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(b) All approved selections under former secs. 190 - 200 of this chapter for which patent has not been issued to a municipality on the effective date of this Act shall be reviewed by the director within nine months of the effective date of this Act. Any approved selection of land which was vacant, unappropriated or unreserved on the date of selection is valid as of the date of the approval under the former secs. 190 - 200 of this chapter, and a patent shall be issued to the municipality within three months after approval by the director of a plat of survey. The acreage shall be credited toward fulfillment of the municipality's entitlement. No municipality is entitled to receive patent under this chapter to more than its entitlement determined under sec. 202 of this chapter. Any prior approval by the director of municipal selections for land which was not vacant, unappropriated or unreserved on the date of selection shall be rescinded, and patent may not be issued except when disposal to a third party by sale or lease has occurred. Transfers of general grant land to municipalities under this chapter are subject to AS 38.05.321. Classification actions as reflected upon the land status records of the Department of Natural Resources are determinative of land classification status for purposes of this chapter.

(c) All municipal land selections under former secs. 190 - 200 of this chapter not approved as of the effective date of this Act shall be recognized by the director as representing the priority interests of the municipalities, and the selections shall be given first consideration under (c) of this section unless the municipality indicates different priorities.

(d) On the effective date of this Act and for five years thereafter no classification of a parcel of general grant land in excess of 3,200 acres under AS 38.05.300 shall be effective, unless otherwise required by law, if the municipality in which the parcel is located, within 30

1 days after receipt of notice of the proposed classification, advises  
2 the director in writing that it does not consent to the classification  
3 and indicates the reasons for its nonconsent.

4 (e) Each eligible municipality and the director shall jointly  
5 consider which vacant, unappropriated, unreserved land, including federal  
6 land of interest to a municipality which may be selected by the state as  
7 general grant land, located within the boundaries of the municipality is  
8 appropriate for municipal selection and approval by the director to ful-  
9 fill any remaining municipal general grant land entitlement. The joint  
10 consideration made by the parties shall include a cooperative land  
11 planning process which will, in addition to the normal objectives of  
12 such a process, seek to identify both local and state interests in  
13 tracts of vacant, unappropriated and unreserved land remaining within  
14 the municipality. Adjacent tracts shall be considered simultaneously  
15 except when such simultaneous consideration would cause significant delay  
16 or expense. Once a tract has been jointly considered, it may be selected  
17 by a municipality. Each selection must be approved or disapproved for  
18 patent by the director under (f) of this section within nine months of  
19 its selection by a municipality, and a patent shall be issued to the  
20 municipality within three months after approval by the director of a plat  
21 of survey.

22 (f) In reviewing a municipal selection, the director shall consider  
23 the state's responsibilities for developing and protecting values which  
24 are of greater than local concern, including large-scale development,  
25 small-scale development of regional or statewide impact, and critical  
26 environmental concerns. Specific state responsibilities to be considered  
27 if such responsibilities have not been delegated by the state to a  
28 municipality, include air quality; water; minerals and energy; timber;  
29 agriculture; grazing; fish and wildlife and their habitat; public

recreation, natural, historical, and archaeological areas of greater than local concern; access to public land and water; transportation; communications; and public safety. Specific municipal responsibilities to be considered include residential, commercial and industrial needs; support of municipal services; education; local transportation; private recreation; public recreation, natural, historical and archaeological areas of local concern; and other responsibilities delegated by the state to a municipality. A selection by a municipality of land which is primarily of local concern shall be approved. A selection of land whose ownership must be retained by the state to protect values which are primarily of greater than local concern shall be disapproved. When the interests of the state may be protected through the conveyance of title that is less than a fee title, the municipality, at its option, may accept the title in acre-for-acre fulfillment of its entitlement.

(g) Every decision of approval or disapproval of a municipal selection by the director under (f) of this section shall include a written explanation of the decision based upon the criteria of that subsection. Before issuing any decision to disapprove a selection, the director shall notify the affected municipality in writing, by certified mail, of his reasons for the proposed decision. The municipality shall have 30 days from receipt of the proposed decision to respond to the director in writing enumerating the reasons for which the municipality believes the proposed decision to be in error. After receipt of the municipality's statement of reasons, or after expiration of the period in which the municipality may respond to the proposed decision, the director shall, within 30 days, affirm, modify or reverse his proposed decision in writing and give written notice of his decision to the municipality. The decision of the director constitutes final administrative action in the matter. A municipality may appeal an adverse

1 decision by the director to the superior court under AS 44.62.560 -  
2 44.62.570.

3 (h) Within 30 days after convening of the first regular session  
4 of the Eleventh Alaska Legislature and the first and second regular  
5 sessions of the Twelfth Alaska Legislature, the director shall report to  
6 the legislature on the implementation of secs. 202 - 218 of this chap-  
7 ter.

8 Sec. 29.18.206. SELECTION AND CONVEYANCE PROCEDURE. (a) All  
9 municipal selections shall be made in reasonably compact tracts, taking  
0 into account the use capabilities of a tract and its relationship to  
1 surrounding land uses. A selection filed by a municipality which has  
2 not been approved by the director may be relinquished at any time. An  
3 approved selection may be relinquished by a municipality if the relin-  
4 quishment is approved by the director. An approved selection relin-  
5 quished by a municipality increases the remaining entitlement of the  
6 municipality on an acre-for-acre basis.

7 (b) A municipality may maintain selections for not more than 110  
8 per cent of its remaining entitlement. Municipal selections for general  
9 grant land which is withdrawn under sec. 11(a)(2) of the Alaska Native  
0 Claims Settlement Act (43 U.S.C. 1601 et seq., P.L. 92-203) is not  
1 included in the limitation of this subsection.

2 (c) If land selected by a municipality is unsurveyed at the time  
3 of approval, the director shall survey, or may approve the municipality's  
4 survey of, the exterior boundaries of an approved selection without  
5 interior subdivision, and shall issue patent in terms of the exterior  
6 boundary survey. The cost of the survey shall be borne by the munici-  
7 pality. If land selected by a municipality has been surveyed at the  
8 time of its selection, the boundaries shall conform to the public land  
9 subdivisions established by the approved survey.

(d) The director may approve municipal selections of land which has been tentatively approved or patented to the state by the federal government, but he may not issue patent to a municipality until the land has first been patented to the state. After approval of a selection by the director, but before patent to a municipality, the municipality may execute conditional leases and make conditional sales only with the consent of the director. Conditional sales and conditional leases made before the effective date of the Act do not require the consent of the director.

(e) Nothing in this chapter affects a valid existing claim, location or entry under the laws of the state or the United States whether for homestead, mineral, right-of-way or other purposes. Nothing in this chapter affects the rights of an owner, claimant, locater or entryman to the full use and enjoyment of the land so occupied.

Sec. 29.18.203. PAYMENT IN LIEU OF LAND. (a) There is established within the general fund the Alaska municipal land account for the purpose of allowing eligible municipalities to receive payment in lieu of land entitlements provided in sec. 202 of this chapter.

(b) By August 1 of each year the director shall certify to each municipality having an entitlement under sec. 202 of this chapter the acreage of patented selections, approved selections not yet patented, pending municipal land selections neither approved nor disapproved by the director, and the remaining entitlement of the municipality. If at the time of certification the ratio of the remaining entitlement of the municipality to the vacant, unappropriated, unreserved land within the municipality is greater than two to one, or if there are less than 1,000 acres of vacant, unappropriated, unreserved land within the municipality, the municipality may, at its option, request payment in lieu of land from the account established in (a) of this section; however, no payment may

be made to the City and Borough of Juneau, the City and Borough of Sitka or the Ketchikan Gateway Borough under this subsection until the fiscal year after cumulative appropriations to the account exceed \$12,000,000 or until the fiscal year beginning July 1, 1984, whichever occurs first.

(c) A municipality eligible for payment under this section may, by October 1 of each fiscal year of eligibility, notify the director of its election to accept payment in lieu of land from the account. A municipality may accept payment for not more than 15 per cent of its entitlement under sec. 202 of this chapter, to a maximum of 10,000 acres, in each fiscal year. A municipality which chooses to accept payment in lieu of land shall be entitled to an amount based on the cumulative total number of acres of remaining entitlement which it relinquishes according to the following schedule:

- (1) 10,000 acres or less -- \$1,500 per acre;
- (2) 10,001 to 20,000 acres -- \$750 per acre; and
- (3) more than 20,000 acres -- \$350 per acre.

(d) The governor shall annually submit to the legislature a request for an appropriation to the account for the municipalities which have elected to receive payment in lieu of land under this section. The requested appropriation shall be in an amount which is not less than the total of all revenues received by the state from the sale, lease or other disposal of general grant land or any interest in the land, including the sale or lease of timber, gravel and other non-mineral resources during the preceding fiscal year.

(e) If the total appropriation is not sufficient to meet the amount due to all municipalities which have elected to accept payment in lieu of land under (c) of this section, the governor shall apportion among the municipalities on the basis of the payment calculated for each municipality for that year. When a distribution of payments is made under

this subsection, the remaining entitlement of a municipality to which payment is made shall be reduced in an amount equal to the number of acres for which payment was received. An apportionment may increase the acreage for which a municipality may request payment in a succeeding year, but this increase in acreage does not authorize a municipality to request payment in lieu of land of more than 10,000 acres in any one year.

Sec. 29.18.210. AUTHORIZATION FOR LAND EXCHANGES. The director, with the concurrence of the commissioner, and any municipality are authorized to exchange land or interests in land when it is in the public interest. Land or interests in land exchanged under this section must be of approximately equal value, including the non-monetary value of public benefits. Exchange procedures shall comply with applicable law and municipal ordinances. The notice and review provisions of AS 38.05.305 and 38.05.345 are applicable to exchanges of land under this section. The provisions of AS 38.50 do not apply to exchanges of land under this section.

Sec. 29.18.212. PUBLIC PURPOSE AND EXPANSION NEEDS. (a) Consistent with the best interests of the state, if a municipality does not contain and cannot reasonably acquire sufficient nonfederal land within its boundaries to meet its legitimate needs for public or private settlement or development, it shall be the policy of the state to select federal land reasonably necessary to meet the needs of the municipality and to make the land selected available to the municipality under AS 38.05.315 or (b) of this section.

(b) Where state land is the most logical location for demonstrated municipal expansion for nonpublic settlement and development purposes, and when an exchange of land under sec. 210 of this chapter is not possible or is not in the public interest, it is the policy of the state

1 to sell or lease the land at public auction. The state may contract  
2 with a municipality to act as its agent in an auction of state land  
3 under applicable statutes. When a municipality acts as the agent of the  
4 state in an auction, the municipality may retain from the proceeds of  
5 the auction the expenses which the director determines to be necessary  
6 and reasonable.

7 (c) Nothing in this chapter limits or impairs the authority of the  
8 director to transfer land to municipalities, without limit or considera-  
9 tion, for public purposes in accordance with AS 38.05.315. If there is  
10 a remaining entitlement of the municipality, land transferred under AS  
11 38.05.315 shall be credited toward fulfillment of the entitlement;  
12 however, land conveyed to the state under sec. 12(d)(2) of Public Law  
13 94-204 and subsequently conveyed by the state to a municipality under  
14 secs. 202 - 218 of this chapter or AS 38.05.315 may not be credited  
15 against the municipality's remaining entitlement.

16 Sec. 29.18.214. ELECTION OF BENEFITS. (a) A municipality which  
17 on the effective date of this Act is engaged in litigation, or which  
18 becomes engaged in litigation, regarding a claim to state land under  
19 former secs. 190 - 200 of this chapter shall elect either to obtain the  
20 benefits provided in secs. 202 - 218 of this chapter or to pursue the  
21 litigation and thereby waive any claim to entitlement under secs. 202 -  
22 218 of this chapter. An election shall be made by filing a motion for  
23 dismissal with prejudice in the court in which the litigation is pending.  
24 If the claim involves a municipality identified in sec. 202(a) of this  
25 chapter, the municipality shall file its motion for dismissal within 60  
26 days of the effective date of this Act. If the claim involves a muni-  
27 cipality not listed in sec. 202(a) of this chapter, the municipality  
28 shall file its motion for dismissal within 60 days after receiving the  
29 certificate of entitlement provided by the director under sec. 202(c) of

this chapter. Failure of the municipality to file a motion for dismissal during the time period provided in this subsection shall be considered a waiver of entitlement under secs. 202 - 218 of this chapter.

(b) A municipality which was eligible to file land selections under the former secs. 190 - 200 of this chapter and which does not enter into litigation over a claim to rights under those sections before the expiration of the time period within which it could make an election under (a) of this section shall be considered to have elected to receive benefits under secs. 202 - 218 of this chapter and to have waived any claim which might have been raised under former secs. 190 - 200 of this chapter.

Sec. 29.18.216. ADMINISTRATION. The commissioner may adopt regulations in accordance with the Administrative Procedure Act (AS 44.62) necessary to carry out the purposes of secs. 202 - 218 of this chapter.

Sec. 29.18.218. DEFINITIONS. In secs. 202 - 218 of this chapter, unless the context otherwise requires,

(1) "approved selection" means a municipal land selection which has been approved in writing by the director for transfer by patent to a municipality;

(2) "director" means the director of the division of lands, Department of Natural Resources, or his designee;

(3) "general grant land" means land patented or tentatively approved to the state from the United States under secs. 6(a) or (b) of the Alaska Statehood Act;

(4) "municipal land selection" means a request by a municipality, filed in writing with the director under authority of secs. 190 - 200 of this chapter repealed by this Act or under secs. 202 - 218 of this chapter for vacant, unappropriated, unreserved general grant land within its municipal boundaries in partial fulfillment of its municipal entitlement;

(5) "municipality" means a home rule or general law city or organized borough of any class, and includes third class boroughs and unified municipalities established under AS 29.68.240 - 29.68.440;

(6) "patent" means a document, issued by the director to a municipality for a previously approved selection, which conveys and quitclaims all the right, title and interest of the state without reservation or condition except as may be required by law;

(7) "remaining entitlement" means the general grant land entitlement determined in accordance with sec. 202 of this chapter, reduced by the total acreage of approved selections, including both patented and unpatented parcels;

(8) "vacant, unappropriated, unreserved land" means general grant land as defined in (3) of this section, excluding minerals as required by sec. 6(i) of the Alaska Statehood Act, which

(A) has not been set aside by statute for one or more particular uses or purposes;

(B) has not been approved for patent to a municipality under secs. 202 - 218 of this chapter or former secs. 190 - 200 of this chapter repealed by this Act; or

(C) is unclassified or, if classified under AS 38.05.300, is classified for agricultural, grazing, commercial, industrial, private recreational, residential, utility or open-to-entry purposes.

\* Sec. 3. AS 38.05.321 is repealed and re-enacted to read:

Sec. 38.05.321. RESTRICTION ON SALE, LEASE OR OTHER DISPOSAL OF AGRICULTURAL AND GRAZING LAND. (a) The sale, lease or other disposal of state land classified as agricultural or grazing land transfers only rights for agricultural and grazing purposes, and all other interests in the land remain with the state unless otherwise required by law.

(b) State land classified as agricultural or grazing land which has been selected by a municipality under AS 29.18.190 - 29.18.200 or AS 29.18.204(c) may be approved by the director for patent under AS 29.18.204(f); however, only rights in the land for agricultural or grazing purposes may be transferred and all other interests in the land will remain with the state. Agricultural or grazing land approved for patent to a municipality under AS 29.18.204(f) shall be credited, acre for acre, toward fulfillment of that municipality's entitlement under AS 29.18.202. If the director later determines it to be in the best interests of the state to transfer some or all of the additional rights in that approved or patented agricultural or grazing land, those rights shall pass without consideration to the municipality in which the land is located.

(c) The provisions of (a) of this section do not apply to state land classified as agricultural or grazing land which has been selected by a municipality under the provisions of AS 29.18.190 - 29.18.200 and which has been approved by the director under AS 29.18.204(b).

\* Sec. 4. AS 38.05.290 is amended by adding a new subsection to read:

(b) Consistent with the best interests of the state, in the selection of general grant land it is the policy of the state to make available the maximum land area from which municipalities may fulfill land entitlements under AS 29.18.202 - 29.18.218.

\* Sec. 5. AS 29.18.190, 29.18.200, and 29.18.420 are repealed.

\* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.070(c).

# STATE OF ALASKA

## DEPT. OF HEALTH AND SOCIAL SERVICES

MENTAL HEALTH LANDS BOARD

DIVISION OF MENTAL HEALTH  
MENTAL HEALTH CLINIC

750 W. 2ND AVENUE  
ANCHORAGE 99501

JAY S. HAMMOND, GOVERNOR

February 10, 1978

880 H St. #205  
Anchorage, AK

The Honorable Steven Cowper  
Chairman, House Finance Committee  
Pouch V  
Juneau, Alaska 99811

Re: Amendment to HB 133

Dear Steve:

Thank you very much for your courtesy in setting up a hearing on the Lands Board's amendment. As per the enclosed letter, I am requesting Burke Riley of the Division of Lands to get me the figures on income produced from trust lands since statehood.

In light of Russ Meekins' suggestion, I request Part 1 of the amendment be changed to read:

1. Amend the title to read:

"An act relating to selection and transfer of state land to municipalities and establishing the Mental Health Lands Board of Trustees; and providing for an effective date."

I think Russ' point was very well taken.

Should you need any additional information, we would be most happy to provide it. I would also be personally grateful if you can help make sure that this amendment passes in the House. I am writing each member of your committee individually, but would be very grateful for your personal assistance because that will carry a great deal of weight.

There is one typographical error in the bill also. In Line 4 of Section 7(b) the reference should be "Sections 6-8", not "6-10."

With best wishes.

Cordially,



Max F. Gruenberg, Jr.  
Chairman

MFG:cl

MENTAL HEALTH LANDS BOARD  
AMENDMENT TO CS for HB 133

1. Amend the title to read:

"An Act relating to the disposition of public and trust lands and providing for an effective date."

2. Insert a new subsection (c) on page 2 between lines 9 and 10 as follows:

"(c) Municipalities may make their selections under this section from mental health lands, subject to approval by the Mental Health Lands Board of Trustees. If such selections are made, the Mental Health Lands Board of Trustees shall be entitled to select state lands of equal value."

Renumber sections (c), (d) and (e) as (d), (e), and (f) respectively.

3. Add the following sections after section 5:

Sec. 6. The legislature finds that the mental health lands granted to the state under the Alaska Mental Health Enabling Act (70 Stat. 709) and other authority shall be administered as a public trust.

Sec. 7(a). AS 38.05.035(a)(13) is repealed and reenacted as follows.

"The Director of the Division of Lands shall

(13) select, administer, and dispose of mental health lands as directed by the Mental Health Lands Board of Trustees."

(b) Until one or more gubernatorial appointees has been appointed pursuant to section 3(a) of this Act, the Mental Health Lands Board established pursuant to AS 38.05.035 as repealed shall continue to function under Sections 6-10 of this Act.

Sec. 8. AS 38.05.042 is added as follows:

"AS 38.05.042 Mental Health Lands Board of Trustees.  
(a) There is established in the Department of Natural Resources the Mental Health Lands Board of Trustees composed of the Commissioner of Revenue, the Director of the Division of Mental Health, one member of the Mental Health Advisory Council elected by the council, and four residents of Alaska appointed by the Governor

2-6-78

Attachment 1

for four year terms. Initial terms shall be: seat A to expire December 31, 1978, seat B to expire December 31, 1979, seat C to expire December 31, 1980, and seat D to expire December 31, 1981. The representative of the Mental Health Advisory Council and all gubernatorial appointees shall be confirmed by the legislature meeting in joint session.

"(b) The Board shall elect one of its number as chairman. Members shall not be entitled to salary, but shall be entitled to travel and per diem.

"(c) The Board shall select, administer and dispose of mental health lands granted to the state under the Alaska Mental Health Enabling Act (70 Stat. 709) and other authority as a public trust and in accord with said federal statute with full fiduciary authority and responsibility. The Board may establish trust funds administered by the Department of Revenue and other ancillary mechanisms for the administration of the mental health trust.

"(d) Income from the trust may be used to pay necessary administrative expenses incurred under this section.

"(e) The Board shall adopt regulations as necessary to carry out its duties provided that such regulations are consistent with the regulations of the Division of Lands and provided further that such regulations are adopted in accordance with the Administrative Procedures Act (AS 44.62)."

Sec. 9. This Act shall take effect immediately in accord with AS 01.10.070(c).

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

323 E. 4TH AVENUE - ANCHORAGE 99501

February 10, 1978

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch "V"  
Juneau, AK 99811

Re: CSHB 133

Dear Representative Cowper:

In the period since your committee last considered CSHB 133, the "municipal land selection bill," events have occurred which would suggest that several minor amendments be made to the bill presently before your committee. These amendments are needed largely as a result of changes caused by other legislation passed in 1977, and the need to extend certain fixed dates originally found in the bill in anticipation of passage last year. Below I have listed the suggested amendments and the rationale for each suggestion. The page and line numbers refer to the committee substitute for HB 133 offered by the Community and Regional Affairs Committee on May 4, 1977.

Page 6 - Lines 1-4: Subsection (h) should be amended as follows:

Within 30 days after the convening of each [the first] regular session of the [Eleventh] Alaska Legislature, until and including the first regular session of the Thirteenth Alaska Legislature, [and the first and second regular sessions of the Twelfth Alaska Legislature,] the director shall report to the Legislature on the implementation of secs. 202-218 of this chapter.

The suggested amendment would require a report to the Legislature by the director at the beginning of each legislative session for the next five years. The existing language requires reports every other year. Because of the importance of this legislation for good land management within municipalities throughout Alaska, it is felt that the Legislature should be notified annually of the progress of its implementation.

Page 6 - Line 13: This line should be amended as follows:

. . . grant land which was [is] withdrawn under sec. 11(a)(2) and selected under sec. 12 of the Alaska Native . . .

As presently written in CSHB 133, all tentatively approved state land withdrawn for selection by a Native village under section 11(a)(2) of the Claims Act would be susceptible to exclusion from the limitation in this subsection (b) if it was selected by a municipality. Since the village corporations under section 12 of the Claims Act selected considerably less than the total amount of land initially withdrawn under section 11(a)(2), the recommended language would clarify that only the land actually selected by Native village corporations would be excluded from the limitation, and not all lands originally withdrawn.

Page 7 - Line 5: This line should be amended as follows:

. . . before the effective date of this [the] Act do not require the consent of the . . .

This technical change substitutes the word "this" for "the" and better specifies which act is referred to.

Page 8 - Line 1: This line should be amended to read:

. . . or until the fiscal year beginning July 1, 1985, [4] whichever occurs first.

The agreement among the State and the municipalities guaranteed that the City and Borough of Juneau, the City and Borough of Sitka, and the Ketchikan Gateway Borough would not be eligible for payments in lieu of land for a period of seven years after enactment of the act. Because the act was not passed by the 1977 Legislature, a year must be added to the date in the existing bill to maintain the seven year period agreed upon.

Page 8 - Line 25: This line should be amended to read:

. . . tionment may correspondingly increase the acreage for which a municipality may request . . .

The purpose of this sentence is to indicate that when a municipality is required to take less than its requested in lieu payment due to an apportionment of available funds among all municipalities requesting in lieu payment, that municipality may "carry forward" to the next year that portion of its in lieu request which it did not receive. As the sentence is presently written, however, it does not say how much such apportionment may increase the acreage for which a municipality may request payment in a succeeding year. The suggested amendment, by adding the word "correspondingly," better clarifies that any increase must correspond to the amount of acreage unused for in lieu payments from the preceding year.

Page 11 - Line 3: A new subparagraph (c) should be added to Sec. 29.18.214. The suggested amendment reads:

(c) The provisions of Sections 202-218 of this chapter shall not affect the rights, if any, of any party to litigation regarding the former AS 29.18.190-200 or 29.18.420, which litigation is maintained by a municipality which has elected not to obtain the benefits provided by Sections 202-218 of this Chapter.

Section 29.18.214 requires a municipality which engaged in litigation regarding its entitlement under AS 29.18.190-200, or which subsequently becomes engaged in such litigation, to elect either to avail itself of the benefits provided by CSHB 133, or to pursue the litigation and waive any claim to entitlement under the proposed bill. Certain time limits are set in the bill, beyond which time the municipality may be presumed to have made an election not to obtain the benefits of CSHB 133 by having failed to file a motion for dismissal with prejudice within the time set.

A question was raised in the committee regarding the effect of the Legislature's consideration and potential adoption of CSHB 133 upon litigation which is now pending in state court, notably by the North Slope Borough and the Matanuska-Susitna Borough. One obvious implication of the Legislature's adoption of CSHB 133 would be the fact that, by Section 5 of the proposed bill, the original Municipal Selection Act AS 29.18.190-200 and AS 29.18.420, would be repealed.

In order to ensure that the existing rights, if any, of all parties of such litigation are preserved, notwithstanding the possible repeal by the Legislature of the existing Municipal Land Selection Act and the substitution therefore of CSHB 133, the following language was proposed by the attorney for North Slope Borough, and concurred in by the Department of Natural Resources by letter of March 6, 1977 to Finance Committee Vice Chairman Oral Freeman:

AS 29.18.214(c). The provisions of this chapter shall not affect the right, if any, of any party to litigation pursued by a municipality by its selection under this section.

While this language may meet the problem at hand, we recommend that it be made more specific to clarify its applicability in the matter of the amendment recommended in the first paragraph above.

Page 11 - Lines 22-24: Subsection (5) should be amended to read:

(5) "municipality" means a home rule or general law city or organized borough of any class and includes [third class boroughs and] unified municipalities established under AS 29.68.240-440; [.29.68.440;]

Under Title 29 of the Alaska Statutes prior to 1977, the entitlement of third class boroughs to municipal lands was not clear. AS 29.18.190-200 limited the entitlement to "a borough or city." AS 29.78.010(1) defined a "borough" as follows:

(1) "Borough" means a general law first or second class organized borough; . . .

Thus, under this definition, a third class borough would not have land selection rights under AS 29.18.190-200. To clear this matter up, the definition of "municipality" in the existing bill specifically includes third class boroughs. Chapter 93, SLA 1977, however, amended the definition of "borough" as follows:

(1) "Borough" means a general law first, second, or third class organized borough; . . .

Thus, the applicability of AS 29.18.190-200, the existing Municipal Selection Action, was made clear last year by the Legislature to apply to third class boroughs and the recommended amendment above merely deletes the repetitive reference to third class boroughs in the definition of "municipality."

However, the applicability of the existing municipal land selection act, and the proposed CSHB 133, to unified municipalities which have been created out of former cities and former boroughs is not explicit in existing legislation, and therefore the specific conclusion of unified municipalities within the definition of "municipality" should be maintained in CSHB 133.

Page 13 - Line 8: This line should be amended to read:

. . . selection is an approved selection prior to the date of enactment of this Act and is otherwise valid under AS 29.18.204(b).

The purpose of this subsection (c) is to permit municipalities, which have selected lands classified as agricultural or grazing lands and which have received approval of those selections, to receive fee simple title to the land and not just the agricultural and grazing rights as otherwise required by this section. The suggested amendatory language ensures that the approval of those selections must have been made before the date of enactment of the present bill. Without such amendatory language, subsection (c) might be misread to include an approval of a selection for agricultural or grazing lands made in the future, well after enactment of this pending legislation.

By copy of this letter to the other municipalities listed in Sec. 29.18.202(a) of CSHB 133, I have asked them to review this letter and to comment directly to you if they have any concerns with the suggested amendments. As most of the amendments are not of a substantive nature, I do not foresee any problems with the suggestions as made above.

Honorable Steve Cowper

6

February 10, 1978

If you or members of your staff have any questions concerning this language, please do not hesitate to ask.

Sincerely,



Michael C. T. Smith  
Assistant Commissioner

cc: Municipality of Anchorage  
City and Borough of Juneau  
City and Borough of Sitka  
Bristol Bay Borough  
Fairbanks-North Star Borough  
Haines Borough  
Kenai Peninsula Borough  
Ketchikan Gateway Borough  
Kodiak Island Borough  
Matanuska-Susitna Borough  
North Slope Borough

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

11TH FLOOR, STATE OFFICE BLDG.  
POUCH M - JUNEAU 99811

March 3, 1978

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Cowper:

Re: Payment in lieu of land projected costs for  
CSHB 133 (Finance)

In view of the amendments to CSHB 133 which have occurred since my last estimate of projected in lieu payment in my February 15, 1978, letter. I have stated below my best estimate of the maximum and minimum values. This estimate is based upon the draft which will be submitted to the House Finance Committee on Friday, March 3, 1978.

The projections below are based upon the following assumptions:

1. The land entitlements presently found in CSHB 133 will remain constant (any upward change of entitlement will probably increase the projected request).

2. The U. S. Forest grant selections made by the State in December, 1977, will be conveyed to the State by July 1, 1984 (so that they would be available for municipal selection).

3. 75% of boroughs which form in the future, and which automatically receive an entitlement of 25,000 acres, will receive that entitlement in land. 25% of future boroughs will have the same entitlement, but will not be able to fulfill it completely with land and will take payments in lieu of land under section 208.

Under the above assumptions, the maximum and minimum total projected requests (in millions of dollars) by qualified municipalities is:

Minimum

19.0

Maximum

23.0

The Hon. Steve Cowper

-2-

March 3, 1978

The maximum request in any one year would be approximately 5.7 million.

Section 29.18.208 permits qualified municipalities to request up to the above maximum amounts, but the actual appropriation could be less in any particular year. Thus, the time period during which in lieu payments might be made is under legislative control.

Sincerely,

*Michael C.T. Smith*

Michael C.T. Smith  
Assistant Commissioner

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

323 E. 4TH AVENUE - ANCHORAGE 99501

January 31, 1978

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch "V"  
Juneau, AK 99811

Re: Fiscal Note for CSHB 133

Dear Representative Cowper:

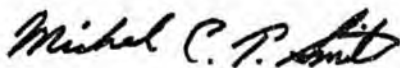
Since the 1977 Legislature did not act upon the Municipal Land Selection Bill (CSHB 133), certain changes need to be made in the fiscal note which was submitted by the Department of Natural Resources for this bill in April 1977. A copy of the new fiscal note is attached and is fairly self explanatory.

While the amounts remain fairly similar, two changes are apparent. First, in the April 1977 fiscal note a request was made for a one-time cost of \$33.1 for the purpose of working with communities within the national forests in Alaska to enable the State to select a substantial portion of its national forest community grant land entitlement. Since this bill did not move last year, that money was granted elsewhere in the budget. Since this program, which was highly successful, has already been completed, that portion of the fiscal note request has been dropped.

The other change is an increase in salaries and benefits due to the APEA contractual agreements which automatically raised the salary levels during the current fiscal year.

If you have any questions concerning this fiscal note, please contact me.

Sincerely,



Michael C. T. Smith  
Assistant Commissioner

Attachment

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 133

Title Grant Land Entitlements for Municipalities

Requested by House Finance Committee

Date January 24, 1978

II. FISCAL DETAIL

Agency Affected DEPARTMENT OF NATURAL RESOURCES

Program Category Affected NNIS/EC

Budget Request Unit(s) Affected Land Management; and District Operations; and  
Land Administration and Support

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		227.0	240.6	255.0	270.3	286.5
200 TRAVEL		17.3	15.1	16.0	17.0	18.0
300 CONTRACTUAL		88.8	120.5	57.1	45.9	9.9
400 COMMODITIES		9.4	4.1	4.3	4.6	4.9
500 EQUIPMENT		7.1	-	-	-	-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>349.6</b>	<b>380.3</b>	<b>332.4</b>	<b>337.8</b>	<b>319.3</b>

FUNDING (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
GENERAL FUND		349.6	380.3	332.4	337.8	319.3
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
FULL TIME		7.0	7.0	7.0	7.0	7.0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

CS HS 133 directs the Department of Natural Resources to accomplish a number of tasks within some relatively stringent time frames. Those requirements, and necessary personnel and fiscal needs to accomplish them, are shown below.

I. Short Range:

- A. Review, within six months, for every municipality in Alaska, state land status and certify each municipality's entitlement under Section 202(b).
- B. Review, within six months, 263,000 acres of approved selections within all municipalities and certify acreage to be patented under Section 204(b).
- C. Publish public notice, conduct necessary public hearings, and complete and issue patented documents for approximately 255,000 acres of approved selec-

IV. DATE January 24, 1978

PREPARED BY MICHAEL SMITH

AGENCY Division of Lands

PHONE 279-5577

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

*metz* 1/31/78

Municipal Land Selection Bill (CS HS 133)  
January 24, 1978

tions within 90 days of survey.

Fiscal Requirement: Three positions required: land management officer III (Anchorage), land management officer II (Anchorage), and a cartographer III (Anchorage). The cartographer will also be used to accomplish medium range objectives shown below.

II. Medium Range:

With each municipality:

- A. Review approximately 12,000,000 acres of vacant, unappropriated, unreserved state land within all municipal boundaries to determine appropriate municipal selections for remaining 465,000 acres of entitlement.
- B. Review all remaining federal land (20,000,000 plus acres) within municipalities to determine municipal needs for future state general grant selections.

Fiscal Requirement: Four positions are needed to work closely with each municipality to accomplish the joint cooperative land planning and identification process mandated in Section 204(e). These are a principle planner (Anchorage), two land management officer III positions (one each Fairbanks and Juneau), and a land management officer II (Anchorage).

FISCAL BREAKDOWN

PERSONAL SERVICES:

<u>New Positions</u>	<u>Annual Salary</u>	
Planning Supervisor	32,268	
Land Mgmt. Officer III (Anchorage)	25,872	
Land Mgmt. Officer III (Juneau)	25,872	
Land Mgmt. Officer III (Fairbanks)	29,952	
Land Mgmt. Officer II (Anchorage)	22,332	
Land Mgmt. Officer II (Anchorage)	22,332	
Cartographer III (Anchorage)	<u>22,332</u>	
TOTAL SALARY		\$180,960
Benefits \$180,960 X 17.25% =	\$31,216	
FICA \$1143 X 7 =	8,001	
Health Insurance 84 MM X 82.18 =	<u>6,903</u>	
TOTAL BENEFITS		<u>46,120</u>
TOTAL PERSONAL SERVICES		\$227,080

TRAVEL:

Per Diem	7.2	
Transportation	<u>10.1</u>	
	17.3	
TOTAL TRAVEL		\$17,300

CONTRACTURAL:

Socio-economic Analysis for Regional Plan	\$62.0	
Editing of Regional Plan	8.0	
Public Participation for three (3) Regional Plans	13.5	
Communication	2.3	
Advertising	.8	
Transportation of things	.4	
Equipment Rental	.6	
Printing	<u>1.2</u>	
TOTAL CONTRACTURAL		\$88,800.00

COMMODITIES:

Cartographic Supplies	\$ 5.1	
Other Supplies	<u>4.3</u>	
TOTAL COMMODITIES		\$9,400.00

EQUIPMENT:

Desks	5 @ 350 each	\$1,750	
Desk	1 @ 450	450	
Light Table	1 @ 1500	1,500	
Chairs	6 @ 120 each	720	
Draftsman's chair	4 @ 115 each	460	
Drafting machine	1 @ 235	235	
Leroy letting set	1 @ 160	160	
Layout tables	3 @ 350 each	1,050	
File cabinets	4 @ 160 each	<u>640</u>	
TOTAL EQUIPMENT			\$7,065.00

*Attachment to Minutes  
5/17/77 Re HB/33*

NAME OF BOROUGH	NO. OF ACRES OF STATE LANDS WITHIN BOROUGH	APPLIED FOR	APPROVED	PATENTED	NO DECISION
Municipality of Anchorage	267,300	16,499	2,475	4,253	9,771
City and Borough of Juneau	4,400*	657	----	657	--
City and Borough of Sitka	250*	502	----	277	225
Bristol Bay Borough	19,400*	56	----	56	-----
Fairbanks North Star Borough	1,444,000	68,626	10,909	6683	51,105
Haines Borough	10,800*	17	----	17	-----
Kenai Peninsula Borough	1,944,000	142,705	36,905	12,988	92,812
Ketchikan Gateway Borough	4,100*	95	95	----	----
Kodiak Island Borough	452,000*	36,779	7,695	2,121	26,953
Matanuska-Susitna Borough	4,077,000	386,036	205,121	84,554	96,361
North Slope Borough	4,156,000	197,355	----	----	----

\* Vacant, unreserved, and unappropriated

Attachment to Minutes  
5/7/77 Re AB/33

NAME OF BOROUGH	NO. OF ACRES OF STATE LANDS WITHIN BOROUGH	APPLIED FOR	APPROVED	PATENTED	NO DECISION	
Municipality of Anchorage	267,300	16,499	2,475	4,253	9,771	17.0%
City and Borough of Juneau	4,400*	657	-----	657	--	20.0%
City and Borough of Sitka	250*	502	-----	277	225	15.0%
Bristol Bay Borough	19,400*	56	-----	56	-----	94.0%
Fairbanks North Star Borough	1,444,000	68,626	10,909	6683	51,105	17.0%
Haines Borough	10,800*	17	-----	17	-----	63.0%
Kenai Peninsula Borough	1,944,000	142,705	36,905	12,988	92,812	1.0%
Ketchikan Gateway Borough	4,100*	95	95	-----	-----	96.0%
Kodiak Island Borough	452,000*	36,779	7,695	2,121	26,963	13.0%
Matanuska-Susitna Borough	4,077,000	386,036	205,121	84,554	96,361	
North Slope Borough	4,156,000	197,355	-----	-----	-----	

\* Vacant, unreserved, and unappropriated

April 27, 1977

The Honorable Lisa Rudd  
Chairman, House Community &  
Regional Affairs Committee  
Pouch "V"  
Juneau, Alaska 99801

Dear Representative Rudd:

Attached is the fiscal note for the draft sponsor substitute for HB 133.

Just as the final federal determination of the "d(2)" question will decide which federal land shall be permanently retained by the United States, so too will the implementation of SB 241 decide the ultimate land ownership patterns on present state lands. Unlike the d(2) lands, however, the land ownership determined as a result of SB 241 will be for those lands upon which 80 per cent of the human use and activity will occur within Alaska in perpetuity. At a time when state government is wrestling with the question of what to do with its future revenue surpluses, we cannot think of a better way to use a small portion than for our greatest renewable natural resource - our land. This department feels strongly that the relatively insignificant monies needed to implement the municipal selection requirements of SB 241, for lands whose values are in the billions, are more than justified. We cannot provide the cooperative resource analysis and joint planning so desperately needed between the state and its municipalities without this funding.

Yours sincerely,

Michael C.T. Smith  
Assistant Commissioner

## TENTH LEGISLATURE

## FISCAL NOTE

## I. REQUEST

Bill/Resolution No. CSHB 133Title Relating to selection & transfer of state land to municipalities, eff dRequested by Senate Community and Regional Affairs Committee Date April 21, 1977

## II. FISCAL DETAIL

Agency Affected DEPARTMENT OF NATURAL RESOURCESProgram Category Affected LRM&ECBudget Request Unit(s) Affected Land Management; and District OperationsEXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		232.0	210.9	223.6	237.0	251.0
200 TRAVEL		17.3	15.1	16.0	17.0	18.0
300 CONTRACTUAL		88.8	120.5	57.1	45.9	9.9
400 COMMODITIES		9.4	4.1	4.3	4.6	4.9
500 EQUIPMENT		7.1	-	-	-	-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		354.6	350.6	301.0	304.5	283.8

FUNDING (Thousands of Dollars)

GENERAL FUND		354.6	350.6	301.0	304.5	283.8
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		7.0	7.0	7.0	7.0	7.0
PART TIME		2.0	-	-	-	-
TEMPORARY						

## III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

SB 241 directs the Department of Natural Resources to accomplish a number of tasks within some relatively stringent time frames. Those requirements, and necessary personnel and fiscal needs to accomplish them, are shown below.

I. Short Range:

- Review, within six months, for every municipality in Alaska, state land status and certify each municipality's entitlement under Section 202(b).
- Review, within six months, 263,000 acres of approved selections within all municipalities and certify acreage to be patented under Section 204(b).
- Publish public notice, conduct necessary public hearings, and complete and issue patented documents for approximately 255,000 acres of approved selec-

IV. DATE 7/21/77PREPARED BY Michael SmithAGENCY Division of LandsPHONE 279-5584

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

tions within 90 days of survey.

Fiscal Requirement: Three positions required: land management officer III (Anchorage), land management officer II (Anchorage), and a cartographer III (Anchorage). The cartographer will also be used to accomplish medium range objectives shown below.

II. Medium Range:

With each municipality:

- A. Review approximately 12,000,000 acres of vacant, unappropriated, unreserved state land within all municipal boundaries to determine appropriate municipal selections for remaining 465,000 acres of entitlement.
- B. Review all remaining federal land (20,000,000 plus acres) within municipalities to determine municipal needs for future state general grant selections.

Fiscal Requirement: Four positions are needed to work closely with each municipality to accomplish the joint cooperative land planning and identification process mandated in Section 204(e). These are a principle planner (Anchorage), two land management officer III positions (one each Fairbanks and Juneau), and a land management officer II (Anchorage).

III. Southeast Forest Selection:

To accomplish approximately 200,000 acres of forest community grant selections within FY 78, a total of 24 man months of temporary time is needed. This will be a onetime FY 78 expense only. This temporary time is needed to insure municipal input to state selections to guarantee the 32,000 acres of entitlement for Juneau, Sitka, and Ketchikan.

FISCAL BREAKDOWN

PERSONAL SERVICES:

<u>New Positions</u>	<u>Annual Salary</u>	<u>Annual Benefits</u>	<u>Total</u>
Principal Planner	28,272	7,209	\$ 35,481
Land Mgmt. Officer III (Anchorage)	22,668	5,780	28,448
Land Mgmt. Officer III (Juneau)	22,668	5,780	28,448
Land Mgmt. Officer III (Fairbanks)	26,244	6,692	32,936
Land Mgmt. Officer II (Anchorage)	19,560	4,988	24,548
Land Mgmt. Officer II (Anchorage)	19,560	4,988	24,548
Cartographer III (Anchorage)	19,560	4,988	24,548

Sub-Total New Positions \$198.9

<u>Temporary Positions</u>	<u>Annual Salary</u>	<u>Annual Benefits</u>	<u>Total</u>
Research, Analysis and Municipal Contact	15.7	1.5	17.2
Application Preparation	8.4	.8	9.2
Graphics, Map Work	6.1	.6	6.7
Sub-Total Temporary Positions (onetime FY 78 costs <u>only</u> )			33.1

Total Personal Services 232.0

TRAVEL:

Per Diem	7.2
Transportation	<u>10.1</u>
	17.3

Total Travel \$17.3

CONTRACTUAL:

Socio-economic Analysis for Regional Plan	\$62.0
Editing of Regional Plan	8.0
Public Participation for three (3) Regional Plans	13.5
Communication	2.3
Advertising	.8
Transportation of things	.4
Equipment Rental	.6
Printing	<u>1.2</u>

Total Contract \$88.8

COMMODITIES:

Cartographic Supplies	\$ 5.1
Other Supplies	<u>4.3</u>

Total Commodities \$ 9.4

EQUIPMENT:

Desks	5 @ 350 each	\$1,750
Desk	1 @ 450	450
Light Table	1 @1500	1,500
Chairs	6 @ 120 each	720
Draftsman's chair	4 @ 115 each	460
Drafting machine	1 @ 235	235
Leroy letting set	1 @ 160	160
Layout tables	3 @ 350 each	1,150
File cabinets	4 @ 160 each	<u>640</u>

Total Equipment \$7,065

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

May 4, 1977

OFFICE OF THE COMMISSIONER

POUCH M - JUNEAU 99811

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch "V"  
Juneau, Alaska 99811

Dear Representative Cowper:

Re: CS for HB 133

Representative Lisa Rudd, Chairman of the House Community and Regional Affairs Committee, requested that this department provide additional information to the fiscal note for CS for HB 133. Representative Rudd was specifically interested in the amount of money which might be appropriated to eligible municipalities as payment in lieu of land titlement under Section 208 of the subject bill.

As there are several variables which would influence such estimates, firm figures are impossible to predict. However, I believe the following projections to be fairly accurate. One of the assumptions made here is that the Legislature will fund the requests of eligible municipalities in their entirety for each fiscal year.

### ESTIMATED APPROPRIATIONS (Millions)

<u>FY</u>	<u>MAX</u>	<u>MIN.</u>
79	4	4
80	4	3
81	7	3
82	6	2
83	5	-
84	4	-
85	3	-
86	3	-
87	2	-
88	1	-
	<u>39</u>	<u>12.0</u>

As these figures represent the estimated maximum and minimum values, actual appropriations will undoubtedly lie somewhere between these figures and will almost surely take approximately ten years to accomplish.

Sincerely,

*Michael C.T. Smith*

Michael C.T. Smith  
Assistant Commissioner

Introduced: 1/28/77  
Referred: Community & Regional  
Affairs and Finance

1 IN THE HOUSE

BY PARR, BROWN AND COWPER

2 HOUSE BILL NO. 133

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to selection of state land by munici-  
7 palities."

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

9 \* Section 1. AS 29.18.200(b) is amended to read:

10 (b) If land desired by the borough or city is unsurveyed at the  
11 time of its selection, the Department of Natural Resources shall survey  
12 or approve a survey by the borough or city of the exterior boundaries of  
13 the area requested without interior subdivision and shall issue a patent  
14 for the selected area in terms of the exterior boundary survey. The  
15 cost of survey is borne by the borough or city. If land desired by the  
16 borough or city has been surveyed at the time of its selection, the  
17 boundaries of the areas requested must conform to the public land sub-  
18 divisions established by the approval of the survey. Land selected by  
19 the borough or city under this chapter is patented to the borough or  
20 city by the Department of Natural Resources. The department shall issue  
21 final patent to the land within one year of the date of its selection  
22 by the borough or city.

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Suggested language for CSHB 133, p. 11, after line 2:

(c) Nothing in this chapter affects the rights, if any, of those municipalities which make a timely election under this chapter to pursue their claim under former secs. 190 - 200 of this chapter.

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Introduced: 1/28/77  
Referred: Community & Regional  
Affairs and Finance

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# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

May 4, 1977

OFFICE OF THE COMMISSIONER

POUCH M - JUNEAU 99811

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch "V"  
Juneau, Alaska 99811

Dear Representative Cowper:

Re: CS for HB 133

Representative Lisa Rudd, Chairman of the House Community and Regional Affairs Committee, requested that this department provide additional information to the fiscal note for CS for HB 133. Representative Rudd was specifically interested in the amount of money which might be appropriated to eligible municipalities as payment in lieu of land titlement under Section .08 of the subject bill.

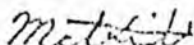
As there are several variables which would influence such estimates, firm figures are impossible to predict. However, I believe the following projections to be fairly accurate. One of the assumptions made here is that the Legislature will fund the requests of eligible municipalities in their entirety for each fiscal year.

### ESTIMATED APPROPRIATIONS (Millions)

<u>FY</u>	<u>MAX</u>	<u>MIN.</u>
79	4	4
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81	7	3
82	6	2
83	5	-
84	4	-
85	3	-
86	3	-
87	2	-
88	1	-
	<u>39</u>	<u>12.0</u>

As these figures represent the estimated maximum and minimum values, actual appropriations will undoubtedly lie somewhere between these figures and will almost surely take approximately ten years to accomplish.

Sincerely,



Michael C.T. Smith  
Assistant Commissioner

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

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May 4, 1977

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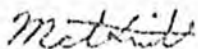
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Michael C.T. Smith  
Assistant Commissioner

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

May 4, 1977

OFFICE OF THE COMMISSIONER

POUCH M - JUNEAU 99511

The Honorable Steve Cowper  
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Sincerely,



Michael C.T. Smith  
Assistant Commissioner

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

May 4, 1977

OFFICE OF THE COMMISSIONER

POUCH #-- JUNEAU 99811

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch "V"  
Juneau, Alaska 99811

Dear Representative Cowper:

Re: CS for HB 133

Representative Lisa Rudd, Chairman of the House Community and Regional Affairs Committee, requested that this department provide additional information to the fiscal note for CS for HB 133. Representative Rudd was specifically interested in the amount of money which might be appropriated to eligible municipalities as payment in lieu of land titlement under Section 208 of the subject bill.

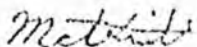
As there are several variables which would influence such estimates, firm figures are impossible to predict. However, I believe the following projections to be fairly accurate. One of the assumptions made here is that the Legislature will fund the requests of eligible municipalities in their entirety for each fiscal year.

### ESTIMATED APPROPRIATIONS (Millions)

<u>FY</u>	<u>MAX</u>	<u>MIN.</u>
79	4	4
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85	3	-
86	3	-
87	2	-
88	1	-
	<u>39</u>	<u>12.0</u>

As these figures represent the estimated maximum and minimum values, actual appropriations will undoubtedly lie somewhere between these figures and will almost surely take approximately ten years to accomplish.

Sincerely,



Michael C.T. Smith  
Assistant Commissioner

April 27, 1977

The Honorable Lisa Rudd  
Chairman, House Community &  
Regional Affairs Committee  
Pouch "V"  
Juneau, Alaska 99801

Dear Representative Rudd:

Attached is the fiscal note for the draft sponsor substitute for HB 133.

Just as the final federal determination of the "d(2)" question will decide which federal land shall be permanently retained by the United States, so too will the implementation of SB 241 decide the ultimate land ownership patterns on present state lands. Unlike the d(2) lands, however, the land ownership determined as a result of SB 241 will be for those lands upon which 80 per cent of the human use and activity will occur within Alaska in perpetuity. At a time when state government is wrestling with the question of what to do with its future revenue surpluses, we cannot think of a better way to use a small portion than for our greatest renewable natural resource - our land. This department feels strongly that the relatively insignificant monies needed to implement the municipal selection requirements of SB 241, for lands whose values are in the billions, are more than justified. We cannot provide the cooperative resource analysis and joint planning so desperately needed between the state and its municipalities without this funding.

Yours sincerely,

Michael C.T. Smith  
Assistant Commissioner

TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 133

Title Relating to selection & transfer of state land to municipalities, eff

Requested by Senate Community and Regional Affairs Committee Date April 21, 1977

II. FISCAL DETAIL

Agency Affected DEPARTMENT OF NATURAL RESOURCES

Program Category Affected HRM&EC

Budget Request Unit(s) Affected Land Management; and District Operations

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		232.0	210.9	223.6	237.0	251.0
200 TRAVEL		17.3	15.1	16.0	17.0	18.0
300 CONTRACTUAL		88.8	120.5	57.1	45.9	9.9
400 COMMODITIES		9.4	4.1	4.3	4.6	4.9
500 EQUIPMENT		7.1	-	-	-	-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>354.6</b>	<b>350.6</b>	<b>301.0</b>	<b>304.5</b>	<b>283.8</b>

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND		354.6	350.6	301.0	304.5	283.8
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME		7.0	7.0	7.0	7.0	7.0
PART TIME		2.0	-	-	-	-
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

SB 241 directs the Department of Natural Resources to accomplish a number of tasks within some relatively stringent time frames. Those requirements, and necessary personnel and fiscal needs to accomplish them, are shown below.

I. Short Range:

- A. Review, within six months, for every municipality in Alaska, state land status and certify each municipality's entitlement under Section 202(b).
- B. Review, within six months, 263,000 acres of approved selections within all municipalities and certify acreage to be patented under Section 204(h).
- C. Publish public notice, conduct necessary public hearings, and complete and issue patented documents for approximately 255,000 acres of approved selection.

IV. DATE 7/21/77 PREPARED BY Michael Smith  
 AGENCY Division of Lands  
 PHONE 279-5584

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

tions within 90 days of survey.

Fiscal Requirement: Three positions required: land management officer III (Anchorage), land management officer II (Anchorage), and a cartographer III (Anchorage). The cartographer will also be used to accomplish medium range objectives shown below.

II. Medium Range:

With each municipality:

- A. Review approximately 12,000,000 acres of vacant, unappropriated, unreserved state land within all municipal boundaries to determine appropriate municipal selections for remaining 465,000 acres of entitlement.
- B. Review all remaining federal land (20,000,000 plus acres) within municipalities to determine municipal needs for future state general grant selections.

Fiscal Requirement: Four positions are needed to work closely with each municipality to accomplish the joint cooperative land planning and identification process mandated in Section 204(e). These are a principle planner (Anchorage), two land management officer III positions (one each Fairbanks and Juneau), and a land management officer II (Anchorage).

III. Southeast Forest Selection:

To accomplish approximately 200,000 acres of forest community grant selections within FY 78, a total of 24 man months of temporary time is needed. This will be a onetime FY 78 expense only. This temporary time is needed to insure municipal input to state selections to guarantee the 32,000 acres of entitlement for Juneau, Sitka, and Ketchikan.

FISCAL BREAKDOWN

PERSONAL SERVICES:

<u>New Positions</u>	<u>Annual Salary</u>	<u>Annual Benefits</u>	<u>Total</u>
Principal Planner	28,272	7,209	\$ 35,481
Land Mgmt. Officer III (Anchorage)	22,668	5,780	28,448
Land Mgmt. Officer III (Juneau)	22,668	5,780	28,448
Land Mgmt. Officer III (Fairbanks)	26,244	6,692	32,936
Land Mgmt. Officer II (Anchorage)	19,560	4,988	24,548
Land Mgmt. Officer II (Anchorage)	19,560	4,988	24,548
Cartographer III (Anchorage)	19,560	4,988	24,548

Sub-Total New Positions \$198.9

<u>Temporary Positions</u>	<u>Annual Salary</u>	<u>Annual Benefits</u>	<u>Total</u>
Research, Analysis and Municipal Contact	15.7	1.5	17.2
Application Preparation	8.4	.8	9.2
Graphics, Map Work	6.1	.6	6.7

Sub-Total Temporary Positions (onetime FY 78 costs only) 33.1

Total Personal Services 232.0

TRAVEL:

Per Diem	7.2
Transportation	<u>10.1</u>
	17.3

Total Travel \$17.3

CONTRACTUAL:

Socio-economic Analysis for Regional Plan	\$62.0
Editing of Regional Plan	8.0
Public Participation for three (3) Regional Plans	13.5
Communication	2.3
Advertising	.8
Transportation of things	.4
Equipment Rental	.6
Printing	<u>1.2</u>

Total Contract \$88.8

COMMODITIES:

Cartographic Supplies	\$ 5.1
Other Supplies	<u>4.3</u>

Total Commodities \$ 9.4

EQUIPMENT:

Desks	5 @ 350 each	\$1,750
Desk	1 @ 450	450
Light Table	1 @ 1500	1,500
Chairs	6 @ 120 each	720
Draftsman's chair	4 @ 115 each	460
Drafting machine	1 @ 235	235
Leroy letting set	1 @ 160	160
Layout tables	3 @ 350 each	1,050
File cabinets	4 @ 160 each	<u>640</u>

Total Equipment \$7,065

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

May 4, 1977

OFFICE OF THE COMMISSIONER

POUCH M - JUNEAU 99811

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Pouch "V"  
Juneau, Alaska 99811

Dear Representative Cowper:

Re: CS for HB 133

Representative Lisa Rudd, Chairman of the House Community and Regional Affairs Committee, requested that this department provide additional information to the fiscal note for CS for HB 133. Representative Rudd was specifically interested in the amount of money which might be appropriated to eligible municipalities as payment in lieu of land titlement under Section 208 of the subject bill.

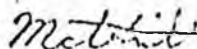
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Michael C.T. Smith  
Assistant Commissioner

# TELEGRAM

FOA ALASKA COMMUNICATIONS, INC.  
PHONE: 536-6440  
JUNEAU, ALASKA 99901

20000 KENAI ALASKA 03 02-14 1212A AST.

1978 FEB 14 11 22 22

PMS REP STEVE COPPER 465-3726 465 3737

POUCH V CAPITOL RM 413

JUN 99311

THE KENAI PENINSULA BOROUGH SUPPORTS CSHR137 AUTHORED  
BY THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE AS IT  
WAS REFERRED BY FINANCE AND OFFERED 5-4-77.

CAROLYN LEVIE LAND MANAGEMENT AGENT  
OF KENAI PENINSULA BOROUGH

HB 133-

DALE P. TUBBS  
LAND MANAGEMENT CONSULTANT  
715 L STREET, SUITE 8 ANCHORAGE, ALASKA 99501  
TELEPHONE (907) 274-2314

HB 133-

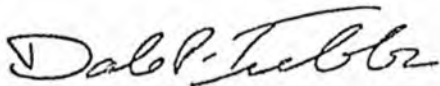
February 10, 1978

Honorable Merle G. Snider  
Pouch V  
Juneau, Alaska 99811

Dear Representative Snider:

Mr. Stuart Denslow, Manager, Kodiak Island Borough, has asked I forward you a copy of CSSB 241 relating to selection and transfer of land to municipalities. Also included is correspondence regarding the selection entitlement to the Kodiak Island Borough. As stated in the February 2nd letter to Denslow, the Division of Lands used a "Catch 22" in computing the borough's entitlement. They excluded acreage from being eligible that was classified at the request of the borough and as required in the Borough-State Management Agreement. The borough is looking for a 60,000 acre entitlement as opposed to the 45,200 acres indicated in the bill.

Sincerely,



Dale P. Tubbs

DPT/lv  
encl.

cc: Stuart O. Denslow

# TELEGRAM

FROM ALASKA COMMUNICATIONS, INC.  
PHONE: 534-6440  
JUNEAU, ALASKA 99901

JUN 14 11 22

20002 KENAI ALASKA 23 00-17 1312A AST

PMS REP STEVE COWPER 465-3736 465 3737

ROUGH V CAPITOL BY 413

JUN 99311

THE KENAI PENINSULA BOROUGH SUPPORTS CONPI37 AUTHORED  
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HB 133 -

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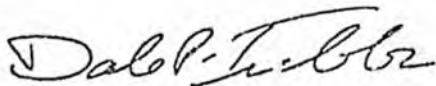
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DPT/lv  
encl.

cc: Stuart O. Denslow

AMENDMENT # 1

OFFERED IN THE HOUSE:

By: Cowper

To: CS HOUSE BILL No. 133 (Finance

SENATE BILL No. \_\_\_\_\_

PAGE: 17

LINE: 19

to Page 18, line 12:

Omit all language in Secs. 4 and 5 - insert the following:

"Sec. 4. It is the intention of the legislature that future municipalities shall have the benefit of Sec. 2 of this Act. Within ninety days of passage of this Act, the Department of Natural Resources shall adopt regulations which shall, as closely as is practicable, apply the provisions of Sec. 2 to future municipalities. After adoption of such regulations, the department shall transfer all lands to which a municipality is entitled under this section to such municipality within three years of the date upon which the municipality assumes a legal existence."

Renumber other sections accordingly.

*Gives unorg. borough  
Not same rights as everybody  
else. Never forced state to select land for  
anyone else.  
Maybe entitled to more, maybe  
less. Important thing is that  
why Doesn't cut them out.*

AMENDMENT

OFFERED IN THE SENATE:

BY: Carroll

To: CS SENATE BILL No. \_\_\_\_\_

HOUSE BILL No. 133

PAGE: 17

LINE: 19

to page 18, line 21  
omit the language Sec.

of Sec. 4. It is the following:

Sec. 4. It is the intention of the  
legislature that no municipality  
shall be entitled to ~~the benefits~~  
~~of the provisions of this Act~~ until  
it has adopted the regulations which  
shall be prescribed by the  
legislature. It is the intention of the  
legislature that the provisions of  
this Act shall apply to  
municipalities which have adopted  
the regulations prescribed by the  
legislature within two years  
of the date of the passage of  
this Act.



# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

AMENDMENT

(P. 2)

OFFERED IN THE SENATE:

By: \_\_\_\_\_

To: \_\_\_\_\_ SENATE BILL No. \_\_\_\_\_

HOUSE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

*...municipality assumes a legal existence...*  
*...number after station second page...*

AMENDMENT # 2

OFFERED IN THE HOUSE:

BY: Dankworth and Hayes

TO: CSHB (Finance) HOUSE BILL No. 133

SENATE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

Page 1.

Section 1, Lines 13 and 14:

Delete the words "to provide for the completion of rational ownership patterns for sound land management;"

Pages 2, 3, and 4.

Delete all of Sections (c), (d), and (e).

Pages 6 and 7.

Delete all of Section (g).

Pages 16 and 17.

Delete all of Section 3.

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OFFERED IN THE HOUSE:

BY: Dankworth and Hayes

TO: CSHB (Finance) HOUSE BILL No. 133

SENATE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

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A M E N D M E N T

OFFERED IN THE HOUSE:

BY: Dankworth and Hayes

TO: CSHB (Finance) HOUSE BILL No. 133

SENATE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

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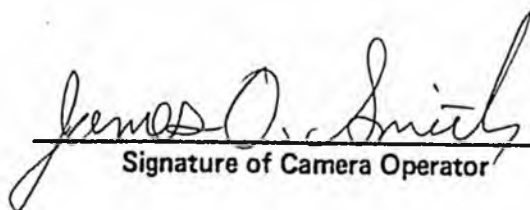
Delete all of Section 3.

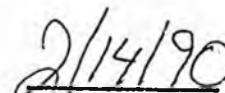


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date

**COMMITTEE REPORT**  
**SENATE**

5/31/78

FURTHER: \_\_\_\_\_  
\_\_\_\_\_

Date: June 10, 1978

Mr. President:

The Committee on FINANCE has had CSHB 133 (Fin) an  
selection and transfer of state land to municipalities

under consideration and (a majority of the committee) (the committee reports it back as follows)

recommends it do pass                      ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

( ) recommends it be replaced with CS for CSHB 133 - 2nd

and CSHB 133 - 2nd ( ) new title              ( ) same title

( ) AND attaches a Letter of Intent              ( ) New Fiscal Note

( ) reports it back without recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Signature]  
\_\_\_\_\_  
[Signature]  
\_\_\_\_\_  
[Signature]  
\_\_\_\_\_  
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[Signature]  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
\_\_\_\_\_  
Chairman

Original sponsors: Parr, Brown  
and Cowper

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 133 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE -- SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to selection and transfer of state  
7 land to municipalities; and providing for an effective  
8 date."

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

10 \* Section 1. STATEMENT OF PURPOSE. The purposes of this Act are to re-  
11 move uncertainties in the existing municipal land selection law of the state;  
12 to provide for an immediate, final determination and settlement of municipal  
13 land entitlement; to provide for the completion of rational ownership  
14 patterns for sound land management; to provide for expeditious patent of land  
15 to municipalities to fulfill their respective entitlements; and to provide  
16 payment for land within certain municipalities which are unable to receive  
17 full entitlement rights in appropriate vacant, unappropriated, unreserved  
18 land.

19 \* Sec. 2. AS 29.18 is amended by adding new sections to read:

20 ARTICLE 3A. GENERAL GRANT LAND.

21 Sec. 29.18.201. DETERMINATION OF ENTITLEMENT OF BOROUGH AND  
22 UNIFIED MUNICIPALITIES. The general grant land entitlement of each of  
23 the municipalities in this section is the amount set out opposite each:

- 24 (1) Municipality of Anchorage -- 44,893 acres;  
25 (2) City and Borough of Juneau -- 13,600 acres;  
26 (3) City and Borough of Sitka -- 9,200 acres;  
27 (4) Bristol Bay Borough -- 1,940 acres;  
28 (5) Fairbanks-North Star Borough -- 112,000 acres;  
29 (6) Haines Borough -- 1,080 acres;

- 1 (7) Kenai Peninsula Borough -- 155,780 acres;
- 2 (8) Ketchikan Gateway Borough -- 9,200 acres;
- 3 (9) Kodiak Island Borough -- 56,500 acres;
- 4 (10) Matanuska-Susitna Borough -- 355,210 acres;
- 5 (11) North Slope Borough -- 89,850 acres.

6 Sec. 29.18.202. DETERMINATION OF ENTITLEMENT FOR CITIES. The  
7 general grant land entitlement of a city formerly eligible to receive  
8 general grant land under the provisions of secs. 190 and 200 of this  
9 chapter, as repealed by this Act, is 10 per cent of the maximum total  
10 acreage of vacant, unappropriated, unreserved land within the boundaries  
11 of each city at any time between the initial date of eligibility under  
12 former secs. 190 and 200 of this chapter and the effective date of this  
13 Act. Within six months of the effective date of this Act, the director  
14 shall determine the entitlement for each city eligible to receive  
15 general grant land under this section and certify that entitlement to  
16 the city.

17 Sec. 29.18.203. DETERMINATION OF ENTITLEMENT FOR NEWLY INCOR-  
18 PORATED MUNICIPALITIES. (a) The general grant land entitlement of a  
19 municipality incorporated after the effective date of this Act is 10 per  
20 cent of the total acreage of vacant, unappropriated, unreserved land  
21 within the boundaries of the municipality on the date of incorporation  
22 of that municipality.

23 (b) Within six months of the date of incorporation of a munici-  
24 pality which is incorporated after the effective date of this Act, the  
25 director shall determine the entitlement of each municipality eligible  
26 to receive general grant land under (a) of this section and certify the  
27 entitlement to the municipality.

28 Sec. 29.18.204. STATUS OF ENTITLEMENTS. (a) General grant land  
29 entitlements provided in secs. 201 and 202 of this chapter constitute

1 vested property rights which shall be fulfilled as provided in sec. 205  
2 or sec. 208 of this chapter, but no municipal selection vests any inter-  
3 est in or right to receive a particular tract of land except as provided  
4 by sec. 205 of this chapter. General grant land entitlements vested  
5 under secs. 201 and 202 of this chapter may be exercised at any time  
6 before the date which is two years after the expiration of the state's  
7 right to make selections under secs. 6(a) or (b) of the Alaska Statehood  
8 Act (P.L. 85-508); however, the time limitation imposed by this sub-  
9 section does not apply

10 (1) to the portion of an entitlement which cannot be satis-  
11 fied by that date because of a shortage of appropriate vacant, unappro-  
12 priated, unreserved land; or

13 (2) to payments for land deficiency under sec. 208 of this  
14 chapter.

15 (b) General grant land entitlements provided by sec. 203 of this  
16 chapter constitute property rights which vest on the date of incor-  
17 poration of the municipality. The entitlement shall be fulfilled as  
18 provided in sec. 205 of this chapter, but no municipal selection vests  
19 any interest in or right to receive a particular tract of land except as  
20 provided by sec. 205 of this chapter. The general grant land entitle-  
21 ment vested under sec. 203 of this chapter may be exercised at any time  
22 before the date which is two years after the expiration of the state's  
23 right to make selections under sec. 6(a) or (b) of the Alaska Statehood  
24 Act (P.L. 85-508) or two years after the date of incorporation of the  
25 municipality, whichever is later; however, the time limitation imposed  
26 by this subsection does not apply to the portion of an entitlement which  
27 cannot be satisfied by the last date on which the municipality's selec-  
28 tion may be regularly exercised under this subsection because of a  
29 shortage of appropriate vacant, unappropriated, unreserved land.

1           Sec. 29.15.205. FULFILLMENT OF LAND ENTITLEMENTS. (a) The acre-  
2 age of each municipality's land selections under former secs. 190 and  
3 200 of this chapter for which patent has been issued before the effec-  
4 tive date of this Act shall be credited toward fulfillment of the en-  
5 titlement of that municipality.

6           (b) All approved selections under former secs. 190 and 200 of this  
7 chapter for which patent has not been issued to a municipality on the  
8 effective date of this Act shall be reviewed by the director within nine  
9 months of the effective date of this Act. Any approved selection of  
10 land which was vacant, unappropriated or unreserved on the date of  
11 selection is valid as of the date of the approval under the former secs.  
12 190 - 200 of this chapter, and a patent shall be issued to the munici-  
13 pality within three months after approval by the director of a plat of  
14 survey. The acreage shall be credited toward fulfillment of the muni-  
15 cipality's entitlement. No municipality is entitled to receive patent  
16 under this chapter to more than its entitlement determined under secs.  
17 201 - 203 of this chapter. Any prior approval by the director of muni-  
18 cipal selections for land which was not vacant, unappropriated or un-  
19 reserved on the date of selection shall be rescinded, and patent may not  
20 be issued except when disposal to a third party by sale or lease has  
21 occurred. Transfers of land to municipalities under this chapter are  
22 subject to AS 38.05.321. Classification actions as reflected upon the  
23 land status records of the Department of Natural Resources are deter-  
24 minative of land classification status for purposes of this chapter.

25           (c) All municipal land selections under former secs. 190 and 200  
26 of this chapter not approved as of the effective date of this Act shall  
27 be recognized by the director as representing the priority interests of  
28 the municipalities, and the selections shall be given first consideration  
29 under (e) of this section unless the municipality indicates different

1 priorities.

2 (d) On the effective date of this Act and for five years there-  
3 after, no classification of a parcel of general grant land in excess of  
4 3,200 acres under AS 38.05.300 shall be effective, unless otherwise  
5 required by law, if the municipality in which the parcel is located,  
6 within 30 days after receipt of notice of the proposed classification,  
7 advises the director in writing that it does not consent to the classi-  
8 fication and indicates the reasons for its nonconsent.

9 (e) Each eligible municipality and the director shall jointly  
10 consider which vacant, unappropriated, unreserved land, including feder-  
11 al land of interest to a municipality which may be selected by the state  
12 as general grant land, located within the boundaries of the munici-  
13 pality, is appropriate for municipal selection and approval by the  
14 director to fulfill any remaining municipal general grant land entitle-  
15 ment. The joint consideration made by the parties shall include a  
16 cooperative land planning process which will, in addition to the normal  
17 objectives of such a process, seek to identify both local and state  
18 interests in tracts of vacant, unappropriated and unreserved land re-  
19 maining within the municipality. Adjacent tracts shall be considered  
20 simultaneously except when such simultaneous consideration would cause  
21 significant delay or expense. Once a tract has been jointly considered,  
22 it may be selected by a municipality.

23 (f) Each selection shall be approved or disapproved for patent by  
24 the director under (g) of this section within nine months of its selec-  
25 tion by a municipality, and a patent shall be issued to the municipality  
26 within three months after approval by the director of a plat of survey.

27 (g) In reviewing a municipal selection, the director shall consi-  
28 der the state's responsibilities for developing and protecting values  
29 which are of greater than local concern, including development which

1 will have statewide impact, and critical environmental concerns. Land  
2 considered appropriate for municipal selection is land that is suitable  
3 and appropriate for an identifiable present or future municipal use or  
4 for disposal to private use by the municipality by sale or other means.  
5 A selection by a municipality of land which is primarily of local con-  
6 cern shall be approved. When the interests of the state may be pro-  
7 tected through the conveyance of title that is less than a fee title,  
8 the municipality, at its option, may accept the title in acre-for-acre  
9 fulfillment of its entitlement. Specific state responsibilities to be  
10 considered, if those responsibilities have not been authorized or dele-  
11 gated by the state to a municipality, include air quality; water,  
12 minerals and energy; timber; agriculture; fish and wildlife and their  
13 habitat; public recreation, natural, historical, and archaeological  
14 areas of greater than local concern; transportation of greater than  
15 local concern; communications; and public safety. Specific municipal  
16 interests to be considered include

17 (1) residential, commercial and industrial purposes; and

18 (2) other responsibilities of the local government, including  
19 but not limited to, support of municipal services; education; local  
20 transportation; private recreation; public recreation, natural, histor-  
21 ical and archaeological areas of local concern; and other responsibili-  
22 ties authorized or delegated by the state to the municipality.

23 (h) Every decision of approval or disapproval of a municipal  
24 selection by the director under (f) of this section shall include a  
25 written explanation of the decision based upon the criteria of (g) of  
26 this section. Before issuing any decision to disapprove a selection,  
27 the director shall notify the affected municipality in writing, by  
28 certified mail, of his reasons for the proposed decision. The munici-  
29 pality shall have 30 days from receipt of the proposed decision to

1 respond to the director in writing enumerating the reasons for which the  
2 municipality believes the proposed decision to be in error. After  
3 receipt of the municipality's statement of reasons, or after expiration  
4 of the period in which the municipality may respond to the proposed  
5 decision, the director shall, within 30 days, affirm, modify or reverse  
6 his proposed decision in writing and give written notice of his decision  
7 to the municipality. The decision of the director constitutes final  
8 administrative action in the matter.

9 (i) A municipality may appeal an adverse decision by the director  
10 to the superior court in accordance with AS 44.62.560 - 44.62.570.

11 Sec. 29.18.206. SCHOOL, UNIVERSITY AND MENTAL HEALTH LAND. (a)  
12 If an entitlement determined in sec. 201 or 202 of this chapter results  
13 in a per capita entitlement for the municipality of less than one and  
14 one-half acre, the municipality may select vacant school, university or  
15 mental health land within the municipality in partial fulfillment of its  
16 land entitlement under this chapter. School, university or mental  
17 health land may be selected notwithstanding the fact that these lands  
18 are not unappropriated and unreserved within the meaning of this chapter  
19 and secs. 190 and 200 of this chapter, repealed by this Act, but each  
20 selection of school, university or mental health land by a municipality  
21 must be vacant, unappropriated, or unreserved land as defined in this  
22 chapter, except that it need not be general grant land.

23 (b) The acreage of school, university or mental health land, if  
24 any, within a municipality may not be included in the determination of  
25 entitlement under sec. 201 or 202 of this chapter.

26 (c) Land conveyed under this section will be credited against a  
27 municipality's remaining land entitlement under this chapter.

28 (d) Within six months after approval of a municipal selection of  
29 school, university, or mental health land, the director shall identify

1 state general grant land of approximately equal value to the land re-  
2 requested by the municipality, and shall propose the replacement land for  
3 the concurrence of the appropriate board. If a proposal by the director  
4 is rejected by the board, the director shall meet with the board as  
5 often as necessary to determine the type and amount of equal value  
6 replacement land that would be required to obtain the board's concur-  
7 rence, and shall propose the replacement land for consideration by the  
8 board. The replacement land shall thereafter be managed for the pur-  
9 poses for which the land selected by the municipality was acquired by  
10 the Territory and State of Alaska.

11 (e) The notice and review provisions of AS 38.05.305 and 38.05.345  
12 are applicable to the designation of other general grant land as school,  
13 university or mental health land in replacement of land selected under  
14 this section. The provisions of AS 38.50 and AS 38.05.032 do not apply  
15 to such designations under this section. The provisions of AS 38.05.-  
16 030(a), 38.05.030(e), and 38.05.035(a)(13) which require the approval of  
17 the respective trust board before disposal of lands by the director do  
18 not apply to selections of school, university or mental health land by a  
19 municipality under this section.

20 (f) For purposes of determining the per capita entitlement under  
21 (a) of this section, the population of a municipality shall be the  
22 population determined by the commissioner of the Department of Community  
23 and Regional Affairs under AS 43.18.010 for the program year beginning  
24 July 1, 1978 for a municipality whose entitlement is determined under  
25 sec. 201 or 202 of this chapter.

26 Sec. 29.18.207. SELECTION AND CONVEYANCE PROCEDURE. (a) All  
27 municipal selections shall, whenever possible, be made in reasonably  
28 compact tracts, taking into account the use capabilities of a tract and  
29 its relationship to surrounding land uses. A selection filed by a

1 municipality which has not been approved by the director may be relin-  
2 quished at any time. An approved selection may be relinquished by a  
3 municipality if the relinquishment is approved by the director. An  
4 approved selection relinquished by a municipality increases the remain-  
5 ing entitlement of the municipality on an acre-for-acre basis.

6 (b) By August 1 of each year the director shall certify to each  
7 municipality having an entitlement under secs. 201 - 203 of this chapter  
8 the acreage of patented selections, approved selections not yet patented,  
9 pending municipal land selections neither approved nor disapproved by  
10 the director, and the remaining entitlement of the municipality.

11 (c) If land selected by a municipality is unsurveyed at the time  
12 of approval, the director shall survey, or may approve the municipal-  
13 ity's survey of, the exterior boundaries of an approved selection with-  
14 out interior subdivision, and shall issue patent in terms of the ex-  
15 terior boundary survey. The cost of the survey shall be borne by the  
16 municipality. If land selected by a municipality has been surveyed at  
17 the time of its selection, the boundaries shall conform to the public  
18 land subdivisions established by the approved survey.

19 (d) The director may approve municipal selections of land which  
20 have been tentatively approved or patented to the state by the federal  
21 government, but he may not issue patent to a municipality until the land  
22 has first been patented to the state. After approval of a selection by  
23 the director, but before patent to a municipality, the municipality may  
24 execute conditional leases and make conditional sales only with the  
25 consent of the director. Conditional sales and conditional leases made  
26 before the effective date of this Act do not require the consent of the  
27 director.

28 (e) Nothing in this chapter affects a valid existing claim, loca-  
29 tion or entry under the laws of the state or the United States whether

1 for homestead, mineral, right-of-way or other purposes. Nothing in this  
2 chapter affects the rights of an owner, claimant, locater or entryman to  
3 the full use and enjoyment of the land so occupied.

4 Sec. 29.18.208. PAYMENT FOR LAND DEFICIENCY. (a) There is  
5 established within the general fund the Alaska municipal land account  
6 for the following purposes:

7 (1) providing payment to the boroughs and unified municipali-  
8 ties designated in sec. 201 of this chapter for a deficiency of land  
9 physically suitable for the purposes described in sec. 205(g)(1) of this  
10 chapter; or

11 (2) providing payment to the boroughs and unified municipali-  
12 ties designated in sec. 201 of this chapter for certain general grant  
13 lands selected by the state and conveyed to a Native corporation under  
14 the provisions of the Alaska Native Claims Settlement Act.

15 (b) A municipality shall receive payment for its land deficiency  
16 from the account established in (a) of this section. A municipality is  
17 eligible to receive payment for land deficiency if, after July 1, 1980,  
18 the amount of land physically suitable for the purposes described in  
19 sec. 205(g)(1) of this chapter for which approval has been given by the  
20 director under sec. 205(g) of this chapter within one year of selection  
21 amounts to less than one-third acre per capita. Any entitlement under  
22 sec. 201 of this chapter which is less than one-third acre per capita  
23 will, for the purposes of this subsection, be considered a land defi-  
24 ciency. An unselected remaining entitlement will, for the purpose of  
25 deficiency payment under this subsection, be considered as land physi-  
26 cally suitable for the purposes described in sec. 205(g)(1) of this  
27 chapter. A municipality eligible under this subsection is entitled to  
28 receive a payment for land deficiency equal to \$1,000 per acre for a  
29 number of acres equal to the difference between one-third of the popu-

1           lation of the municipality less the number of acres physically suitable  
2           for the purposes described in sec. 205(g)(1) of this chapter for which  
3           approval has been given by the director under sec. 205(g). For the  
4           purpose of this subsection, the population of the municipality shall be  
5           the population determined in accordance with sec. 206(f) of this chapter.  
6           No payment may be made to a municipality under this subsection in excess  
7           of \$9,000,000, ~~or of three-quarters of all sums appropriated by the legis-~~  
8           ~~lature to meet the requirements of this subsection, whichever is less.~~

9           (c) If a municipality selected vacant, unappropriated, unreserved  
10          land on or before December 18, 1971, to which the state had received  
11          tentative approval or patent, and such land was also selected by a  
12          Native corporation organized under the Alaska Native Claims Settlement  
13          Act (P.L. 92-203), and title to that land is ultimately vested in that  
14          Native corporation, the municipality may, at its option, request payment  
15          for land deficiency from the account established in (a) of this section.  
16          The acceptance of payment under this subsection by a municipality con-  
17          stitutes a relinquishment of any other right, title or claim to the land  
18          by that municipality. The total payment to a municipality under this  
19          subsection may not exceed \$1,000 per acre to a maximum of 8,000 acres.

20          (d) The governor shall annually submit to the legislature a re-  
21          quest for an appropriation to the account for the municipalities which  
22          have elected to receive payments under (b) or (c) of this section. The  
23          request for appropriation shall distinguish between amounts necessary to  
24          make payments for land deficiency under (b) of this section and those  
25          required to make payments for land deficiency under (c) of this section.

26          (e) For purposes of fulfilling entitlements under this section,  
27          the legislature is authorized to appropriate

28                 (1) not more than \$4,000,000 per fiscal year, and not more  
29                 than \$12,000,000 in total, for the purpose of paying entitlements under

1 (b) of this section;

2 (2) not more than \$1,000,000 per fiscal year, and not more  
3 than \$8,000,000 in total, for the purpose of paying entitlements under  
4 (c) of this section.

5 (f) If an annual appropriation is not sufficient to meet the  
6 amount due to all municipalities which have elected to accept payment  
7 for land deficiency under (b) or (c) of this section, the governor shall  
8 apportion the appropriation among the municipalities in proportion to  
9 the payment calculated for each municipality for that year. When a  
10 distribution of payments is made under (c) of this section, the remain-  
11 ing entitlement of a municipality to which payment is made shall be  
12 reduced in an amount equal to the number of acres for which payment was  
13 received. An appropriation made under this section is in addition to  
14 other grants and entitlements authorized to eligible municipalities.

15 (g) Payments authorized by this section may not be made to a  
16 municipality eligible for an entitlement under sec. 202 or 203 of this  
17 chapter.

18 Sec. 29.18.209. AUTHORIZATION FOR LAND EXCHANGES. The director,  
19 with the concurrence of the commissioner, and any municipality are  
20 authorized to exchange land or interests in land when it is in the  
21 public interest. Land or interests in land exchanged under this section  
22 must be of approximately equal value, including the non-monetary value  
23 of public benefits. Exchange procedures shall comply with applicable  
24 law and municipal ordinances. The notice and review provisions of AS  
25 38.05.305 and 38.05.345 are applicable to exchanges of land under this  
26 section. The provisions of AS 38.50 do not apply to exchanges of land  
27 under this section.

28 Sec. 29.18.210. PUBLIC PURPOSE AND EXPANSION NEEDS. (a) Consis-  
29 tent with the best interests of the state, if a municipality does not

1 contain and cannot reasonably acquire sufficient nonfederal land within  
2 its boundaries to meet its legitimate needs for public or private  
3 settlement or development, it shall be the policy of the state to select  
4 federal land reasonably necessary to meet the needs of the municipality  
5 and to make the land selected available to the municipality under AS  
6 38.05.315 or (b) of this section.

7 (b) Where state land is the most logical location for demonstrated  
8 municipal expansion for nonpublic settlement and development purposes,  
9 and when an exchange of land under sec. 209 of this chapter is not  
10 possible or is not in the public interest, it is the policy of the state  
11 to sell or lease the land at public auction. The state may contract  
12 with a municipality to act as its agent in an auction of state land  
13 under applicable statutes. When a municipality acts as the agent of the  
14 state in an auction, the municipality may retain from the proceeds of  
15 the auction the expenses which the director determines to be necessary  
16 and reasonable.

17 (c) Nothing in this chapter limits or impairs the authority of the  
18 director to transfer land to municipalities, without limit or considera-  
19 tion, for public purposes in accordance with AS 38.05.315. If there is  
20 a remaining entitlement of the municipality, land transferred under AS  
21 38.05.315 shall be credited toward fulfillment of the entitlement.

22 Sec. 29.18.211. ELECTION OF BENEFITS. (a) A municipality which  
23 on the effective date of this Act is engaged in litigation, or which  
24 becomes engaged in litigation, regarding a claim to state land under  
25 former secs. 190 - 200 of this chapter shall elect either to obtain the  
26 benefits provided in secs. 201 - 213 of this chapter or to pursue the  
27 litigation and thereby waive any claim to entitlement under secs. 201 -  
28 213 of this chapter. An election shall be made by filing a motion for  
29 dismissal with prejudice in the court in which the litigation is pend-

1 ing. If the claim involves a municipality identified in sec. 201 of  
2 this chapter, the municipality shall file its motion for dismissal  
3 within 60 days of the effective date of this Act. If the claim involves  
4 a city eligible to receive an entitlement under sec. 202 of this chap-  
5 ter, the city shall file its motion for dismissal within 60 days after  
6 receiving the certificate of entitlement provided by the director under  
7 sec. 202 of this chapter. Failure of the municipality to file a  
8 motion for dismissal during the time period provided in this subsection  
9 shall be considered a waiver of entitlement under secs. 201 - 213 of  
10 this chapter.

11 (b) A municipality which was eligible to file land selections  
12 under the former secs. 190 - 200 of this chapter and which does not  
13 enter into litigation over a claim to rights under those sections before  
14 the expiration of the time period within which it could make an election  
15 under (a) of this section shall be considered to have elected to receive  
16 benefits under secs. 201 - 213 of this chapter and to have waived any  
17 claim which might have been raised under former secs. 190 - 200 of this  
18 chapter.

19 (c) The provisions of secs. 201 - 213 of this chapter do not  
20 affect the rights, if any, of any party to litigation regarding the  
21 former AS 29.18.190 - 29.18.200 or 29.18.420, which litigation is main-  
22 tained by a municipality that has elected not to obtain the benefits  
23 provided by secs. 201 - 213 of this chapter.

24 Sec. 29.18.212. ADMINISTRATION. The commissioner may adopt regu-  
25 lations in accordance with the Administrative Procedure Act (AS 44.62)  
26 necessary to carry out the purposes of secs. 201 - 213 of this chapter.

27 Sec. 29.18.213. DEFINITIONS. In secs. 201 - 213 of this chapter,  
28 unless the context otherwise requires,

29 (1) "appropriate vacant, unappropriated, unreserved land"

1 means vacant, unappropriated, unreserved land which meets the criteria  
2 for municipal selection under sec. 205(g) of this chapter;

3 (2) "approved selection" means a municipal land selection  
4 which has been approved in writing by the director for transfer by  
5 patent to a municipality;

6 (3) "director" means the director of the division of lands,  
7 Department of Natural Resources, or his designee;

8 (4) "general grant land" means land patented or tentatively  
9 approved to the state from the United States under sec. 6(a) or (b) of  
10 the Alaska Statehood Act;

11 (5) "mental health land" means land granted under Title II,  
12 sec. 202 of P.L. 84-830, as amended before or after the effective date  
13 of this Act;

14 (6) "municipal land selection" means a request by a munici-  
15 pality, filed in writing with the director under authority of secs.  
16 190 - 200 of this chapter repealed by this Act or under secs. 201 - 213  
17 of this chapter for vacant, unappropriated, unreserved general grant  
18 land within its municipal boundaries in partial fulfillment of its  
19 municipal entitlement;

20 (7) "municipality" means a home rule or general law city or  
21 organized borough of any class, and includes unified municipalities  
22 established under AS 29.68.240 - 29.68.440;

23 (8) "patent" means a document, issued by the director to a  
24 municipality for a previously approved selection, which conveys and  
25 quitclaims all the right, title and interest of the state without reser-  
26 vation or condition except as may be required by law;

27 (9) "remaining entitlement" means the general grant land  
28 entitlement determined in accordance with secs. 201 - 203 of this chap-  
29 ter, reduced by the total acreage of approved selections, including both

1 patented and unpatented parcels;

2 (10) "school land" means those rectangular sections 16 and 36  
3 within each township surveyed on or before January 3, 1959, and con-  
4 firmed and transferred to the State of Alaska upon its admission under  
5 sec. 6(k), Alaska Statehood Act, 72 Stat. 339, and any other land desig-  
6 nated solely for school revenues;

7 (11) "university land" means all sections 33 reserved to the  
8 university under 38 Stat. 1214, as amended (48 U.S.C. 353) and all land  
9 granted to or reserved for the benefit of the university;

10 (12) "vacant, unappropriated, unreserved land" means general  
11 grant land as defined in (4) of this section, excluding minerals as  
12 required by sec. 6(i) of the Alaska Statehood Act, which

13 (A) has not been set aside by statute for one or more  
14 particular uses or purposes;

15 (B) has not been approved for patent to a municipality  
16 under secs. 201 - 213 of this chapter or former secs. 190 - 200 of  
17 this chapter repealed by this Act; or

18 (C) is unclassified or, if classified under AS 38.05.-  
19 300, is classified for agricultural, grazing, commercial, indus-  
20 trial, private recreational, residential, utility or open-to-entry  
21 purposes, or where classified in accordance with an agreement  
22 between a municipality and the state providing for state management  
23 of land of the municipality.

24 \* Sec. 3. AS 38.05.321 is repealed and reenacted to read:

25 Sec. 38.05.321. RESTRICTION ON SALE, LEASE OR OTHER DISPOSAL OF  
26 AGRICULTURAL LAND. (a) The sale, lease or other disposal of state land  
27 classified as agricultural land transfers only rights for agricultural  
28 purposes, and all other interests in the land remain with the state  
29 unless otherwise required by law.

1 (b) State land classified as agricultural land which has been  
2 selected by a municipality under AS 29.18.190 - 29.18.200 or 29.18.205-  
3 (e) may be approved by the director for patent under AS 29.18.205(f);  
4 however, only rights in the land for agricultural purposes may be trans-  
5 ferred and all other interests in the land will remain with the state.  
6 Agricultural land approved for patent to a municipality under AS 29.18.-  
7 205(f) shall be credited, acre for acre, toward fulfillment of that  
8 municipality's entitlement under AS 29.18.201 - 29.18.203. If the  
9 director later determines it to be in the best interests of the state to  
10 transfer some or all of the additional rights in that approved or  
11 patented agricultural land, those rights shall pass without considera-  
12 tion to the municipality in which the land is located. The notice and  
13 review provisions of AS 38.05.305 and AS 38.05.345 are applicable to  
14 conveyance of rights under this section.

15 (c) The provisions of this section do not apply to state land  
16 classified as agricultural land which has been selected by a municipal-  
17 ity under the provisions of AS 29.18.190 - 29.18.200 if the selection is  
18 an approved selection before April 1, 1978 and is otherwise valid under  
19 AS 29.18.205(b).

20 \* Sec. 4. AS 38.05.290 is amended by adding a new subsection to read:

21 (b) Consistent with the best interests of the state, in the selec-  
22 tion of general grant land it is the policy of the state to make avail-  
23 able the maximum land area from which municipalities may fulfill land  
24 entitlements under AS 29.18.201 - 29.18.213.

25 \* Sec. 5. AS 29.18.190, 29.18.200, and 29.18.420 are repealed.

26 \* Sec. 6. REPORT. Within 30 days after the convening of each regular  
27 session of the Eleventh and Twelfth Legislatures and the first regular ses-  
28 sion of the Thirteenth Legislature, the director of the division of lands  
29 shall report to the legislature on the implementation of AS 29.18.201 -

1 29.18.213 in sec. 2 of this Act.

2 \* Sec. 7. This Act takes effect July 1, 1978, except that AS 29.18.208,  
3 enacted by sec. 2 of this Act, takes effect July 1, 1980.

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CP DISCONNECTS

Senator Sackett:

*see if we can contact Jerry*

UACN TSS Wed May 31 1978 13:50 Channel 4422 44 Users

Userid ?jchancellor

Passwd ?

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\*\*12.670\*\*KODIAK LINE DOWN 1310-1410 (ADT) FOR TESTING \*\*\*\*

4 Mail messages waiting.

SYSTEM ?MAIL

#18 SYPRESIDENT 05/31/78 12:22:55 \*

#19 SYPRESIDENT 05/31/78 12:37:57 \*

#20 SYPRESIDENT 05/31/78 12:47:08 \*

#21 SYPRESIDENT 05/31/78 12:52:35 \*

+P 18

#18 SYPRESIDENT 05/31/78 12:22:55 \*

TO: RUSSELL JONES, CHANCELLOR, UAJ

FROM: FOSTER F. DIEBOLD, PRESIDENT

FOR: GERRY BOWKETT

REGARDING: SENATE CS FOR CS FOR HOUSE BILL NO. 133

"AN ACT RELATING TO SELECTION AND TRANSFER OF STATE LAND TO MUNICIPALITIES; AND PROVIDING FOR AN EFFECTIVE DATE"

THIS PROPOSED LEGISLATION ALLOWS FOR THE SELECTION OF UNIVERSITY TRUST LAND BY MUNICIPALITIES AND REQUIRES THE STATE TO DESIGNATE OTHER STATE GENERAL SELECTION LANDS TO BE TRADED FOR THOSE SELECTED LANDS ON AN EQUAL VALUE BASIS. THIS IS DEEMED BY SOME AS BEING REQUIRED TO ALLOW MUNICIPALITIES TO PROPERLY PLAN THEIR DEVELOPMENT. ALSO, IT IS INTENDED TO CLARIFY THE STATUS OF "TRUST LANDS" AS CONTRASTED WITH "STATE LANDS". IT REQUIRES BOARD OF REGENTS APPROVAL OF ALL TRADES AND REQUIRES THE DIRECTOR TO MEET WITH THE BOARD UNTIL AGREEMENT IS REACHED.

FIRST, THE UNIVERSITY BELIEVES THAT THE EXISTENCE OF THEIR TRUST LANDS DOES NOT JEOPARDIZE THE PROPER PLANNING AND DEVELOPMENT OF MUNICIPALITIES. THIS IS A GENERAL MISCONCEPTION CREATED OUT OF NEGLECT FOR THE TRUE PURPOSE OF THE TRUST. THIS NEGLECT HAS LED TO THE BELIEF THAT TRUST LANDS ARE PASSIVE LANDS, WHILE IN FACT, THE INTENT OF THE TRUST IS THAT THE TRUST LANDS (CONTINUED ON NEXT MESSAGE)

*Pin Original File File*

+P 19

#19 SYPRESIDENT 05/31/78 12:37:57 \*

SHALL CREATE INCOME TO SUPPORT THE UNIVERSTIY. THUS IT IS CONCEIVABLY IN THE BEST INTEREST OF THE TRUST, AND MOST PROTECTIVE OF THE INTE,T IF THESE TRUST LANDS ARE INCLUDED WITHIN THE DEVELOPMENT PLANS OF MUNICIPALITIES, AND THAT THEY BE ALLOWED TO BECOME MORE HIGHLY COMMERCIALIZED. THEY SHOULD NOT BECOME BLOCKS TO PLANNING IF VIEWED IN THIS LIGHT.

ALSO, FROM A LAND PLANNING POSITION, IT SHOULD BE RECOGNIZED THAT MUCH OF UNIVERSITY TRUST LAND HAS FAIRLY HIGH VALUE. THIS WILL REQUIRE LARGE ACREAGE OF STATE LAND IN TRADE, CREATING OTHER EXTENSIVE LAND HOLDINGS AROUND WHICH PLANNING MUST WORK. THIS ONLY DEFERS THE PROBLEM TO A LATER GENERATION WHILE ALSO POSTPONING THE POTENTIAL RETURN TO THE TRUST.

SECOND, THERE SHOULD BE NO NEED FOR LEGISLATION TO ATTEMPT TO CLARIFY THE DISTINCTION BETWEEN "TRUST LANDS" AND "STATE LANDS" IF THE CONCEPT IN FIRST ABOVE IS ACCEPTED AND THE TRUST LANDS ALLOWED THE SAME USE AS STATE LANDS.

THIRD, REQUIRING THE BOARD OF REGENTS TO APPROVE ALL TRADES INVOLVING UNIVERSITY TRUST LANDS PUTS EXTREME POLITICAL PRESSURE ON THAT BODY, AND REQUIRES THEM TO BECOME A NEGOTIATING BODY INVOLVED IN LAND MATTERS WHICH ARE SOMEWHAT REMOVED FROM THEIR PRIME RESPONSIBILITY TO GOVERN THE UNIVERSITY'S ACADEMIC ENDEAVORS.

THE UNIVERSITY CONTENDS THAT PRESENT LAND LAWS AND REGULATIONS, ALONG WITH INCREASED INTERESTS

+P 20

#20 SYPRESIDENT 05/31/78 12:47:08 \*

TO: CHANCELLOR JONES  
FROM: PRESIDENT DIEBOLD  
FOR: GERRY BOWKETT

THIS IS THE LAST PORTION OF THE COMMENTARY ON SCS CS HB 133--SOME OTHER MESSAGE GOT CONFUSED IN THE TRANSMISSION OF THE LAST PARAGRAPH.

THE UNIVERSITY CONTENDS THAT PRESENT LAND LAWS AND REGULATIONS, ALONG WITH INCREASED INTEREST BY THE BOARD OF REGENTS FOR AGGRESSIVE LAND MANAGEMENT PRACTICES PRECLUDES THE NEED FOR THIS PROPOSED LEGISLATION.

SIGNED: FOSTER F. DIEBOLD, PRESIDENT  
UNIVERSITY OF ALASKA

+P 21

#21 SYPRESIDENT 05/31/78 12:52:35 \*

TO: CHANCELLOR JONES  
FROM: PRESIDENT DIEBOLD  
FOR: GERRY BOWKETT

THIS IS THE LAST PORTION OF THE COMMENTARY ON SENATE CS FOR CS FOR HB 133--SOME OTHER MESSAGE GOT CONFUSED IN THE TRANSMISSION OF THE LAST PARAGRAPH.

THE UNIVERSITY CONTENDS THAT PRESENT LAND LAWS AND REGULATIONS, ALONG WITH INCREASED INTEREST BY THE BOARD OF REGENTS FOR AGRSSIVE LAND MANAGEMENT PRACTICES PRECLUDES THE NEED FOR THIS PROPOSED LEGISLATION.

SIGNED: FOSTER F. DIEBOLD, PRESIDENT  
UNIVERSITY OF ALASKA

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