

ALASKA LEGISLATURE

2047

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

1998

LAW OFFICES

HEDLAND, BRENNAN, HEIDEMAN & COOKE
A PROFESSIONAL CORPORATION

ANCHORAGE:

JOHN S. HEDLAND
JAMES T. BRENNAN
SARA E. HEIDEMAN
AMY L. VAUDREUIL
PATRICK M. ANDERSON

1227 WEST NINTH AVENUE, SUITE 300

ANCHORAGE, ALASKA 99501-3218

TELEPHONE (907) 278-5525

TELEFAX (907) 278-0277

BETHEL OFFICE:

251 SEVENTH AVENUE

P. O. BOX 555

BETHEL, ALASKA 99509

(907) 543-2744

BETHEL:

CHRISTOPHER R. COOK
JIM J. VALCARCE

March 16, 2000

Representative Eldon Mulder, Co-Chair
Representative Gene Therriault, Co-Chair
House Finance Committee
House of Representatives
Alaska State Legislature
Juneau, Alaska 99801

Via Facsimile No. 907-465-3518

Via Facsimile No. 907-465-6813

Re: SB 7: Selection of State Land by the University of Alaska

Dear House Finance Committee Members:

This firm is the municipal attorney for the City and Borough of Yakutat ("CBY"), on whose behalf I have been asked to submit the following written testimony. I ask that you include this testimony as part of the record from your March 16 hearing on SB 7.

The CBY's principal concern with SB 7 is that it fails to absolutely protect prior municipal entitlement selections from subsequent selections by the University under the proposed Bill. The CBY, like many other Alaska boroughs, has made its land selections under the municipal entitlement statutes, AS 29.65.010 et seq., but because of lengthy backlogs in the Department of Natural Resources review and approval of these entitlements under AS 29.65.050(c), the borough has not been able to obtain approval or patent on the great majority of its selections.

A new law granting selection rights to the University of Alaska should not in any circumstance allow the University to take advantage in delays of approving municipal selections, in order to gain title to lands subject to pending selections made by Alaska municipalities. However, SB 7 permits the governor to decide to award a selection to the University, even though the land previously has been selected by a municipality. Section 5 of SB 7 would enact Sec.14.40.365(e), which states:

(e) Unless the governor provides otherwise under (a) of this section, the commissioner of natural resources may not make a

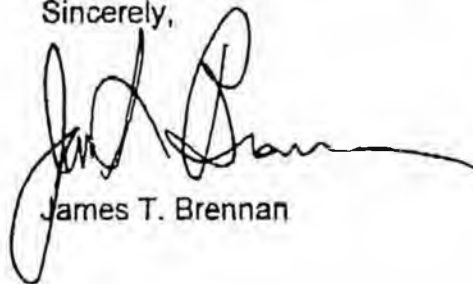
March 16, 2000
Reps. Mulder and Therrlault, House Finance Committee
Page 2

conveyance of a land selection made by the University of Alaska under this section if the commissioner determines that the proposed selection (1) includes land for which, at the time of its selection under this section, (A) a municipality has made a selection under AS 29.65. . . .

The offensive language is "unless the governor provides otherwise. . . ." If a municipality has made a selection under AS 29.65, such lands should be absolutely off limits to University selection unless a municipal selection either has been adjudicated and rejected by the Commissioner of Natural Resources or relinquished by the municipality. The governor should not be empowered to deny a prior selection by an affected municipality, in favor of the University. This would subvert the legislative policy which supported the municipal entitlement statutes, which was to provide Alaskan municipalities with the wherewithal to promote development in their community or borough. AS 29.65.129 provides that it is the policy of the State to provide for expeditious transfer and patent of land to a municipality in fulfilling its entitlement. The failure of the State to live up to this policy should not be compounded by empowering the governor to take advantage of such delay by delivering municipally-selected land to the University of Alaska.

I am sure the CBY's concerns are shared by the many other Alaska city and boroughs with longstanding entitlement selections awaiting approval.

Sincerely,



James T. Brennan

JTB:dp

cc: Jim Morton, Manager - City and Borough of Yakutat

3000.SVAK State Legis. Ltr

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

May 12, 1999

SUBJECT: Sectional summary (CSSB 7(FIN)am) (Work Order No. 21-LS0072\M.a)

TO: Senator Robin Taylor
Attn: Mel Krogseng

FROM: Gerald P. Luckhaupt
Legislative Counsel

Sec. 1. Findings and purpose, including that the University of Alaska should own income producing land to provide income for the support of public higher education.

Sec. 2. Legislative intent that the University encourage the development of in-state value-added industries when developing the land conveyed to it.

Sec. 3. Technical amendment to add the land conveyed under this bill to the provision granting the Board of Regents the care, control, and management of other University land.

Sec. 4. Technical amendment to account for the land conveyed under this bill.

Sec. 5. Adds new sections dealing with new land selections.

Sec. 14.40.365. Allows the University to select 250,000 acres of state land. Sets out requirements for the land that may be selected. The transfer of ownership of the land to the University includes the interest of the state: (1) in minerals; and (2) to oil and gas, but only for land that is selected at least 5 years after the effective date of the bill. Describes the power of the state to manage the land selected but not yet conveyed. Lists types of land that may not be conveyed, including land the conveyance of which is determined by the Commissioner of Natural Resources not to be in the best interest of the state. The University bears costs of selection, platting, surveying, and conveying the land, except the state pays the cost of recording patents and documents of interim conveyance. The University must make all selections by December 31, 2010.

Sec. 14.40.366. The Board of Regents must establish procedures for mineral leasing on the conveyed land that are substantially similar to state procedures. The board must prepare an annual plan for the management of the land and seek public comment on the plan. At least 20 percent of the income derived from the management of selected land must be

Senator Robin Taylor

May 12, 1999

Page 2

used at the campus that is closest to the land from which the income was derived if the local municipality matches the income.

Sec. 14.40.367. Permits the president of the university, on a determination that it is in the best interest of the university or on request of a person who provided the information, to keep confidential certain types of information relating to land conveyed to the university under AS 14.40 365.

Sec. 14.40.368. Sorts out whether the state or the university gets the income and management responsibilities on selected lands that are subject to certain types of agreements (leases, claims, permits, etc.). Basically, the state gets the income and management responsibility for land subject to leases, permits, etc, that existed prior to selection until lease, permit, etc., expires; the state gets the income and management responsibility until conveyance for leases, permits, etc., entered into after selection; and the university gets income and management responsibility upon conveyance for all other land.

Sec. 6. Includes income derived from the management of selected land in the endowment trust fund.

Sec. 7. Exempts from municipal taxation property of the University.


GPL:jdr

99-272.jdr

U.S. House of Representatives
Committee on Resources
Washington, DC 20515

February 3, 2000

The Hon. Robin Taylor
Alaska Senate
State Capitol
Juneau, Alaska 99801-1182

Dear Senator  Taylor:

Knowing of your interest in allocating land to support and enhance the higher educational mission of the University of Alaska, I wanted this opportunity to comment on H.R. 2958, a bill I introduced to provide a federal land grant to the institution. This legislation includes provisions of interest to the Alaska Legislature.

As you are aware, Alaska has not received its complete federal land grant. The history behind this issue began in 1915 when Congress reserved about 260,000 acres of public domain for the Alaska Agricultural College and School of Mines. The extremely slow pace of surveying prevented most of the land from being conveyed, so in 1929, Congress granted 100,000 acres more to the University. This brought the total land grant to just over 111,000 acres by the time the 1958 Alaska Statehood bill eliminated the original 1915 grant. The result is that Alaska's post-secondary education system is denied the resources and benefits of owning a substantial grant that other State systems enjoy.

H.R. 2958 will provide a 250,000 acre grant of federal land to complete the promise Congress originally made, and bring the university endowment of land up to par with that of other state institutions, all of which currently rank higher in terms of land grants received.

One of the substantive hurdles that must be cleared in order to advance a new federal land grant is the objection of opponents who believe that Congress intended the State, through its Statehood Act entitlement, to grant the university lands it was supposed to have received through the original 1915 congressional grant. For a number of reasons I believe this argument is flawed.

Nonetheless, a way to overcome this objection is by a provision I included in H.R. 2958 that will provide to the university system up to an additional 250,000 acres of federal land as long as the State of Alaska matches it on an acre-for-acre basis. Clearly, a State match would signal the commitment of the Legislature to augmenting the university's future through a combination of federal and State grants.

I trust this will explain the rationale behind H.R. 2958. Please do not hesitate to contact me if you have any comments or questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Don", written in a cursive style.

DON YOUNG
Chairman

DY/cnf

106TH CONGRESS
1ST SESSION

H. R. 2958

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 1999

Mr. YOUNG of Alaska introduced the following bill; which was referred to the Committee on Resources

A BILL

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS AND PURPOSES.**

4 (a) FINDINGS.—The Congress finds that—

5 (1) the University of Alaska is the successor to
6 and the beneficiary of all Federal grants and convey-
7 ances to or for the Alaska Agricultural College and
8 School of Mines;

1 (2) under the Acts of March 4, 1915, 38 Stat.
2 1214, and January 21, 1929, 45 Stat. 1091, the
3 United States granted to the Territory of Alaska
4 certain federal land for the University of Alaska;

5 (3) the Territory was unable to receive most of
6 the land intended to be conveyed by the Act of
7 March 4, 1915, before repeal of that Act by sec.
8 6(k) of the Alaska Statehood Act (Public Law 85-
9 508, 72 Stat. 339);

10 (4) only one other state land grant college in
11 the United States has obtained a smaller land grant
12 from the federal government than the University of
13 Alaska has received, and all land grant colleges in
14 the western states of the United States have ob-
15 tained substantially larger land grants than the Uni-
16 versity of Alaska;

17 (5) an academically strong and financially se-
18 cure state university system is a cornerstone to the
19 long-term development of a stable population and to
20 a healthy, diverse economy and is in the national in-
21 terest;

22 (6) the national interest is served by transfer-
23 ring certain federal lands to the University of Alaska
24 which will be able to use and develop the resources
25 of such lands and by returning certain lands held by

1 the University of Alaska located within certain fed-
2 eral conservation system units to federal ownership;

3 (7) the University of Alaska holds valid legal
4 title to and is responsible for management of lands
5 transferred by the United States to the Territory
6 and State of Alaska for the University and an ex-
7 change of lands is consistent with and in furtherance
8 of the purposes and terms of, and thus not in viola-
9 tion of, the Federal grant of such lands.

10 (b) PURPOSES.—The purposes of this act are—

11 (1) to fulfill the original commitment of Con-
12 gress to establish the University of Alaska as a land
13 grant university with holdings sufficient to facilitate
14 operation and maintenance of a university system
15 for the inhabitants of the State of Alaska; and

16 (2) to acquire from the University of Alaska
17 lands it holds within federal Parks, Wildlife Refuges,
18 and Wilderness areas.

19 **SEC. 2. LAND GRANT.**

20 (a) Notwithstanding any other provision of law and
21 subject to valid existing rights, the University of Alaska
22 ("University") is entitled to select up to 250,000 acres
23 of federal lands or interest in lands in or adjacent to Alas-
24 ka as a grant. The Secretary of the Interior ("Secretary")
25 shall promptly convey to the University federal lands se-

1 lected and approved in accordance with the provisions of
2 this Act.

3 (b)(1) Within 48 months of the enactment of this
4 Act, the University of Alaska may submit to the Secretary
5 a description of lands or interests in lands for conveyance
6 under subsection (a). The initial selection may be less than
7 or exceed the maximum amount of the grant and the Uni-
8 versity may add or delete lands or interest in lands during
9 this period, except that selections shall not exceed 275,000
10 acres at any one time.

11 (2) The University may select lands validly selected
12 but not conveyed to the State of Alaska or to a Native
13 Corporation organized pursuant to the Alaska Native
14 Claims Settlement Act (85 Stat. 688), except that these
15 lands or interests in lands may not be approved or con-
16 veyed to the University unless the State of Alaska or the
17 Native Corporation relinquishes its selection in writing.

18 (3) The University may not make selections within
19 a Conservation System Unit, as defined in the Alaska Na-
20 tional Interest Lands Conservation Act (16 U.S.C. 3101),
21 or in the Tongass National Forest except within lands
22 classified as LUD III or LUD IV by the United States
23 Forest Service and limited to areas of second growth tim-
24 ber where timber harvest occurred after January 1, 1952.

1 (4) The University may make selections within the
2 National Petroleum Reserve-Alaska ("NPRA"), except
3 that—

4 (A) no selection may be made within an area
5 withdrawn for village selection pursuant to section
6 11(a) of the Alaska Native Claims Settlement Act
7 for the Native villages of Atkasook, Barrow, Nuiqsit
8 and Wainwright;

9 (B) no selection may be made in the Teshekpuk
10 Lake Special Area as depicted on a map dated
11 March 24; and

12 (C) No selections may be made within those
13 portions of NPRA north of latitude 69 degrees
14 North in excess of 92,000 acres. Notwithstanding
15 any other provision of this Act, no selection may be
16 made within such area during the two year period
17 extending from the date of enactment of this act.
18 The Secretary shall attempt to conclude an agree-
19 ment with the University of Alaska and the State of
20 Alaska providing for sharing NPRA leasing revenues
21 within the two year period. If the Secretary con-
22 cludes such an agreement, he shall transmit it to the
23 Congress, and no selection may be made within such
24 area during the three year period extending from the
25 date of enactment of this Act. If legislation has not

1 been enacted within three years of the date of enact-
2 ment of this Act approving the agreement, the Uni-
3 versity of Alaska may make selections within such
4 area. An agreement shall provide for the University
5 of Alaska to receive a portion of annual revenues
6 from mineral leases within NPRA in lieu of any land
7 selections within NPRA north of latitude 69 degrees
8 North, but not to exceed ten percent of such reve-
9 nues or \$9 million annually, whichever is less.

10 (5) Within forty-five (45) days of receipt of a selec-
11 tion, the Secretary shall publish notice of the selection in
12 the Federal Register. The notice shall identify the lands
13 or interest in lands included in the selection and provide
14 for a period for public comment not to exceed sixty (60)
15 days.

16 (6) Within six months of the receipt of such a notice
17 the Secretary shall accept or reject the selection and shall
18 promptly notify the University of his decision, including
19 the reasons for any rejection. A selection that is not re-
20 jected within six months of notification to the Secretary
21 is approved without further action.

22 (7) The Secretary may reject a selection if the Sec-
23 retary finds that the selection would have a significant ad-
24 verse impact on ability of the Secretary to comply with
25 the land entitlement provisions of the Alaska Statehood

1 Act or the Alaska Native Claims Settlement Act. (43
2 U.S.C. 1601) or if the Secretary finds that the selection
3 would have a direct, significant and irreversable adverse
4 effect on a Conservation System Unit as defined in the
5 Alaska National Interest Conservation Act.

6 (8) The Secretary shall promptly publish notice of an
7 acceptance or rejection of a selection in the Federal Reg-
8 ister.

9 (9) An action taken pursuant to this Act is not a
10 major federal action within the meaning of section
11 102(2)(C) of Public Law 91-190 (83 Stat. 852, 853).

12 (c) The University may not select federal lands or in-
13 terest in lands reserved for military purposes or reserved
14 for the administration of a federal agency, unless the Sec-
15 retary of Defense or the head of the affected agency agrees
16 to relinquish the lands or interest in lands.

17 (d) The University may select additional lands or in-
18 terest in lands to replace lands rejected by the Secretary.

19 (e) Lands or interest in lands shall be segregated and
20 unavailable for selection by and conveyance to the State
21 of Alaska or a Native Corporation and shall not be other-
22 wise encumbered or disposed of by the United States
23 pending completion of the selection process.

24 (f) The University may enter selected lands on a non-
25 exclusive basis to assess the oil, gas, mineral and other

1 resource potential therein and to exercise due diligence re-
2 garding making a final selection. The University, and its
3 delegates or agents, shall be permitted to engage in asse-
4 sment techniques including, but not limited to, core drilling
5 to assess the metalliferous or other values, and surface
6 geological exploration and seismic exploration for oil and
7 gas, except that exploratory drilling of oil and gas wells
8 shall not be permitted.

9 (g) Within one year of the Secretary's approval of
10 a selection, the University may make a final decision
11 whether to accept these lands or interest in lands and shall
12 notify the Secretary of its decision. The Secretary shall
13 publish notice of any such acceptance in the Federal Reg-
14 ister within six months. Effective on the date that such
15 notice is published, all right, title, and interest of the
16 United States in the described selection, including the
17 right to transfer, assign, alienate, exchange, grant, deed,
18 lease or otherwise convey any or all present or future in-
19 terest in the lands or interest in lands shall vest in the
20 University.

21 (h) Lakes, rivers and streams contained within final
22 selections shall be meandered and lands submerged there-
23 under shall be conveyed in accordance with section 901
24 of the Alaska National Interest Lands Conservation Act
25 (94 Stat. 2371, 2430; 43 U.S.C. 1631).

1 (i) Upon completion of a survey of lands or interests
2 in lands subject to an interim approval, the Secretary shall
3 promptly issue patent to these lands or interest in lands.

4 (j) The Secretary of Agriculture and the heads of
5 other Federal departments and agencies shall take
6 promptly such actions as may be necessary to assist the
7 Secretary implementing this Act.

8 **SEC. 3. RELINQUISHMENT OF CERTAIN UNIVERSITY OF**
9 **ALASKA HOLDINGS.**

10 (a) As a condition to any grant provided by section
11 2 of this Act, the University shall convey to the Secretary
12 those lands listed in "The University of Alaska's Inholding
13 Reconveyance Document" and dated May 17, 1999.

14 (b) The University shall begin conveyance of the
15 lands described in subsection (a) upon approval of selected
16 lands and shall convey to the Secretary a percentage of
17 these lands approximately equal to that percentage of the
18 total grant represented by the approval. The University
19 shall not be required to convey to the Secretary any lands
20 other than those listed in subsection (a). The Secretary
21 shall accept quitclaim deeds from the University for these
22 lands.

23 **SEC. 4. JUDICIAL REVIEW.**

24 The University of Alaska may bring an appropriate
25 action, including an action in the nature of mandamus,

1 against the Secretary for violation of this Act or for review
2 of a final agency decision taken under this Act. An action
3 pursuant to this section may be brought in the United
4 States District Court for the District of Alaska within two
5 (2) years of the alleged violation or final agency decision.

6 **SEC. 6. STATE MATCHING GRANT.**

7 (a) Notwithstanding any other provision of law and
8 subject to valid existing rights, the University may, in ad-
9 dition to the grant made available in section 2, select up
10 to 250,000 acres of federal lands or interests in lands in
11 or adjacent to Alaska to be conveyed on an acre-for-acre
12 basis as a matching grant for any lands granted to the
13 University by the State of Alaska after the date of enact-
14 ment of this Act.

15 (b) Selections of lands or interests in lands pursuant
16 to this section shall be in parcels of 25,000 acres or great-
17 er.

18 (c) Grants made under this section shall be subject
19 to the terms and conditions applicable to grants made
20 under section 2 of this Act.

○

TONY KNOWLES
GOVERNOR



P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 485-3500
Fax: (907) 485-3522

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 19, 1999

The Honorable Frank Murkowski
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Senator *Frank* Murkowski:

I am writing today to request your assistance in obtaining Congressional enactment of legislation to rectify the federal government's failure to provide a sufficient entitlement to the University of Alaska, as a land grant institution, to support higher education in our state.

As you know, I have strongly supported legislation requiring the conveyance of federal lands to the university to increase the university's original entitlement. This support was premised on my belief that the university did not receive a fair and equitable land entitlement, particularly when compared to the acreage transferred by the federal government to other land grant institutions. At the same time, I have felt that general grant lands conveyed by the federal government to the state under the Alaska Statehood Act should be available for the general benefit of all Alaskans, not earmarked for any single agency, including the University of Alaska.

Despite my support for a federal land entitlement for the university, it has become increasingly clear to me that land conveyance legislation has little likelihood of being enacted into law. In previous correspondence, I described the reasons for my opposition to including lands from the National Petroleum Reserve-Alaska and the Tongass National Forest, as earlier bills would have allowed.

However, on the basis of last year's experience in Congress, I have concluded the problem is even more fundamental. Many members of Congress appear to believe that any future university land entitlements should come from lands granted under the Alaska Statehood Act, something I continue to oppose on legal and policy grounds. Further, a broad spectrum of interest groups, ranging from conservationists to various development interests, oppose a transfer of acreage from the federal government to the university. Also, the Clinton Administration has expressed its strong opposition to such a conveyance. Among other things, these concerns focus on land management and other

The Honorable Frank Murkowski
January 19, 1999
Page 2

issues generated by the actual transfer of acreage, including sensitive environmental areas, from federal ownership.

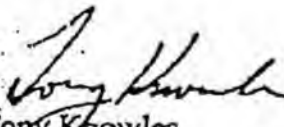
Given these realities, I believe it is time to pursue a new initiative to assist the university. Accordingly, I recommend we jointly seek the enactment of legislation which would earmark a portion of the federal revenues--bonuses, rentals, and royalties--from oil and gas development in the National Petroleum Reserve-Alaska (NPR-A) to fund the corpus of a university endowment. Interest from this endowment could be used by the university to diversify its funding and serve as a financial foundation for excellence. Of course, we would propose that the amount of the federal contribution to the fund would be capped at some reasonable figure, so that this obligation is finite in magnitude and duration.

After years of inadequate funding for the university, we began turning the corner last year, with a modest university budget increase, invigorating new leadership, and renewed public support. To hasten the turnaround, I am asking the Legislature for the coming year for a \$5.6 million increase for the university. Yet, taken alone, I do not think these measures will be sufficient to achieve the university's goals as we approach the 21st century. The funding mechanism suggested here would help immeasurably in this regard.

I recognize earmarking revenues from NPR-A for university purposes will be no easy task. However, I believe achievement of this objective would accomplish much of what you were seeking in land grant legislation, while avoiding the pitfalls described here and in my previous correspondence.

I look forward to working with you, the university, and other interested parties in seeking fair treatment for the university by the federal government. Thank you for your consideration of my views.

Sincerely,


Tony Knowles
Governor

cc: The Honorable Ted Stevens
The Honorable Don Young

Calendar No. 131

106TH CONGRESS
1ST SESSION

S. 744

[Report No. 106-61]

A BILL

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

JUNE 2, 1999

Reported with an amendment

Calendar No. 131106TH CONGRESS
1ST SESSION**S. 744****[Report No. 106-61]**

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 25, 1999

Mr. MURKOWSKI introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

JUNE 2, 1999

Reported under authority of the order of the Senate of May 27, 1999, by Mr. MURKOWSKI, with an amendment

[Omit the part struck through and insert the part printed in italics]

A BILL

To provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—The Congress finds that—

3 (1) the University of Alaska is the successor to
4 and the beneficiary of all Federal grants and convey-
5 ances to or for the Alaska Agricultural College and
6 School of Mines;

7 (2) under the Acts of March 4, 1915, 38 Stat.
8 1214, and January 21, 1929, 45 Stat. 1091, the
9 United States granted to the Territory of Alaska
10 certain federal land for the University of Alaska;

11 (3) the Territory was unable to receive most of
12 the land intended to be conveyed by the Act of
13 March 4, 1915, before repeal of that Act by sec.
14 6(k) of the Alaska Statehood Act (Public Law 85-
15 508, 72 Stat. 339);

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17 the United States has obtained a smaller land grant
18 from the federal government than the University of
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20 the western states of the United States have ob-
21 tained substantially larger land grants than the Uni-
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24 cure state university system is a cornerstone to the
25 long-term development of a stable population and to

1 a healthy, diverse economy and is in the national in-
2 terest;

3 (6) the national interest is served by transfer-
4 ring certain federal lands to the University of Alaska
5 which will be able to use and develop the resources
6 of such lands and by returning certain lands held by
7 the University of Alaska located within certain fed-
8 eral conservation system units to federal ownership;

9 (7) the University of Alaska holds valid legal
10 title to and is responsible for management of lands
11 transferred by the United States to the Territory
12 and State of Alaska for the University and an ex-
13 change of lands is consistent with and in furtherance
14 of the purposes and terms of, and thus not in viola-
15 tion of, the Federal grant of such lands.

16 (b) PURPOSES.—The purposes of this act are—

17 (1) to fulfill the original commitment of Con-
18 gress to establish the University of Alaska as a land
19 grant university with holdings sufficient to facilitate
20 operation and maintenance of a university system
21 for the inhabitants of the State of Alaska; and

22 (2) to acquire from the University of Alaska
23 lands it holds within federal Parks, Wildlife Refuges,
24 and Wilderness areas.

1 **SEC. 2. LAND GRANT.**

2 (a) Notwithstanding any other provision of law and
3 subject to valid existing rights, the University of Alaska
4 ("University") is entitled to select up to 250,000 acres
5 of federal lands or interest in lands in or adjacent to Alas-
6 ka as a grant. The Secretary of the Interior ("Secretary")
7 shall promptly convey to the University federal lands se-
8 lected and approved in accordance with the provisions of
9 this Act.

10 (b)(1) Within 48 months of the enactment of this
11 Act, the University of Alaska may submit to the Secretary
12 a description of lands or interests in lands for conveyance
13 under subsection (a). The initial selection may be less than
14 or exceed the maximum amount of the grant and the Uni-
15 versity may add or delete lands or interest in lands during
16 this period, except that selections shall not exceed 275,000
17 acres at any one time.

18 (2) The University may select lands validly selected
19 but not conveyed to the State of Alaska or to a Native
20 Corporation organized pursuant to the Alaska Native
21 Claims Settlement Act (85 Stat. 688), except that these
22 lands or interests in lands may not be approved or con-
23 veyed to the University unless the State of Alaska or the
24 Native Corporation relinquishes its selection in writing.

25 (3) The University may not make selections within
26 a Conservation System Unit, as defined in the Alaska Na-

1 tional Interest Lands Conservation Act (16 U.S.C. 3101),
2 or in the Tongass National Forest except within lands
3 classified as LUD III or LUD IV by the United States
4 Forest Service and limited to areas of second growth tim-
5 ber where timber harvest occurred after January 1, 1952.

6 (4) The University may make selections within the
7 National Petroleum Reserve-Alaska ("NPRA"), except
8 that—

9 (A) no selection may be made within an area
10 withdrawn for village selection pursuant to section
11 11(a) of the Alaska Native Claims Settlement Act
12 for the Native villages of Atkasook, Barrow, Nuiqsit
13 and Wainwright;

14 (B) no selection may be made in the Teshekpuk
15 Lake Special Area as depicted on a map dated
16 March 24; and

17 (C) No selections may be made within those
18 portions of NPRA north of latitude 69 degrees
19 North in excess of 92,000 acres. Notwithstanding
20 any other provision of this Act, no selection may be
21 made within such area during the two year period
22 extending from the date of enactment of this act.
23 The Secretary shall attempt to conclude an agree-
24 ment with the University of Alaska and the State of
25 Alaska providing for sharing NPRA leasing revenues

1 within the two year period. If the Secretary con-
2 cludes such an agreement, he shall transmit it to the
3 Congress, and no selection may be made within such
4 area during the three year period extending from the
5 date of enactment of this Act. If legislation has not
6 been enacted within three years of the date of enact-
7 ment of this Act approving the agreement, the Uni-
8 versity of Alaska may make selections within such
9 area. An agreement shall provide for the University
10 of Alaska to receive a portion of annual revenues
11 from mineral leases within NPRA in lieu of any land
12 selections within NPRA north of latitude 69 degrees
13 North, but not to exceed ten percent of such reve-
14 nues or \$9 million annually, whichever is less.

15 (5) Within forty-five (45) days of receipt of a selec-
16 tion, the Secretary shall publish notice of the selection in
17 the Federal Register. The notice shall identify the lands
18 or interest in lands included in the selection and provide
19 for a period for public comment not to exceed sixty (60)
20 days.

21 (6) Within six months of the receipt of such a notice
22 the Secretary shall accept or reject the selection and shall
23 promptly notify the University of his decision, including
24 the reasons for any rejection. A selection that is not re-

1 jected within six months of notification to the Secretary
2 is approved without further action.

3 (7) The Secretary may reject a selection if the Sec-
4 retary finds that the selection would have a significant ad-
5 verse impact on ability of the Secretary to comply with
6 the land entitlement provisions of the Alaska Statehood
7 Act or the Alaska Native Claims Settlement Act. (43
8 U.S.C. 1601) or if the Secretary finds that the selection
9 would have a direct, significant and irreversable adverse
10 effect on a Conservation System Unit as defined in the
11 Alaska National Interest Conservation Act.

12 (8) The Secretary shall promptly publish notice of an
13 acceptance or rejection of a selection in the Federal Reg-
14 ister.

15 (9) An action taken pursuant to this Act is not a
16 major federal action within the meaning of section
17 102(2)(C) of Public Law 91-190 (83 Stat. 852, 853).

18 (c) The University may not select federal lands or in-
19 terest in lands reserved for military purposes or reserved
20 for the administration of a federal agency, unless the Sec-
21 retary of Defense or the head of the affected agency agrees
22 to relinquish the lands or interest in lands.

23 (d) The University may select additional lands or in-
24 terest in lands to replace lands rejected by the Secretary.

1 (e) Lands or interest in lands shall be segregated and
2 unavailable for selection by and conveyance to the State
3 of Alaska or a Native Corporation and shall not be other-
4 wise encumbered or disposed of by the United States
5 pending completion of the selection process.

6 (f) The University may enter selected lands on a non-
7 exclusive basis to assess the oil, gas, mineral and other
8 resource potential therein and to exercise due diligence re-
9 garding making a final selection. The University, and its
10 delegates or agents, shall be permitted to engage in assess-
11 ment techniques including, but not limited to, core drilling
12 to assess the metalliferous or other values, and surface
13 geological exploration and seismic exploration for oil and
14 gas, except that exploratory drilling of oil and gas wells
15 shall not be permitted.

16 (g) Within one year of the Secretary's approval of
17 a selection, the University may make a final decision
18 whether to accept these lands or interest in lands and shall
19 notify the Secretary of its decision. The Secretary shall
20 publish notice of any such acceptance in the Federal Reg-
21 ister within six months. Effective on the date that such
22 notice is published, all right, title, and interest of the
23 United States in the described selection, including the
24 right to transfer, assign, alienate, exchange, grant, deed,
25 lease or otherwise convey any or all present or future in-

1 terest in the lands or interest in lands shall vest in the
2 University.

3 (h) Lakes, rivers and streams contained within final
4 selections shall be meandered and lands submerged there-
5 under shall be conveyed in accordance with section 901
6 of the Alaska National Interest Lands Conservation Act
7 (94 Stat. 2371, 2430; 43 U.S.C. 1631).

8 (i) Upon completion of a survey of lands or interests
9 in lands subject to an interim approval, the Secretary shall
10 promptly issue patent to these lands or interest in lands.

11 (j) The Secretary of Agriculture and the heads of
12 other Federal departments and agencies shall take
13 promptly such actions as may be necessary to assist the
14 Secretary implementing this Act.

15 **SEC. 3. RELINQUISHMENT OF CERTAIN UNIVERSITY OF**
16 **ALASKA HOLDINGS.**

17 (a) As a condition to any grant provided by section
18 2 of this Act, the University shall convey to the Secretary
19 those lands listed in "The University of Alaska's Inholding
20 Reconveyance Document" and dated ~~April 24, 1997~~ *May*
21 *17, 1999*.

22 (b) The University shall begin conveyance of the
23 lands described in subsection (a) upon approval of selected
24 lands and shall convey to the Secretary a percentage of
25 these lands approximately equal to that percentage of the

1 total grant represented by the approval. The University
2 shall not be required to convey to the Secretary any lands
3 other than those listed in subsection (a). The Secretary
4 shall accept quitclaim deeds from the University for these
5 lands.

6 **SEC. 4. JUDICIAL REVIEW.**

7 The University of Alaska may bring an appropriate
8 action, including an action in the nature of mandamus,
9 against the Secretary for violation of this Act or for review
10 of a final agency decision taken under this Act. An action
11 pursuant to this section may be brought in the United
12 States District Court for the District of Alaska within two
13 (2) years of the alleged violation or final agency decision.

14 **SEC. 6. STATE MATCHING GRANT.**

15 (a) Notwithstanding any other provision of law and
16 subject to valid existing rights, the University may, in ad-
17 dition to the grant made available in section 2, select up
18 to 250,000 acres of federal lands or interests in lands in
19 or adjacent to Alaska to be conveyed on an acre-for-acre
20 basis as a matching grant for any lands granted to the
21 University by the State of Alaska after the date of enact-
22 ment of this Act.

23 (b) Selections of lands or interests in lands pursuant
24 to this section shall be in parcels of 25,000 acres or great-
25 er.

1 (c) Grants made under this section shall be subject
2 to the terms and conditions applicable to grants made
3 under section 2 of this Act.



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P.O. Box 22151, Juneau AK 99802 / Ph. 907-463-3366 / Fax 907-463-3312 / unite@akvoice.org

SENATE BILL 7 ~ University Lands Bill

House Finance Committee
March 3, 2000

Alaska Conservation Voters, formerly Alaska Conservation Voice, is a not-for-profit organization dedicated to protecting Alaska's environment through public education and advocacy. Our 40 member organizations represent over 22,000 registered Alaskan voters. ACV believes investment in our university system is critical for the state's continued economic prosperity and for enabling the state's participation in the developing intellectual and knowledge-based economy that is fueling our country's progress. We support funding that will guarantee a strong university system now and in the future.

ACV is pleased to see that the House Resource Committee Substitute for the CS of SB 7 addresses several of our concerns with environmental impacts of this legislation, namely providing for consultation with ADF&G and requiring protection of riparian areas. Nevertheless, we continue to believe that SB 7 does not guarantee adequate or reliable funding for the university. Simply put, the university's full attention should be directed towards education, where it has expertise, and not be diverted towards the complex and often contentious arena of land management. We urge you to oppose this legislation and instead seek more effective, viable ways that address the imminent financial needs of the university.

We continue to have serious concerns with SB 7, including:

- Alaskans may lose the use of 250,000 acres of our public lands, including the potential loss of acreage within our state game refuges, state game sanctuaries, state recreation areas, recreational mining areas, state critical habitat areas, etc., including one of our state parks – all of which are in the public domain.
- Because of the university's aggressive development policies, the bill threatens fish and wildlife resources, as well as the subsistence, recreational, and commercial uses that depend on them. It threatens community water sources and local use, expansion and planning options. At both the local and regional level, university land selections would further complicate confusing land ownership patterns and make sorting out the conflicts a costly and time-consuming process.
- Even with the language in the House Committee Substitute to ensure access, SB 7 may impact highly valued access rights on selected lands that the university chooses to sell to a third party or develop in such a way as to preclude access. Potentially at risk are the hunting, fishing, skiing, mushing, and innumerable other recreational and commercial activities that Alaskans depend upon.
- SB 7 very likely violates the Dedicated Fund Clause, Article IX, Section 7, of the Alaska Constitution. The Dedicated Fund Clause explicitly allows continuation of dedicated funds that predated ratification of the constitution and it also allows dedicated funds required to participate in federal programs. While the existing university land trust does not violate the clause because it meets the two circumstances, any new grant of land created by SB 7 would NOT meet either circumstance.

OVER

Conserve Alaska. It's Only Natural.

To: Representatives Therriault and Mulder, Co-chairs
House Finance Committee

From: Dick Bishop, Alaska Outdoor Council -- 463-3830

House CS for CS for SB7 (Res) lacks a critically important provision for ensuring the integrity of legislatively designated outdoor habitat and use areas.

We propose the following amendment to correct this inadequacy:

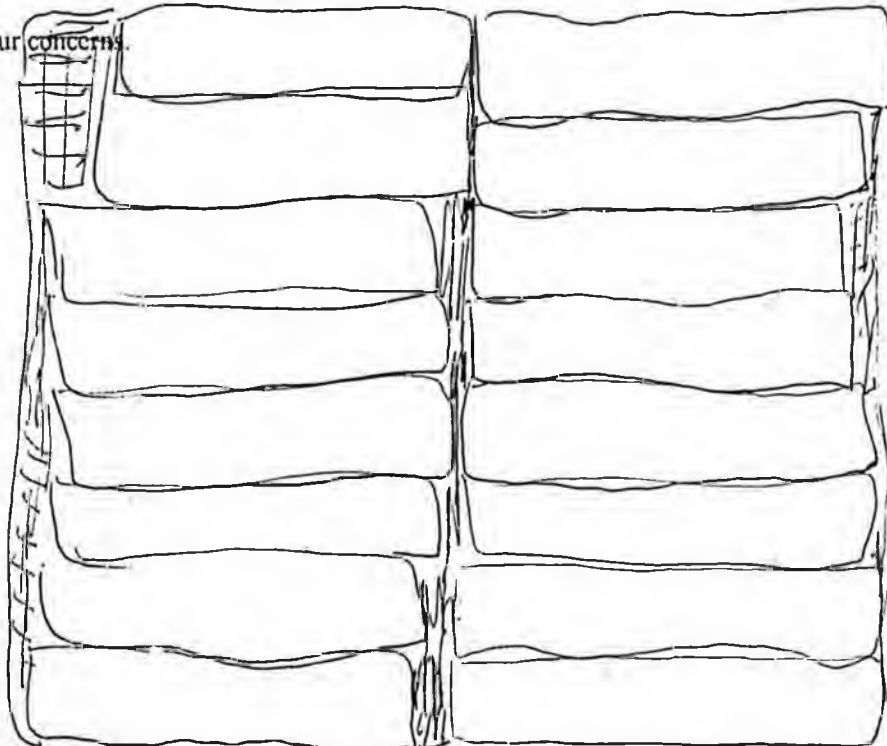
Page 5, line 2. DELETE THE ENTIRE TEXT.

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We believe this amendment is necessary because the Department of Natural Resources pointed out to the House Resources Committee in their 2/9/2000 letter that many of the areas listed above are technically not "reserved by law from the public domain". DNR's letter is attached.

In addition, we have learned that administratively established sites, such as boat landings developed by ADF&G and administered by DNR, are developed using federal funds in a contractual arrangement which requires ongoing use for a time period specified in the contract. If the access site were selected by the University and the contracted use stopped or changed, not only would the public lose the access, but the federal agency would demand its money back as the contract requires. The funds involved in boat access are Wallop-Breaux funds administered by the U.S. Fish and Wildlife Service, and have wide use in providing for Alaskans' outdoor activities. We do not know at this time if federal "strings" are attached to other state access or use sites such as state park visitor /viewing/rest or similar sites. If Congressman Young's CARA bill passes there certainly will be more money, with strings.

Thank you for considering our concerns.



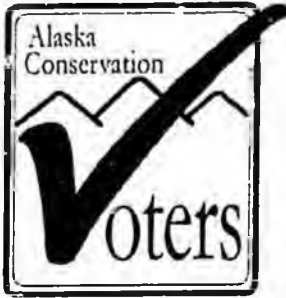
CORRECTION

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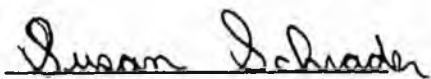
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- Because of the university's aggressive development policies, the bill threatens fish and wildlife resources, as well as the subsistence, recreational, and commercial uses that depend on them. It threatens community water sources and local use, expansion and planning options. At both the local and regional level, university land selections would further complicate confusing land ownership patterns and make sorting out the conflicts a costly and time-consuming process.
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OVER

Conserve Alaska. It's Only Natural.

If SB 7 becomes law, the university will select 250,000 acres with the highest potential for future revenue generation. At this time of significant budget shortfalls, the last thing the legislature should do is remove the state's 250,000 most promising acres for future revenue and dedicate them to a single purpose.

Alaskans deserve a strong university for our children, BUT we urge you to support the university through appropriations, not through land giveaways like SB 7.

A handwritten signature in cursive script that reads "Susan Schrader".

Susan Schrader,
Conservation Advocate

To: Representatives Therriault and Muider, Co-chairs
House Finance Committee

From: Dick Bishop, Alaska Outdoor Council -- 463-3830

House CS for CS for SB7 (Res) lacks a critically important provision for ensuring the integrity of legislatively designated outdoor habitat and use areas.

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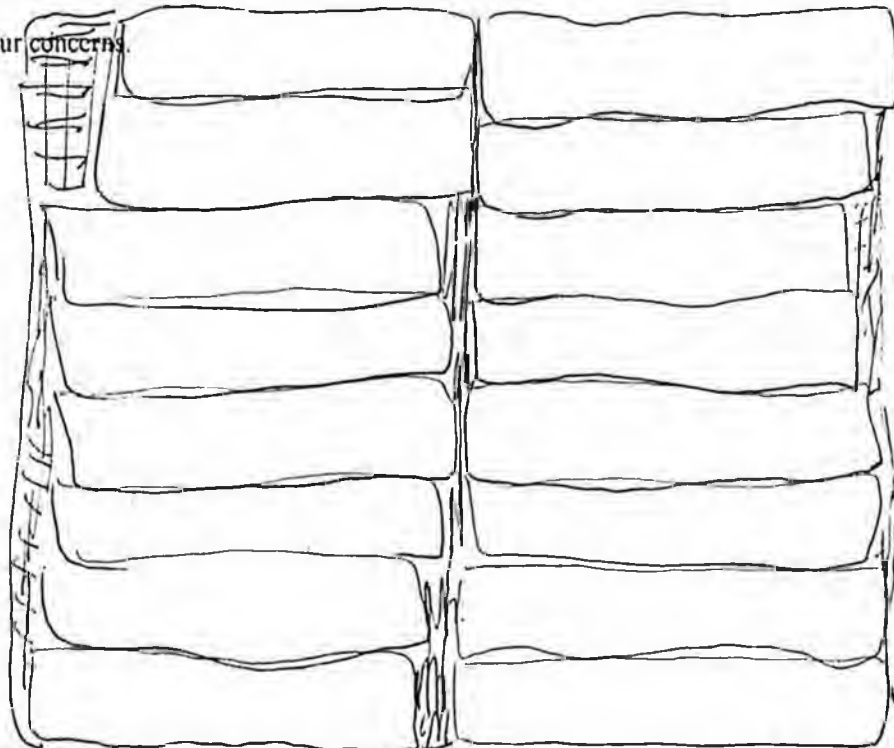
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Thank you for considering our concerns.



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*              TRANSACTION REPORT                                *
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To: Representatives Therriault and Mulder, Co-chairs
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FISCAL NOT

No. 44
 Bill Version: CSSB 7 (RES)
 (S) Publish Date: 2-5-99

STATE OF ALASKA
1999 LEGISLATIVE SESSION

Revision Date: 3-Feb-99 Dept Affected Natural Resources
 Title: An Act relating to the U. of A. and univ. land, & BRU: Resource Development
authorizing the U. of A. to select additional state land. Component: Land Development
 Sponsor: Sen. Taylor, et al.
 Requestor: Sen Resources Component Serial No. 431

Expenditures/Revenues (inflation not included unless otherwise noted below) (Thousands of Dollars)

OPERATING EXPENDITURES	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
PERSONAL SERVICES	142.0	161.0	161.0	161.0	161.0	161.0
TRAVEL	15.0	15.0	15.0	15.0	15.0	15.0
CONTRACTUAL SUPPLIES	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1,157.0	1,176.0	1,176.0	1,176.0	1,176.0	1,176.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (fund code)	see note					
--------------------------------	----------	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	30.0	32.0	32.0	32.0	32.0	32.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
I/A (University)	1,127.0	1,144.0	1,144.0	1,144.0	1,144.0	1,144.0
TOTAL	1,157.0	1,176.0	1,176.0	1,176.0	1,176.0	1,176.0

Estimate of any current year (FY99) cost: \$ _____

POSITIONS

FULL-TIME	3	3	3	3	3	3
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This fiscal note is the minimum necessary for DNR to process land selections and conveyances to the University of Alaska. Costs could be higher depending on what lands are selected and the level of controversy relating to individual parcels. Most costs for the conveyance work will be paid for by the University using Interagency Receipts; however, this money still must come from state funds.

For FY 00, staff will include 2 mos. of a Natural Resource Manager I, 12 mos. Natural Resource Officer (NRO) II, and 12 mos. NRO I who will help identify parcels for University selection, check land status and land records, prepare public notice, respond to public inquiries, negotiate with the University, and perform other tasks to prepare land lists. Includes 6 mos. for a Land Surveyor I to prepare survey instructions and contracts for survey. Large

[cont.]

Prepared by: Richard A LeFebvre, Acting Director Phone: 907-269-8503
 Division: Land Date: 4-Feb-99
 Approved by Commissioner: [Signature] Date: 2-5-99
 Agency: Natural Resources

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ANALYSIS [continued]:

contractual expenditures reflect the cost to survey parcels. FY 01 and following years include the above costs, plus costs to issue title documents.

* Note: It is impossible to project how much revenue these conveyances will generate for the University, and will be lost to the state, without knowing exactly what lands will be transferred. However, it can be assumed the University will select the most valuable parcels it can find. The effect is to divert a significant revenue stream out of the general fund, where it would have been available for those public purposes the Legislature deemed most important in a given year, into the hands of the Board of Regents for strictly university purposes. Also, by removing the most valuable parcels from the state's asset base, the bill reduces one of the most important incentives for local government to incorporate: the opportunity to select top-quality commercial, residential, and industrial land for municipal ownership under AS 29.65.

ALASKA STATE CHAMBER OF COMMERCE

Position 2000-17

University of Alaska Land Grant

The Alaska State Chamber of Commerce supports the conveyance of state and federal land to the University of Alaska as follows:

- 250,000 acres of State land
- 250,000 acres of Federal land
- An optional 250,000 acres of Federal land to match state land

Rationale:

The Alaska State Chamber recognizes the valuable contribution an academically strong and financially secure state university system can make to Alaska's future. Management of its land provides the University system with a source of recurring revenues.

Congress established the University of Alaska as a land grant institution at the time of Statehood and promised 250,000 acres of income producing land to provide a means of support for public higher education in the state. Less than one-third, or 112,000 acres have been actually transferred.

In managing its current land portfolio, the University has demonstrated it can meet, and exceed, the requirements of responsible land development. Conveyance of state and federal lands to the University for appropriate development will enhance economic opportunities on many fronts.

ADOPTED

December 3, 1999

BY Pamela La Bolle
Pamela La Bolle
President

BY Dennis Brandon
Dennis Brandon
Chairman

**HOUSE CS FOR CS FOR SENATE BILL NO. 7(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - SECOND SESSION**

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

**Sponsor(s): SENATORS TAYLOR, Tim Kelly, Donley, Wilken, Leman, Pearce, Mackie, Ward
REPRESENTATIVE Halcro**

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the University of Alaska and university land and authorizing
2 the University of Alaska to select additional state land."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new
5 section to read:

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

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

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

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

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

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

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

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

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

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

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

19 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section
20 to read:

21 LEGISLATIVE INTENT. It is the intent of the legislature that the University of
22 Alaska

23 (1) receive land under this Act in an expeditious fashion; and

24 (2) encourage the development of in-state value-added industries to the
25 maximum extent feasible when developing land conveyed under AS 14.40.365.

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

27 (a) The Board of Regents shall

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

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

- 1 (3) confer such appropriate degrees as it may determine and prescribe:
2 (4) have the care, control, and management of
3 (A) all the real and personal property of the university; and
4 (B) land
5 (i) conveyed to the Board of Regents by the
6 commissioner of natural resources in the settlement of the claim of the
7 University of Alaska to land granted to the state in accordance with the
8 Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance
9 with the Act of January 21, 1929 (45 Stat. 1091), as amended; and
10 (ii) selected by the University of Alaska and conveyed
11 to it by the commissioner of natural resources under AS 14.40.365;
12 (5) keep a correct and easily understood record of the minutes of every
13 meeting and all acts done by it in pursuance of its duties;
14 (6) under procedures to be established by the commissioner of
15 administration, and in accordance with existing procedures for other state agencies,
16 have the care, control, and management of all money of the university and keep a
17 complete record of all money received and disbursed;
18 (7) adopt reasonable rules for the prudent trust management and the
19 long-term financial benefit to the university of the land of the university;
20 (8) provide public notice of sales, leases, exchanges, and transfers of
21 the land of the university or of interests in land of the university.

22 * Sec. 4. AS 14.40.291 is amended to read:

- 23 **Sec. 14.40.291. Land of the University of Alaska not public domain land.**
24 (a) Notwithstanding any other provision of law, university-grant land, state
25 replacement land that becomes university-grant land on conveyance to the university,
26 land selected by and conveyed to the University of Alaska under AS 14.40.365, and
27 any other land owned by the University of Alaska is not and may not be treated as
28 state public domain land. Land conveyed to the University of Alaska under
29 AS 14.40.365 shall be managed under AS 14.40.365 - 14.40.368 and policies of the
30 Board of Regents of the University of Alaska.
31 (b) Title to or interest in [TO] land described in (a) of this section may not

1 be acquired by adverse possession, prescription, or in any other manner except by
2 conveyance from the university.

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

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

6 **Sec. 14.40.365. University land from Statehood Act land selection**
7 **conveyances.** (a) The University of Alaska may select and is entitled to receive the
8 conveyance of not less than 250,000 and not more than 260,000 acres of land
9 conveyed to the state under Sec. 6(b) of the Alaska Statehood Act (P.L. 85-508, 72
10 Stat. 339). The Board of Regents of the University of Alaska shall annually submit
11 a list of selections to the commissioner of natural resources and, if the list of selections
12 contains land within the boundaries of a municipality, the Board of Regents of the
13 University of Alaska shall submit the list to the municipality. The Board of Regents
14 and the commissioner of natural resources shall periodically and jointly submit to the
15 legislature, within 30 days of the beginning of a regular legislative session, a list of
16 the selections of land proposed to be conveyed by the state to the University of Alaska
17 under this section. If the list submitted to the legislature contains land within the
18 boundaries of a municipality, the Board of Regents and the commissioner of natural
19 resources shall provide a copy of the list to the municipality. Each list must contain
20 not more than 25 percent of the total acres of land to which the university is entitled
21 after subtracting previous conveyances under this section, but not less than 25,000
22 acres or the remaining entitlement under this section, whichever is less. A list of
23 selections submitted shall be considered approved for conveyance to the University of
24 Alaska unless the legislature acts to disapprove the list during the legislative session
25 during which the list was submitted. If the amount of land to be conveyed exceeds
26 the balance due the university under this section, the university shall set out the land
27 to be conveyed in priority order. Land may not be selected if, on the date of its
28 selection by the university, it

29 (1) has been reserved by law from the public domain or is land that has
30 been designated by the legislature for a specific purpose;

31 (2) is located within a municipality unless the land is vacant,

1 unappropriated, unreserved land, unless the land is not selected by the municipality
2 with remaining selection rights under AS 29.65 within 120 days of receiving the Board
3 of Regents' list of selections under this subsection, or unless a binding agreement
4 between the university and the municipality is negotiated to allow the selection; if the
5 municipal selection is disapproved, in whole or in part, the university may select the
6 land, or any available portion of the land, and that selection will relate back to the date
7 of the Board of Regents' list of selections under this subsection and shall have priority
8 over all other selections or claims made subsequent to that notice; in this paragraph,
9 "vacant, unappropriated, unreserved land" has the meaning given in AS 29.65.130;

10 (3) is land

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

13 (B) leased under, or for which a lease application is pending
14 under, AS 38.05.180(d) or 38.05.150;

15 (4) is subject to

16 (A) an oil, gas, or coal lease, or coal prospecting permit;

17 (B) a mining claim, offshore prospecting permit, a prospecting
18 site, an upland mining lease, or a mining leasehold location;

19 (5) is necessary to carry out the purpose of an interagency land
20 management agreement; or

21 (6) is subject to conveyance under a land exchange or land settlement
22 agreement.

23 (b) Notwithstanding AS 38.05.125(a), the transfer of ownership and
24 management of land from the Department of Natural Resources to the Board of
25 Regents of the University of Alaska under this section includes the interest of the state
26 in

27 (1) the coal, ores, minerals, fissionable materials, geothermal resources,
28 and fossils that may be in or on the land; and

29 (2) the oil and gas that may be in or on the land, but only as to land
30 that is selected by the University of Alaska under this section on and after the date that
31 is the third anniversary of the effective date of this section.

1 (c) When the University of Alaska selects the land to which it is entitled under
2 this section, selections must be made in parcels of 40 acres or larger unless the
3 selection is an isolated tract or the commissioner of natural resources finds it is in the
4 best interest of the state to convey less. When the University of Alaska becomes
5 entitled to land under this section, the commissioner of natural resources shall convey
6 a document of interim conveyance under (j) of this section or a patent to land.

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

11 (1) the state, with the concurrence of the University of Alaska, is
12 authorized to enter into contracts and grant leases, licenses, prospecting sites, claims,
13 permits, rights-of-way, or easements and any interim conveyance or patent shall be
14 subject to the contract, lease, license, prospecting site, claim, permit, right-of-way, or
15 easement, except that the authority granted the state by this paragraph is the authority
16 that the state otherwise would have had under existing laws and regulations had the
17 land not been selected by the University of Alaska;

18 (2) income from and management of the land is subject to
19 AS 14.40.368.

20 (e) The list of selections of land submitted to the legislature may not include
21 a land selection made by the University of Alaska under this section if the
22 commissioner of natural resources determines in writing that the proposed selection

23 (1) includes land that the commissioner, in consultation with the
24 commissioner of fish and game, determines has demonstrated value to the public as
25 a habitat area that is especially critical to the perpetuation of fish or wildlife;

26 (2) includes land for which, at the time of its selection under this
27 section, a municipality has made a selection under AS 29.65 unless the land selection
28 is, at a later date, rejected by the commissioner of natural resources or relinquished by
29 the municipality;

30 (3) includes land that the commissioner reasonably believes may be
31 selected by a newly formed municipality under AS 29.65.030, but the commissioner

1 may not withhold selection under this paragraph for more than three years after the
2 municipality's incorporation;

3 (4) includes land within the boundaries of a municipality, the
4 municipality has a remaining entitlement under AS 29.65, and the municipality selects
5 the land under AS 29.65 within 120 days after receipt by the municipality of the Board
6 of Regents' list of selections under (a) of this section;

7 (5) includes land that, at the time of its selection under this section,

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

9 (B) the commissioner reasonably believes will be made part of
10 an oil and gas exploration license issued under AS 38.05.131 - 38.05.134; the
11 commissioner may not refuse to convey title to land to the University of Alaska
12 under this subparagraph for more than two years after its first selection by the
13 University of Alaska; or

14 (6) includes land the commissioner of natural resources reasonably
15 believes would not be in the best interests of the state to convey outside of state
16 ownership.

17 (f) When land is conveyed to the University of Alaska under this section, the
18 University of Alaska takes the land subject to any valid possessory interest held by
19 another person on the effective date of the conveyance.

20 (g) In conveying land to the University of Alaska under this section, the
21 commissioner of natural resources shall give public notice that substantially complies
22 with notice requirements under AS 38.05.945(b) and (c) and provide for access under
23 AS 38.05.127, but other provisions of AS 38.04 and AS 38.05 do not apply.

24 (h) Land transferred or conveyed to the University of Alaska under this section

25 (1) is subject to

26 (A) Sec. 6(i) of the Alaska Statehood Act (P.L. 85-508, 72 Stat.
27 339);

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

29 (C) AS 19.10.010;

30 (D) the payment requirements to the Alaska permanent fund
31 under AS 37.13.010(a) and (b); and

1 (E) any easement, right-of-way, or other access under former
2 43 U.S.C. 932 (sec. 8, Act of July 26, 1866, 14 Stat. 253);

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

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

11 (i) The University of Alaska shall bear all of its own costs of selection,
12 platting, surveying, and, except as provided in (k) of this section, conveyance of the
13 land that it selects under this section and, subject to appropriation, shall reimburse the
14 Department of Natural Resources for the reasonable costs incurred by that department
15 relating to that selection, platting, surveying, and conveyance. As to land due the
16 University of Alaska under (c) of this section,

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

19 (2) if the land is unsurveyed, the commissioner shall survey the exterior
20 boundaries of the land to be conveyed without interior subdivision and shall issue
21 patent in terms of the exterior boundary survey within one year of the later of the
22 effective date of the approval by the legislature of the list containing the land or the
23 adjournment of the legislative session during which the list containing the land was not
24 disapproved by the legislature.

25 (j) For land due the University of Alaska under (c) of this section that is
26 unsurveyed, pending the survey of exterior boundaries and issuance of patent, the
27 commissioner of natural resources shall, within one year of the later of the effective
28 date of the approval by the legislature of the list containing the land or the
29 adjournment of the legislative session during which the list containing the land was not
30 disapproved by the legislature, prepare and provide to the University of Alaska a
31 document of interim conveyance for the land to be conveyed.

1 (k) Management of land conveyed to the University of Alaska by patent or by
2 a document of interim conveyance vests with the University of Alaska from the date
3 of recording of the patent or document of interim conveyance. The state shall pay the
4 cost of recording all patents and documents of interim conveyance.

5 (l) The University of Alaska may not make a land selection under this section
6 after December 31, 2010.

7 (m) The commissioner shall convey land under this section to the University
8 of Alaska with notice to the university if the land selected includes easements, rights-
9 of-way, and other forms of access

10 (1) required under the Constitution of the State of Alaska or other law;
11 and

12 (2) sufficient to ensure reasonable access to the public to all navigable
13 and public water under AS 38.05.127.

14 (n) The University of Alaska may seek review of the decision of the
15 commissioner of natural resources under (e) of this section through the process
16 established by the Department of Natural Resources.

17 **Sec. 14.40.366. Management requirements for university land.** (a) The
18 Board of Regents shall, by policy, establish procedures for mineral entry or location
19 and mineral leasing on university land selections made under AS 14.40.365 that are
20 consistent with the Constitution of the State of Alaska and the Alaska Statehood Act
21 (P.L. 85 - 508, 72 Stat. 339).

22 (b) Notwithstanding other provisions of law, the University of Alaska shall
23 seek public comment on proposals for development, exchange, or sale of university
24 selections made under AS 14.40.365. The Board of Regents shall adopt policies that
25 provide that the university shall prepare an annual plan for management and
26 disposition of university land under this section and shall, not less than 60 days before
27 scheduled approval by the Board of Regents of the plan,

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

30 (2) publish a notice in newspapers of general circulation in the state
31 that provides the public with information on the locations where the plan is available

1 for public inspection;

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

4 (4) seek public comment on the annual plan before action by the Board
5 of Regents approving the plan.

6 (c) Subject to appropriation of the income, the Board of Regents shall use an
7 amount up to 20 percent of the earnings derived from the management of university
8 land conveyed to the university under AS 14.40.365 for programs and services
9 supporting the development of natural resources within the region from which the
10 earnings were derived. The earnings shall be used by the campus or campuses located
11 within the region from which the earnings were derived if a municipality within which
12 the campus or campuses are located provides to the campus or campuses a match of
13 the same amount. This subsection does not apply if the match is not made available
14 by a municipality.

15 (d) Before the conveyance or the disposal of an interest in the land to a third
16 party, land conveyed to the University of Alaska under AS 14.40.365 shall be managed
17 in a manner that, to the extent practicable, permits reasonable activities of the public
18 that do not interfere with the use or management of the land by the university. The
19 Board of Regents shall adopt a permitting process consistent with this subsection.

20 **Sec. 14.40.367. Confidential records.** Notwithstanding AS 09.25.100 -
21 09.25.220, on a determination that it is in the best interest of the University of Alaska
22 or on the request of the person who has provided the information, the president of the
23 university may keep the following confidential:

24 (1) the name of a person applying for the sale, lease, or other disposal
25 of university land or an interest in university land;

26 (2) before the issuance of a notice of intent to award a contract relating
27 to a sale, lease or disposal of university land or an interest in university land, the
28 names of the participants and the terms of their offers;

29 (3) all geological, well, geophysical, engineering, architectural, sales,
30 market, cost, appraisal, timber cruise, gross receipts, net receipts, or other financial
31 information relating to university land or an interest in university land and considered

1 for, offered for, or currently subject to disposal or a contract;

2 (4) cost data and financial information submitted by an applicant in
3 support of applications for bonds, leases, or other information in offerings and ongoing
4 operations relating to management of university land;

5 (5) applications for rights-of-way or easements across university land;
6 and

7 (6) requests for information about or applications by public agencies
8 for university land that is being considered for use for a public purpose.

9 **Sec. 14.40.368. Encumbrances and trespasses.** Except as provided in
10 AS 14.40.365(b), for the land selected by the University of Alaska under AS 14.40.365
11 that is subject to a lease, license, contract, prospecting site, claim, sale, permit, right-
12 of-way, or easement, or to trespass,

13 (1) if the lease, license, contract, prospecting site, claim, sale, permit,
14 right-of-way, easement, or trespass

15 (A) existed before the selection of the land by the University
16 of Alaska, the state is entitled to receive the income obtained from the lease,
17 license, contract, prospecting site, claim, sale, permit, right-of-way, easement,
18 or trespass until the land is conveyed to the University of Alaska by the
19 issuance of a document of interim conveyance or a patent;

20 (B) did not exist before the selection of the land by the
21 University of Alaska, the income obtained from the lease, license, contract,
22 prospecting site, claim, sale, permit, right-of-way, or easement, or from trespass

23 (i) before the recording of the conveyance to the
24 University of Alaska by the issuance of a document of interim
25 conveyance or a patent shall be separately accounted for under
26 AS 37.05.142, and the legislature may appropriate the balance of the
27 account to the University of Alaska; nothing in this sub-subparagraph
28 creates a dedicated fund;

29 (ii) on the date of and after the recording of the
30 conveyance to the University of Alaska by the issuance of a document
31 of interim conveyance or a patent is the property of the University of

1 Alaska;

2 (2) the responsibility for the management of the land vests with the
3 University of Alaska on the date of recording of the conveyance of the land to the
4 university by a document of interim conveyance or patent.

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

6 (a) The Board of Regents shall establish a separate endowment trust fund in
7 which shall be held in trust in perpetuity all

8 (1) [ALL] net income derived from the sale or lease of the land granted
9 under the Act of Congress approved January 21, 1929, as amended; [AND]

10 (2) net income derived from the sale, lease, or management of the
11 land selected by and conveyed to the University of Alaska under AS 14.40.365;
12 and

13 (3) [ALL] monetary gifts, bequests, or endowments made to the
14 University of Alaska for the purpose of the fund.

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

16 **Sect. 14.40.461. University demonstration forest.** (a) For the purpose of
17 advancing research into forest management practices, from land conveyed to the
18 University of Alaska under AS 14.40.365 that is suitable for the purpose, the Board
19 of Regents shall establish a University of Alaska demonstration forest.

20 (b) The demonstration forest shall be managed under

21 (1) the principles of multiple use and sustained yield; and

22 (2) a management plan prepared cooperatively by the University of
23 Alaska and residents of any community within or adjacent to the demonstration forest.

24 (c) The Board of Regents shall

25 (1) include within the demonstration forest sufficient land that is within
26 one watershed so that management of the resources of the demonstration forest under
27 multiple-use and sustained yield principles applicable to forest land within a watershed
28 may be fairly tested and evaluated; and

29 (2) analyze possible timber utilization programs for the demonstration
30 forest to illustrate how timber in the forest can be completely and profitably used,
31 including, to the extent possible, on-site or off-site value-added product manufacture

1 in the state.

2 (d) The information generated as a result of management of the demonstration
3 forest established under this section is public information. The Board of Regents shall
4 compile, analyze, and distribute the information for the benefit of the timber industry
5 and the state and federal governments.

6 (e) In this section, "sustained yield" has the meaning given in AS 41.17.950.

7 * Sec. 8. AS 29.45.030(a) is amended to read:

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

9 (1) municipal property, including property held by a public corporation
10 of a municipality, [OR] state property, property of the University of Alaska, or land
11 that is in the trust established by the Alaska Mental Health Enabling Act of 1956, P.L.
12 84-830, 70 Stat. 709, except that

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

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

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

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

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

31 (4) property of a nonbusiness organization composed entirely of persons

1 with 90 days or more of active service in the armed forces of the United States whose
2 conditions of service and separation were other than dishonorable, or the property of
3 an auxiliary of that organization;

4 (5) money on deposit;

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

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

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

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

16 * Sec. 9. AS 41.17.118(a) is amended to read:

17 (a) The riparian standards for state land and land conveyed to the University
18 of Alaska under AS 14.40.365 are as follows:

19 (1) on state forest land managed by the department or conveyed to the
20 University of Alaska under AS 14.40.365 that is located north of the Alaska Range,
21 harvest of timber may not be undertaken within 100 feet immediately adjacent to an
22 anadromous or high value resident fish water body unless the division determines that
23 adequate protection remains for the fish habitat;

24 (2) on state forest land managed by the department or conveyed the
25 University of Alaska under AS 14.40.365 that is located south of the Alaska Range,

26 (A) harvest of timber may not be undertaken within 100 feet
27 immediately adjacent to an anadromous or high value resident fish water body;

28 (B) between 100 and 300 feet from the water body, timber
29 harvest may occur but shall be consistent with the maintenance of important
30 fish and wildlife habitat.

SB

7

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/5/99

FURTHER: _____

4/23/99

DATE TURNED
IN TO OFFICE: _____

4/23/99

Finance Committee considered

SENATE BILL NO. 7

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

and recommends:

- be replaced with _____ CS SB 7 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

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

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Handwritten notes</i>	✓		
<i>Sam Wald</i>	✓		X		
<i>Steven D. Leman</i>	✓				
<i>John Buckley</i>	✓				
<i>Pete K...</i>	✓				
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair:		Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DNR/Resource Dev.	2/5/99		1,157.0
Univ/	1/22/99		1,627.0
ADFG/Hub. Res.	1/29/99		70.0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOT.

No. 70 4/29/99
 Bill Version: CSSB 7 (RES)
 (S) Publish Date: 2-5-99

STATE OF ALASKA
1999 LEGISLATIVE SESSION

Revision Date: 3-Feb-99 Dept Affected Natural Resources
 Title: An Act relating to the U. of A. and univ. land, & BRU: Resource Development
authorizing the U. of A. to select additional state land. Component: Land Development
 Sponsor: Sen. Taylor, et al.
 Requestor: Sen Resources Component Serial No. 431

Expenditures/Revenues (Inflation not included unless otherwise noted below) (Thousands of Dollars)

OPERATING EXPENDITURES	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
PERSONAL SERVICES	142.0	161.0	161.0	161.0	161.0	161.0
TRAVEL	15.0	15.0	15.0	15.0	15.0	15.0
CONTRACTUAL	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1,157.0	1,176.0	1,176.0	1,176.0	1,176.0	1,176.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (fund code)	see note					
--------------------------------	----------	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	30.0	32.0	32.0	32.0	32.0	32.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
I/A (University)	1,127.0	1,144.0	1,144.0	1,144.0	1,144.0	1,144.0
TOTAL	1,157.0	1,176.0	1,176.0	1,176.0	1,176.0	1,176.0

Estimate of any current year (FY99) cost: \$ _____

POSITIONS

FULL-TIME	3	3	3	3	3	3
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This fiscal note is the minimum necessary for DNR to process land selections and conveyances to the University of Alaska. Costs could be higher depending on what lands are selected and the level of controversy relating to individual parcels. Most costs for the conveyance work will be paid for by the University using Interagency Receipts; however, this money still must come from state funds.

For FY 00, staff will include 2 mos. of a Natural Resource Manager I, 12 mos. Natural Resource Officer (NRO) II, and 12 mos. NRO I who will help identify parcels for University selection, check land status and land records, prepare public notice, respond to public inquiries, negotiate with the University, and perform other tasks to prepare land lists. Includes 6 mos. for a Land Surveyor I to prepare survey instructions and contracts for survey. Large

[cont.]

Prepared by: Richard A LeFebvre, Acting Director Phone: 907-269-8503
 Division: Land Date: 4-Feb-99
 Approved by Commissioner: [Signature] Date: 2-5-99
 Agency: Natural Resources

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ANALYSIS [continued]:

contractual expenditures reflect the cost to survey parcels. FY 01 and following years include the above costs, plus costs to issue title documents.

* Note: It is impossible to project how much revenue these conveyances will generate for the University, and will be lost to the state, without knowing exactly what lands will be transferred. However, it can be assumed the University will select the most valuable parcels it can find. The effect is to divert a significant revenue stream out of the general fund, where it would have been available for those public purposes the Legislature deemed most important in a given year, into the hands of the Board of Regents for strictly university purposes. Also, by removing the most valuable parcels from the state's asset base, the bill reduces one of the most important incentives for local government to incorporate: the opportunity to select top-quality commercial, residential, and industrial land for municipal ownership under AS 29.65.

FISCAL NOTI

No. 3 4/23/99

STATE OF ALASKA
1999 LEGISLATIVE SESSION

Bill Version: CSSB 7 (RES)
(S) Publish Date: 2-5-99

Revision Date/Time (Note if correction) _____ Dept. Affected ADF&G
 Title University lands bill BRU Habitat and Restoration
 Component Habitat
 Sponsor Senator Taylor
 Requester Senate Resources Component Serial No. 486

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	64.5	64.5	64.5	64.5	64.5	64.5
Travel	3.5	3.5	3.5	3.5	3.5	3.5
Contractual	1.5	1.5	1.5	1.5	1.5	1.5
Supplies	0.5	0.5	0.5	0.5	0.5	0.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	70.0	70.0	70.0	70.0	70.0	70.0

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	70.0	70.0	70.0	70.0	70.0	70.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	70.0	70.0	70.0	70.0	70.0	70.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

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

The Habitat and Restoration Division would require one additional Habitat Biologist III position to conduct the statewide reviews of the proposed land selections to provide input to DNR as to whether or not the conveyance of specific parcels out of the public domain was in the best interest of the state given the value of the public trust fish and wildlife resources produced on those parcels. Assumptions:

- 1) many University selections will be in remote locations requiring travel from ADF&G offices,
- 2) between 25,000 and 62,500 acres would need review by ADF&G each year; and
- 3) field reviews would only be affordable for those parcels thought to be of highest value for the continued production of fish and wildlife important for commercial and sport fishing, hunting, subsistence, and /or tourism.

Prepared by Janet Kowalski Phone 465-4105
 Division Habitat and Restoration Date/Time 01/29/99
 Approved by Commissioner Frank Rue Date 1/29/99
 Agency Fish and Game

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FISCAL NOTE

No. 2 ~~4/23/99~~
 Bill Version: CSSB 7/RES
 (S) Publish Date: 2-5-99

1999 LEGISLATIVE SESSION

Revision Date (Note if correction) _____	Dept. Affected <u>University of Alaska</u>
Title <u>An Act relating to the University of Alaska and</u>	BRU <u>University of Alaska</u>
<u>university land, and authorizing selection of additional land.</u>	Component <u>Statewide Services</u>
Sponsor <u>Senate Judiciary</u>	
Requester <u>Senate Finance</u>	Component Serial No. <u>730</u>

Expenditures/Revenues

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services					
Travel					
Contractual	1,627.0	1,627.0	1,627.0	1,627.0	1,627.0
Supplies					
Equipment					
Land & Structures					
Grants & Claims					
Miscellaneous					
TOTAL OPERATING	1,627.0	1,627.0	1,627.0	1,627.0	1,627.0

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

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

FUND SOURCE

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1005 GF/Program Receipts					
1037 GF/Mental Health					
1048 University Receipts	1,627.0	1,627.0	1,627.0	1,627.0	1,627.0
TOTAL	1,627.0	1,627.0	1,627.0	1,627.0	1,627.0

Estimate of any current year (FY98) cost: none

POSITIONS

Full-time					
Part-time					
Temporary					

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

This bill provides for the selection and conveyance to the University of Alaska of 250,000 acres of land conveyed to the state under the Alaska Statehood Act. A list of land to be conveyed is to be presented to the legislature within 30 days of the beginning of each regular session, with each list to contain at least 25,000 acres. The bill also provides that the University of Alaska shall bear all costs of selection, platting, surveying and conveyance. This fiscal note assumes that the minimum 25,000 acreage will be platted and surveyed each year, at an estimated cost of \$1,627. All costs will be paid from the university land grant trust fund as provided for in AS 14.40.400; related expenditures will also be reflected in the university's annual operating budget as university receipts.

Prepared by <u>Pat Pitney, Director</u>	Phone <u>474-5889</u>
Division <u>UA Budget and Institutional Research</u>	Date <u>1/22/99</u>
Approved by <u>Pat Pitney, Director</u>	Date <u>1/27/99</u>
Agency <u>UA Budget and Institutional Research</u>	

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SENATE FINANCE
COMMITTEE

Amendment Number: 1
Bill Number: CSSB 7 (RES)
Sponsor: _____ Date: 3/5/99
Logged In By: Joltane

A M E N D M E N T

OFFERED IN THE SENATE
TO: CSSB 7(RES)

Sponsor: Sen. Torgerson
at the request of
Sen. Taylor WITHDRAWN
included in new CS

1 Page 3, line 8:

2 Delete "AS 14.40.368(3)"

3 Insert "AS 14.40.368(2)"

4 Page 8, line 12:

5 Delete "AS 14.40.368(3)"

6 Insert "AS 14.40.368(2)"

7 Page 10, lines 10 - 24:

8 Delete all material and insert:

9 "(1) if the lease, license, contract, prospecting site, claim, sale, permit,
10 right-of-way, easement, or trespass

11 (A) existed before the selection of the land by the University
12 of Alaska, the state is entitled to receive the income obtained from the lease,
13 license, contract, prospecting site, claim, sale, permit, right-of-way, easement,
14 or trespass for the duration of the term of the lease, license, contract,
15 prospecting site, claim, sale, permit, right-of-way, or easement, or from
16 trespass, and during any renewal of it that is authorized by the lease, license,
17 contract, prospecting site, claim, sale permit, right-of-way, or easement, or by
18 law;

19 (B) did not exist before the selection of the land by the
20 University of Alaska,

21 (i) the state is entitled to receive the income obtained
22 from the lease, license, contract, prospecting site, claim, sale, permit,
23 right-of-way, or easement, or from trespass before the recording of the

1 conveyance to the University of Alaska by the issuance of a document
2 of interim conveyance or a patent;

3 (ii) the University of Alaska is entitled to receive the
4 income obtained from the lease, license, contract, prospecting site,
5 claim, sale, permit, right-of-way, or easement, or from trespass on the
6 date of and after the recording of the conveyance to the University of
7 Alaska by the issuance of a document of interim conveyance or a
8 patent;"

9 Page 10, line 25:

10 Delete "(3)"

11 Insert "(2)"

AMENDMENT

SENATE FINANCE
COMMITTEE

Amendment Number: 2

Bill Number: SB 7

Sponsor: Torgerson Date: 3/4/99

Logged In By: Mindy

WITHDRAWN

BY Torgerson

at request of sponsor

included in new CS

OFFERED IN THE SENATE

TO: CSSB 7(RES)

Page 8, line 18:

Delete "2020"

Insert "2005"

AMENDMENT

SENATE FINANCE
COMMITTEE

Amendment Number: 3

Bill Number: SB 7

Sponsor: Torgerson Date: 3/4/99

Logged In By: Mindy

without objection
WITHDRAWN

BY Torgerson

at request of sponsor

OFFERED IN THE SENATE

TO: CSSB 7(RES)

Page 11, line 14:

Insert new bill section to read:

***Sec. 7. Traditional uses to be continued.** Land conveyed to the University of Alaska under AS 14.40.365, Before conveying or disposing of an interest in the land to a third party, shall be managed in a manner that ~~permits~~ ^{ensures} the continuation of traditional uses of the land to the maximum extent practicable.

*Renumber the following bill sections accordingly.

~~permits~~
any such transfer
shall guarantee
that the land

including
w/o limitation

must be managed in a manner that permits the continuation of traditional uses, ~~such as~~ ^{subsistence} sport hunting, ~~and~~ ^{and} ~~and~~ ^{and} sport fishing, ~~and subsistence to the maximum extent practicable.~~

AMENDMENT

SENATE FINANCE
COMMITTEE

Amendment Number: 3
Bill Number: SB 7
Sponsor: Tomvson Date: 3/4/99
Logged In By: Mindy

BY Torgerson

at request of sponsor

OFFERED IN THE SENATE

TO: CSSB 7(RES)

Page 11, line 14:

Insert new bill section to read:

***Sec. 7. Traditional uses to be continued.** Land conveyed to the University of Alaska under AS 14.40.365, before conveying or disposing of an interest in the land to a third party, shall be managed in a manner that permits the continuation of traditional uses of the land to the maximum extent practicable.

*Renumber the following bill sections accordingly.

SENATE FINANCE
COMMITTEE

Amendment Number: 4
Bill Number: SB 7
Sponsor: Adams Date: 3/1/99
Logged In By: Mindy

1-1.S0072M.2 ✓
Luckhaupt
3/3/99

A M E N D M E N T

OFFERED IN THE SENATE
TO: CSSB 7(RES)

moved BY SENATOR ADAMS
WITHDRAWN

1 Page 1, line 2, following "land":

2 Insert "; and providing for an effective date"

3 Page 8, line 18:

4 Delete "after December 31, 2020"

5 Insert "more than 21 years after the effective date of this Act"

6 Page 12, following line 22:

7 Insert new bill sections to read:

8 *** Sec. 8.** Sections 1 - 7 of this Act take effect only if each municipality in the state in
9 existence on the effective date of this section has received a patent for all of the general grant
10 land entitlement to which it is entitled under AS 29.65 as of the effective date of this section.
11 The director of the division of lands, Department of Natural Resources, shall notify in writing
12 the lieutenant governor and the revisor of statutes when the general grant land entitlements
13 under AS 29.65 of all municipalities in the state as of the effective date of this section have
14 been satisfied.

15 *** Sec. 9.** If secs. 1 - 7 of this Act take effect, they take effect 30 days after the director
16 of the division of lands, Department of Natural Resources, notifies the revisor of statutes
17 under sec. 8 of this Act.

18 *** Sec. 10.** Sections 8 and 9 of this Act take effect immediately under AS 01.10.070(c)."

SENATE FINANCE
COMMITTEE

Amendment Number: 5

Bill Number: SB 7

Sponsor: Adams Date: 3/4/99

Logged In By: Mindy

1-LS0072M.3
Luckhaupt
3/3/99

A M E N D M E N T

OFFERED IN THE SENATE

TO: CSSB 7(RES)

BY SENATOR ADAMS

4y-5m FAILED

- 1 Page 7, line 26, following "conveyance.":
- 2 Insert "If the University of Alaska does not reimburse the department for reasonable
- 3 costs incurred in the selection, platting, and surveying of the land and for costs incurred in
- 4 the conveyance of the land to the extent the University of Alaska is required to pay for the
- 5 costs of conveyance under this subsection, the department may not convey the land to the
- 6 University of Alaska."

LAW OFFICES

HEDLAND BRENNAN HEIDEMAN & COOKE
A PROFESSIONAL CORPORATION

ANCHORAGE

JOHN S. HEDLAND
JAMES T. BRENNAN
SARA E. HEIDEMAN
ERIC J. BROWN
AMY L. VAUDREUIL
PATRICK M. ANDERSON

1227 WEST NINTH AVENUE SUITE 300
ANCHORAGE, ALASKA 99501-3218
TELEPHONE: (907) 279-5529
TELEFAX: (907) 278-0377

BETHEL OFFICE

251 SEVENTH AVENUE
P.O. BOX 555
BETHEL, ALASKA 99559
(907) 543-2744
(907) 543-2746 FAX

BETHEL

CHRISTOPHER R. COOKE
JIM VALCARCE

FACSIMILE COVER SHEET

The following document, including cover sheet, contains 3 pages.

TRANSMITTED TO: SENATE FINANCE COMMITTEE

Re: SB 7
Fax No.: (907) 465-2187

Our File No: 3000

Date: March 3, 1999

TRANSMITTED FROM: JAMES T. BRENNAN

THE INFORMATION CONTAINED IN THIS FACSIMILE TRANSMITTAL IS CONFIDENTIAL, MAY BE SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE AND IS INTENDED ONLY FOR THE USE OF THE RECIPIENT NAMED ABOVE. IF THE READER OF THIS INFORMATION IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERY TO THIS INFORMATION TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT THIS IS NOT A WAIVER OF PRIVILEGE AND ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS INFORMATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS INFORMATION IN ERROR, PLEASE NOTIFY THE SENDER IMMEDIATELY BY TELEPHONE AND RETURN THE ORIGINAL INFORMATION TO THE SENDER, BY U.S. MAIL, AT THE ABOVE ADDRESS.

Original: Mailed Not Mailed

PLEASE DISTRIBUTE TO ALL SENATE FINANCE
COMMITTEE MEMBERS PRIOR TO HEARING ON
SB7 SCHEDULED FOR TOMORROW MORNING -
THANK YOU

LAW OFFICES

HEDLAND, BRENNAN, HEIDEMAN & COOKE

A PROFESSIONAL CORPORATION

ANCHORAGE:

JOHN S. HEDLAND
JAMES T. BRENNAN
SARA C. HEIDEMAN
ERIC J. BROWN
AMY L. VAUDREUIL
PATRICK M. ANDERSON

1227 WEST NINTH AVENUE, SUITE 300

ANCHORAGE, ALASKA 99501-3213

TELEPHONE (907) 278-5528

TELEFAX (907) 278-0877

BETHEL OFFICE:

251 SEVENTH AVENUE
P. O. BOX 555
BETHEL, ALASKA 99559
(907) 543-2744

BETHEL:

CHRISTOPHER R. COOKE
JIM J. VALCARCE

March 3, 1999

Via Facsimile (907) 465-2187
Senate Finance Committee

Re: Senate Bill No. 7: Committee Substitute for SB 7

Dear Senate Finance Committee Members:

I am an attorney for the City and Borough of Yakutat, which has recently made some of its municipal entitlement selections under AS 29.65, and expects to make the balance of its entitlement selections within the next few months. Because of a large backlog in DNR's processing of municipal entitlement selections around the State, it is likely that many of CBY's entitlement selections will remain pending for years. It is my understanding that many municipal entitlement selections of other Alaskan boroughs, made up to 10 years ago, are still pending because of this backlog.

Where a municipality has made a land entitlement selection under AS 29.65, such land should be absolutely precluded from selection by the University of Alaska, should SB 7 be enacted in its present or altered form. Protection of municipal entitlement selections could be easily accomplished by specific reference to them at § 14.40.365(a), as lands which may not be selected by the University. Referring to the Committee Substitute language, § 14.40.365(a) should include a subsection (6) at p. 5, line 7, which would read:

(6) is subject to a pending selection made by a municipality under AS 29.65, which has not been selected by the Commissioner of Natural Resources

The protection provided to municipal entitlement selections in the current version of the Bill is inadequate. CSSB 7, at § 14.40.365(e), would still permit the University to select lands which had already been selected by a municipality, and then allow the University to prevail in the competing selection if it is able to persuade either the Governor or the Commissioner of Natural Resources to favor the University's selection over the prior municipal selection. This would be unfair, particularly where some municipal entitlements are longstanding and have not been processed only because of agency backlog. In any case, the municipal entitlements program is itself long-standing, and was intended to assist new municipalities, including boroughs, in meeting their needs. Existing selections under the Municipal

Letter to Senate Finance Committee
SB 7
Page 2

Entitlements Act should not be subjected to competition from any newly enacted University lands act.

On the other hand, the current language of the Bill at AS 14.40.365(e)(B) (at p. 6, lines 16-20) is sensible, as it allows the Commissioner of DNR to deny University selection if the Commissioner reasonably believes that the land may be selected by the municipality.

However, where land has already been selected by a municipality under AS 29.65, the University should be absolutely precluded from selecting the same land, and from possibly wresting such land from a prior municipal selection, in derogation of existing municipal entitlement statutes.

Sincerely,

HELLAND, BRENNAN, HEIDEMAN & COOKE



James T. Brennan

JTB/djl
cc: Tom Armour
1000/finacomm.ltr)



750 W. 2nd Ave. #109, Anchorage AK 99501 / Ph. 907-258-6171 / Fax 907-258-6177

P.O. Box 22151, Juneau AK 99802 / Ph. 907-463-3366 / Fax 907-463-3312 / unite@akvoice.org

Kirsten Shelton

Testimony to Senate Finance, 3/4/99

The Alaska Conservation Voice is comprised of twenty-seven organizations representing over 15,000 individuals statewide. ACV believes investment in our university system is critical for the state's continued economic prosperity and high quality of life. We support funding that will guarantee a strong university system now and in the future.

SB 7 does not guarantee adequate or reliable funding for the university and what funding it might provide comes at too high a cost. We urge you to oppose this legislation and instead seek more effective, viable ways to finance state higher education.

We have a number of serious objections to SB 7:

1. It robs Alaskans of more effective opportunities to capitalize on our natural assets, rather than simply liquidating them to finance a specific state function.
2. It is deleterious to local economies. Because the University seeks to maximize revenue, it has rapidly liquidated its existing timber assets and then exported these valuable Alaskan resources in the round at significant cost to local economies. During past timber sales, such as those at Yakataga, the University has ignored local processing and local hire opportunities.
3. Because of the University's aggressive development policies, the bill threatens fish and wildlife resources, as well as the recreational and commercial uses that depend on them. It threatens community water sources and local use, expansion and planning options. At both the local and regional level, University land selections would further complicate confusing land ownership patterns and make sorting out the conflicts a costly and time-consuming process.
4. SB 7 also curtails highly valued access rights. Numerous bills have been introduced/passed in the past few legislative sessions to ensure access to public lands. Transfer of state lands to the University will close or restrict, either through development or sale to a third party, 250,000 acres to hunting, fishing, skiing, mushing, and innumerable other recreational and commercial activities.

Alaskans deserve a strong university for our children, BUT we urge you to support the university through appropriations not through land giveaways like SB 7.

Conserve Alaska. It's Only Natural.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 25, 1999

SUBJECT: Sectional summary (CSSB 7(RES)) (Work Order No. 21-LS0072\I)

TO: Senator Robin Taylor
Attn: Mel Krogseng

FROM: Gerald P. Luckhaupt *JLP*
Legislative Counsel

Sec. 1. Findings and purpose, including that the University of Alaska should own income producing land to provide income for the support of public higher education.

Sec. 2. Legislative intent that the University encourage the development of in-state value-added industries when developing the land conveyed to it.

Sec. 3. Technical amendment to add the land conveyed under this bill to the provision granting the Board of Regents the care, control, and management of other University land.

Sec. 4. Technical amendment to account for the land conveyed under this bill.

Sec. 5. Adds new section dealing with new land selections.

Sec. 14.40.365. Allows the University to select 250,000 acres of state land. Sets out requirements for the land that may be selected. The transfer of ownership of the land to the University includes the interest of the state: (1) in minerals; and (2) to oil and gas, but only for land that is selected at least 5 years after the effective date of the bill. Describes the power of the state to manage the land selected but not yet conveyed. Lists types of land that may not be conveyed, including land the conveyance of which is determined by the Commissioner of Natural Resources not to be in the best interest of the state. The University bears costs of selection, platting, surveying, and conveying the land, except the state pays the cost of recording patents and documents of interim conveyance. The University must make all selections by December 31, 2020.

Sec. 14.40.366. The Board of Regents must establish procedures for mineral leasing on the conveyed land that are substantially similar to state procedures. The board must prepare an annual plan for the management of the land and seek public comment on the plan. At least 20 percent of the income derived from the management of selected land must be used at the campus that is closest to the land from which the income was derived if the local municipality matches the income.

Sec. 14.40.367. Permits the president of the university, on a determination that it is in the best interest of the university or on request of a person who provided the information, to keep confidential certain types of information relating to land conveyed to the university under AS 14.40.365.

Sec. 14.40.368. Sorts out whether the state or the university gets the income and management responsibilities on selected lands that are subject to certain types of agreements (leases, claims, permits, etc.). Basically, the state gets the income and management responsibility for land subject to leases, permits, etc., that existed prior to selection until lease, permit, etc., expires; the state gets the income and management responsibility until conveyance for leases, permits, etc., entered into after selection; and the university gets income and management responsibility upon conveyance for all other land.

Sec. 14.40.369. Before conveying or disposing of an interest in selected land the University is required to manage the land in a manner that permits customary and traditional uses of resources to the maximum extent practicable.

Sec. 6. Includes income derived from the management of selected land in the endowment trust fund.

Sec. 7. Exempts from municipal taxation property of the University.

GPL:lmb:jr
99-020.lmb

LANDS NOT AVAILABLE FOR SELECTION

1. Land reserved for the public domain
2. Land included in a 5 year proposed oil and gas leasing program
3. Leased land or land for which a lease is pending
4. Land subject to an oil, gas, or coal lease or coal prospecting permit
5. Land subject to a mining claim, prospecting site, upland mining lease, or mining leasehold location.
6. Land that is necessary to carry out the purpose of an interagency land management agreement.
7. Land that is subject to conveyance under a land exchange or land settlement agreement.

SELECTED LANDS THAT MAY NOT BE CONVEYED

1. Land which has been selected by a municipality
2. Land which the commissioner believes may be selected by a municipality
3. Land that is subject to an oil and gas exploration license
4. Land that the commissioner believes will be made part of an oil and gas exploration lease.
5. The commissioner cannot withhold these lands for more than three years after selection by the University.
6. Any land conveyed is subject to any possessory interest.
7. DNR shall provide public notice of intent to convey.
8. University shall pay all costs associated with surveying and transfer except recording of title transfer.

TRANSFER CONDITIONS

1. Coal, ores, minerals, fissionable material, geothermal resources, and fossils transfer when title to the land transfers.
2. Oil and gas resources only transfer for land selected after the effective date of this Act and then only 5 years after the effective date of this Act.
3. Parcels of 640 acres (1 section) or more unless selection is isolated tract or commissioner agrees best interest of state.

REVENUE STREAM

1. Oil, gas, and coal revenues go to state for 5 years after the effective date of act, even if land conveyed.
2. All other revenues transfer to University upon conveyance of title.
3. Up to 20% of the revenues generated from land conveyed shall be appropriated to the campus nearest the resources provide the local community provides a like match.

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MUNICIPAL LAND ENTITLEMENTS - AS 29.65

S137

<u>Municipality</u>	<u>Entitlements</u> (acres)	<u>Pending Approval</u> (acres)	<u>Remaining to Select</u> (acres)
Aleutians East Borough	7,633	5,790	-
Municipality of Anchorage	44,893	273	160
City of Anderson	1,182	1,204	-
City of Bethel	40	0	-
Bristol Bay Borough	2,898	349	349
City of Coffman Cove	222	0	-
City of Cordova	235	45	45
City of Delta Junction	481.8	82	-
Denali Borough	49,789	45,631	-
City of Dillingham	1	0	-
City of Fairbanks	15	0	-
Fairbanks North Star Borough	112,000	177	-
Haines Borough	2,800	25	25
City of Homer	16	0	-
City of Hoonah	15	0	-
City of Houston	405	0	-
City and Borough of Juneau	19,584	225	225
City of Kena!	307	0	-
Kenai Peninsula Borough	155,780	45,000@	see footnote 1
City of Ketchikan	4	0	-
Ketchikan Gateway Borough	11,593	85	85
City of Kodiak	32	0	-
Kodiak Island Borough	56,500	0	-
City of Kupreanof	180.8	0	-
Lake and Peninsula Borough	125,000	124,955	-
Matanuska-Susitna Borough	355,210	10,630	-
City of North Pole	.5	0	-
North Slope Borough	89,850	89,498	36,063 ²
Northwest Arctic Borough	285,438	285,438	-
City of Ouzinkie	240	0	-
City of Pelican	8.9	0	-
City of Petersburg	461.3	0	-
City of Port Alexander	53	0	-
City of Port Lions	35	0	-
City of Seward	565	48	48
City of Skagway	7,977	0	-
City and Borough of Sitka	10,500	0	-
City of Soldotna	14	0	-
City of Tenakee Springs	2,958	0	-
City of Thome Bay	675	0	-
City of Valdez	7,593	0	-
City of Whittier	600	0	-
City of Wrangell	551	0	-
City and Borough of Yakutat	21,500	21,343	16,409
Total	1,375,836.3	630,798	53,409

@-approximate

¹ Kenai Borough is re-evaluating its remaining selections based on Kenai Area Plan and will relinquish and re-select an uncertain amount of acreage.

² Includes 30,673 acres selected but not soon to be rejected due to classification (land in Prudhoe Bay area)



March 3, 1999

Senator John Torgerson
State Capitol
Juneau, AK 99801-1182

FAX: (907) 465-4779

Dear Senator Torgerson:

My name is Keith Phillips and I am president of Alaska's Kenai Peninsula Chapter of Safari Club International. I would like to voice the concerns about Senate Bill 7, University Lands Bill, on behalf of the seventy-five members of this organization.

SB-7 would take lands currently in the public domain (managed for multiple use) and convey them to private, single-use management. This bill would inevitably lead to situations where hunting/fishing access and other public use of important lands would be eliminated or brought into conflict with private ownership. SB-7 could also further delay our own borough's land selection process and be in direct conflict with future land use planning critical to managing brown bear habitat on the Kenai Peninsula.

University operations should be adequately funded through the general fund process, not through a loss of land and resources important to wildlife habitat, public hunting and other outdoor interests. The university system needs support and funding now, not a contentious land selection process. Public lands should remain public.

We would appreciate any action on your part in opposition to SB-7.

Thank you for your attention to this important issue.

Sincerely,

Keith Phillips, President
Alaska's Kenai Peninsula Chapter SCI

John Torgerson

907 465-4779

martes, 2 marzo 1999

SB 7 (The University Land Grab Bill) is totally unacceptable. As a recipient of two advanced degrees at UAF, I insist that UA is funded THROUGH THE ANNUAL APPROPRIATIONS PROCESS, NOT in this irresponsible way, with almost no regulations as to how the land can be used! Save what little wildness is left on our planet!
 Thank you, Bob Shalit (xenon@redshift.com)

Bob Shalit (xenon@redshift.com)

AS THE CEO AND
 CHAIRMAN OF MICROSOFT,
 I WANT YOU ALL TO
 KNOW I'M TOTALLY
 READY FOR THE Y2K BUG...



Subject: No on SB 7

Date: Thu, 25 Feb 1999 12:26:15 PST

From: "Peter Branson" <peterbranson@hotmail.com>

To: Senator_John_Torgerson@legis.state.ak.us, Senator_Al_Adams@legis.state.ak.us,
Senator_Dean_Parnell@legis.state.ak.us, Senator_Randy_Phillips@legis.state.ak.us

Dear Senators,

I am strongly opposed to SB 7, which would give the University a quarter million acres for resource development, land that is extremely valuable to local communities all over Alaska for watershed, hunting and fishing, sustainable logging, and tourism.

If SB 7 passes the University will have to pay over \$1.5 million per year just to transfer lands from the state. At this rate they will be forced to "liquidate thier assets" and log every tree imediatly as examples along tongass narrow in Ketchikan illustrate. I'm a graduate from the u of a and strongly support full funding, but not by some dubious land deal.

Please vote no on SB 7.

Thank you, Peter Branson
PO Box 2073
Wrangell, AK 99929

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Martha K. Reynolds
1638 Wolverine Lane, Fairbanks AK 99709
(907) 479-3726 FAX(907) 479-4310

February 22, 1999

Dear Senate Finance Committee,

I am writing to oppose Senate Bill 7, which would give 250,000 acres to the University of Alaska.

I strongly support increased funding of the University. It is in terrible condition now, and in a downward spiral. The University of Alaska needs immediate cash funding, so as to hire replacement faculty for the departments that are incapacitated due to the early retirement program. Only by revitalizing their staff will they start to rebuild their reputation and attract students.

Giving the University land instead of money is not a good idea for several reasons. The land should stay in public management for the benefit of all state residents. The University needs immediate liquid income, not property that has to be converted to cash flow. The University also does not need any more negative publicity about its land management. As long as they are required to manage their land for maximum immediate cash flow, they will perpetuate and exacerbate their image as terrible long term land managers. What kind of image is this for a school that is supposed to be based on and teach land management!

Sincerely,

Martha K. Reynolds

Martha K Reynolds
Plant ecologist