administration System (LAS) casetype for these conveyances, and will establish a tracking subsystem within LAS. A separate tracking mechanism is necessary to comply with Sec. 14 40 365(n), where the commissioner is required to recover title after 10 years if certain conditions are not met. These are not expenses specified to be covered by the University.

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

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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. 486

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	31.2	31.2	31.2	31.2	31.2	31.2
TRAVEL	1.0	1.0	1.0	1.0	1.0	1.0
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
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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 *Ellen Fritts*
 Division: Habitat and Restoration
 Approved by Commissioner: *Green Breen*
 Agency: Alaska Department of Fish and Game

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

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FISCAL NOTE

STATE OF ALASKA
117 LEGISLATIVE SESSION

BILL NO. SB16(CRA)

Revision Date: 3/9/95
Title: Increase Land Grant to UAA

Dept. Affected: Revenue
BRU: Revenue Ops
Component: Oil and Gas Audit

Sponsor: Frank
Requester: (S)RES

COMPONENT SERIAL NO. 115

Expenditures/Revenues (Thousands of Dollars)

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

CAPITAL EXPENDITURES						
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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) cos: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Prepared by: Deborah Vogt
Division: Oil and Gas Audit
Approved by: Deborah Vogt
Commissioner: Deborah Vogt
Agency: Revenue

Phone: 907-276-1363
Date: 3/9/95
Date: 3/9/95

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FISCAL NOTE

**STATE OF ALASKA
1995 LEGISLATIVE SESSION**

BILL NO. CSSB16

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)						
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

<p>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.</p>

Prepared by: <u>Wendy Matheny, Budget Analyst</u>	Phone: <u>463-3086</u>
Division: <u>Statewide Budget Office</u>	Date: <u>3/6/95</u>
Approved by: <u>Marylou Burton, Director</u>	Date: <u>3/7/95</u>
Agency: <u>Statewide Budget Office</u>	

Distribution (by preparer): Legislative Finance. (encities)

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 16

1995 LEGISLATIVE SESSION

Revision Date: Original Dept Affected: Natural Resources
 Title: As 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

(Thousands of Dollars)

Expenditures/Revenues	FY96	FY97	FY98	FY99	FY00	FY01
OPERATING EXPENDITURES						
PERSONAL SERVICES	60.0	60.0	50.0	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 ()	*	*	*	*	*	*

(Thousands of Dollars)

FUND SOURCE	FY96	FY97	FY98	FY99	FY00	FY01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHT/A						
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: 767-2692
 Division: Land Date: 3-11-95
 Approved by Commissioner: Alvin B. Smith, M. Rutherford, Act. Comm. Date: 4/1/95
 Agency: Natural Resources

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 16

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

(Thousands of Dollars)

EXPENDITURES/REVENUES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
OPERATING EXPENDITURES						
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						

(Thousands of Dollars)

FUND SOURCE	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
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 General 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

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 16

Revision Date: 2/6/95 Dept. Affected: Revenue
 Title: An Act authorizing the University of Alaska JRU: _____
 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
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FUND SOURCE (Thousands of Dollars)

002 Federal Receipts						
003 GF Match						
004 GF						
005 GF/Program Receipts						
006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: 0

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: _____
 Agency: _____

Phone: 277-5627
 Date: 2/6/95
 Date: 2/11/95

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SE16

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	32.3	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
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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						
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: Governor Bruce L. Frank
 Agency: Alaska Department of Fish and Game

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

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SENATE COMMITTEE REPORT

DATE: 2/22/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 3-17-95

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.

and recommends:

be replaced with _____ CS _____

adopt previous _____ CS 9-16 _____ (CIA)

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>	✓	<i>[Signature]</i> true to law	✓		
<i>[Signature]</i>	✓			✓	
<i>[Signature]</i>	✓				
CHAIR: <i>[Signature]</i>	✓				

NEW FISCAL NOTE(S):

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

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
Univ.	1/27		100.0
DNR-Land	2/7		71.0
FISH/GAME	2/10		34.3
REVENUE	2/1	✓	
REVENUE-Audit	2/6	✓	

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill



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.

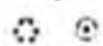
What is the obligation of the State to the University to provide revenue for operations now, and if additional land is given? In the future how will the University's budget be developed by the Legislature? Will this additional revenue be deducted from General Fund support? Will General Fund moneys be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

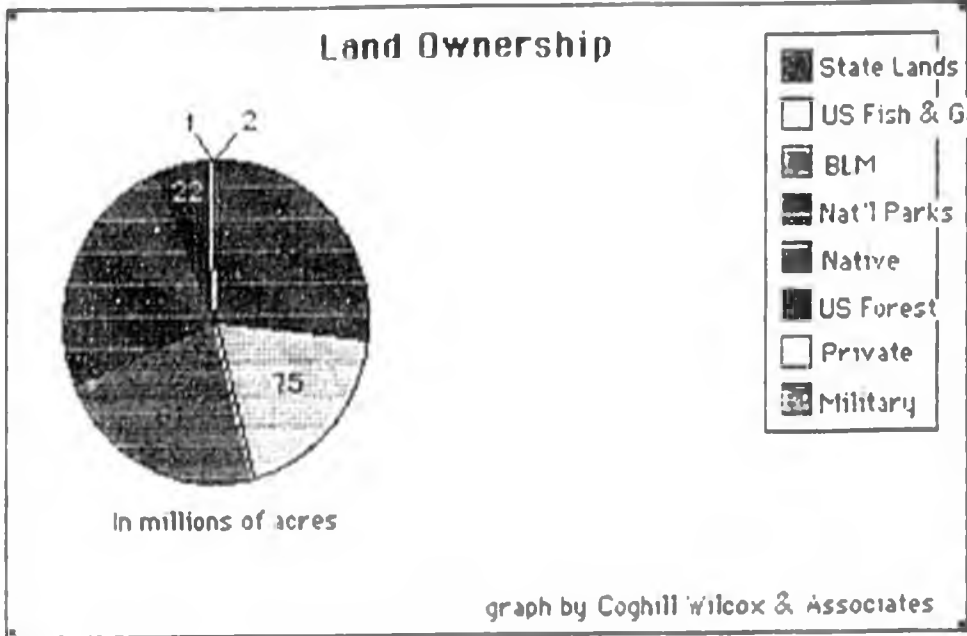
Will current users of State land have a say in this disposal of land? Virtually all of Alaska is currently and has been for many years used by individuals, organizations, sport, commercial and subsistence hunters and fishermen, and others.

Will there be compensation to communities and current users for there 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.



SB16



75
61
22
15
15
15
15
1
2

215 million acres

ALASKA SURVIVAL

Box 320 Talkeetna, Alaska 99676 (907) 733-~~2116~~⁴⁶⁵⁶ or ~~733-2116~~³⁷³⁻⁹⁷⁷³

3/9/95

ALASKA SURVIVAL POSITION ON SB 16
THE TRANSFER OF ONE MILLION ACRES OF STATE LAND
TO THE UNIVERSITY OF ALASKA WITH A "LOOSE IT OR USE IT" CLAUSE

Alaska Survival opposes passage of SB 16. The main reason is that with the transfer of state land to the university, the public loses control and use of the land. THIS IS A RAID ON OUR PUBLIC LANDS.

Once land is transferred, it is essentially considered and treated as private land. Whether this is constitutionally legal, or merely an interpretation, is an important question that many public interest groups feel needs to be asked in the courts. If SB 16 becomes law, the public interest concerns might push this to be clarified legally.

There is no public process nor public oversight accessible to the general public of development of university land. There is no best interest finding required. There is only one loosely defined public notice requirement under 07.02.01.F under Real Property, Board of Regents. Even the Alaska Railroad Corporation has better public involvement.

We have dealt with the University's land management office. They make no attempt to work with local governments or community council on their development decisions, even when requested. We have seen no indication that there is any consideration of the habitat, cultural, fish and wildlife resource values of land under university management. Their only mandate is to generate the maximum amount of revenue possible, treating the land as a commodity with no concern on impacts to surrounding residents, landowners, the community, nor on the local real estate market.

In the Matanuska Susitna Valley, our state public lands are so valuable to us for the economic benefits from tourism, recreationism, hunting, and fishing. We make a living off these lands. Plus the fish and wildlife resources are an important part of the lives of the residents. Every piece of state land in the MatSu Valley has many constituencies. Some of these are prodevelopment resource extraction and some are sustainable resource use.

We ask the legislature and the Governor to remember the events that went on in choosing the lands for the mental health lands that evolved into legal action for years. The same could happen here because people feel SO strongly about these state lands. If SB 16 becomes law, Valley residents will fight hard to prevent our lands from being transferred to the university.

Does the state government want to open up this Pandora's box of issues?

Becky Long



Anchorage Audubon Society, Inc.

P.O. Box 101161 • Anchorage, Alaska 99510 • (907) 278-3007

March 10, 1995
Testimony On

SB77: Intensive Management of Identified Big Game Prey Populations

My name is George Matz. I am Vice President of the Anchorage Audubon Society which has about 1,400 members throughout Southcentral Alaska, not including Kodiak Island. A principal objective of Anchorage Audubon is to support conservation of wildlife and protection of wildlife habitat. Virtually all of our members enjoy watching wildlife and many also participate in hunting.

We opposed the Intensive Game Management bill that was passed by the last legislature (see attached testimony) and oppose the amendments that have been proposed by this legislature. This bill totally ignores the importance of non-consumptive uses of wildlife in Alaska and the economic benefits that results from wildlife watching.

The Alaska Department of Fish and Game recently released a very professional and comprehensive report on attitudes, economic values and expenditures related to Alaska's wildlife. This report is based on a 1992 ADP&G survey that was sent to 4,725 Alaskan voters, asking questions about the recipients wildlife watching trips. Also, 4,000 resident hunters and 1,000 non-resident hunters were asked similar questions about their hunting trips.

When Alaskan voters were asked if they agree or disagree that "Wildlife adds a great deal to my enjoyment of living in Alaska," 80.8% strongly agreed and 15.3% moderately agreed. When asked, "I think more concern should be given to protecting the land and water where wildlife live," 46.9% strongly agreed and 29.2% moderately agreed. This survey clearly indicates that the presence of wildlife in Alaska is important to the Alaskan resident. Although visitors to Alaska were not surveyed, it is well recognized that wildlife, being one of the main attractions for Alaskan tourists, is important to them also.

Perhaps the most important aspect of this report is that it uses state-of-the-art economic methodology to estimate the economic benefits of wildlife watching, recognizing that not all of these benefits can be adequately expressed in monetary terms. The 727 page report is loaded with data but perhaps what is most important, relative to this bill, is the species that were sought by those who took trips to observe wildlife, average expenditures for their trip, and their willingness to pay more than they did (i.e., consumer surplus) for the experience. The data on primary trips pertains to one overnight trip taken by the respondent specifically to observe wildlife. Similar data was obtained for trips where viewing wildlife was secondary to the purpose of the trip (e.g., a rafting trip) but,

for sake of time, this data will not be presented here.

Table 1
Wildlife Species Sought On Primary Wildlife Viewing Trip
(in 1991 dollars)

<u>Species</u>	<u>Sought</u>	<u>Expend- itures</u>	<u>Consumer Surplus</u>	<u>Total Value</u>
All Bears	3.0%	688	274	962
Grizzly Bears	3.0%	688	274	962
Caribou	31.4%	478	125	603
Bison	0%	NA	NA	NA
Deer/Elk	2.1%	NA	NA	NA
Mountain Goat	3.7%	763	305	1,068
Moose	33.0%	438	101	539
Muskox	0.7%	NA	NA	NA
Sheep	20.4%	530	180	710
Wolf	11.0%	569	143	712
Marine Mammals	32.0%	NA	NA	NA
Whales only	16.9%	580	160	740
Song/Game Birds	0.8%	NA	NA	NA
Sea Birds	9.7%	504	169	673
Raptors	18.1%	NA	NA	NA
Eagles only	17.8%	547	163	710
Waterfowl	2.7%	NA	NA	NA

The results of this survey indicate that the predators (brown bears and wolves) that would be affected by this legislation have high value to wildlife viewers. Bears are the second most valued species (\$962) and wolves are the fourth most valued species (\$712 which, incidentally, is more than the bounty being proposed by SB 81). It is important to realize that these benefits are repeated everytime someone takes a trip to see bears or wolves, even if they see the same animal that someone else saw. The survey also indicates that a reasonable percentage of wildlife watchers actually saw bears or wolves. Having a reasonable chance to actually observe a species undoubtedly affects what a wildlife watcher is willing to pay for the experience.

What is interesting to note is that 20.5% of those looking for brown bears and 25.0% for those looking for wolves answered \$0 to the question regarding their willingness to pay more for the trip. This indicates that the trip was worth exactly what the respondent paid or, more likely, the respondent did not feel that a dollar value could be placed on the trip. In other words, a significant portion of the value of bears and wolves was not captured by the survey.

In addition to data regarding the economic value of several species, the report also includes overall expenditures by Alaskan voters for wildlife. Presented is data by various categories of expenditures for the entire state and by region. Attached is the statewide data. As you can see, the average cost for a primary wildlife watching trip was \$499.21 and total expenditures for 1991 were \$41,826,849. The average cost for a secondary trip was \$346.10 and total expenditures for 1991 were \$49,541,135. Since the expenditures for secondary trips were for more than wildlife watching, expenditures for the primary and secondary trips can not be added together and attributed to wildlife watching.

Expenditures for equipment related to wildlife watching by Alaskan voters amounted to \$190.27 per capita and totaled \$54,322,605.

The statewide and regional economic impact from wildlife watching was also presented and is attached. As you can see, the final demand was \$116,703,300 and the total industry output was \$135,361,200. Employment related to wildlife watching amount to 2,787 jobs and the expenditure multiplier is 1.47.

The economic impact for secondary trips results in a final demand of \$52,842,300 and a total industry output of \$61,959,200. Employment amounts to 1,047 jobs and the expenditure multiplier is 1.42. As stated before, this can not be added to the primary trip data since the secondary economic impact is not exclusively for wildlife watching.

This data should make it quite clear that wildlife watching is significant to the economy of Alaska and that the two species threatened by SB 77, wolves and brown bears, are among the state's most highly valued species. It would be economic folly as well as ecological foolishness to significantly reduce populations of either wolves or brown bears.

There has been much talk nowadays about takings and benefit/cost ratios. If SB 77 becomes law, it would be a takings by the state of the some of the livelihood of those 2,787 people whose jobs provide the goods and services for wildlife watching by Alaskan residents. If we were to consider out-of-state visitors who want to see wildlife, the negative economic impact would be even greater.

While a benefit/cost analysis is a good economic tool for project analysis, it can give misleading results when applied to situations where there are significant non-market values, as with wildlife. Despite the inadequacy of benefit/cost analysis for this type of situation, we strongly suggest that such an analysis be part of the fiscal note. Even though you will not be able to measure all of the costs that would be imposed on wildlife watching, based on the data presented above, that may not be needed to demonstrate the economic inappropriateness of this bill.

We would also like to suggest that the purpose of this bill may not be carried forward, if it were to pass, without a constitutional amendment. The State of Alaska Constitution mandates that renewable resources be utilized "on the sustained-yield principle, subject to preferences among beneficial uses" and that "Laws and regulations governing the use or disposal of natural resources shall apply equally to all persons" (i.e., multiple-use). It is not conceivable that "historic high levels" of prey population can be sustained for any period of time without reducing the carrying capacity for the respective species and, in fact, contributing to population crashes (see our testimony from last year). Also, this bill would be the epitome of single-species management which would ignore well established "preferences among beneficial uses." Alaskans have the constitutional right to have their renewable resources managed for the benefit of multiple-use and the legislature should respect that.

We thank you for the opportunity to comment.

Alaska Department



of Fish and Game

ALASKA VOTERS: Their Wildlife Related Trip Characteristics and Economics

Table A-20
EXPENDITURES (STATEWIDE) WHILE ON SELECTED PRIMARY WILDLIFE VIEWING TRIP
BY EXPENDITURE CATEGORY (in 1991 dollars)

Item Names	Average per Primary Trip	Estimated Annual Total for all Primary Trips
Round Trip Transportation Expenses		
Commercial Airline	\$27.15	\$2,274,456
Air charter/Air taxi	\$9.90	\$829,386
Vehicle Rental	\$11.72	\$981,729
Ferry	\$5.34	\$447,206
Boat Charter	\$25.08	\$2,101,755
Train or Bus	\$12.15	\$1,018,336
Fuel or Oil for Any Vehicle		
Fuel, Land, Boat	\$59.31	\$4,969,076
Fuel, Air	\$1.33	\$111,325
Fuel, Unspecified	\$1.97	\$164,832
Other Vehicle Expenses		
Vehicle Items	\$14.20	\$1,107,452
Vehicle Services	\$38.54	\$3,229,293
Unspecified	\$1.55	\$129,884
Hotels/Motels/Lodging/Camping Fees		
Motel, Hotel	\$55.40	\$4,642,207
Camp Fees	\$10.52	\$881,323
Groceries and Beverages		
Groceries	\$80.56	\$6,750,196
Miscellaneous Items	\$0.05	\$4,569
Restaurant Meals and Bars		
Meals	\$49.47	\$4,144,884
Bars	\$0.40	\$33,108
Unspecified	\$0.72	\$60,338
Commercial Trips and Tours		
Wildlife Viewing	\$39.06	\$3,272,729
Fishing	\$1.20	\$100,414
Other, Unspecified	\$1.76	\$147,198
Wildlife Viewing and Photo. Supplies		
Camera and Accessories	\$3.87	\$324,172
Film	\$16.80	\$1,407,952
Film Processing	\$11.55	\$967,452
Equipment Rental		
Transportation Equipment	\$1.35	\$113,279
Camping Equipment	\$0.65	\$54,692
Other, Both	\$0.16	\$13,100
Shipping		
Shipping	\$0.64	\$55,671
Other Items or Unanticipated Expenses		
Medical	\$0.99	\$81,751
Souvenirs	\$0.99	\$836,937
Other	\$5.38	\$468,300
Boats	\$0.18	\$15,366
Clothing	\$0.32	\$26,681
Total	\$499.21	\$41,826,849



ALASKA VOTERS: Their Wildlife Related Trip Characteristics and Economics

Table A-17
ANNUAL EXPENDITURES IN ALASKA ON WILDLIFE RELATED EQUIPMENT
BY EXPENDITURE CATEGORY (in 1991 dollars)

Item Names	Per Capita by Alaska Voters	Annual Estimated Total for all Alaska Voters
Camera and Accessories	\$71.97	\$20,472,252
Film	\$1.40	\$399,600
Binoculars/Spotting Scope	\$20.13	\$5,727,061
Camping Equipment	\$36.02	\$10,266,028
Clothing	\$28.59	\$8,131,365
Skis, Snowshoes, Sled	\$18.45	\$5,267,944
Bird Feeders, Seed	\$7.26	\$2,059,616
Guns and Accessories	\$0.42	\$118,399
Other, Unspecified	\$4.87	\$1,384,538
Identification and other books	\$0.16	\$40,539
Bicycle	\$1.06	\$495,663
Total	\$190.27	\$54,322,605

Table A-18 ANNUAL EXPENDITURES IN REGION 1 ON WILDLIFE RELATED EQUIPMENT
BY EXPENDITURE CATEGORY (in 1991 dollars)

Item Names	Estimated Total
Camera and Accessories	\$2,391,665
Film	\$57,766
Binoculars/Spotting Scope	\$558,650
Camping Equipment	\$732,160
Clothing	\$1,079,040
Skis, Snowshoes, Sled	\$236,133
Bird Feeders, Seed	\$151,424
Other, Unspecified	\$127,678
Identification and Other Books	\$25,900
Total	\$5,338,036

Table A-18 ANNUAL EXPENDITURES IN REGION 2 ON WILDLIFE RELATED EQUIPMENT
BY EXPENDITURE CATEGORY (in 1991 dollars)

Item Names	Estimated Total
Camera and Accessories	\$13,972,774
Film	\$309,475
Binoculars/Spotting Scope	\$3,857,804
Camping equipment	\$6,449,264
Clothing	\$5,366,793
Skis, Snowshoes, Sled	\$3,949,975
Bird Feeders, Seed	\$1,239,311
Guns and Accessories	\$102,388
Other, Unspecified	\$684,049
Identification and Other Books	\$16,639
Bicycle	\$155,263
Total	\$36,099,415



ALASKA VOTERS: Their Wildlife Related Trip Characteristics and Economics

Table A-22
TOTAL BASE ECONOMY--STATE OF ALASKA (in 1990 dollars)

Final Demand (millions of dollars)	\$26,742.7300
Total Industry Output (millions of dollars)	\$31,180.0900
Employment (number of jobs)	326,932

Table A-23
STATEWIDE ECONOMIC ACTIVITY ATTRIBUTABLE TO
NONCONSUMPTIVE WILDLIFE USE BY RESIDENT VOTERS (in 1991 dollars)
(includes expenditures on equipment and purchases on primary trips)

	Amount	As a Proportion of Total Economy
Direct Effects:		
Final Demand (millions of dollars)	\$92.2883	
Total Industry Output (millions of dollars)	\$92.2883	
Employment (number of jobs)	2076.83	
Indirect Effects:		
Final Demand (millions of dollars)	0	
Total Industry Output (millions of dollars)	\$16.7521	
Employment (number of jobs)	186.02	
Induced Effects:		
Final Demand (millions of dollars)	\$26.6150	
Total Industry Output (millions of dollars)	\$28.3208	
Employment (number of jobs)	523.85	
Total Effects:		
Final Demand (millions of dollars)	\$116.7033	0.4 %
Total Industry Output (millions of dollars)	\$135.3612	0.4 %
Employment (number of jobs)	2786.69	0.8 %
Expenditure multiplier: 1.67		


ALASKA VOTERS: Their Wildlife Related Trip Characteristics and Economics

Table A-62
 EXPENDITURES IN ALASKA (STATEWIDE) WHILE ON SELECTED SECONDARY WILDLIFE VIEWING TRIP
 BY EXPENDITURE CATEGORY (in 1991 dollars)

Item Name	Average per Secondary Trip	Estimated Annual Total for all Secondary Trips
Round Trip Transportation Expenses		
Commercial Airline	19.60	\$2,811,469
Air Charter/Air Taxi	23.96	\$3,435,998
Vehicle Rental	12.17	\$1,745,908
Ferry	15.33	\$2,199,154
Boat Charter	8.34	\$1,196,563
Train or Bus	3.69	\$516,546
Fuel or Oil for Any Vehicle		
Fuel, Land, Boat	51.25	\$7,351,515
Fuel, Air	2.85	\$409,208
Fuel, Unspecified	0.58	\$82,875
Other Vehicle Expenses		
Vehicle Items	10.27	\$1,472,470
Vehicle Services	10.81	\$1,550,552
Unspecified	0.02	\$3,563
Hotels/Motels/Lodging/Camping Fees		
Hotel, Hotel	39.58	\$5,677,052
camp fees	6.65	\$934,440
Groceries and Beverages		
Groceries	62.96	\$9,030,270
Restaurant Meals and Bars		
Meals	35.91	\$5,150,731
Bars	0.33	\$47,917
Unspecified	0.37	\$53,524
Commercial Trips and Tours		
wildlife viewing	13.04	\$1,870,848
fishing	1.77	\$253,278
Other, Unspecified	0.74	\$106,194
Wildlife Viewing and Photo. Supplies		
Camera and Accessories	0.34	\$48,961
film	8.75	\$1,255,025
film Processing	4.07	\$583,354
Equipment Rental		
Transportation Equip.	1.13	\$161,582
Shipping		
Shipping	0.27	\$39,371
Shipping Materials	0.08	\$12,119
Other Items or Unanticipated Expenses		
Medical	0.68	\$97,103
Souvenirs	3.90	\$539,310
Other	4.17	\$598,212
Books	0.24	\$34,338
Clothing	0.22	\$31,485
Total	346.10	\$49,641,135



ALASKA VOTERS: Their Wildlife Related Trip Characteristics and Economics

Table A-64
TOTAL BASE ECONOMY--STATE OF ALASKA (in 1990 dollars)

Final Demand (millions of dollars)	\$28,742.7300
Total Industry Output (millions of dollars)	\$31,180.0900
Employment (number of jobs)	326,932

Table A-65
STATEWIDE ECONOMIC ACTIVITY GENERATED BY RESIDENT VOTER TRIPS
ON WHICH NONCONSUMPTIVE WILDLIFE USE WAS A SECONDARY PURPOSE (in 1991 dollars)
(Includes only expenditures on secondary trips)

Direct Effects:

Final Demand (millions of dollars)	\$43.6730
Total Industry Output (millions of dollars)	\$43.6730
Employment (number of jobs)	754.78

Indirect Effects:

Final Demand (millions of dollars)	0
Total Industry Output (millions of dollars)	\$7.4301
Employment (number of jobs)	95.22

Induced Effects:

Final Demand (millions of dollars)	\$9.1693
Total Industry Output (millions of dollars)	\$10.6361
Employment (number of jobs)	196.74

Total Effects:

	Amount	As a Proportion of Total Economy
Final Demand (millions of dollars)	\$52.8423	0.18%
Total Industry Output (millions of dollars)	\$61.9592	0.20%
Employment (number of jobs)	1,046.73	0.32%

Expenditure multiplier: 1.62

CAVEAT: The levels of economic activity shown above CANNOT be attributed to wildlife. The primary purpose of the trip was NOT wildlife related so it does NOT follow that all or most of the economic activity can be attributed to wildlife, as can be done for primary wildlife viewing trips. Some proportion of the economic activity generated by secondary trips can likely be attributed to wildlife, but that proportion will vary by trip. Attributing economic activity from secondary trips to wildlife requires an explicit assumption regarding that proportion.

STEVE FRANK

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Alaska State Legislature



Senate

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

Sponsor Statement - Senate Bill No. 16

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

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

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

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

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

Thank you for your consideration.

Sponsor Statement

.....

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.

Background

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 53 million acres. Even bringing the University of Alaska's federal grant up to the average of the smaller states -- 340,000 -- would triple the size of the University's federal grant.

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

contact:

Wendy Redman
University Relations
463-3086/474-7582

Position Paper

Position Paper

DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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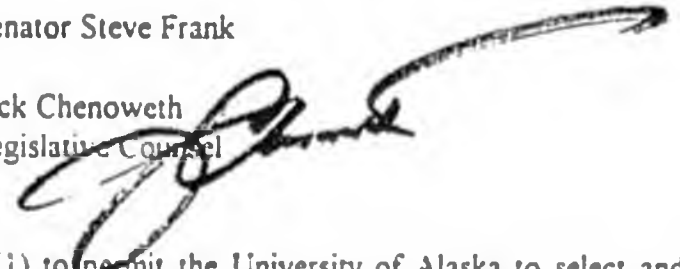
MEMORANDUM

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.

Sectional Analysis

-- 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.

-- 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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January 26, 1995
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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.

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