

SCOMM

141:6

ALASKA STATE LEGISLATURE

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SESSION

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REPRESENTATIVE JIM ELKINS

Sponsor Statement

House Joint Resolution 14 has been introduced to urge the United States Congress to pass legislation to convey federal land to the University of Alaska.

HJR14 voices support for U.S. Senate Bill 293, the Federal University Land Bill, sponsored by Senator Lisa Murkowski (R-AK). That legislation provides a grant from the federal government of 250,000 acres and up to an additional 250,000 acres match from the state.

As the largest landholder in Alaska, it is only proper that the Federal government provide support to the University of Alaska. The University needs a more dependable revenue stream, and this legislation will make the University of Alaska System more stable and similar to other land grant institutions across the nation. Eventually they will be able to become financially independent from yearly funding allocations from the Legislature.

In conjunction with House Bill 130, which was passed during the last session, U.S. Senate Bill 293 will give the University of Alaska well over 600,00 acres and will make them the envy of universities around the nation. HJR14 will inform the members of Congress how important S.293 is to Alaskans because producing a long-term revenue stream for the University is in the best interest of all Alaskans.

**CS FOR HOUSE JOINT RESOLUTION NO. 14(RES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION**

BY THE HOUSE RESOURCES COMMITTEE

Offered: 2/17/06

Referred: Rules

Sponsor(s): REPRESENTATIVES ELKINS, Seaton

A RESOLUTION

1 **Urging the United States Congress to pass legislation to convey land to the University of**
2 **Alaska.**

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

4 **WHEREAS** the University of Alaska is a land grant institution offering higher
5 education to Alaskans; and

6 **WHEREAS** an academically strong and financially secure state university system is a
7 cornerstone to the long-term development of a stable population and to a healthy, diverse
8 economy; and

9 **WHEREAS** the University of Alaska is the successor to and the beneficiary of all
10 federal grants and conveyances to or for the Alaska Agricultural College and School of
11 Mines; and

12 **WHEREAS**, under the Acts of March 4, 1915 (38 Stat. 1214), and January 21, 1929
13 (45 Stat. 1091), the United States granted to the Territory of Alaska certain federal land for
14 the University of Alaska; and

15 **WHEREAS** the Territory of Alaska did not receive most of the land intended to be
16 conveyed by the Act of March 4, 1915, before repeal of that Act by sec. 6(k) of the Alaska

1 Statehood Act (P. L. 85-508, 72 Stat. 339); and

2 **WHEREAS** only one other state land grant college in the United States has obtained a
3 smaller land grant from the federal government than has the University of Alaska, and all land
4 grant colleges in the western states of the United States have obtained substantially larger land
5 grants than has the University of Alaska; and

6 **WHEREAS** Alaska is the largest state in the United States; and

7 **WHEREAS** the federal government is the largest landowner in the state;

8 **BE IT RESOLVED** by the Alaska State Legislature that the United States Congress
9 is urged to pass S. 293 to facilitate the continuation of higher education in Alaska through the
10 conveyance of certain public land in the state to the University of Alaska; and be it

11 **FURTHER RESOLVED** that the Alaska State Legislature supports the conveyance
12 of federal land in Alaska that was identified for conveyance under the Acts of March 4, 1915
13 (38 Stat. 1214), and January 21, 1929 (45 Stat. 1091), but was not conveyed before Alaska
14 achieved statehood.

15 **COPIES** of this resolution shall be sent to the Honorable George W. Bush, President
16 of the United States; the Honorable Richard B. Cheney, Vice-President of the United States
17 and President of the U.S. Senate; the Honorable Bill Frist, Majority Leader of the U.S. Senate;
18 the Honorable Harry Reid, Minority Leader of the U.S. Senate; the Honorable J. Dennis
19 Hastert, Speaker of the U.S. House of Representatives; the Honorable John Boehner, Majority
20 Leader of the U.S. House of Representatives; the Honorable Nancy Pelosi, Minority Leader of
21 the U.S. House of Representatives; the Honorable Gaie Norton, United States Secretary of the
22 Interior; the Honorable Pete V. Domenici, Chair of the Energy and Natural Resources
23 Committee of the U.S. Senate; the Honorable Ted Stevens and the Honorable Lisa
24 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of
25 the Alaska delegation in Congress; and, by electronic transmission, to all other members of
26 the U.S. Senate and U.S. House of Representatives serving in the 109th United States
27 Congress.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHJR 14(EDU)
 (H) Publish Date: 2/1/2006

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title URGE CONGRESS TO GRANT LAND TO UNIV. RDU _____
 Component _____
 Sponsor Representative Elkins _____
 Requester House Special Committee on Education Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Beth Schneider Phone 465-3820
 Division Committee Aide, House Special Committee on Education Date/Time _____
 Approved by: Representative Mark Neuman Date 1/31/2006
 Agency Chair, House Special Committee on Education



UA LAND MANAGEMENT

TIMBER

SUBDIVISIONS

COMMERCIAL LEASES

LAND SALES

OIL & GAS, MINERALS



UNIVERSITY
of ALASKA

Many Traditions One Alaska



MARK HAMILTON

The university is an Alaska corporate citizen like no other. We are stewards of the natural resources that lay in the ground, and stewards of the next generation of Alaskan leaders. The university has an enormous responsibility and high expectations for ourselves, and for those we educate.

The university's resource development operations, land sales and commercial leases also are held to a higher standard than what might be expected from a private business. The university has a fiduciary responsibility to maximize the revenues from land holdings. We also have been good neighbors and have sold some of our resources into conservation when the university determined it was the best use of the land.

As Alaska grows into its rightful place in the world economy, the higher education of its people will determine how the state grows. The Information Age has created a new economy that ultimately will benefit Alaska, but we need the intellectual atmosphere to capitalize upon it. Thankfully, the resources of the land are helping us develop the resources of the mind.

—Mark Hamilton, President
University of Alaska



UNIVERSITY
of ALASKA
Many Traditions One Alaska

STEWARDSHIP: The University of Alaska Develops Its Resources

University stewardship balances the resources of education with the resources for education. As a land grant institution, the University of Alaska was given land as a financial base for the university. The UA Land Management office is the "private sector" agency that develops the university's resources and creates income to fund university programs.



MARI MONTGOMERY

As director of UA Land Management, it is my job to balance the many competing interests for university land. The primary role of the UA Land Management office is to generate revenue to support the university's educational mission through the responsible development of its trust lands and to manage land dedicated for educational purposes consistent with campus goals and objectives.

Development activities include residential, recreational and commercial subdivisions; timber sales; land and building acquisitions and sales; residential and commercial leases; mineral leases; oil and gas leases; material sales; easements; and permits.

The university is a public institution. Our land holdings are located throughout Alaska—making us a neighbor to all Alaskans.

Balancing the different interests can be challenging. While maintaining the university's fiduciary responsibility of managing trust assets to secure an appropriate financial return, the university is committed to managing its trust assets in an environmentally responsible manner. For example, on university timber operations we surpass current Forest Practices by adding additional non-development buffers near streams in sensitive areas. It is one of the ways we try to be the kind of good neighbor Alaskans expect from their university.

If you have questions about UA Land Management policies or programs, please contact me.

—Mari Montgomery, Director
UA Land Management

A Land-Grant University Without the Land

In 1915 and 1929, federal legislation granted approximately 360,000 acres of surveyed land to the University of Alaska to be used to generate revenue to support the university's educational mission. However, at the time of statehood in 1959, only a little over 100,000 acres had been surveyed by the federal government and conveyed to the university. The Statehood Act extinguished the university's right to receive the balance of its federal land grants, and repeated efforts to rectify this inequity have failed. (Only Hawaii and Delaware received smaller university land grants than Alaska.)

Managing University Lands

The University of Alaska owns and manages approximately 183,000 acres of land. This includes nearly 170,000 acres of land designated as investment property and 13,000 acres of land designated as educational property. Educational property includes the three main campuses, all community campuses and numerous research sites and facilities. All land not specifically designated as educational property is considered investment property. In support of the University of Alaska's education and research mission, through its Land Management office, the university maintains an active management program that focuses on the responsible development of all of the university's land and resources.

Land-Grant Endowment Trust Fund

Earnings from UA Land Management developments are deposited into the Land-Grant Endowment Trust Fund (LGTF). This fund supports research, educational programming and, until state funding is available, the Alaska Scholars Program. The LGTF earnings are also used to help fund an array of natural resources-related education and research projects, including fisheries and ocean sciences, biology, agriculture and minerals studies.





Land Management Team Works Across Alaska

The UA Land Management office is involved in real estate operations throughout the State of Alaska.

Ongoing projects can be found from Ketchikan to Nome. These projects include research sites, subdivisions, timber operations, trails, community roads, land leases, real estate sales and oil and gas leases.



Visit UA Land Management's Web Site At www.ualaska.edu/landmanagement

Land Sales: Small parcel sales are the mainstay of UA's portfolio earnings.

Alaskans can buy small parcels of land from the university. The university continually offers cabin sites for sale. These land sales are located all across the state, and are advertised in the newspaper and on the internet.





Tourism: Copper River Princess Wilderness Lodge

Construction of the Copper River Princess Wilderness Lodge began in the summer of 2001. Located on land purchased from the University of Alaska, it is expected to become a major draw for visitors to the Wrangell-St. Elias area.

The university participates with resource agencies and the private sector to develop visitor sites in Alaska.

Subdivision Development

Providing Alaskans with residential subdivision lots is another area of operation within the Land Management office. Development of these home sites on university land has created local jobs, increased the market inventory for real estate sales, and provided affordable home sites for families.



PEREGRINE HEIGHTS SUBDIVISION,
CHENA RIDGE IN FAIRBANKS



Timber Development

The university's timber harvest activities undergo a high degree of environmental protection and control from various state agencies charged with oversight of these projects. The Alaska Forest Practices Act provides some of the most progressive subsistence, habitat, wildlife, and fisheries resources protections in the country. The Act ensures that the university is engaging in responsible forestry management practices on its lands.

Harvesting activities at UA's Icy Bay timber project have generated approximately \$20 million over the past seven years. This money is deposited into the university's Land-Grant Endowment Trust Fund (LGTF).



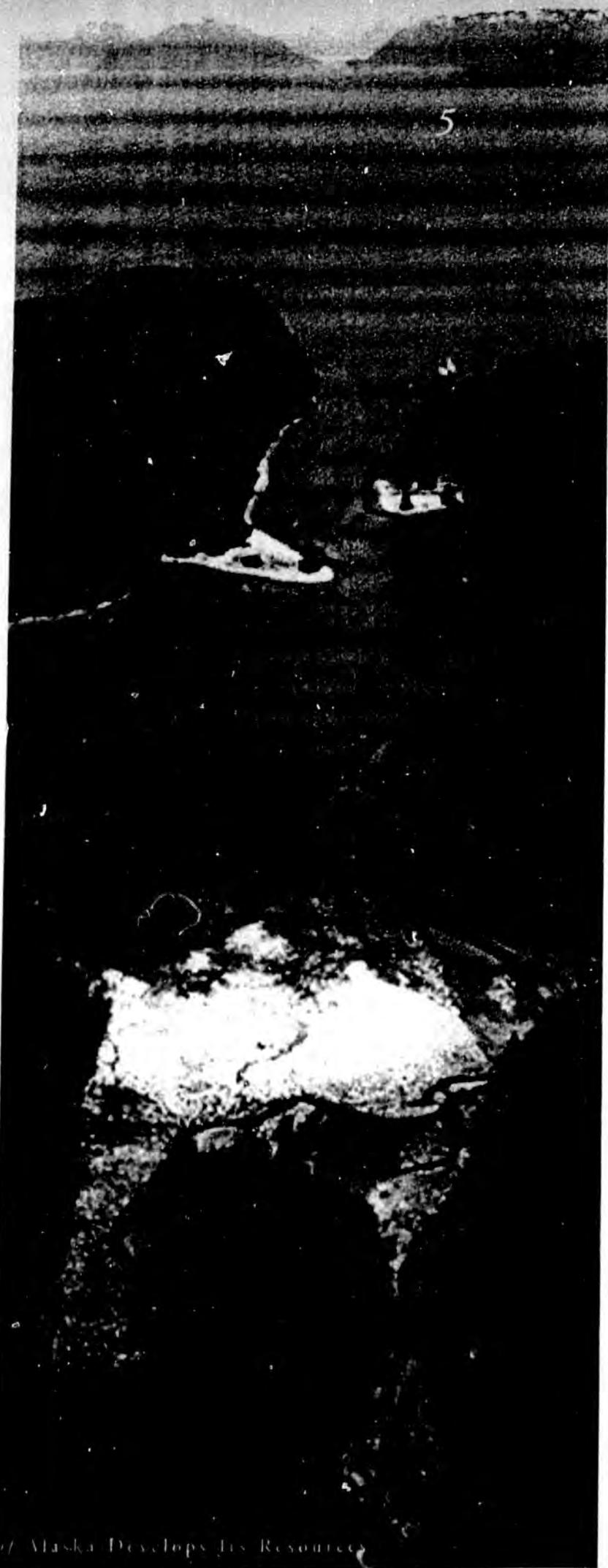


Land Conservation Settlement Created Icy Bay Logging Opportunity

The university's limited one-time timber harvesting rights at Icy Bay were received in settlement of two complex litigations. Those suits involved the university, state, Yakutat Fisherman's Association, Cordova District Fisheries United, Alaska Center for the Environment, Inc., Southeast Alaska Conservation Council, Inc., and the City and Borough of Yakutat. The university's timber harvesting rights are the result of exhaustive negotiations in which the interests of the environmental and fisheries communities, local government, state, and the university were all represented.

In agreement with the litigants, the university's timber harvesting activities are concentrated in the Cape Yakataga/Icy Bay area, in the smallest footprint possible. Previous timber harvesting and development has already occurred in this area. The university's timber harvest is subject to a high degree of environmental protection and control. Subsistence, habitat, wildlife and fisheries resources are protected at a higher level in this area than generally required under state statutes or of other timber operations on state land.

As part of the settlement, the university agreed to: (1) sell an 835-acre parcel, with approximately 12 miles of coastline, located on the northwest end of Yakobi Island on Cross Sound, (2) spend \$500,000 to develop a "hut-to-hut" trail and cabin system in a remote area near Yakataga, and (3) fund \$250,000 in research and data collection in the Yakataga Area.





Hut-to-Hut Trail System To Benefit Hikers And Campers

The Duktoth River area in the Gulf of Alaska, and the Caribou Hills area near Kenai both include trail systems for hikers, campers and tourists through cooperative agreements between the university and State of Alaska agencies.

The university also has invested \$500,000 for a "hut-to-hut" cabin and trail system for recreational use near Cape Yakataga.

The university continues to develop cooperative arrangements to enhance recreational opportunities with other public land-holding agencies in Alaska.



Commercial Leasing and Commercial Sales

Often, the university chooses to lease land rather than sell it. Everything from espresso bars to office buildings can be found on university land. Below is a picture of the Fairbanks Golf Course, partially located on land purchased from the university.

Mocha Dan's Treats Fairbanks Right

Sipping a double-tall, skinny latte is the way many in the Golden Heart city begin their day. Mocha Dan's on Geist Road probably has your favorite drink memorized, if you're one of the many "regulars."

Dan's espresso stand, built as a portable building, serves roadside espresso to motorists and commuters on the east side of Fairbanks. From the



day it opened, it has had a steady stream of customers. The coffee Dan serves is good, but it's the location that has made this espresso business so successful.

Mocha Dan leases the land his business sits on from the University of Alaska. The UA Land Management office negotiated the lease, and is pleased to be a part of Dan's success.

MOCHA DAN'S ESPRESSO

FAIRBANKS GOLF & COUNTRY CLUB

STEWARDSHIP: The University of Alaska Develops Its Resources

Stewardship: The University of Alaska's Role in the Economy

"Consider Chapel Hill, Palo Alto, the Puget Sound, Boston... communities with strong educational institutions have strong economies."

— Elsa Froehlich-Demeksa, UA Regent,
Chair of Facilities & Land
Management Committee



"The Alaska workforce needs to be well trained to compete in a growing global economy. We live in a resource state, and education is key."

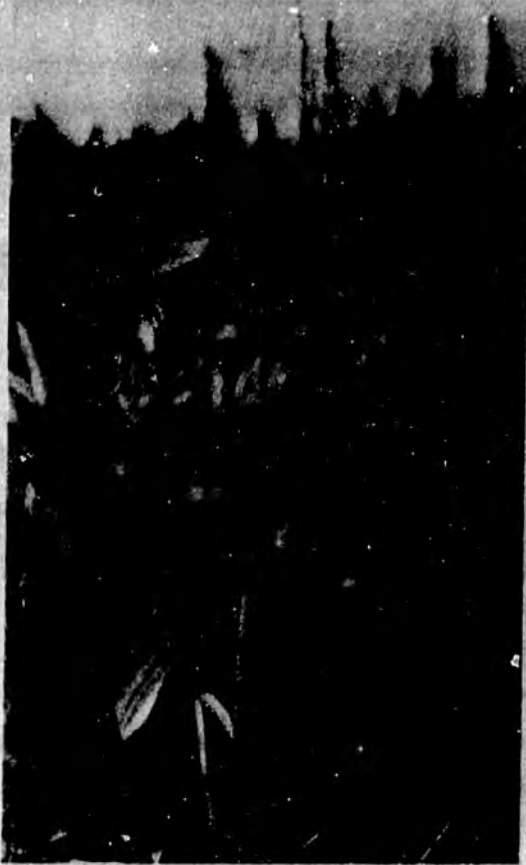
— Mano Frey, President,
Alaska AFL-CIO



"The University can do more to improve the lives of working women and single moms than a host of government programs. We must provide the financial resources it needs today, for all of our tomorrows."


— Eleanor Andrews, President,
The Andrews Group





Land Management Development Guidelines

The University of Alaska Board of Regents sets policy for management of university investment properties through a hierarchy of plans, beginning with a biennial Strategic Plan, annual Development Plans, and specific project plans. The university seeks public comment through the notice of its development plans published in local newspapers 60 days prior to the scheduled consideration by the Board and provides public notice of all major real property transactions not specifically approved in the annual Development Plan. The university is also subject to all local, state, and federal government regulations, including the Alaska Forest Practices Act, ADEC water & wastewater regulations, wetlands regulations, Coastal Management Plans, and local zoning and platting ordinances to the same level as other private land owners. In addition, Land Management commonly holds additional public workshops and community forums to address such development issues as local impacts, density, lot sizes, road maintenance, desired covenants, trail systems and architectural standards.



TO CONTACT UA LAND MANAGEMENT,
OR TO SHARE YOUR OPINION ABOUT
UNIVERSITY MANAGEMENT OF RESOURCES
PLEASE CALL OR WRITE:

Mari Montgomery, Director
UA Land Management
3890 University Lake Drive, Suite 103
Anchorage, AK 99508
Phone: (907) 786-7766
Fax: (907) 786-7733

The UA Scholars Program

Each year, the UA Scholars Program offers an \$11,000 scholarship to the top 10% of graduates from qualified Alaska high schools. Students are designated by their high school based on academic standing at the end of their junior year.

The UA Scholars Program then verifies each designee's eligibility. Once designees have been deemed eligible, the Program Administrator sends an award letter and a reservation form to each Scholar. The Scholar must return the reservation form to the Program Administrator in order to complete the award process.

To use the award, the Scholar must enroll at a UA campus within 16 months of high school graduation. This grace period allows the Scholar to take time off after graduation to work, travel or even try a school outside of Alaska, before enrolling at the University of Alaska. Once enrolled, the Scholar receives \$1,375 per semester, for eight semesters, provided he or she remains in good standing.

