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No. 83-

IN THE
Supreme Court of the United States
OCTOBER TERM, 1983

ALASKA LAND TITLE ASSOCIATION,
SECURITY TITLE AND TRUST COMPANY
OF ALASKA, ALASKA TITLE GUARANTY
COMPANY, BROKERS TITLE COMPANY,
LAWYERS TITLE INSURANCE AGENCY,
INC., SAFECO TITLE AGENCY, INC.,
FAIRBANKS TITLE AGENCY, VALLEY TITLE
AND ESCROW COMPANY, FIRST AMERICAN
TITLE INSURANCE COMPANY, TRANSAMERICA
TITLE INSURANCE COMPANY, RICHARD L.
BOYSEN and JACK WHITE COMPANY,

Petitioners,

v.

STATE OF ALASKA, THEODORE M. PEASE,
JR. and CLAIRE V. PEASE,

Respondents.

**PETITION FOR A WRIT OF CERTIORARI
TO THE SUPREME COURT OF THE
STATE OF ALASKA**

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QUESTIONS PRESENTED

The most fundamental principle of real property law in the United States is found in the Fifth Amendment to the United States Constitution:

"No person . . . shall be deprived of . . . property, without due process of law; nor shall private property be taken for public use, without just compensation."

In this case, Petitioners or their predecessors¹ received patent to lands in Alaska which were either silent as to road reservations or, for lands entered after 1947, contained only reservations for roads as authorized by the "act of July 24, 1947 (61 Stat. 418, 48 U.S.C. §321d)."

The court below however found there existed other reservations not reserved in the patents which permit the State Highway Department to take without compensation strips of land as wide as 600 feet.²

The Alaska Supreme Court held by interpretation of 48 U.S.C. §321, that such taking was not barred by either the United States Constitution, nor a federal or state statute³ prohibiting further taking under 48 U.S.C. §321d, by finding a separate easement under 48 U.S.C. §321a.

The properties affected by this decision by the State's own calculation are valued at One Billion Eight Hundred Million Dollars. (\$1,800,000,000.00).

Under the circumstances, it is this conflict between federal

¹ A number of the Petitioners are title insurance companies who, as subrogee on claims, joined this action.

² Assuming sixteen-foot lanes, this could result in a highway thirty lanes wide. The minimum right-of-way was one hundred feet wide.

³ Federal-Aid Highway Act of 1970 §138(b) Pub. L. No. 91-605, 84 Stat. 1713 (1970) and Right-of-Way Act of 1966 ch 2, 92 S.L.A. 1966. Petitioners note that this Court has found the Fifth Amendment to the United States Constitution applicable to the State through the Fourteenth Amendment.

(ii)

guarantees and the lower court's ruling which raises the following questions:⁴

1. Did Congress intend to create two separate authorities for easements under the Act of June 30, 1932, Pub. L. No. 218 §§1 and 2, (47 Stat. 446), as amended July 24, 1947, Pub. L. No. 229 §5, 61 Stat. 418 (codified as amended at 48 U.S.C. §§321a-321d), so that State and Congressional acts expressly designed to prohibit further taking of property without compensation were inapplicable?

2. Whether the statute of limitation provision of 43 U.S.C. §1166 is applicable to bar the State of Alaska from taking easements or reservations beyond those provided in the actual patents?

3. Whether Congress intended the limitation unless otherwise "insufficient in law" contained in the Federal Register Act, 44 U.S.C. §1507 to apply to preclude documents published in the Federal Register from being constructive notice to real property transactions absent appropriate recording under the state recording statute?

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⁴ In the Alaska Supreme Court the case included an additional Plaintiff, Hansen Associates, an Alaska limited partnership. Hansen Associates is not appealing the decision of the Court below.

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**PETITION FOR A WRIT OF CERTIORARI
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STATE OF ALASKA**

Petitioners respectfully pray that a Writ of Certiorari issue to review the judgment and opinion of the Supreme Court of the State of Alaska entered in this proceeding.

OPINIONS BELOW

The Memorandum of Decision of the State trial court, entered on May 7, 1980 and the judgment entered on May 27,

1980, are unreported. The opinion of the Alaska Supreme Court (and dissent), affirming in part and reversing in part, is published at 667 P.2d 714 (Alaska 1983). Petitions for rehearing were filed by both the Petitioners and Respondents. The Alaska Supreme Court denied the Petition of the Petitioners and granted the petition of the Respondent State of Alaska in an order issued July 8, 1983. The order of the court issued in response to the Petition for Rehearing has not yet been published in the official report. All of the unreported opinions and orders are reproduced in the Appendix A-1 to A-3.

JURISDICTION

The opinion of the Alaska Supreme Court was entered on May 27, 1983. Timely Petitions for Rehearing were filed by both parties. The Alaska Supreme Court denied the petitioners' Petition for Rehearing and granted Respondent's Petition for Rehearing and an Order issued on July 8, 1983 modified its opinion. This Court's jurisdiction is invoked under 28 U.S.C. §1257(3).

CONSTITUTIONAL, STATUTORY AND REGULATORY PROVISIONS INVOLVED

A. Federal Constitutional Provisions

U.S. Const. amend. V

U.S. Const. amend. XIV §1

B. Federal Statutory Provisions

43 U.S.C. §932 repealed by Pub. L. No. 94-579,

Title VII §706(a), 90 Stat. 2793 (1976)

43 U.S.C. §1166 (1976)

44 U.S.C. §1507 (1976)

The Act of January 27, 1905, Pub. L. No. 26 §2, 33 Stat. 616 (codified at 48 U.S.C. §322), repealed by Pub. L. No. 86-70 §21(d) (6), 73 Stat. 146 (1959).

The Act of June 30, 1932, Pub. L. No. 218 §§1 &

2, 47 Stat. 446, as amended July 24, 1947, Pub. L. No. 229 §5, 61 Stat. 418 (codified as amended at 48 U.S.C. §§321a-321d) repealed by Pub. L. No. 86-70 §21(d) (7), 73 Stat. 146 (1959)

Federal-Aid Highway Act of 1970 §138(b), Pub. L. No. 91-605, 84 Stat. 1713 (1970)

C. Federal Regulations and Administrative Orders

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The full text of these constitutional, statutory and regulatory provisions are included in Appendix B.

STATEMENT

This case presents fundamental issues concerning conflicting claims to property between the State of Alaska and the Petitioners to land conveyed by the United States to the Petitioners or Petitioners' predecessors. Immediately following World War II, numerous individuals, particularly World War II veterans, came to Alaska to avail themselves of the offer by the federal government to establish fee simple ownership in public land. Patents were subsequently issued by the federal government to those individual entrymen who qualified. In the patents the federal government set forth exceptions and reservations to the entrymen's interest, including in most instances, reservations for highways. It is other alleged reservations not set forth in the patents which are the subject of this appeal.

Upon Alaska's entry into the Union in 1959, the federal government executed a quitclaim deed to the State of Alaska conveying all of its interest, if any, in highways and roads contained within the State. For unknown reasons, ten years passed before the quitclaim deed was recorded in 1969. In conjunc-

tion with the development boom in Alaska during the 1970s, the State of Alaska began increasingly to take private property without compensation for expansion of numerous highways throughout the State. The State's claim to take property without compensation was based upon certain land orders and a departmental order issued by the Department of Interior prior to Statehood. In particular, the State relied on Public Land Orders (PLO) 601, 757, 1613 and Departmental Order (DO) 2665⁶ published between 1949 and 1958.

Patents issued prior to 1947 were silent as to any reference to withdrawals or easements. Patents after 1947 contained only the general reservation for highways as authorized by "the act of July 24, 1947 (61 Stat. 418, 48 U.S.C. §321d)," but did not identify any width for such reservations. Such were to be established at a later date by the Department of Interior. Petitioners assert the Secretary did this in 1951 by DO 2665.

When the State of Alaska began accelerating its claim in the 1970s based on these withdrawals and easements, numerous land owners found themselves deprived of significant portions of their property without compensation. These property rights which will continue to be taken without compensation are valued by the State of Alaska to be in excess of one billion eight hundred million dollars. Additionally, title insurance companies who had insured some, though not all, of the land sales found themselves burdened with claims which could jeopardize their continued solvency. It is in this context this Petition is filed.

The difficulty with the land order withdrawals and easements is that they were not noted on the patents. Thus, property owners never knew that their land might be subject

⁶ Promulgated August, 1949 to withdraw land from any form of homestead entry, PLO 601 established corridors for future highways. These withdrawals extended from six hundred feet for the Alaska Highway to one hundred feet for all "local" roads. In October, 1951, PLO 757 removed the withdrawal for "local" roads, but there was simultaneously established "easements" of the same width under DO 2665. Special legislation was passed in 1956 to authorize PLO 1613 which conceded the remaining withdrawals were unnecessarily wide and created a repurchase program for adjoining landowners, subject to the easements identified in DO 2665.

to a highway easement significantly in excess of that noted in their patents or the official government surveys. Further, the PLO easements and withdrawals were never recorded, surveyed or posted to plats. In fact, it is not even possible to find a list of all "local" roads for which a PLO withdrawal or easement may be claimed. The State itself does not prepare a map showing the location of the withdrawals or easements until it has first decided to expand or improve that particular highway.

For years the State, and the federal government before it, has known that the failure to record, survey, map or note on plats these rights-of-way created serious title problems.⁶ However, despite this knowledge, the State has acquiesced in the successive sale and improvement of properties which the State now claims to be subject to the highway reservations.

The decision of the Court below clouds the title to the vast majority of properties adjacent to every road (excluding subdivision roads) within the State of Alaska. The Alaska Supreme Court has taken the position that 48 U.S.C. §321a is a separate grant of authority by Congress to the Secretary of Interior to create an easement independent of the express authority granted under 48 U.S.C. §321d. By this erroneous interpretation of federal law finding an independent easement in 48 U.S.C. §321a, the court below precluded the protection afforded by both federal and State statutes designed to prevent the further exercise of highway reservations without compensation.⁷ The ruling of the Court below is unquestionably contrary to the legislative history and language contained within U.S.C. §321a-321d.

Additionally, the Alaska Supreme Court failed to follow numerous decisions of the U.S. Supreme Court that the United States (in this case Alaska since it is the successor to the United States' interest) may not bring a suit to challenge a patent

⁶ The State of Alaska has taken the position that despite its failure to record its quitclaim deed for ten years and despite the fact none of the land orders are recorded in the state recording districts pursuant to the State's recording statutes, it may seize the land.

⁷ See footnote 3, *supra*.

more than six years after the patent has been issued and is thus barred from making a collateral attack upon the patent.

PROCEEDINGS BELOW, PARTIES AND JURISDICTIONAL MATTERS

This action was commenced in the Anchorage Superior Court in February of 1979, where the Petitioners filed a complaint for declaratory relief. Named as defendants were the State of Alaska, Theodore M. Pease and Claire V. Pease. Petitioners in their complaint identified eight claims for relief. On June 4, 1979, Petitioners filed an amended complaint for declaratory judgment which added an additional claim for relief. The Petitioners' amended complaint sets forth several state and federal claims.

Motions for summary judgment were brought by both the Petitioners and Respondent in the trial court. The court denied the Respondent State of Alaska's motion for summary judgment and granted Petitioners' motion as to its second, third and eighth claims for relief. The trial court denied the first claim for relief which reflected petitioner Transamerica's claim that it was not liable under its title insurance policy to Theodore and Claire Pease as to the additional right-of-way taken by the State. The trial court found that the prior Alaska Supreme Court case, *Hahn v. Alaska Title Guaranty Co.*, 557 P.2d 143 (Alaska 1976) was controlling. However, the trial court in its decision found that Petitioner Transamerica's argument was persuasive and asked the Alaska Supreme Court to review the *Hahn* decision.

The decision of the trial court rested predominantly on its determination that a State statute, the Alaska Right-of-Way Act of 1966, was applicable to prevent any further taking without compensation. The trial court determined that, unless the State had occupied or staked a highway in excess of the width set forth in the patents prior to April 14, 1966, then it would only be entitled to the roadway actually occupied or that set forth in the patent, whichever was greater. Any additional land needed by the State could be taken only by paying just compensation.

The State filed its points on appeal on June 24, 1980. The Petitioners filed their notice of cross-appeal on June 30, 1980. Upon appeal, the judgment was affirmed only as to one plaintiff and reversed as to all other Petitioners. One Justice filed a dissent from the three-person majority opinion.

FEDERAL QUESTIONS RAISED AND DECIDED BELOW

The decision of the Alaska Supreme Court is based on the determination of a number of controlling questions of federal law. The first question is whether there existed under 48 U.S.C. § 321a a power to create an easement in the Secretary of Interior public lands in Alaska separate from that set forth in 48 U.S.C. § 321d. The Alaska Supreme Court's misinterpretation of the power of the federal government under 48 U.S.C. § 321a results in a taking of private property without compensation. Further, the Alaska State Legislature has attempted to insure that the State not avail itself of rights-of-way under 48 U.S.C. § 321a-321d, when it passed the Right-of-Way Act of 1966. The court below determined that the Right-of-Way Act and the protections thereunder were not applicable since that act applied only to easements under 48 U.S.C. § 321d and the easements asserted by the State were created under 48 U.S.C. § 321a and DO 2665. The court below ignored the intent of a similar federal act to bar such takings. Federal-Aid Highway Act of 1970, § 138(b) Pub. L. 91-605, 84 Stat. 1713 (1970). This interpretation of federal law, if allowed to stand, will permit the State to seize private property belonging to Petitioners without compensation.

The assertion that the Right-of-Way Act of 1966 and section 138(b) of the Federal-Aid Highway Act of 1970 were applicable to protect the Petitioners in these circumstances was raised at the trial court during summary judgment proceedings and again during the appeal to the Alaska Supreme Court. The question was specifically addressed by the Alaska Supreme Court in its decision.

Second, the Alaska Supreme Court rejected Petitioners' contention that the easements claimed by the State of Alaska

were not set forth in the patents and therefore eliminated by failure to annul the patents within the six-year statute of limitation period of 43 U.S.C. §1166. This is clearly a federal question. The Alaska Supreme Court, in addressing this issue on appeal, interpreted federal law in a manner such as to preclude the application of the statute to protect Petitioners' rights in this case. Petitioners raised these claims of a federal right in their complaint at the trial court and maintained their position throughout the appeal.

Third, Alaska Supreme Court misinterpreted 44 U.S.C. §1507 in requiring that public land orders and the departmental order, upon publication in the Federal Register, be considered constructive notice for real property transactions independent of compliance with State or territorial recording statutes. By interpreting the Federal Register Act as constituting constructive notice for purposes of determining ownership of land, Petitioners were precluded from availing themselves of the protection offered by the State recording statutes. Petitioners raised these claims in their memorandum in support of motion for summary judgment in the trial court and maintained their position throughout the appeal.

REASONS FOR GRANTING THE WRIT

(a) Impact of the Decision Below.

The decision of the Alaska Supreme Court below has a devastating impact on landholders within the State of Alaska. During the late 1940s when Alaska was still a territory, the federal government held open to individuals the opportunity to settle in the territory and obtain fee simple ownership of land therein. After properly complying with the applicable statutes and regulations concerning homesteads, these individuals were issued patents reflecting their ownership rights. These patents set forth the reservations and exceptions which the federal government stated it was maintaining.

In the approximately thirty years that have passed since this initial transfer of property from the federal government to individuals following World War II, the individual owners and their successors in interest have subdivided and developed

the property pursuant to the natural growth of the State. Thus this lawsuit greatly affects the current property rights of thousands of landowners within the State of Alaska, many of whom have developed valuable improvements within the claimed easements unaware the State claims the right to take their property.

The decision of the court below results in confusion to titles to thousands of parcels held within the State of Alaska. The State admits that the potential value of the land which it can seize without compensation to be valued in excess of \$1.8 billion dollars. Already several other cases have been initiated involving issues related to this decision.

Therefore, the Petitioners believe that their Petition for Writ of Certiorari should be accepted by the Court to review the tremendous impact of the decision of the court below upon title to thousands of parcels of land within the State as well as the combined total economic loss to individuals residing in the State.

(b) Important and Novel Questions of Federal Law.

The decision below also involves important questions of federal law never interpreted by this or any other federal court. The Alaska Supreme Court in reaching its decision interpreted several federal statutes and orders regarding public lands within Alaska. In particular, the court below interpreted 48 U.S.C. §321a as creating in the Secretary of Interior a right to establish an easement on public lands separate from that of 48 U.S.C. §321d. By interpreting the federal statute in this manner, the court below voided the specific protection offered to private landholders by the Alaska Legislature by the Right-of-Way Act of 1966 and Congress by section 138(b) of the Federal-Aid Highway Act of 1970.⁹

⁹ The intent of the Alaska Legislature is clear. The Act states in part: Section 1. Purpose. This Act is intended to alleviate the economic hardship and physical and mental distress occasioned by the taking of land, by the State of Alaska, for which no compensation is paid to the persons holding title to the land. This practice has resulted in financial difficulties and the deprivation of peace of mind regarding the security of one's possessions to many citizens of the

A second question of first impression was raised by the Alaska Supreme Court in its decision regarding the Federal Register Act, 44 U.S.C. §1507. No previous court has addressed the precise question here. In this case the question rests on whether the Federal Register is constructive notice as to landholders in Alaska or whether such notice is "insufficient in law" within the meaning of 44 U.S.C. §1507. Congress did not clearly identify under what circumstances notice under the Federal Register would be "insufficient in law." However, the interpretation of the court below that the Federal Register must be notice under State land laws has not been addressed. Therefore, this presents an important question of federal law which has applicability beyond the State of Alaska. Other states, particularly in the western United States, have large tracts of federal public land which is subject to thousands of federal public land orders and department orders of the Department of Interior and other federal agencies. Thus, applicability of a decision which indicates that Congress intended the federal register to be constructive notice under State land laws has tremendous impact upon title in other states as well as Alaska. Therefore, the Court should accept Petitioners' Writ for Certiorari to address this issue.

(Footnote Continued)

State of Alaska, and which, if not curtailed by law, will continue to adversely affect the citizens of this state. Those persons who hold title to land under a deed or patent which contains a reservation to the state by virtue of the Act of June 30, 1932, ch. 320, sec. 5, as added July 24, 1947, ch. 313, 61 Stat. 418, are subject to the hazard of having the State of Alaska take their property without compensation because all patents or deeds containing the reservation required by that federal Act reserve to the United States, or the state created out of the Territory of Alaska, a right-of-way for roads, roadways, tramways, trails, bridges, and appurtenant structures either constructed or to be constructed. Except for this reservation the State of Alaska, under the Alaska Constitution and the Constitution of the United States, would be required to pay just compensation for any land taken for a right-of-way. It is declared to be the purpose of this Act to place persons with land so encumbered on a basis of equality with all other property holders in the State of Alaska, thereby preventing the taking of property without payment of just compensation as provided by law, and in the manner provided by law.

(c) The Decision of the Court Below Conflicts with Prior Decisions of the Court

The Alaska Supreme Court determined that the six-year statute of limitations applicable to suits by the United States to vacate and annul a patent under 44 U.S.C. §1166 did not apply to prevent the State Highway Department from seizing private property in which the patents from the federal government did not reserve any of the easements or withdrawals sought to be taken by the State. The court found that despite the failure of the federal government to set forth in the patent any limitations arising under the public land orders and the departmental order identified in this case,⁹ it would permit a collateral attack on the patent by reducing the amount of land transferred to the patentee by the federal government and by imposing on that patent restrictions not contained herein. This Court has long held that once the six-year statute of limitations has run the United States may not attack the validity of a patent. *United States v. Chandler—Dunbar Water Power Co.*, 209 U.S. 447 (1908); *Brook v. So. Pac. R. Co.*, 234 U.S. 669 (1914); *U.S. v. Oregon Lumber Co.*, 260 U.S. 290 (1922). Although the statute on its face is applicable to the United States it is equally binding on the State. The State has claimed to possess the interest of the United States under the respective statutes and orders pursuant to the quitclaim deed issued upon statehood in 1959. Therefore, unlike cases cited by the majority opinion in the court below, the State of Alaska has no more than what the United States possessed in 1959. A failure to assert that interest within six years of the issuance of patent precludes the United States (and the State of Alaska, its successor in interest) from attacking the patents. Therefore, the court below has rendered a decision in conflict with prior holdings of this Court.¹⁰

I. NO SEPARATE AUTHORITY EXISTS TO ESTABLISH AN EASEMENT UNDER 48 U.S.C. §321a.

⁹ PLO 601, PLO 757, PLO 1613, and DO 2665.

¹⁰ A succinct discussion of this misinterpretation of 43 U.S.C §1166 appears in the dissenting opinion by Justice Rabinowitz in the court below.

A review of the legislative history of 48 U.S.C. §§321a-321d reveals, contrary to the decision of the court below, no authority for the Secretary of Interior to establish easements under 48 U.S.C. §321a. Originally, under the Act of January 27, 1905, 33 Stat. 616, Congress established a Board of Road Commissioners for Alaska. This Commission was given the power to "locate, layout, construct, and maintain wagon trails and pack trails . . ." within Alaska. Sec. 2 Act of June 27, 1905, 33 Stat. 616. In 1932, Congress transferred the power of the Commission to the Department of Interior. Sec. 1 and 2 Act of June 30, 1932, 47 Stat. 446.

However, neither of these two statutes granted the power to the Secretary of Interior or the Commission to grant easements across the land but rather only the power to construct roads. In fact, the language contained in sec. 2 Act of June 30, 1932, 47 Stat. 446, codified as 48 U.S.C. §321a, was recognized by the Department of Interior as only granting authority to the Secretary to fix the width of *public domain* roads which were "located, laid out, constructed and maintained" pursuant to sec. 2 Act of June 27, 1905, codified as 48 U.S.C. §322.

Because of the Department of Interior's concern over the pending patenting of public lands in Alaska where a 43 U.S.C. §932 easement did not apply, the Department requested in 1947 that Congress amend the Act of June 30, 1932. H.R. Rep. No. 673, 80th Cong. 1st Sess., reprinted in 1947 U.S. Cong. & Ad. News 1352, 1353. In the Department's letter requesting legislation, the Secretary of Interior indicated that his Department was seeking authority for the reservation of easements for the first time. Since 48 U.S.C. §321a already existed at the time that the Department of Interior made this request to amend the Act of 1932, it is evident that the Department of Interior recognized that no easement authority existed under §321a. To hold otherwise negates the 1947 Amendment."

¹¹ The Language of 48 U.S.C. §321d provides for only one easement. It states that "(i)n all patents for lands hereafter taken up, entered or located in the Territory of Alaska . . . there shall be expressed that there is reserved, from the lands . . . in such patent . . . a *right-of-way*." (Emphasis added.)

This position is further supported by a Department of Interior memo on October 10, 1950, which in discussing PLO 601 noted that the Department of Interior discussed changing the withdrawals to easements so that rights-of-way under the Act of July 1947 would still be valid.¹² This once again indicates the Department of Interior looked to sec. 321d (the 1947 act) for its authority, not some strained interpretation of sec. 321a.

48 U.S.C. §321d requires that all lands entered after the date of the Act (June 23, 1947) have reserved in the patents an easement. The Department of Interior pursuant to this Congressional mandate began issuing patents which clearly stated that an easement was being reserved pursuant to 48 U.S.C. §321d. It is clear that the Department of Interior did not consider §321a to be authority to impose an easement, or it could have just as easily put this reservation in the patents too.

The court below held that sec. 321a easements exist not from statutory language or legislative intent, but solely from the fact that paragraph 1 of DO 2665 states that the authority for the Secretary to promulgate DO 2665 is 48 U.S.C. §321a. Petitioners do not dispute that section 321a grants the Secretary of Interior the authority over Alaska roads and thus authority to issue the departmental order." Petitioners

(Footnote Continued)

The statute goes on to state that "(w)hen a right-of-way easement under this Act . . ." once again indicating that a single authority for creating a right-of-way existed under 48 U.S.C. §321. The Act of 1947 was an amendment to the Act of June 30, 1932 (47 Stat. 448) and therefore the language "this Act" must refer to the Act of 1932.

¹² The Department of Interior in October of 1950 revealed concern that the PLO withdrawals were insufficient to protect the rights-of-way desired by the federal government. It was proposed by Department of Interior memo that the withdrawals be changed to easements under the 1947 Act (48 U.S.C. §321d) to set forth the width of the proposed easements. This concern resulted in the publication of DO 2665 in October of 1951 establishing easements under 48 U.S.C. §321d. See Department of Interior memo October 10, 1950 at Appendix C.

¹³ The Alaska Supreme Court previously authorized the taking of property without compensation based on this erroneous interpretation in *State, Department of Highways v. Green*, 586 P.2d 595 (Alaska 1978)

however assert that such authority to issue the order does not equate with a separate authority to create an easement. The unmistakable intent of the 1947 amendment, codified at 48 U.S.C. §321d, was to create, for the first time, easements.¹⁴

The court below in its misinterpretation that 48 U.S.C. §321a is a separate authority for the Department of Interior to establish easements nullifies the attempt by the State of Alaska in the Right-of-Way Act of 1966 to protect private landowners from State exercise of such easements. The Right-of-Way Act of 1966 has been interpreted by the Alaska Supreme Court as applying only to easements established under 48 U.S.C. §321d. Under the terms of the Act, the State is barred from taking without compensation any additional land pursuant to a sec. 321d easement if it has not done so prior to the date of the Act. Further, by its interpretation of federal law, the court below has deprived Petitioners' rights afforded by sec. 138(b) of the Federal-Aid Highway Act of 1970.

II. THE STATUTE OF LIMITATIONS OF 43 U.S.C. §1166 BARS THE RESPONDENT FROM CHALLENGING PATENTS AFTER SIX YEARS.

The United States issued patents to Petitioners and Petitioners' predecessors in interest which contained a description of the reservations and exceptions which the United States intended to retain. The State of Alaska maintains that the various PLOs and the Departmental Order grant it a right-of-way even though not identified in the patents. Had the property at the time of patent still been encumbered by the withdrawals or easements, but patent nevertheless issued, the government would have only six years to annul the patent. *United States v. Chandler—Dunbar Water Power Co.*, 209 U.S.

¹⁴ The trial court agreed with petitioners and stated that:

It should be noted that DO 2665 is issued under authority of 48 U.S.C. §321a; however, sec. 321a is only the general grant of authority by Congress to the Secretary of Interior to administer the road. In Alaska sec. 321d is the specific authority for the Secretary to reserve easements for roads and therefore, DO 2665 by implication is based on authority of sec. 321d, Pub. L. 229 ch. 313 approved July 24, 1947.

447 (1908). The withdrawals or easements could not have been deemed to have been an implied exception to the patent. *Leo Sherp Co. v. United States*, 440 U.S. 668 (1979); *Hardin v. Jordan*, 140 U.S. 371 (1891); *Stewart v. Lamm*, 132 Colo. 484, 289 P. 2d 916 (Colo. 1955).

The quitclaim deed could not, as the State asserts, pass greater rights than that the United States had to transfer. It is well established that a patent is in the nature of a quitclaim deed. *Wilson Cyprus Co. v. Del Pozo y Marcos*, 236 U.S. 635 (1915); *Sampeyreac v. United States*, 7 Pet. (U.S.) 222 (1833). Consequently, the United States passed by patent its estate *except* that which was actually reserved in the patent, i.e. the 1947 highway reservations, 48 U.S.C. §321d.

Additionally, it is clear that once a patent is issued, even if it contains a mistake, the Executive Department lacks power to set the transfer aside. The annulment must be done judicially. *West v. Standard Oil Co.*, 278 U.S. 200 (1929); *Stone v. United States*, 69 U.S. 525 (1875). In the case at bar, the United States has never sought to set aside the patents issued without the alleged reservation for the easements cited by the Respondent (48 U.S.C. §321a) and therefore those patents would still be binding on the United States. Under the 1959 quitclaim deed, the State received no greater right to the land than the United States had and since the patents were conclusive against the United States then they are likewise conclusive against the State of Alaska.

This court in *United States v. Whited & Wheless, Ltd.*, 246 U.S. 552 (1918) noted that the purpose of the statute of limitations contained in 43 U.S.C. §1166 was to restore, in the public confidence in the integrity and value of patent title to public lands which had been challenged under numerous suits seeking to cancel such patents. The statute itself presupposes that the government will make an error. *United States v. Chandler—Dunbar Water Power Co.*, *supra* at 45C. Indeed, the protection afforded patents under 43 U.S.C. §1166 has been strong enough that this Court has determined that even in the cases of fraud, the patent itself may not be set aside. *United States v. Diamond Coal and Coke Co.*, 255 U.S. 323 (1921). In

United States v. Whited & Wheless, Ltd., supra, this court has also determined that even in the cases of fraud, if the title to the property has passed to a bonafide purchaser, the government may not challenge the patent. *Wright-Blodgett Co. v. United States*, 236 U.S. 397 (1915); *United States v. California & The Oregon Land Co.*, 148 U.S. 31 (1893).

Courts have also noted that in determining what land is conveyed under a patent, the number of acres specified in the patent is very important. *Ritter v. Morton*, 513 F.2d 942 (9th Cir. 1975). Other courts have also made it clear that the boundaries of land cited in a patent, even if incorrect, would be binding on the United States and its successors. *Grainger v. United States*, 197 Ct. Cl. 1018 (1972). Even though the State claims the withdrawals from homestead entry of PLO 601 and 757 still apply, none of the patents contained any commensurate reduction in total acreage. The United States under 43 C.F.R. §101.3 (1949) was required to put on notice all persons making an entry on public land which could be affected by a right-of-way.¹⁵ The failure to include such an easement on the entry papers or on the final patent is conclusive against the United States.

Therefore, Respondent's claim was barred by the statute of limitations contained in 43 U.S.C. §1166. The Respondent has no greater interest in the land than that held by the United States. The United States was barred from challenging the patents after six years for failure of the patents to contain easements set forth in the PLOs and the departmental orders. Assuming *arguendo* that the State's position has merit, any interest which the United States had was extinguished by the

¹⁵ The provisions of 43 C.F.R. §101.3 (1949) set forth the notations which were required to be made on entry papers and notices of allowance in 1949.

In order that all persons making entry of public lands which are affected by rights-of-way may have actual notice thereof, the Register is directed to note upon the original entry papers and upon the notice of allowance of the application . . . issued to the entrymen, a reference to such rights-of-way . . . he will place the same notation as to right-of-way upon the final entry papers so that the reservation of the right-of-way will be made in the patent when issued.

running of the statute of limitations in 43 U.S.C. §1166. The United States did, pursuant to 48 U.S.C. §321d, maintain road reservations which were subsequently relinquished by State and federal acts.

III. THE FEDERAL REGISTER ACT IS NOT CONSTRUCTIVE NOTICE AS TO PRIVATE LANDOWNERS IN THE STATE OF ALASKA

Provisions of 44 U.S.C. §1507 provide that persons will be charged with notice of documents filed for publication in the Federal Register "except in cases where notice by publication is insufficient in law." The question in this case is whether, absent actual notice, does publication in the Federal Register constitute notice insufficient in law for real property transactions. A review of the legislative history does not reveal a clear answer as to whether Congress intended the Federal Register to be constructive notice as a matter of law or whether such notice would be insufficient in law as applied to state land titles. The federal case law cited to by the majority of the court below does not contain a case in which the court addressed the question of what was "insufficient in law." There is no reason to believe that Congress intended to displace established conveyancing and recording laws in every state of the Union with a chaotic system in which landowners must be charged with constructive notice of pre-patent federal orders not noted as reservations in the patents.¹⁶

Therefore, the court below erred in interpreting federal cases cited for the proposition as to what constitutes constructive notice where that determination is being made as to title under state law. Acts of Congress which affect conveyancing and recording statutes of the fifty states should be considered "insufficient in law" to be constructive notice.

¹⁶ This position was adopted by the Dissenting Opinion in the lower court.

CONCLUSION

For all of the foregoing reasons, a Writ of Certiorari should issue to review the judgment and opinion of the Alaska Supreme Court.

Respectfully submitted,

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APPENDIX

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APPENDIX A-1

IN THE SUPERIOR COURT
FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT

ALASKA LAND TITLE ASSOCIATION,
SECURITY TITLE AND TRUST COMPANY
OF ALASKA, ALASKA TITLE GUARANTY
COMPANY, BROKERS TITLE COMPANY,
LAWYERS TITLE INSURANCE AGENCY,
INC., SAFECO TITLE AGENCY, INC.,
FAIRBANKS TITLE AGENCY, VALLEY TITLE
AND ESCROW COMPANY, FIRST AMERICAN
TITLE INSURANCE COMPANY, TRANSAMERICA
TITLE INSURANCE COMPANY, RICHARD L.
BOYSEN and JACK WHITE COMPANY,

Plaintiffs,

vs.

STATE OF ALASKA, Department of
Transportation and Public Facilities,
THEODORE M. PEASE, JR., and CLAIRE V.
PEASE, and MUNICIPALITY OF ANCHORAGE,

Defendants.

No. 3AN 79-951 Civil

MEMORANDUM OF DECISION

This case is a suit for declaratory relief and the plaintiffs, the State of Alaska and the Peases have moved for summary judgment. The facts are that in 1978 the State of Alaska widened Rabbit Creek Road, a local road off the Seward Highway approximately nine miles south of Anchorage, from a road having a bed of less than 66 feet to a road having a bed of 100 feet in width. Mr. and Mrs. Pease are adjoining landowners to Rabbit Creek Road and own the underlying fee to the centerline. They seek compensation from the State of Alaska or the title insurance company which insured their title for the taking of a strip 17 feet in width from their property for the widening of Rabbit Creek Road.

The Peases acquired by warranty deed Lot 191, Section 33, T 12N, R3W, Seward Meridian, Anchorage Recording District on August 18, 1960 which parcel was separated from the public domain on October 4, 1955 by patent number 115 1722 which provides a "reservation of a right-of-way for roads . . . constructed or to be constructed by or under the authority of the United States or by any State created out of the Territory of Alaska, in accordance with the act of July 21, 1947 (61 Stat. 418, 48 U.S.C. sec. 321d)" and "This patent is subject to a right-of-way not exceeding 33 feet in width, for roadway and public utilities purposes, to be located along the south and east boundaries of said land."

There are no facts in dispute. The other parties, Mr. Boysen, Hansen Associates and Jack White Company own property which may be affected by easements for through and feeder roads. In this memorandum of decision the case concerning the Peases will be considered first, a decision reached on the ownership of the 17 foot wide strip along Rabbit Creek Road and will be used for illustrative purposes in deciding questions relating to other parcels.

The relevant history of statutes, public land orders (P.L.O.) and department orders (D.O.) affecting rights-of-way for roads like Rabbit Creek includes:

1. P.L.O. 601 dated August 10, 1949 under the authority of *Executive Order No. 9887* (43 U.S.C. § 141) withdrew from entry certain lands and reserved those lands for highway rights-of-way as follows:

a. the public lands lying within 300 feet on each side of the center line of the Alaska Highway, 150 feet on each side of the center line of all other through roads, 100 feet on each side of the center line of all feeder roads, and 50 feet on each side of the center line of all local roads.

b. through roads are the Alaska Highway, Richardson Highway, Glenn Highway, Haines Highway, and Tok Cut-off.

c. feeder roads are Steese Highway, Elliott Highway, McKinley Park Road, Anchorage-Potter-

Indian Road, Edgerton Cut-off, Tok-Eagle Road, Ruby-Long-Poorman Road, Nome-Solomon Road, Kenai Lake-Homer Road, Fairbanks-College Road, Anchorage-Lake Spenard Road, Circle Hot Spring Road.

d. local roads are all roads not classified as through or feeder roads established or maintained under the jurisdiction of the Secretary of the Interior.

e. Paragraph 6 reads:

Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes, the public lands in Alaska lying within 300 feet on each side of the center line of the Alaska Highway, 150 feet on each side of the center line of all other through roads, 100 feet on each side of the center line of all feeder roads, and 50 feet on each side of the center line of all local roads, in accordance with the following classifications, are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral-leasing laws and reserved for highway purposes.

2. P.L.O. 757 dated October 16, 1951 provides:

The sixth paragraph of Public Land Order No. 601 of August 10, 1949, reserving public lands for highway purposes, commencing with the words "Subject to valid existing rights", is hereby amended to read as follows: Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes, the public lands in Alaska lying within 300 feet on each side of the Alaska Highway and within 150 feet on each side of the center line of the Richardson Highway, Glenn Highway, Haines Highway, the Seward-Anchorage Highway (exclusive of that part thereof within the boundaries of the Chugach National Forest), the Anchorage-Lake Spenard Highway, and the Fairbanks-College Highway are hereby withdrawn from all forms of appropriation under the public land laws, including

the mining and mineral-leasing laws, and reserved for highway purposes.

Easements having been established on the lands released by this order, such lands are not open to appropriation under the public land laws except as a part of a legal subdivision, if surveyed, or an adjacent area, if unsurveyed, and subject to the pertinent easement.

3. D.O. 2665 dated October 16, 1951 under the authority of section 2 of the act of June 30, 1932 (47 Stat. 446, 48 U.S.C. 321a) established the width of the public highways in Alaska established or maintained under the jurisdiction of the Secretary of Interior as follows:

a. through roads: The Alaska Highway shall extend 300 feet on each side of the center line thereof. The Richardson Highway, Glenn Highway, Haines Highway, Seward-Anchorage Highway, Anchorage-Lake Spenard Highway and Fairbanks-College Highway shall extend 150 feet on each side of the center line thereof.

b. feeder roads (with an extensive listing) shall extend 100 feet on each side of the center line thereof.

c. local roads not classified as through roads or feeder roads shall extend 50 feet on each side of the center line thereof.

d. the order provided specifically:

Sec. 3. Establishment of rights-of-way or easements.
(a) A reservation for highway purposes covering the lands embraced in the through roads mentioned in section 2 of this order was made by Public Land Order No. 601 of August 10, 1949, as amended by Public Land Order No. 757 of October 16, 1951. That order operates as a complete segregation of the land from all forms of appropriation under the public land laws, including the mining and mineral laws.

(b) A right-of-way or easement for highway purposes covering the lands embraced in the feeder roads and the local roads equal in extent to the width of such roads

as established in section 2 of this order, is hereby established for such roads and across the public lands.

(c) The reservation mentioned in paragraph (a) and the rights-of-way or easements mentioned in paragraph (b) will attach as to all new construction involving public roads in Alaska when the survey stakes have been set on the ground and notices have been posted at appropriate points along the route of the new construction specifying the type and width of the roads.

Sec. 4. Road maps to be filed in proper Land Office. Maps of all public roads in Alaska heretofore or hereafter constructed showing the location of the roads, together with appropriate plans and specifications, will be filed by the Alaska Road Commission in the proper Land Office at the earliest possible date for the information of the public.

It should be noted that D.O. 2665 is issued under the authority of 48 U.S.C. 321a; however, section 321a is only the general grant of authority by Congress to the Secretary for the Interior to administer the roads in Alaska. Section 321d is the specific authority for the Secretary to reserve easements for roads and, therefore, D.O. 2665 by implication is based upon the authority of 321d, Public Law 229, ch. 313 approved July 24, 1947.

4. The effect of P.L.O. 757 and D.O. 2665 was to return to the public domain and make available for entry all land within 100 feet of the center line of feeder roads and 50 feet of the center line of local roads reserving an easement for feeder and local roads of 100 feet and 50 feet on each side of the center line respectively.

5. P.L.O. 1613 dated April 7, 1958 revoked P.L.O. 601 as amended by P.L.O. 757. Therefore, the withdrawal for through roads was no longer in effect; however, an easement for through roads was created extending 150 feet on each side of the center line for through roads designated in P.L.O. 757 and section one of P.L.O. 1613.

6. On June 30, 1959 the United States conveyed by quitclaim deed its interest in highways to the State of Alaska

which deed was recorded October 2, 1969.

7. Sec. 2, Ch. 92, SLA 1966, Right-of-Way Act of 1966 provides:

Taking of Property Under Reservation Void. After the effective date of this Act [April 14, 1968], no agency of the state may take privately-owned property by the election or exercise of a reservation to the state acquired under the Act of June 30, 1932, ch. 320, sec. 5, as added July 24, 1947, ch. 313, 61 Stat. 418, and taking of property after the effective date of this Act by the election or exercise of a reservation to the state under the federal Act is void.

8. Public Law 229, ch. 313, approved July 24, 1947 provides:

The act entitled "An Act providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes, approved June 30, 1932 (47 Stat. 446) [footnote: 5 U.S.C.A §§123, 485; 48 U.S.C.A. §§321a-321e, 322-327] is hereby amended by adding at the end thereof the following new section:

"Sec. 5. In all patents for lands hereafter taken up, entered, or located in the Territory of Alaska, and in all deeds by the United States hereafter conveying any lands to which it may have reacquired title in said Territory not included within the limits of any organized municipality, there shall be expressed that there is reserved, from the lands described in said patent or deed, a right-of-way thereon for roads, roadways, highways, tramways, trails, bridges, appurtenant structures constructed or to be constructed by or under the authority of the United States or any State created out of the Territory of Alaska. When a right-of-way reserved under the provisions of this Act is utilized by the United States or under its authority, the head of the agency in charge of such utilization is authorized to determine and make payment for the value of the crops

thereon if not harvested by the owner, and for the value of any improvements, or for the cost of removing them to another site, if less than their value."

The Alaska Supreme Court cases which directly relate to the questions in this case are: *Hahn v. Alaska Title Guaranty Co.* 557 P.2d 143 (Alaska 1976) which holds that the federal register is a public record within the meaning of the language of a title insurance policy; and *State, Dept. of Highways v. Green*, 586 P.2d 595 (Alaska 1978) which gives an exhaustive history of the subject before the court without mentioning the Alaska Right-of-Way Act of 1966.

The Peases have moved for summary judgment on their cross-claim against the State of Alaska and on their counterclaim against Transamerica Title Insurance Company. The Peases are entitled to summary judgment against Transamerica Title Insurance Company under the authority of *Hahn v. Alaska Title Guaranty Co.*, 557 P.2d 143 (Alaska 1976) and they are granted such summary judgment establishing the liability of their insurer subject to the provision that if the State must pay for the strip, then the Peases shall collect from the State and not their title insurer.

The plaintiffs have moved for summary judgment against the State of Alaska on the grounds that the State is without authority to exercise jurisdiction over easements allegedly reserved to the State by P.L.O. 601 as amended by P.L.O. 757 and P.L.O. 1613 and D.O. 2665. The title insurance companies and the other plaintiffs have standing to bring this case and are real parties in interest; there is a justiciable controversy and the plaintiffs' pecuniary interest is affected. See *Jefferson v. Asplund*, 458 P.2d 995 (Alaska 1969).

There is no statute of limitations problem; the land is not taken until staked. D.O. 2665(c).

The State asserts that the withdrawals and easements established by the various P.L.O.'s and D.O.'s are dedications of property to the public which cannot be transferred to private ownership until abandoned. There is no evidence of fact or law to support the State's contention. The withdrawals and

easements will be treated as designations by a land owner setting aside certain portions of its property.

It is necessary to view this case in its historical perspective. Pursuant to P.L.O. 601 land was withdrawn for through, feeder, and local roads in strips ranging from 300 feet to 50 feet on each side of the center line. These strips were never surveyed, the Bureau of Land Management did not know what land was withdrawn and patents were issued conveying land which allegedly had been withdrawn. The record is replete with letters explaining the problems created and the hardships which resulted.

In response to the problems created by withdrawals, the Secretary of the Interior revoked P.L.O. 601 in stages: first, P.L.O. 757 in 1951, and then P.L.O. 1613 in 1958 and substituted easements. D.O. 2665 and P.L.O. 1613. The establishment of easements did not solve all of the problems; however, entrymen and the government could determine the boundaries of parcels by measuring from the center line of the existing roads even though the roads were not surveyed.

The predecessor in interest to Mr. and Mrs. Pease was granted a two and one-half acre parcel subject to a 33-foot easement for Rabbit Creek Road and a blanket reservation for easements created pursuant to 61 Stat. 418, 48 U.S.C. sec. 321d, the authority for D.O. 2665. The Right-of-Way Act of 1966 precludes the State from taking without compensation any land pursuant to the Act of June 30, 1932, ch. 320, sec. 5, as added July 24, 1947, ch. 313, 61 Stat. 418.

The State argues that it already had the easement reserved by 61 Stat. 418, 48 U.S.C. sec. 321d before the effective date of the Right-of-Way Act of 1966 and, therefore, the Act does not apply. The State is wrong; it did not secure the easement until the right-of-way was staked by the terms of D.O. 2665.

It is realized that *State, Dept. of Highways v. Green*, 586 P.2d 595 (Alaska 1978) does not discuss the Right-of-Way Act of 1966; nevertheless, the Act does apply to the case at bar and would apparently be applicable in the *Green* case; the State should have brought it to the court's attention even if the appellees failed to do so.

Therefore, the plaintiffs and Mr. and Mrs. Pease are entitled to summary judgment establishing the fact that the State or anyone claiming through the State, including the Municipality of Anchorage, may not occupy land reserved for highway or other purposes pursuant to 61 Stat. 418, 48 U.S.C. sec. 321d without compensation which the State was not occupying on April 14, 1966.

This ruling means that unless the easement was specifically reserved in the patent or was occupied by the State or Municipality or staked by the State before April 14, 1966, the underlying fee holder is entitled to just compensation when the State or Municipality asserts its right to utilize the strip between the previously occupied, staked, or specifically designated in the patent distance from the center line and 50, 100 or 150 feet from the center line depending upon the type of road. The State's argument that the plaintiffs by this lawsuit are seeking to divest the State of its interest in all the roads of the state is not understood and is clearly not the fact.

The plaintiff Hansen Associates is not correct in asserting that its property is free from the easement designated in D.O. 2665 because its predecessor in interest entered the property before D.O. 2665 was issued. The Hansen property had not been patented as of October 16, 1951 and between a mere entryman and the government, the entryman may not be heard to complain when the government reserves an easement. *Shiver v. United States*, 159 U.S. 491, 16 S.Ct. 54 (1895); *Wilber v. United States*, 53 F.2d 717 (C.A.D.C. 1931).

It is unnecessary to decide the effect of the quitclaim deed, its later recordation and the status of land whose owners recorded their deeds or patents earlier than the recordation of the quitclaim deed in light of the above determinations. In addition, it is unnecessary to deal with the doctrine of estoppel as it may apply in this case.

And in order to fully adjudicate the issues presented in this case, it is necessary to comment on the plaintiffs' contentions that *Hahn v. Alaska Title Guaranty Co.*, 557 P.2d 143 (Alaska 1976) was incorrectly decided. The authorities and argument cited by the plaintiffs are persuasive and the Alaska

Supreme Court is requested to review its decision.

The attorneys for the plaintiffs shall prepare, serve and submit a judgment consistent with this decision.

DATED at Anchorage, Alaska, this 7th day of May, 1980.

VICTOR D. CARLSON
Superior Court Judge

This is to certify that on the 8th day of May, 1980, a copy of the above Memorandum of Decision was mailed to:

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APPENDIX A-2

IN THE SUPERIOR COURT
FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT

ALASKA LAND TITLE ASSOCIATION,)
SECURITY TITLE AND TRUST COMPANY)
OF ALASKA, ALASKA TITLE GUARANTY)
COMPANY, BROKERS TITLE COMPANY,)
LAWYERS TITLE INSURANCE AGENCY,)
INC., SAFECO TITLE AGENCY, INC.,)
FAIRBANKS TITLE AGENCY, KACHEMAK)
BAY TITLE AGENCY, VALLEY TITLE)
AND ESCROW COMPANY, FIRST AMERICAN)
TITLE INSURANCE COMPANY, TRANSAMERICA)
TITLE INSURANCE CO., HANSEN ASSOCIATES, an)
Alaska Limited Partnership, RICHARD L.)
BOYSEN and JACK WHITE COMPANY,)

Plaintiffs,)

vs.)

STATE OF ALASKA, Department of)
Transportation and Public Facilities,)
THEODORE M. PEASE, JR., and CLAIRE V.)
PEASE, and MUNICIPALITY OF ANCHORAGE,)

Defendants.)

No. 3AN-79-951 CIV.

JUDGMENT

For the reasons set forth in the Memorandum of Decision prepared and executed by this court on the 7th day of May, 1980, the court hereby awards summary judgment declaring the rights and liabilities of the parties to this lawsuit as follows:

1. The State of Alaska and the Municipality of Anchorage are claiming highway easements for local, feeder, and through roads in excess of easement widths specified in patents issued to Alaska property owners. Said easements are claimed by the State or the Municipality pursuant to authority derived from

Public Land Orders 601, 757, 1513 and Department Order 2665. For the reasons set forth in the Memorandum of Decision dated May 7, 1980, the court hereby awards Plaintiffs a summary judgment against the State of Alaska and the Municipality of Anchorage declaring that the State and the Municipality may not take or utilize property for local, feeder, or through roads in excess of the widths set forth in the patents to the affected properties without just compensation to the owners of the affected properties unless such local, feeder, or through roads were occupied and staked by the State of Alaska or the Municipality of Anchorage prior to April 14, 1966 or were specifically designated in the patents to the affected real properties.

2. The Plaintiffs Hanson Associates and Richard L. Boysen are hereby awarded a summary judgment against the State of Alaska and the Municipality of Anchorage declaring that neither the State nor the Municipality can take any portion of their properties for the through road presently known as the Old Seward Highway which is in excess of the easement widths specified in their respective patents without just compensation.

3. The Defendants Pease are hereby awarded a summary judgment on their cross-claim against the State of Alaska declaring that the State may not take or utilize any portion of the Peases' land for the local road presently known as Rabbit Creek Road which is in excess of the 33-foot easement width specified in the patent to the Peases' property without just compensation. The Peases' property is described as Lot 191, Section 33, Township 12 North, Range 3 West, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska.

4. The Defendants Pease are hereby awarded a summary judgment on their counterclaim against Transamerica Title Insurance Company declaring that Transamerica is liable under its title insurance policy issued to the Peases for the taking by the State of Alaska of a 17-foot strip of land for the local road known as Rabbit Creek Road, which 17-foot strip of land was in excess of 33-foot easement specified in the Peases' pa-

tent. However, since the State of Alaska must compensate the Peases for the taking or utilization of said additional 17-foot easement, the Peases shall collect just compensation from the State of Alaska, and upon receipt of said just compensation the Peases shall not be entitled to recover damages from Transamerica Title Insurance Company for said taking of the additional 17-foot strip of property.

5. Plaintiffs are hereby awarded the sum of \$_____ for costs and \$_____ for a reasonable attorney's fee, for a total judgment of \$_____ against the State of Alaska and the Municipality of Anchorage, jointly and severally.

6. The Defendants Pease are hereby awarded the sum of \$_____ for costs and \$_____ for a reasonable attorney's fee for a total judgment of \$_____ against the State of Alaska and the Municipality of Anchorage, jointly and severally.

DONE, at Anchorage, Alaska this 27th day of May, 1980.

VICTOR D. CARLSON
Judge of the Superior Court

I hereby certify that on the 19th day of May, 1980, true and accurate copies of the foregoing were mailed to the following attorneys of record for the above-captioned cause:

Municipality of Anchorage
Office of the Municipal Attorney
Pouch 6-650
437 "E" Street
Anchorage, Alaska

Theodore M. Pease, Jr.
Burr, Pease & Kurtz, Inc.
810 "N" Street
Anchorage, Alaska 99501

Avrum M. Gross, Attorney General
 State Capitol, Pouch K
 Juneau, Alaska 99811
 Attention: Jack McGee
 Assistant Attorney General
 Department of Law
 Transportation Section

Michael W. Price

APPENDIX A-3

IN THE SUPREME COURT OF THE STATE OF ALASKA

STATE OF ALASKA

*Appellant and
 Cross-Appellee.*

vs.

ALASKA LAND TITLE
 ASSOCIATION, et al.,

*Appellees and
 Cross-Appellants.*

Supreme Court Numbers
 5407/5408

O R D E R

Superior Court No. 3AN 79-951 Civil

Before: Burke, Chief Justice, Rabinowitz,
 Matthews and Compton, Justices.

On consideration of the petition for rehearing filed June 6, 1983 by the Alaska Land Title Association, et al., and the [second] petition for rehearing by the State, lodged June 14, 1983 and filed June 23, 1983,

IT IS ORDERED.

1. The petition for rehearing filed by the Alaska Land Title Association is denied.

2. The petition for rehearing filed by the State is granted, and Opinion No. 2681 filed on May 27, 1983, is amended by adding a new footnote 15, referenced to the word "purposes" on page 27, line 19. The new footnote shall read as follows:

The State and the plaintiffs have agreed that PLO 601 is based on Executive Order 9337 which, "in turn, rests on" 43 U.S.C. §141. We thus have no occasion to consider whether Executive Order 9337 delegated authority to make withdrawals in addition to those authorized by 43 U.S.C. §141.

Succeeding footnotes shall be renumbered.

Entered by direction of the court at Anchorage, Alaska
on July 8, 1983.

CLERK OF THE SUPREME COURT

Robert D. Bacon

ccs: Justices
Counsel
The Honorable Victor D. Carlson
West Publishing Company
Mead Data Central

APPENDIX B

CONSTITUTIONAL, STATUTORY AND
REGULATORY PROVISIONS INVOLVED

U.S. Const. amend. V.

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

U.S. Const. amend. XIV, §1

All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

43 U.S.C. §932

The right of way for the construction of highways over public lands, not reserved for public uses, is hereby granted. R.S. §2477.

43 U.S.C. §1166

Suits by the United States to vacate and annul any patent shall only be brought within six years after the date of the issuance of such patents. Mar. 3, 1891, c. 559, §1, 26 Stat. 1093; Mar. 3, 1891, c. 561, §8, 26 Stat. 1099.

44 U.S.C. §1507

A document required by section 1505(a) of this title to be published in the Federal Register is not valid as against a per-

son who has not had actual knowledge of it until the duplicate originals or certified copies of the document have been filed with the Office of the Federal Register and a copy made available for public inspection as provided by section 1503 of the title. Unless otherwise specifically provided by statute, filing of a document, required or authorized to be published by section 1505 of this title, except in cases where notice by publication is insufficient in law, is sufficient to give notice of the contents of the document to a person subject to or affected by it. the publication in the Federal Register of a document creates a rebuttable presumption—

- (1) that it was duly issued, prescribed, or promulgated;
- (2) that it was filed with the Office of the Federal Register and made available for public inspection at the day and hour stated in the printed notation;
- (3) that the copy contained in the Federal Register is a true copy of the original; and
- (4) that all requirements of this chapter and the regulations prescribed under it relative to the document have been complied with.

The contents of the Federal Register shall be judicially noticed and without prejudice to any other mode of citation, may be cited by volume and page number.

Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1276.

The Act of January 27, 1905, Pub. L. No. 26 §2, 33 Stat.

616

Sec. 2. That there shall be a board of road commissioners in said district, to be composed of an engineer officer of the United States Army to be detailed and appointed by the Secretary of War, and two other officers of that part of the Army stationed in said district and to be designated by the Secretary of War. The said engineer officer shall, during the term of his said detail and appointment, abide in said district. The said board shall have the power, and it shall be their duty, upon their own motion or upon petition, to locate, layout, construct, and maintain wagon roads and pack trails from any point on the navigable waters of said district to any town, mining or other industrial camp or settlement, or between any

such town, camps, or settlements therein, if in their judgment such roads or trails are needed and will be of permanent value for the development of the district; but no such road or trail shall be constructed to any town, camp, or settlement which is wholly transitory or of no substantial value or importance for mining trade, agricultural, or manufacturing purposes. The said board shall prepare maps, plans, and specifications of every road or trail they may locate and lay out, and whenever more than five thousand dollars in the aggregate shall have to be expended on the construction of any road or trail, contract for the work shall be let by them to the lowest responsible bidder, upon sealed bids, after due notice, under rules and regulations to be prescribed by the Secretary of War. The board may reject any bid if they deem the same unreasonably high or if they find that there is a combination among bidders. In case no responsible and reasonable bid can be secured, then the work may be carried on with material and men procured and hired by the board. The engineer officer of the board shall in all cases supervise the work of construction and see that the same is properly performed. As soon as any road or trail laid out by the board has been constructed and completed they shall examine the same and make a full and detailed report of the work done on the same to the Secretary of War, and in such report they shall state whether the road or trail has been completed conformable to the maps, plans, and specifications of the same. It shall be the duty of said board, as far as practicable, to keep in proper repair all roads and trails constructed under their supervision, and the same rules as to the manner in which the work of repair shall be done, whether by contract or otherwise, shall govern as in the case of the original construction of the road or trail. The cost and expenses of laying out, constructing, and repairing such roads and trails shall be paid by the Secretary of the Treasury out of the road and trail portion of said "Alaska fund" upon vouchers approved and certified by said board. The Secretary of the Treasury shall, at the end of each month, send by mail to each of the members of said board a statement of the amount available of said "Alaska fund" for the construction and repair of roads, and trails, and no greater liability for construction or repair shall

at any time be incurred by said board than the money available therefor at that time in said fund. The members of said board shall, in addition to their salaries, be entitled to receive their actual traveling expenses paid or incurred by them in the performance of their duties as members of the board.

48 U.S.C. §322 (1958)

The Secretary of the Interior, or such officer, or officers as may be designated by him, shall upon his own motion or upon petition, locate, lay out, construct, and maintain roads, trails and bridges from any point on the navigable waters of Alaska to and through any town, mining or other industrial camp or settlement, or between and through any such town, camps, or settlements therein, if in his judgment such roads, trails, or bridges are needed and will be of permanent value for the development of Alaska: *Provided*, That within incorporated towns only roads and bridges which are designated by the Secretary of the Interior as part of the through highway system of the Territory of Alaska may be constructed under this section; *Provided further*, That no roads or bridges within incorporated towns shall be maintained under this section. (Jan. 27, 1905, ch. 277, §2, 33 Stat. 616; May 14, 1906, ch. 2458, §2, 34 Stat. 192; June 30, 1932, ch. 320, §1, 47 Stat. 446; July 14, 1955, ch. 359, 69 Stat. 321.)

The Act of June 30, 1932. Pub. L. No. 218 §§1 & 2, 47 Stat. 446

Providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the passage of this Act the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska, and upon the Secretary of War, as provided for in the Act of January 27, 1905 (ch. 277, sec. 2, 33 Stat. 616), as amended by the Act of May 14, 1906 (ch. 2458, sec. 2, 34 Stat. 192), and Acts supplemental thereto, and amendatory thereof, are hereby transferred to

the Department of the Interior, and shall hereafter be administered by the Secretary of the Interior, or under his direction by such officer, or officers, as may be designated by him.

Sec. 2. The Secretary of the Interior shall execute or cause to be executed all laws pertaining to the construction and maintenance of roads and trails and other works in Alaska, heretofore administered by said board of road commissioners under the direction of the Secretary of War; and all appropriations heretofore made, and now available, or that hereafter may be made, for expenditure by said board for meeting the cost of such work in the Territory of Alaska, are hereby transferred to the Secretary of the Interior, to be thereafter administered in accordance with the provisions of this Act; and the said board is directed to turn over to the Secretary of the Interior all equipment, materials, supplies, papers, maps, and documents, or other property utilized in the exercise of such powers, for the use of the said Secretary in the administration of the construction and maintenance of roads, tramways, ferries, bridges, and trails, and other works in the Territory of Alaska heretofore administered by said board.

The Act of July 24, 1947, Pub. L. No. 229 §5 61 Stat. 418 (amending the Act of June 30, 1932, Publ. L. No. 218, 47 Stat. 446)

To amend the Act entitled "An Act providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes", approved June 30, 1932.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act entitled "An Act providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes", approved June 30, 1932 (47 Stat. 446), is hereby amended by adding at the end thereof the following new section:

"Sec. 5. In all patents for lands hereafter taken up, entered, or located in the Territory of Alaska, and in all deeds

by the United States hereafter conveying any lands to which it may have reacquired title in said Territory not included within the limits of any organized municipality, there shall be expressed that there is reserved, from the lands described in said patent or deed, a right-of-way thereon for roads, roadways, highways, tramways, trails, bridges, and appurtenant structures constructed or to be constructed by or under the authority of the United States or any State created out of the Territory of Alaska. When a right-of-way reserved under the provisions of this Act is utilized by the United States or under its authority, the head of the agency in charge of such utilization is authorized to determine and make payment for the value of the crops thereon if not harvested by the owner, and for the value of any improvements, or for the cost of removing them to another site, if less than their value."

Approved July 24, 1947.

48 U.S.C. §321a (1958)

The Secretary of the Interior shall execute or cause to be executed all laws pertaining to the construction and maintenance of roads and trails and other works in Alaska, heretofore administered by said board of road commissioners under the direction of the Secretary of War; and all appropriations heretofore made, and now available, or that hereafter may be made, for expenditure by said board for meeting the cost of such work in the Territory of Alaska, are transferred to the Secretary of Interior, to be thereafter administered in accordance with the provisions of sections 321a-321d of this title; and the said board is directed to turn over to the Secretary of the Interior all equipment, materials, supplies, papers, maps, and documents, or other property utilized in the exercise of such powers, for the use of the said Secretary in the administration of the construction and maintenance of roads, tramways, ferries, bridges, and trails, and other works in the Territory of Alaska, heretofore administered by said board. (June 30, 1932, ch. 320, §2, 47 Stat. 446)

48 U.S.C. §321d (1958)

In all patents for lands hereafter taken up, entered, or located in the Territory of Alaska, and in all deeds by the United States hereafter conveying any lands to which it

have reacquired title in said Territory not included within the limits of any organized municipality, there shall be expressed that there is reserved, from the lands described in said patent or deed, a right-of-way thereon for roads, roadways, highways, tramways, trails, bridges, and appurtenant structures constructed or to be constructed by or under the authority of the United States or of any State created out of the Territory of Alaska. When a right-of-way reserved under the provisions of sections 321a-321d of this title is utilized by the United States or under its authority, the head of the agency in charge of such utilization is authorized to determine and make payment for the value of the crops thereon if not harvested by the owner, and for the value of any improvements, or for the costs of removing them to another site, if less than their value. (June 30, 1932, ch. 320, §5, as added July 24, 1947, ch. 313, 61 Stat. 418.)

~~✕~~ Federal-Aid Highway Act of 1970 §138(w) Pub. L. No. 91-605, 64 Stat. 1713 (1970)

(b) Any right-of-way for roads, roadways, highways, tramways, trails, bridges, and appurtenant structures reserved by section 321(d) of title 48, United States Code (61 Stat. 418, 1947), not utilized by the United States or by the State or Territory of Alaska prior to the date of enactment hereof, shall be and hereby is vacated and relinquished by the United States to the end and intent that such reservations shall merge with the fee and be forever extinguished.

43 C.F.R. §101.3 (1949)

Notation of Rights-of-Way

§101.3 *Notations to be made on entry papers and notice of allowance.* (a) In order that all persons making entry of public lands which are affected by rights-of-way may have actual notice thereof, the manager is directed to note upon the original entry papers and upon the notice of allowance of the application (Form 4-279) issued to the entryman, a reference to such right-of-way.

(b) He will make no such notation upon the final entry papers unless the right-of-way has been granted under an act of Congress which does not in terms protect the grantee

against subsequent adverse rights, in which case he will place the same notation as to right-of-way upon the final entry papers, so that the reservation of the right-of-way will be made in the patent, when issued (23 L.D. 67).

[Reg. Nov. 3, 1909, as amended by Reg. Jan 19, 1910]

Public Land Order 601

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Executive Order No. 9145 of April 23, 1942, reserving public lands for the use of the Alaska Road Commission in connection with the construction, operation, and maintenance of the Palmer-Richardson Highway (now known as the Glenn Highway), is hereby revoked.

Public Land Order No. 386 of July 31, 1947, is hereby revoked so far as it relates to the withdrawal, for highway purposes, of the following-described lands:

(a) A strip of land 600 feet wide, 300 feet on each side of the centerline of the Alaska Highway (formerly the Canadian Alaskan Military Highway) as constructed from the Alaska-Yukon Territory boundary to its junction with the Richardson Highway near Big Delta, Alaska.

(b) A strip of land 600 feet wide, 300 feet on each side of the center line of the Gulkana-Slana-Tok Road as constructed from Tok Junction at about Mile 1319 on the Alaska Highway to the junction with the Richardson Highway near Gulkana, Alaska.

Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes, the public lands in Alaska lying within 300 feet on each side of the center line of all other through roads, 100 feet on each side of the center line on all feeder roads, and 50 feet on each side of the center line of all local roads, in accordance with the following classifications, are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral-leasing laws, and reserved for highway purposes:

Through Roads

Alaska Highway, Richardson Highway, Glenn Highway, Haines Highway, Tok Cut-Off.

Feeder Roads

Steese Highway, Elliott Highway, McKinley Park Road, Anchorage-Potter-Indian Road, Edgerton Cut-Off, Tok Eagle Road, Ruby-Long-Poorman Road, Nome-Solomon Road, Kenai Lake-Homer Road, Fairbanks-College Road, Anchorage-Lake Spenard Road, Circle Hot Springs Road.

Local Roads

All roads not classified above as Through Roads or Feeder Roads, established or maintained under the jurisdiction of the Secretary of the Interior.

With respect to the lands released by the revocations made by this order and not rewithdrawn by it, this order shall become effective at 10:00 a.m. on the 35th day after the date hereof. At that time, such released lands, all of which are unsurveyed, shall, subject to valid existing rights, be opened to settlement under the homestead laws and the homesite act of May 26, 1934, 48 Stat. 809 (48 U.S.C. 461), only, and to that form of appropriation only by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944, 58 Stat. 747, as amended (43 U.S.C. 279-284). Commencing at 10:00 a.m. on the 126th day after the date of this order, any of such lands not settled upon by veterans shall become subject to settlement and other forms of appropriations by the public generally in accordance with appropriate laws and regulations.

Public Land Order 757

Amendment of Public Land Order No. 601 of August 10, 1949, reserving public lands for highway purposes.

By virtue of the authority vested in the President and pursuant to Executive Order 9337 of April 24, 1943, it is ordered as follows:

The sixth paragraph of Public Land Order No. 601 of August 10, 1949, reserving public lands for highway purposes,

commencing with the words, "Subject to valid existing rights", is hereby amended to read as follows:

Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes, the public lands in Alaska lying within 300 feet on each side of the center line of the Alaska Highway and within 150 feet on each side of the center line of the Richardson Highway, Glenn Highway, Haines Highway, the Seward-Anchorage Highway (exclusive of that part thereof within the boundaries of the Chugach National Forest), the Anchorage-Lake Spenard Highway, and the Fairbanks-College Highway are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral-leasing laws, and reserved for highway purposes.

Easements having been established on the lands released by this order, such lands are not open to appropriation under the public land laws except as a part of a legal subdivision, if surveyed, or an adjacent area, if unsurveyed, and subject to the pertinent easement.

Public Land Order 1619

Revoking Public Land Order No. 601 of August 10, 1949 which reserved public lands for highway purposes, and partially revoking Public Land Order No. 386 of July 31, 1947.

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, and the act of August 1, 1956 (70 Stat. 898) it is ordered as follows:

1. Public Land Order No. 601 of August 10, 1949, as modified by Public Land Order No. 757 of October 16, 1951, reserving for highway purposes the public lands in Alaska lying within 300 feet on each side of the center line of the Alaska Highway and within 150 feet on each side of the center line of the Richardson Highway, Glenn Highway, Haines Highway, the Seward-Anchorage Highway (exclusive of that part thereof, within the boundaries of the Chugach National Forest), the Anchorage-Lake Spenard Highway, and the Fairbanks-College Highway, is hereby revoked.

2. Public Land Order No. 386 of July 31, 1947, so far as it withdrew the following-described lands, is hereby amended as follows:

(a) and (b) in said order, under the jurisdiction of the Secretary of War for right-of-way purposes for a telephone line and an oil pipeline with appurtenances, is hereby revoked:

(a) A strip of land 50 feet wide, 25 feet on each side of a telephone line as located and constructed generally parallel to the Alaska Highway from the Alaska-Yukon Territory boundary to the junction of the Alaska Highway with the Richardson highway near Big Delta, Alaska.

(b) A strip of land 20 feet wide, 10 feet on each side of a pipeline as located and constructed generally parallel to the Alaska Highway from the Alaska-Yukon Territory boundary to the junction of the Alaska Highway with the Richardson Highway near Big Delta, Alaska.

3. An easement for highway purposes, including appurtenant protective, scenic, and service areas, over and across the lands described in paragraph 1 of this order, extending 150 feet on each side of the center line of the highways mentioned therein, is hereby established.

4. An easement for telephone line purposes in, over, and across the lands described in paragraph 2(a) of this order, extending 25 feet on each side of the telephone line referred to in that paragraph, and an easement for pipeline purposes in, under, over, and across the lands described in paragraph 2(b) of this order, extending 10 feet on each side of the pipeline referred to in that paragraph, are hereby established, together with the right of ingress and egress to all sections of the above easements on and across the lands hereby released from withdrawal.

5. The easements established under paragraphs 3 and 4 of this order shall extend across both surveyed and unsurveyed public lands described in paragraphs 1 and 2 of this order for the specified distance on each side of the center line of the highways, telephone line and pipeline, as those center lines are definitely located as of the date of this order.

6. The lands within the easements established by paragraphs 3 and 4 of this order shall not be occupied or used for other than the highways, telegraph line and pipeline referred to in paragraphs 1 and 2 of this order except with the

permission of the Secretary of the Interior or his delegate as provided by section 3 of the act of August 1, 1956 (70 Stat. 898), provided: that if the lands crossed by such easements are under the jurisdiction of a Federal department or agency, other than the Department of the Interior, or of a Territory, State or other Government subdivision or agency, such permission may be granted only with the consent of such department, agency, or other governmental unit.

7. The lands released from withdrawal by paragraphs 1 and 2 of this order, which at the date of this order, adjoin lands in private ownership, shall be offered for sale at not less than their appraised value, as determined by the authorized officer of the Bureau of Land Management, and pursuant to section 2 of the act of August 1, 1956, supra. Owners of such private lands shall have a preference right to purchase at the appraised value so much of the released lands adjoining their private property as the authorized officer of the Bureau of Land Management deems equitable, provided, that ordinarily, owners of private lands adjoining the lands described in paragraph 1 of this order will have a preference right to purchase released lands adjoining their property, only up to the center line of the highways located therein. Preference right claimants may make application for purchase of released lands at any time after the date of this order by giving notice to the appropriate land office of the Bureau of Land Management. Lands described in this paragraph not claimed by and sold to preference claimants may be sold at public auction at not less than their appraised value by an authorized officer of the Bureau of Land Management, provided that preference claimants are first given notice of their privilege to exercise their preference rights by a notice addressed to their last address of record in the office in the Territory in which their title to their private lands is recorded. Such notice shall give the preference claimant at least 60 days in which to make application to exercise his preference right; and if the application is not filed within the time specified, the preference right will be lost. Preference right claimants will also lose their preference rights if they fail to pay for the lands within the time period specified by

the authorized officer of the Bureau of Land Management, which time period shall not be less than 60 days.

8. The lands released from withdrawal by paragraphs 1 and 2 of this order, which at the date of this order, adjoin lands in valid unperfected entries, locations, or settlement claims, shall be subject to inclusion in such entries, locations and claims, notwithstanding any statutory limitations upon the area which may be included therein. For the purposes of this paragraph, entries, locations, and claims include, but are not limited to, certificates of purchase under the Alaska Public Sales Act (63 Stat. 679; 48 U.S.C. 364a-e) and leases with option to purchase under the Small Tract Act (52 Stat. 609; 43 U.S.C. 682a) as amended. Holders of such entries, locations and claims to the lands, if they have not gone to patent, shall have a preference right to amend them to include so much of the released lands adjoining their property as the authorized officer deems equitable, provided, that ordinarily such holders of property adjoining the lands described in paragraph 1 of this order will have the right to include released lands adjoining such property only up to the center line of the highways located therein. Allowances of such amendments will be conditional upon the payment of such fees and commissions as may be provided for in the regulations governing such entries, locations, and claims together with the payment of any purchase price and cost of survey of the land which may be established by the law or regulations governing such entries, locations and claims, or which may be consistent with the terms of the sale under which the adjoining land is held. Preference right claimants may make application to amend their entries, locations, and claims at any time after the date of this order by giving notice to the appropriate land office of the Bureau of Land Management. Lands described in this paragraph, not claimed by and awarded to preference claimants, may be sold at public auction at not less than their appraised value by the authorized officer of the Bureau of Land Management, provided that preference claimants are first given notice of their privilege to exercise their preference rights by a notice addressed to their last address of record in the appropriate land office, or if the land is patented, in the Territory in which ti-

tle to their private land is recorded. Such notice shall give the claimant at least 60 days in which to make application to exercise his preference right, and if the application is not filed within the time specified the preference right will be lost. Preference right claimants will also lose their preference rights if they fail to make any required payments within the time period specified by the authorized officer of the Bureau of Land Management, which time period shall not be less than 60 days.

9(a) Any tract released by Paragraph 1 or 2 of this order from the withdrawals made by Public Land Orders Nos. 601, as modified, and 386, which remains unsold after being offered for sale under Paragraph 7 or 8 of this order, shall remain open to offers to purchase under Section 2 of the act of August 1, 1956, supra, at the appraised value, but it shall be within the discretion of the Secretary of the Interior or his delegate as to whether such an offer shall be accepted.

(b) Any tract released by Paragraph 1 and 2 of this order from the withdrawals made by Public Land Orders Nos. 601, as modified, and 386, which on the date hereof does not adjoin privately-owned land or land covered by an unpatented claim or entry is hereby opened, subject to the provisions of Paragraph 6 hereof, if the tract is not otherwise withdrawn, to settlement claim, application, selection or location under any applicable public land law. Such a tract shall not be disposed of as a tract or unit separate and distinct from adjoining public lands outside of the area released by this order, but for disposal purposes, and without losing its identity, if it is already surveyed, it shall be treated as having merged into the mass of adjoining public lands, subject, however, to the easement so far as it applies to such lands.

(c) Because the act of August 1, 1956 (70 Stat. 896; 48 U.S.C. 420-420c) is an act of special application, which authorizes the Secretary of the Interior to make disposals of lands included in revocations such as made by this order, under such laws as may be specified by him, the preference-right provisions of the Veterans Preference Act of 1944 (68 Stat. 747; 43 U.S.C. 279-284) as amended, and of the Alaska Mental

Health Enabling Act of July 28, 1956 (70 Stat. 709; 48 U.S.C. 46-3b) will not apply to this order.

10. All disposals of lands included in the revocations made by this order which are under the jurisdiction of a Federal department or agency other than the Department of the Interior may be made only with the consent of such department or agency. All lands disposed of under the provisions of this order shall be subject to the easements established by this order.

11. The boundaries of all withdrawals and restorations which on the date of this order adjoin the highway easements created by this order are hereby extended to the center line of the highway easements which they adjoin. The withdrawal made by this paragraph shall include, but not be limited to the withdrawals made for Air Navigation Site No. 7 of July 13, 1964, and by Public Land Orders No. 386 of July 31, 1947, No. 622 of December 15, 1949, No. 803 of February 27, 1952, No. 975 of June 18, 1954, No. 1037 of December 16, 1954, No. 1059 of January 21, 1955, No. 1129 of April 15, 1955, No. 1179 of June 29, 1955, and No. 1181 of June 20, 1955.

Department Order 2665

Rights-of-Way for Highways in Alaska

Section 1. Purpose. (a) The purpose of this order is to (1) fix the width of all public highways in Alaska established or maintained under the jurisdiction of the Secretary of the Interior and (2) prescribe a uniform procedure for the establishment of rights-of-way or easements over or across the public lands for such highways. Authority for these actions is contained in section 2 of the act of June 30, 1932 (47 Stat. 446, 48 U.S.C. 321a).

Section 2. Width of public highways. (a) The width of the public highways in Alaska shall be as follows:

(1) For through roads: The Alaska Highway shall extend 300 feet on each side of the center line thereof. The Richardson Highway, Glenn Highway, Haines Highway, Seward-Anchorage Highway, Anchorage-Lake Spenard Highway and

Fairbanks-College Highway shall extend 150 feet on each side of the center line thereof.

(2) For feeder roads: Abbert Road (Kodiak Island), Edgerton Cutoff, Elliott Highway, Seward Peninsula Tram Road, Steese Highway, Sterling Highway, Taylor Highway, Northway Junction to Airport Road, Palmer to Matanuska to Wasilla Junction Road, Palmer to Finger Lake to Wasilla Road, Glenn Highway Junction to Fishhook Junction to Wasilla to Knik Road, Slana to Nebesna Road, Kenai Junction to Kenai Road, University to Ester Road, Central to Circle Hot Springs to Portage Creek Road, Manley Hot Springs to Eureka Road, North Park Boundary to Kantishna Road, Paxson to McKinley Park Road, Sterling Landing to Ophir Road, Iditarod to Flat Road, Dillingham to Wood River Road, Ruby to Long to Poorman Road, Nome to Council Road and Nome to Bessie Road shall each extend 100 feet on each side of the center line thereof.

(3) For local roads: All public roads not classified as through roads or feeder roads shall extend 50 feet on each side of the center line thereof.

Section 3. Establishment of rights-of-way or easements.

(a) A reservation for highway purposes covering the lands embraced in the through roads mentioned in section 2 of this order was made by Public Land Order No. 601, of August 10, 1949, as amended by Public Land Order No. 757 of October 16, 1951. That order operates as a complete segregation of the land from all forms of appropriation under the public land laws, including the mining and the mineral leasing laws.

(b) A right-of-way or easement for highway purposes covering the lands embraced in the feeder roads and the local roads equal in extent to the width of such roads as established in section 2 of this order, is hereby established for such roads over and across the public lands.

(c) The reservation mentioned in paragraph (a) and the rights-of-way or easements mentioned in paragraph (b) will attach as to all new construction involving public roads in Alaska when the survey stakes have been set on the ground and notices have been posted at appropriate points along the

route of the new construction specifying the type and width of the roads.

Section 4. Road maps to be filed in proper Land Office. Maps of all public roads in Alaska heretofore or hereafter constructed showing the location of the roads, together with appropriate plans and specifications, will be filed by the Alaska Road Commission in the proper Land Office at the earliest possible date for the information of the public.

Right-of-Way Act of 1966

Section 1. Purpose. This Act is intended to alleviate the economic hardship and physical and mental distress occasioned by the taking of land, by the State of Alaska, for which no compensation is paid to the persons holding title to the land. This practice has resulted in financial difficulties and the deprivation of peace of mind regarding the security of one's possessions to many citizens of the State of Alaska, and which, if not curtailed by law, will continue to adversely affect citizens of this state. Those persons who hold title to land under a deed or patent which contains a reservation to the state by virtue of the Act of June 30, 1932, ch. 320, sec. 5, as added July 24, 1947, ch. 313, 61 Stat. 418, are subject to the hazard of having the State of Alaska take their property without compensation because all patents or deeds containing the reservation required by that federal Act reserve to the United States, or the state created out of the Territory of Alaska, a right-of-way for roads, roadways, tramways, trails, bridges, and appurtenant structures either constructed or to be constructed. Except for this reservation the State of Alaska, under the Alaska constitution and the constitution of the United States, would be required to pay just compensation for any land taken for a right-of-way. It is declared to be the purpose of this Act to place persons with land so encumbered on a basis of equality with all other property holders in the State of Alaska, thereby preventing the taking of property without payment of just compensation as provided by law, and in the manner provided by law.

Section 2. Taking of Property Under Reservation Void. After the effective date of this Act, no agency of the state may

take privately-owned property by the election or exercise of a reservation to the state acquired under the Act of June 30, 1932, ch. 320 sec. 5, as added July 24, 1947, ch. 313, 61 Stat. 418, and taking of property after the effective date of this Act by an election or exercise of a reservation to the state under that federal Act is void.

Section 3. Prospective Application. This Act shall not be construed to divest the state of, or to require compensation by the state for, any right-of-way or other interest in real property which was taken by the state, before the effective date of this Act, by the election or exercise of its right to take property through a reservation acquired under the Act of June 30, 1932, ch. 320, sec. 5, as added July 24, 1947, ch. 313 61 Stat. 418.

Section 4. Short Title. This Act may be cited as the Right-of-Way Act of 1966.

Section 5. Effective Date. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

APPENDIX C

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Anchorage, Alaska

October 10, 1950

Executive Order 601, August 10, 1949

Executive Order 601 of August 10, 1949, established rights of way along highways in the Territory of Alaska by means of withdrawing from all forms of entry strips a specified width on each side of each road.

The width of the right of way along the Alaska Highway is 600 feet. On all other through roads in Alaska it is 300 feet, on feeder roads 200 feet, and on local roads 100 feet.

Although Region VII, Bureau of Land Management, had attempted to have easements created rather than withdrawals, before the actual withdrawal order was issued, we had not even then begun to comprehend to what extent the Executive Order would complicate the functions of the Bureau of Land Management. The Bureau of Land Management gradually had begun to pick up momentum in the processing of various types of applications following the delegation of authority to the field. Depending upon our not being completely hamstrung by lack of funds, we could foresee the time when we could become reasonably current. And then it happened. Executive Order 601 was promulgated.

First, let me point out to you, there are no withdrawals along the railroad track of the Alaska Railroad. That is to say that the right-of-way itself is an easement rather than a strip of withdrawn land. Patents are issued to homesteaders which do not interfere with the operations of the Alaska Railroad but yet include the land upon which the tracks are built. If, in the future, a portion of the track is abandoned or the railroad decides to adopt another course, the land upon which the track was first located automatically becomes the property of the individual in whose patent or deed it was described. There are

no complications about a strip of land running up through the country owned by nobody.

Because of the existence of the withdrawal along roads, it has been ruled that no entry filed or initiated after August 10, 1949, may go across the road, unless it is in the category of a local road with a right-of-way 100 feet wide. It has not been possible for the Alaska Road Commission to officially survey all of their roads and tie them in exactly with the existing corners of the rectangular net of surveys. Until these roads are surveyed, it will not be possible in some cases to determine whether or not the road crosses a given homestead entry.

Before any patent or final certificate can be issued to homesteaders who are restricted to only one side of the road, it will be necessary to survey many roads and all of the homesteads affected by roads running through surveyed land. This adds a tremendous job and workload to our Division of Engineering. In addition, it adds a tremendous expense to the taxpayers.

There is accumulating in the Land Offices files of applications by veterans who have complied with the regulations and who now want to obtain patent. These veterans are required to live on the land seven months and are not required to cultivate. Therefore, they may make application to obtain patent or, technically, to make final proof at the end of their seven months residence period. But these papers cannot be processed because withdrawal strips run through the land. The veteran must await a survey, which may be forthcoming this field season and may be forthcoming next field season.

After the survey has been made on the ground, it is necessary for the field notes to be processed, the plats to be produced from the drafting boards, the completed plat to be sent to Washington, the plat to be approved in the Washington office, and then returned to the proper Land Office for official filing. It is optimistic to assume that the plat will be finally filed in the proper Land Office within one year of the survey on the ground. During all of this time, the veteran has been unable to publish his final proof because his land cannot be

adequately described in the notice of publication.

The Sterling Highway, going down through the Kenai Peninsula gives us a specific project to discuss. The exact location of that road was not known to the Anchorage Land Office and therefore many entries were allowed which subsequently proved to straddle the road. In the meantime the entrymen have cultivated land on one side of the road, and have built their improvements on the other side of the road. Under the present rules and regulations, each entryman must elect which side of the road he is to take, and must relinquish or give up the land on the other side of the road. We have specific cases in which the road has cut across, leaving five, six or ten acres on one side of the road, and it is here that the entryman has built his house. He has cultivated and placed his fields on the other side of the road. As the saying goes, he is between the devil and the deep blue sea, and we can be of no assistance.

Then assuming that the entryman selects the portion of his entry which includes only ten acres or less. Under the provision of an act of 1947, the Alaska Road Commission still has the right to build a road through any homestead entry and therefore, technically, the Commission could put a road through the small acreage that has been left to the entryman.

Here are some specific cases:

Anchorage 014800, Richard Teller. There are 54 acres in the whole application, which comprises two lots, one north of the other. The Sterling Highway goes through the two lots, from north to south, but not through the middle, rather toward the eastern edge, about two-thirds of the way across. Teller has built a small road and has planned to build his house on the side of the road which would force him to choose the narrow strip. Originally his entry extended to Cook Inlet, and therefore he had water frontage. Under the new regulations he must relinquish either the area where he planned to build his house, and construct a small road, and give up the portion fronting the water, or he must select the portion fronting the water and give up the area where he planned to build his house and which evidently has the best house site.

There is nothing in the regulations which require us to investigate every homestead. We have an example of a case where the homesteader had appeared to be complying with the regulations in good order. He was a veteran, and therefore was not required to cultivate. His name is Clarence E. Herman, Anchorage 014574. There is nothing in the records to indicate we should make an investigation of his homestead, therefore we went through the procedures which is called "clear listing." That is, the Division of Land Planning indicated to the Land Office that a final certificate could be issued without further investigation or negotiating of any type. However, during a recent trip to that vicinity, a field examiner was making routine investigations of other homesteads, and was incidentally checking the location of the road as he went along. He discovered that the road goes through the homestead entry of Clarence E. Herman, therefore, we must backtrack in about everything that we have done. The Notice of Allowance of Herman must be vacated. Then we will have to have the road surveyed, and then await preparation of a supplemental plat. When the supplemental plat has been processed and finally filed in the Land Office, we must require this homesteader to publish again, as he already has published at the time he submitted his final proof. This homesteader had also bumped up against the regulation which affected Department of Interior employees as he was an employee of the Alaska Road Commission, but happily that restriction has now been removed through action of the Secretary of Interior.

You will recall that the homestead regulations state that each qualified individual may obtain land under the homestead laws up to a total of 160 acres. He may take that in one entry or several entries. If he homesteads in one part of Alaska and goes to another part of Alaska, he may homestead again, so long as he has not taken up an area exceeding 160 acres. If a homesteader has less than 160 acres and some available land becomes public domain adjacent to his original holdings, under the regulations he can acquire this additional land if it does not run his total over 160 acres. He is not required to live on the additional land if it is contiguous to his original entry. As a withdrawal along a highway causes a piece of land on one

side of the road to be not contiguous to a piece of land on the other side of the road, an entryman who had 40 acres would have to make proof and complete his requirements on one side of the road, then go across the road and build a house on that side, or move his house across in order to take land only 200 feet away from his original entry. As the regulations do not prevent a person from taking lands on both sides of the road under two entries, it merely complicates the matter by providing additional filings that must be placed on record by an entryman in order to get across the road if the land is still available.

The regulations provide that an entryman may obtain 160 acres, so if the land is available, the entryman may stretch his entry far along one side of the road until he has obtained 160 acres. There is a serious question as to whether it is more undesirable to have one entry straddle the road than it is to have one entry string along one side of the road for a mile and a half or two miles.

Then another complication enters into a different phase of the work. It appears that the withdrawals are in effect through the Matanuska Valley as they are elsewhere. We have on file several applications to purchase land. Two of them, Anchorage 016216 and 016304, filed by Gerald Brunner and Floyd Rock respectively, cover only five acres each. We are assuming that in this case the proposed sale may go on both sides of the road, but in order to know exactly how many acres are in the tract after the right of way has been deducted, it is necessary to survey the road to know just where it enters and leaves each tract, and then compute the acreage. In the meantime, the sales are not consummated.

We have many thousands of acres of unsurveyed lands through which roads are now built or will be built. There are claims which were staked out and are legally filed in the U.S. Commissioners' offices before August 10, 1949, the date on which 601 was promulgated. These settlement claims, therefore, have precedence over the order. However, our surveying crews are not investigators, and as they survey down through the country, they are not aware of which claims

antedate Executive Order 601 and which do not. Therefore, to be on the safe side, they must prepare their plats with two rights of way, that which was in effect before Executive Order 601 and that which was in effect after Executive Order 601 was promulgated. It may be that there was a legal claim on the land before August 10, 1949, but the claimant decides to go back to the states and give it up. The next person who settles there must stay on one side or the other of the road, and the wider right of way becomes effective. Let us assume that the claimant who was there before August 10, 1949, decides voluntarily that he wants to be on only one side of the road, and extend his claim further back to obtain other desirable lands. In effect, therefore, he gives up his claim to the other side of the road, and immediately the wide right of way becomes effective on that side, but the narrow right of way stays in effect on the side which the claimant retains. In no one given spot will anybody be able to determine what width the right of way is without referring to official plans in the Land Offices.

Let us assume another situation. A claimant was situated within 50 feet of the center line of a through road before Executive Order 601 was promulgated. For some reason he built his house within 50 feet of the road. Then he decides that he will have to go back to the states, and sells his house and gives up his claim to another individual. This sale we will assume was made after August 10, 1949. Immediately the house is in trespass, as it is located within the right of way, and the second claimant must move it back in order to get it on his homestead claim, which starts 100 feet from the center line of the road, if the road is a feeder road, and 150 feet from the center line of the road if it is a through highway. If this situation should develop along the Alaska Highway, of course, the man would have to move the house back 300 feet from the center line of the road.

Of course the Road Commission will straighten out many of the kinks in its highway system. Whenever it does that, it leaves strips of no man's land, which are withdrawn from entry. If these strips are restored to entry, the adjoining land owner does not have preference, but veterans of World War

II have preference to obtain these strips of land. We have been advised that the withdrawal becomes effective when the Road Commission sets its survey stakes through the public domain. In some cases I would imagine that the Alaska Road Commission officials change their minds and locate the road elsewhere than where it was first surveyed. Then we may have a very real difference of opinion as to where withdrawals actually do exist.

Previously in this memorandum, I mentioned that additional expense results from the requirement that we survey the roads. Each session it would be necessary to hire two draftsmen to keep up with the work of a field crew and to do a little extra work otherwise. It would take this one survey crew working indefinitely as we do not know how many roads are located within the rectangular surveys at present, or do we know how many roads are to be built by the Alaska Road Commission in the future. We are unable to estimate how many survey crews it actually would take to keep current with this work, but it is conservatively estimated that it would cost at least \$31,000 per crew each season.

If the road rights of way were easements instead of withdrawals, it would not be necessary for us to delay processing of the applications for final proof by veterans or others. It would not again cause us to build up a backlog which will extend for 2, 3 and sometime 5 years before the surveys are all completed. The Alaska Road Commission could change their rights of way under the act of July 1947, without there being any question as to the ownership of the land. The entryman would still own the land, and the Alaska Road Commission would have an easement across it. There would not be additional expense to the taxpayers of hiring additional survey crews, and there would not be the delay in the survey program that will result in our putting experienced men on the road survey work instead of on other work that requires attention.

The situation is very grave. The results of the promulgation of Executive Order 601 were not foreseen, but now that we are operating with it in effect, we can see it's failing, and we should act accordingly.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 26, 1984

SUBJECT: Release of claims of the state
(Work Order No. 13-2222)

TO: Representative Charlie Bussell
Chairman, House Judiciary Committee

FROM: Richard A. Bradley
Legislative Counsel 

The above described bill was provided to you earlier today at Joe Brewer's request. At that time I advised Mr. Brewer that I would be providing the committee with comments on the bill.

(1) In my memorandum of April 17, I noted that not only the state but also certain municipalities of the state may avail themselves of the benefits of the Acts of Congress and public land orders in question. I stated that the rights of the municipalities were not extinguished by the bill. I think that I was wrong in part but I believe that if the typical phrase "by the state" is deleted (for example, in the title and at line 28, page 1 of the bill), this possible ambiguity is removed. I believe that it is also desirable to acknowledge that neither the state nor municipalities may avail themselves of the benefits of the easements and subsections (c) and (d) should be conformed to that effect.

(2) The committee asked that the phrase "the subservient estate" be deleted from subsection (b) and that it be replaced with "the adjoining property owners on the effective date of this Act". I have included the phrase as requested.

But I note that it is possible that the substituted phrase has a different substantive meaning from that suggested by "the subservient estate".

If I am correct that the bill is a response to State v. Alaska Land Title Ass'n., 667 P.2d 714 (Alaska 1983), cert.

Representative Charlie Bussell
Page 2
April 26, 1984

den., 52 U.S.L.W. 3509 (January 9, 1984), the bill addresses the exercise by the state and municipalities of the state of rights determined by the Alaska Supreme Court to have been created by easements established under certain Acts of Congress and certain public land orders of the U.S. Department of the Interior.

In an easement, two estates (separate ownership interests) in the same land are created. In an easement, a right of use is created in the property of another. As Black's Law Dictionary indicates, a "servient estate" (or a "subservient estate") is one that is burdened with a servitude (benefit) in favor of someone else. And the dominant estate is the right to a particular use that results from the easement.

In the situations described in the bill, the state or the municipality of the state is the owner of the dominant estate in the easement; the owner of the land adjoining the easement who also owns the land under and subject to the easement is the owner of the servient (subservient) estate.

It is the person who owns the servient estate who should receive the released and relinquished easement; that person will usually be the person whose property "adjoins" the land subject to the dominant easement but the bill confuses this distinction because there will frequently, perhaps typically be two property owners whose land "adjoins" the easement.

If I may be of further assistance, please advise.

RAB:ojb
J6/077

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 17, 1984

SUBJECT: An Act releasing claims of the state within
certain rights-of-way
(Work Order No. 13-2222)

TO: Representative Charlie Bussell
Chairman
House Judiciary Committee

FROM: Richard A. Bradley
Legislative Counsel 

You have requested the enclosed bill in final; because the draft does not address certain aspects that seem naturally raised by the bill, I have prepared the bill in draft for your consideration.

The bill seems to be a response to State v. Alaska Land Title Ass'n. 667 P.2d 714 (Alaska 1983), cert. den. 52 U.S.L.W. 3509 (January 9, 1984). While I have reviewed the case briefly preparatory to putting the bill into form for your introduction, I confess I have not sought to become altogether familiar with the law of that case.

But certain observations may be made regarding the bill.

(1) The bill deals exclusively with the use by the state of the benefits of the cited Acts of Congress and orders of the Department of the Interior.

However, as the Alaska Supreme Court's opinion indicates in passing, municipalities of the state may avail themselves of the benefits of the Acts and orders. I have not sought to extinguish the ability of these municipalities to use the Acts and orders.

(2) The rights-of-way are presently used by the state (or municipalities) to straighten the right-of-way or to widen or improve the roadbed. Those benefits will cease if the bill passes.

But the rights-of-way are also used by utilities (of both a public and private nature) for sewer and water lines, natural gas lines, electric power lines, and so forth. The bill does not indicate whether these rights continue though it seems clear that they are put in some jeopardy by the extinguishment of the estate on which they rely. Do you wish to deal with these issues? See, for example, AS 19.25.010 which provides:

Sec. 19.25.010. USE OF RIGHTS-OF-WAY FOR UTILITIES. A utility facility may be constructed, placed, or maintained across, along, over, under or within a state right-of-way only in accordance with regulations prescribed by the department and if authorized by a written permit issued by the department.

(3) While I do not have an answer to suggest, I think it is patently clear that the outer edge of the ditching, if any, along the roadway is not clean demarcation on which to base title to land; whether the existing property line reflects good public policy, or not, at least the line is clearly established. I make this point only because the provisions of the Acts of Congress, orders of the Interior Department, and the efforts of the highway department have already been a goldmine for lawyers and a source of anxiety to property owners, title insurance companies and a newly added uncertainty seems undesirable. In this connection, you may wish to consider the concepts implied in AS 19.25.070.

(4) Finally, note that I have followed the draft provided to us in drafting this bill. But subsecs. (b) - (e) are altogether contained within (a) of the bill and are unnecessary.

If I may be of further assistance, please advise.

RAB:ojb
J6/054 Enclosure

1. Prospective vs. retroactive application.
2. State vs. private interests
3. Description of extent of easement
4. 1966 act - same provisions
5. Effect of Sup Ct case on 1966 act

Sup Ct interpreted 66 act to apply only to 1947 Fed act - PLO orders apply to the 1932 Act.

→ Add provisions of Proposed Bill would be sure that these included.

Validity of quitclaim deed - being challenged in remand of case.

State law cannot affect if not a valid.

AG may hold 1966 act as unconstitutional.

Utility easements in r-of-way.

MEMORANDUM RE HOUSE BILL
TO RELINQUISH RIGHTS-OF-WAY

Alaska achieved statehood twenty-five years ago. Before statehood the Department of Interior, through certain Public Land Orders, took rights-of-way for roads from landowners without compensating the landowners. Since statehood the Department of Transportation and Public Facilities (DOTPF), acting for the State of Alaska, is still taking private property without compensating the landowners.

In 1966, the Alaska State Legislature enacted Ch. 92 (HB 415 am) which prohibited such takings by the State. The purpose of the law was to "alleviate economic hardship and physical and mental distress occasioned by the taking of land by the State of Alaska [for] which no compensation is paid to the person holding title to the land." The Legislature prohibited any further utilization of rights-of-way pursuant to various Public Land Orders and federal acts.

At the time of Statehood the State received a quit claim deed from the federal government conveying to the State certain roads built by the United States. DOTPF claims that the quit claim deed also conveyed certain easements or rights-of-way that were not described therein but included in Public Land Orders that were not even recorded in the various Recorders Offices throughout the state. DOTPF presently claims a right to highway rights-of-way varying in width from 100 to 300 feet surrounding

every major highway in the state and a smaller easement for most of the local roads throughout the state. When DOTPF determines that it needs to expand or modify an existing roadway where it claims a right-of-way exists by virtue of the federal government, it does so without paying compensation to the landowner for the value of the property taken.

The reservations for rights-of-way and easements were made by the federal government between 1947 and 1956. They were set forth in a series of Public Land Orders (namely PLO 601, 757, and 1613) and a Department of Interior Order (DO 2665) which were not recorded in District Recorders Offices in Alaska but were published in the Federal Register, which was a publication utilized by federal agencies.

The rights-of-way and reservations were not specifically included in the patents issued to homesteaders in Alaska. Homesteaders in Alaska were not informed of the existence of the easements and rights-of-way at the time they were issued patents and did not know the federal government was claiming a portion of their property for highway purposes. Now DOTPF is claiming right-of-way easements in the same way by virtue of the quit claim deed mentioned above.

No landowner or member of the public can know where DOTPF claims a right-of-way easement because those easements are not recorded and are not shown on plats available in the Recorder's Offices.

The Supreme Court of Alaska, in State v. A.L.T.A., has held that the easements are valid. The decision is wrong and must be reversed through the enactment of a law that will relinquish these easements and require DOTPF to pay just compensation for lands taken by them.

STATE of Alaska,
Appellant/Cross-Appellee,

v.

ALASKA LAND TITLE ASSOCIATION;
Security Title and Trust Company of
Alaska; Alaska Title Guaranty Compa-
ny; Brokers Title Company; Lawyers
Title Insurance Agency, Inc.; Safeco Ti-
tle Agency, Inc.; Fairbanks Title Agen-
cy; Valley Title and Escrow Company;
First American Title Insurance Compa-
ny; Transamerica Title Insurance Com-
pany; Hansen Associates, an Alaska
Limited Partnership; Richard L. Boy-
sen; and Jack White Company, Appel-
lees/Cross-Appellants,

and

Theodore M. Pease, Jr., and Claire V.
Pease, Appellees.

TRANSAMERICA TITLE INSURANCE
COMPANY, Appellant,

v.

Theodore M. PEASE, Jr., and Claire V.
Pease, Appellees.

Nos. 5407, 5408.

Supreme Court of Alaska.

May 27, 1983.

Appellees and Cross-Appellants Petition
for Rehearing Denied July 8, 1983.

Appellants and Cross-Appellees Petition
for Rehearing Granted July 8, 1983.

As Amended July 8, 1983.

Action was brought for declaratory judgment by association representing various title insurance companies, individual title insurance companies, and several landowners against State, municipality, and others. The Superior Court, Third Judicial District, Anchorage, Victor D. Carlson, J., entered judgment against State and title insurance company, and appeal was taken. The Supreme Court, Matthews, J., held that: (1) trial court erred in declaring that State could not take or utilize any portion

of property owner's land for local road which was in excess of 33 foot easement; (2) trial court erred in declaring that neither State nor municipality could take any portion of landowner's property for through road which was in excess of easement widths specified in their respective patents without just compensation; and (3) publication in Federal Register imparted constructive notice and served to preclude subsequent innocent purchaser status.

Affirmed in part, reversed in part, and remanded.

Rabinowitz, C.J., dissented in part and filed opinion.

1. Public Lands ⇐ 135(1)

Right-of-Way Act of 1966, which precludes State from taking privately owned property by election or exercise of reservation to State and that Act shall not be construed to divest State of any right-of-way or other interest in real property which was taken by State, before effective date of Act, by election or exercise of its right to take property through a reservation, was not applicable to State's claim of 50 foot road easement along south boundary of landowner's property, in that easement in question was established by departmental order under authority of statute to which Right-Of-Way Act was inapplicable. 48 U.S.C. (1958 Ed.) §§ 321a, 321d.

2. Public Lands ⇐ 135(1)

Staking requirement of subsection of department of interior order providing that reservation and rights of way or easements will attach as to all new construction involving public roads in Alaska when survey stakes have been set on ground and notices have been posted at appropriate points along route of new construction specifying type and width of roads was not applicable to road affecting landowner's property, in that road was an existing road when order was promulgated, while subsection by its express terms only applies to new construction.

3. Public Land

Before his must be either appropriate p clearly manifest grant, or there a period of tin as to prove tha ed.

4. Public Land

Staking re interior order highway, in th by time of hor predecessor. 4

5. Public Land

Trial court ther State nor portion of landc road which was was specified i without just co

6. Public Lands

Trial court certain landown tion against St neither State n any portion of t road which was was specified i without just con er's property wa was not hereaft statute under w was limited to taken up, or loc: Pickett Act, §§ §§ 141, 142; 48

7. Insurance ⇐

Title insura: property owners 17 foot strip tak partment order, lic land order in constructive noti affected.

8 Public Lands

Public land Federal Register.

3. Public Lands ⇨64

Before highway may be created, there must be either some positive act on part of appropriate public authorities of state, clearly manifesting an intention to accept a grant, or there must be public user for such a period of time and under such conditions as to prove that the grant has been accepted.

4. Public Lands ⇨135(1)

Staking requirement of department of interior order was inapplicable to certain highway, in that highway was in existence by time of homestead entry of landowners' predecessor. 48 U.S.C. (1958 Ed.) § 321d.

5. Public Lands ⇨135(1)

Trial court erred in declaring that neither State nor municipality could take any portion of landowner's property for through road which was in excess of easement which was specified in their respective patents without just compensation.

6. Public Lands ⇨135(1)

Trial court properly determined that certain landowners were entitled to declaration against State and municipality that neither State nor municipality could take any portion of their properties for through road which was in excess of easement which was specified in their respective patents without just compensation, where landowner's property was entered in 1945, so that it was not hereafter entered for purposes of statute under which mandatory reservation was limited to patents for land hereafter taken up, or located in territory of Alaska. Pickett Act, §§ 1, 2, 43 U.S.C. (1970 Ed.) §§ 141, 142; 48 U.S.C. (1958 Ed.) § 321d.

7. Insurance ⇨426.1

Title insurance company was liable to property owners under policy for value of 17 foot strip taken pursuant to interior department order, in that publication of public land order in Federal Register imparted constructive notice of order as to land it affected.

8. Public Lands ⇨138

Public land orders, which appeared in Federal Register, imparted constructive no-

tice of conflicting deed or encumbrance, thereby preventing property owner from claiming innocent purchaser status.

9. Estoppel ⇨62.2(2)

Because publication of land orders in Federal Register imparted constructive notice of easements which they created, that notice made reliance unreasonable, and thus State was not estopped from claiming any easements under orders here involved.

10. Public Lands ⇨135(1)

By operation of law, land conveyed by the United States is taken subject to previously established rights of way where instruments of conveyance are silent as to the existence of such rights of way.

11. Public Lands ⇨135(1)

No suit to vacate or annul a patent in order to establish a previously existing right-of-way is necessary because patent contains an implied bylaw condition that it is subject to such a right-of-way, and thus statute of limitations expressed by statute providing that suits by the United States to vacate and annul any patent shall only be brought within six years after the date of the issuance of such patents did not apply. 43 U.S.C.A. § 1166.

Jack McGee, Asst. Atty. Gen., Wilson Condon, Atty. Gen., Juneau, for appellant/cross-appellee.

David A. Devine and Michael W. Price, Groh, Eggers, Robinson, Price & Johnson, Anchorage, for appellees/cross-appellants.

Before RABINOWITZ, C.J., and BURKE, MATTHEWS and COMPTON, JJ.

OPINION

MATTHEWS, Justice.

This is an action for a declaratory judgment brought by an association representing various title insurance companies, individual title insurance companies, and several landowners against the State of Alaska, the Municipality of Anchorage, and Theo-

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dore and Clair Pease. Nine claims for relief were presented.

The first claim sought a determination that a title insurance policy issued by Transamerica Title Insurance Company to the Peases excluded from coverage any rights-of-way created pursuant to certain Interior Department Orders, namely, Public Land Orders 601, 757, 1613, and Departmental Order 2665.

The second claim for relief sought a declaration that claimed easements for "local roads" as defined in DO 2665 could not be used by the State or municipal governments because of the Alaska Right of Way Act of 1966.

The third related to "feeder roads" as defined in PLO 601 and DO 2665, seeking a declaration that rights-of-way for such roads could not be utilized because of the Alaska Right of Way Act of 1966.

The fourth claim for relief concerned property owned by plaintiff Hansen Associates along the Seward Highway. It alleged that the original patentee had made a homestead entry prior to the effective date of the first order involved, PLO 601, and sought a declaration that no through road easement under PLO 601 or any of its successors could be claimed.

The fifth claim for relief referred to a quitclaim deed given on or about April 7, 1959, conveying the United States' interests in the highways in Alaska to the State. The deed was recorded October 2, 1969. This claim sought a declaration that the quitclaim deed would have no effect on bona fide purchasers for value who purchased and recorded prior to the State's recording of the quitclaim deed.

The sixth claim for relief alleged that the failure of the United States or the State to record PLOs 601, 757, and 1613 and DO 2665 in a State recording office rendered any easements that might otherwise have been created by those orders void as against subsequent innocent purchasers for value who first duly recorded their interests.

The seventh claim alleged a theory of estoppel against the State and Municipality,

claiming that for twenty years they had allowed property owners to develop property on which they now claim an easement pursuant to PLOs 601, 757, and 1613 and DO 2665, that no notice of such claims had been given, and that individual property owners would be prejudiced if the State and the Municipality were now permitted to utilize such easements.

The eighth claim sought a declaration that no easement could be taken by the State or the Municipality for a local, feeder, or through road under the authority of PLOs 601, 757, and 1613 or DO 2665 because of the Right of Way Act of 1966.

The ninth claim alleged that prior to the quit-claim deed from the United States to the State of April 7, 1959, the United States had patented to private landowners property which included rights-of-way now claimed by the State. A declaration was sought that these patents were conclusive as against the State and that the patents could not be vacated or annulled because of the six year statute of limitations set forth in 43 U.S.C. § 1166.

The Peases cross-claimed against the State, alleging that the State unlawfully claimed a 50 foot road easement along the south boundary of their property whereas only a 33 foot easement was described in the patent from the United States to their predecessor-in-interest. They sought just compensation for the 17 foot difference in the approximate sum of \$3,000.00 plus interest from the date of taking. The Peases also counterclaimed against Transamerica, alleging that if the State was entitled to a full 50 foot right-of-way Transamerica would be obliged under the title policy to compensate them for the value of the 17 foot strip.

Before answering, the State filed a motion for a more definite statement requesting legal descriptions of property across which the complaint alleged that the State was claiming rights-of-way. In response, the plaintiffs described the property owned by Hansen Associates along the Seward Highway, with respect to the fourth claim for relief, and property owned by plaintiff

Richard L. Boy: Seward Highway claim. The complaint, pleading legal theories of

The State, allowed for summary claims. The motion, granted the second, third, and fourth Peases' motion and counterclaim memorandum of actions the court judgment contained graphs, which present the particular.

1. The State Municipality of Anchorage way easements through roads widths specific Alaska property owned claimed by the pursuant to Alaska Land Order Department Order set forth in the dated May 7, awards Plaintiff against the State Municipality of Anchorage State and the State or utilize property through roads set forth in the patent parties without owners of the such local, feeder occupied and State or the Municipality to April 14, 1959 designated in the real properties.

2. The Plaintiffs and Richard L. Boy awarded a summary judgment the State of Alaska of Anchorage and State nor the Municipality portion of the through road project Seward Highway

Richard L. Boysen which also lay along the Seward Highway, with respect to the seventh claim. The State then answered the complaint, placing in controversy all the legal theories of the plaintiffs.

The State, all plaintiffs, and the Peases moved for summary judgment as to all claims. The court denied the State's motion, granted the plaintiffs' motion as to the second, third, and eighth claims, and granted the Peases' motion as to their cross-claim and counterclaim. Following entry of a memorandum of decision reflecting these actions the court entered a declaratory judgment containing four numbered paragraphs, which proceed from the abstract to the particular. They are:

1. The State of Alaska and the Municipality of Anchorage are claiming highway easements for local, feeder, and through roads in excess of easement widths specified in patents issued to Alaska property owners. Said easements are claimed by the State or the Municipality pursuant to authority derived from Public Land Orders 601, 757, 1513 and Department Order 2665. For the reasons set forth in the Memorandum of Decision dated May 7, 1980, the court hereby awards Plaintiffs a summary judgment against the State of Alaska and the Municipality of Anchorage declaring that the State and the Municipality may not take or utilize property for local, feeder, or through roads in excess of the widths set forth in the patents to the affected properties without just compensation to the owners of the affected properties unless such local, feeder, or through roads were occupied and staked by the State of Alaska or the Municipality of Anchorage prior to April 14, 1966, or were specifically designated in the patents to the affected real properties.

2. The Plaintiffs Hanson [sic] Associates and Richard L. Boysen are hereby awarded a summary judgment against the State of Alaska and the Municipality of Anchorage declaring that neither the State nor the Municipality can take any portion of their properties for the through road presently known as the Old Seward Highway which is in excess of

the easement widths specified in their respective patents without just compensation.

3. The Defendants Pease are hereby awarded a summary judgment on their cross-claim against the State of Alaska declaring that the State may not take or utilize any portion of the Peases' land for the local road presently known as Rabbit Creek Road which is in excess of the 33-foot easement width specified in the patent to the Peases' property without just compensation. The Peases' property is described as Lot 191, Section 33, Township 12 North, Range 3 West, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska.

4. The Defendants Pease are hereby awarded a summary judgment on their counterclaim against Transamerica Title Insurance Company declaring that Transamerica is liable under its title insurance policy issued to the Peases for the taking by the State of Alaska of a 17-foot strip of land for the local road known as Rabbit Creek Road, which 17-foot strip of land was in excess of a 33-foot easement specified in the Peases' patent. However, since the State of Alaska must compensate the Peases for the taking or utilization of said additional 17-foot easement, the Peases shall collect just compensation from the State of Alaska, and upon receipt of said just compensation the Peases shall not be entitled to recover damages from Transamerica Title Insurance Company for said taking of the additional 17-foot strip of property.

The State has appealed from this judgment. The plaintiffs have cross-appealed, claiming that the superior court should have granted them judgment on their fourth, fifth, sixth, seventh, and ninth claims for relief. In addition, Transamerica Title has appealed from the judgment against it in favor of the Peases.

I

THE STATE'S APPEAL AS TO THE PEASES' PROPERTY

We turn first to the appeal of the State as it relates to the Peases' property.

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The patent to the 2.5 acre Pease parcel was issued on October 4, 1955, pursuant to the Small Tract Act of 1938, 43 U.S.C. §§ 682a-682e (1938), *repealed by* Pub.L. No. 94-579, Title VII, § 702 (1976). The lot was leased to the Peases' predecessor-in-interest on May 1, 1953. The patent contains two relevant reservations. One is a blanket reservation for roads "constructed or to be constructed by or under authority of the United States or by any State created out of the Territory of Alaska, . . ." This reservation was made pursuant to 48 U.S.C. § 321d, ch. 313, 61 Stat. 418 (1947), *repealed by* Pub.L. No. 86-70, § 21(d)(7), 73 Stat. 146 (1959), which provides in part:

In all patents for lands hereafter taken up, entered, or located in the Territory of Alaska, and in all deeds by the United States hereafter conveying any lands to which it may have reacquired title in said Territory not included within the limits of any organized municipality, there shall be expressed that there is reserved, from the lands described in said patent or deed, a right-of-way thereon for roads, roadways, highways, tramways, trails, bridges, and appurtenant structures constructed or to be constructed by or under the authority of the United States or of any State created out of the Territory of Alaska. . . .

The other relevant reservation in the patent reserves a 33 foot right-of-way for roadway purposes along the south and east bounda-

ries of the tract. Rabbit Creek Road lies on the south boundary of the Peases' property. As this case has been presented all parties have assumed that Rabbit Creek Road was in existence as a local road at all times relevant to the various orders hereafter discussed. We make the same assumption.

In 1978 the State widened Rabbit Creek Road from 66 feet to 100 feet. The road occupied a 33 foot strip on the Peases' property before widening and a 50 foot strip after widening. The State claimed a 50 foot easement on each side of the center line of Rabbit Creek Road, citing PLOs 601¹ and 757,² and DO 2665³ as authority for widening the road without compensating the Peases for taking the extra 17 feet.

PLO 601, effective August 10, 1949, withdrew "the public lands in Alaska lying within . . . 150 feet on each side of the center line of all . . . through roads, 100 feet on each side of the center line of all feeder roads, and 50 feet on each side of the center line of all local roads, . . . from all forms of appropriation under the public land laws, . . ." and reserved them "for highway purposes."⁴

The Secretary of the Interior promulgated PLO 757 and DO 2665 on October 19, 1951. 16 Fed.Reg. 10,749, 10,752 (1951). DO 2665 was filed first. *Id.* at 10,752. It established, among other things, easements, rather than withdrawals, of 50 feet on each

of appropriation under the public land laws, including the mining and mineral-leasing laws, and reserved for highway purposes:

Through Roads

Alaska Highway, Richardson Highway, Glenn Highway, Haines Highway, Tok Cut-Off.

Feeder Roads

Steese Highway, Elliott Highway, McKinley Park Road, Anchorage-Potter-Indian Road, Edgerton Cut-Off, Tok Eagle Road, Ruby-Long-Poorman Road, Nome-Solomon Road, Kenai Lake-Homer Road, Fairbanks-College Road, Anchorage-Lake Spenard Road, Circle Hot Springs Road.

Local Roads

All roads not classified above as Through Roads or Feeder Roads, established or maintained under the jurisdiction of the Secretary of the Interior.

Id. at 5048-49 (1949).

1. 14 Fed.Reg. 5048 (1949).
2. 16 Fed.Reg. 10,749 (1951).
3. 16 Fed.Reg. 10,752 (1951).
4. 14 Fed.Reg. 5048 (1949). The quoted language is from the sixth paragraph of PLO 601. The sixth paragraph in full states:

Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes, the public lands in Alaska lying within 300 feet on each side of the center line of the Alaska Highway, 150 feet on each side of the center line of all other through roads, 100 feet on each side of the center line of all feeder roads, and 50 feet on each side of the center line of all local roads, in accordance with the following classifications, are hereby withdrawn from all forms

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5. 16 Fed. Reg. 10,752 (1951).

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side of the center line of each local road and of 100 feet as to each feeder road.⁵ PLO 757 amended the sixth paragraph of PLO 601, see note 4 *supra*, increasing the withdrawal for the Seward Highway [the Anchorage-Potter-Indian Road in PLO 601] from 100 feet to 150 feet on each side of the center line. 16 Fed.Reg. 10,749, 10,750 (1951). PLO 757 repealed the general withdrawal for local and feeder roads contained in the sixth paragraph of PLO 601, thus

5. 16 Fed.Reg. 10,752 (1951). DO 2665 provides:

Rights-of-Way for Highways in Alaska

Section 1. *Purpose.* (a) The purpose of this order is to (1) fix the width of all public highways in Alaska established or maintained under the jurisdiction of the Secretary of the Interior and (2) prescribe a uniform procedure for the establishment of rights-of-way or easements over or across the public lands for such highways. Authority for these actions is contained in section 2 of the act of June 30, 1932 (47 Stat. 446, 48 U.S.C. 321a).

Section 2. *Width of public highways.* (a) The width of the public highways in Alaska shall be as follows:

(1) For through roads: The Alaska Highway shall extend 300 feet on each side of the center line thereof. The Richardson Highway, Glenn Highway, Haines Highway, Seward-Anchorage Highway, Anchorage-Lake Spenard Highway and Fairbanks-College Highway shall extend 150 feet on each side of the center line thereof.

(2) For feeder roads: Abbott Road (Kodiak Island), Edgerton Cutoff, Elliott Highway, Seward Peninsula Tram road, Steese Highway, Sterling Highway, Taylor Highway, Northway Junction to Airport Road, Palmer to Matanuska to Wasilla Junction Road, Palmer to Finger Lake to Wasilla Road, Glenn Highway Junction to Fishhook Junction to Wasilla to Knik Road, Slana to Nabesna Road, Kenai Junction to Kenai Road, University to Ester Road, Central to Circle Hot Springs to Portage Creek Road, Manley Hot Springs to Eureka Road, North Park Boundary to Kantishna Road, Paxson to McKinley Park Road, Sterling Landing to Ophir Road, Iditarod to Flat Road, Dillingham to Wood River Road, Ruby to Long to Poorman Road, Nome to Council Road and Nome to Bessie Road shall each extend 100 feet on each side of the center line thereof.

(3) For local roads: All public roads not classified as through roads or feeder roads shall extend 50 feet on each side of the center line thereof.

Section 3. *Establishment of rights-of-way or easements.* (a) A reservation for highway purposes covering the lands embraced in the through roads mentioned in section 2 of this

effecting a revocation of the 601 withdrawals as to them. However, PLO 757 acknowledged that DO 2665 had already established easements as to feeder and local roads and did not purport to revoke them. The final paragraph of PLO 757 states:

Easements having been established on the lands released by this order, such lands are not open to appropriation under the public land laws. . . .⁶

order was made by Public Land Order No. 601 of August 10, 1949, as amended by Public Land Order No. 757 of October 16, 1951. That order operates as a complete segregation of the land from all forms of appropriation under the public-land laws, including the mining and the mineral leasing laws.

(b) A right-of-way or easement for highway purposes covering the lands embraced in the feeder roads and the local roads equal in extent to the width of such roads as established in section 2 of this order, is hereby established for such roads over and across the public lands.

(c) The reservation mentioned in paragraph (a) and the rights-of-way or easements mentioned in paragraph (b) will attach as to all new construction involving public roads in Alaska when the survey stakes have been set on the ground and notices have been posted at appropriate points along the route of the new construction specifying the type and width of the roads.

Section 4. *Road maps to be filed in proper Land Office.* Maps of all public roads in Alaska heretofore or hereafter constructed showing the location of the roads, together with appropriate plans and specifications, will be filed by the Alaska Road Commission in the proper Land Office at the earliest possible date for the information of the public.

Id.

6. 16 Fed.Reg. 10,749, 10,750 (1951). The text of PLO 757 so far as it is relevant here states:

The sixth paragraph of Public Land Order No. 601 of August 10, 1949, reserving public lands for highway purposes, commencing with the words "Subject to valid existing rights", is hereby amended to read as follows:

Subject to valid existing rights and to existing surveys and withdrawals for other than highway purposes and public lands in Alaska lying within . . . 150 feet on each side of the center line of the . . . Seward-Anchorage Highway . . . are hereby withdrawn from all forms of appropriation under the public-land laws including the mining and mineral-leasing laws, and reserved for highway purposes.

Easements having been established on the lands released by this order, such lands are

[1] The court erred in applying the Right-of-Way Act of 1967 to the Pease case. It is applicable only to interests taken by the State under a blanket reservation created pursuant to 48 U.S.C. § 321d. We held in *Green* that easements established by DO 2665 were established under the authority of section 321a, not section 321d.⁸ *Green*, 586 P.2d at 600 n. 17. Further, we held in *State, Department of Highways v. Crosby*, 410 P.2d 724 (Alaska 1966) that § 321d did not apply at all to patents issued under the Small Tract Act. *Id.* at 728.

[2] The superior court also concluded in its Memorandum of Decision that the easement which otherwise would have been created under DO 2665 on Rabbit Creek Road did not come into being "until the right-of-way was staked by the terms of DO 2665." This statement refers to subsection 3(c) of DO 2665, which provides:

The reservation mentioned in paragraph (a) and the rights-of-way or easements mentioned in paragraph (b) will attach as to all new construction involving public roads in Alaska when the survey stakes have been set on the ground and notices have been posted at appropri-

8. A memorandum from the Chief Counsel of the Bureau of Land Management to the Director of the Bureau, dated February 7, 1951, explains well the extent of the authority granted to the Secretary of the Interior under § 321a. The memorandum states in part:

Prior to the issuance of Public Land Order No. 601 . . . , nearly all public roads in Alaska were protected only by easements. Right-of-way easements were acquired under section 2477 of the Revised Statutes (43 U.S.C. sec. 932) by the construction of roads. This section granted a right-of-way for the construction of highways over public lands not reserved for public uses.

Section 2 of the Act of January 27, 1905 (33 Stat. 616), incorporated with amendments into 48 U.S.C. secs. 321-323, established a Board of Road Commissioners in the then Territory of Alaska to function under the jurisdiction of the Secretary of War. This section provided:

"Sec. 2. * * * The said board shall have the power, and it shall be their duty, upon their own motion or upon petition, to locate, lay out, construct, and maintain wagon roads and pack trails * * *. The said board shall prepare maps, plans, and specifications of

ate points along the route of the new construction specifying the type and width of the roads.⁹

The superior court's conclusion that the staking requirement of section 3(c) was applicable to Rabbit Creek Road is erroneous. Section 3(c) by its express terms only applies to new construction. Rabbit Creek Road was an existing road when the order was promulgated. As to existing roads, subsection 3(b) of the order establishes a 50 foot easement in the present, rather than the future, tense and contains no call for additional action in order to fix the easement. It states:

A right-of-way or easement for highway purposes covering the lands embraced in the . . . local roads equal in extent to the width of such roads as established in section 2 of the order, is hereby established for such roads over and across the public lands.

16 Fed.Reg. 10,752 (1951) (emphasis added). Subsection (3) of section 2 of DO 2665 set the width of local roads at 50 feet on each side of the center line. Thus, these two sections of DO 2665 established a 50 foot easement for Rabbit Creek Road.

every road or trail they may locate and lay out, * * *"

Section 3 of the Act of August 24, 1912 (37 Stat. 512, 48 U.S.C. secs. 23 and 24), under which Alaska was organized as a Territory, provided that the authority of the legislature of the Territory should not extend to certain statutes of the United States including the Act of January 27, 1905, *supra*, and the several acts amendatory thereof.

Section 2 of the Act of June 30, 1932 (47 Stat. 446, 48 U.S.C. sec. 321a), provides:

"Sec. 2. The Secretary of the Interior shall execute or cause to be executed all laws pertaining to the construction and maintenance of roads and trails and other works in Alaska heretofore administered by said board of road commissioners under the direction of the Secretary of War; * * *"

The authority of the Secretary of the Interior conferred by the above-cited acts to "locate, lay out, construct and maintain" public roads in Alaska clearly implies the right to fix the width of the roads. This width is not fixed by any statute.

9. 16 Fed.Reg. 10,752 (1951). For the full text of DO 2665, see note 5 *supra*.

[3] The history of the promulgation of DO 2665 also demonstrates that the staking requirement applies only to new construction, not existing roads. In territorial days road easements were created across public land under 43 U.S.C. § 932, *repealed by* Pub.L. No. 94-579, Title VII, § 706(a) (1976), a statute remarkable for its brevity, which provided:

The right-of-way for the construction of highways over public lands, not reserved for public uses, is hereby granted. This blanket grant had to be accepted. A common method of acceptance was the building of a road by a public authority.¹⁰ But other methods of acceptance were also recognized. As we stated in *Hamerly v. Denton*, 359 P.2d 121 (Alaska 1961) with respect to 43 U.S.C. § 932:

[B]efore a highway may be created, there must be either some positive act on the part of the appropriate public authorities of the state, clearly manifesting an intention to accept a grant, or there must be public user for such a period of time and under such conditions as to prove that the grant has been accepted.

Id. at 123 (footnote omitted). In *Girves v. Kenai Peninsula Borough*, 536 P.2d 1221 (Alaska 1975), we held that enactment by the territorial legislature of a law dedicating a four rod strip along all section lines for roadway purposes was a positive act of acceptance of the section 932 grant. *Id.* at 1225-26.

When acceptance of the section 932 grant occurred by construction of a road by an appropriate public authority, a question remained regarding the width of the right-of-way thereby created. It was held that the width was not confined necessarily to the traveled portion of the roadway, but that "local laws, customs and usages" would control. *City of Butte v. Mikosowitz*, 39 Mont. 350, 102 P. 593, 595-96 (1909); *see also Ball v. Stephens*, 68 Cal.App.2d 843, 158 P.2d 207, 209 (1945).

10. *See Clark v. Taylor*, 9 Alaska 298, 303 (D.Alaska 1938); *Ball v. Stephens*, 68 Cal. App.2d 843, 158 P.2d 207, 209 (1945); *Moulton v. Irish*, 67 Mont. 504, 218 P. 1053, 1054 (1923).

One purpose of DO 2665 was to define as a matter of local law or usage the width of roadway easements which had been created by the construction of roads and which would be created in the future by the construction of new roads. The memorandum of February 7, 1951, from the chief counsel of the Bureau of Land Management to the Bureau's director¹¹ makes this clear:

Notwithstanding that section 2477 of the Revised Statutes (43 U.S.C. § 932) does not fix the width of the rights-of-way granted by it, the width when fixed by a positive act of the proper State or Territorial authorities has been held valid. *Costain v. Turner* (1949) [72 S.D. 427], 36 N.W.2d 382; *Butte v. Mikosowitz* (1909) [39 Mont. 350], 102 P. 593. In both cases, the width fixed included an area in excess of the beaten path or track. The reasons which sustain the conclusion reached in those cases support the conclusion that in the case of public highways in Alaska constructed or maintained under the jurisdiction of the Secretary of the Interior, the width of the highways may be fixed by that official.

The memo goes on to suggest the publication of an order, which was to become DO 2665, in terms which make it clear that the staking requirement only applies to new construction and not to existing roads:

The following procedure is suggested for the establishment of highway easements of prescribed widths in Alaska:

(1) The issuance of an order by the Secretary of the Interior to be published in the Federal Register fixing the width for existing roads and the width for new construction, including changes in the location of existing roads, and extensions of such roads. *In the case of new construction, the order can only be effective when the survey stakes have been set on the ground.*

(Emphasis added).

Further, the Superior Court's conclusion that the staking requirement applies to ex-

11. An excerpt from this memorandum is quoted at note 8 *supra*.

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isting roads as well as to roads to be constructed in the future is in conflict with our holding in *Green, supra*. The local road in question there was constructed before the promulgation of DO 2665. As to the Green parcel, we held that the 50 foot right-of-way was fixed as of the promulgation of the order. *Green*, 586 P.2d at 604.

For these reasons we conclude that the State's appeal with respect to the adverse judgment on the cross-claim of the Peases is well-founded. The third paragraph of the declaratory judgment is therefore reversed. Since the first paragraph of the judgment includes the situation presented in the Pease case, it too must be reversed.

II

THE STATE'S APPEAL AS TO BOYSEN'S PROPERTY

The discussion in this section concerns the plaintiff's eighth claim for relief, which is reflected in the second and third paragraphs of the judgment. This discussion is also relevant to the second claim for relief relating to feeder roads. Because specific facts concerning the Hansen parcel require that it be treated differently, we exclude it from this discussion and focus instead on the Boysen property.

This aspect of the case involves an additional public land order that was not involved in the discussion of the Pease case. This order, PLO 1613, was promulgated April 7, 1958. 23 Fed.Reg. 2376, 2378 (1958). PLO 1613 revoked PLO 601 which,

12. 23 Fed.Reg. 2376, 2377 (1958). PLO 1613 provides in pertinent part:

1. Public Land Order No. 601 of August 10, 1949, as modified by Public Land Order 757 of October 16, 1951, reserving for highway purposes the public lands of Alaska lying ... within 150 feet on each side of the center line of the ... Seward-Anchorage Highway ... is hereby revoked.

3. An easement for highway purposes, including appurtenant protective, scenic and service areas, over and across the lands described in paragraph 1 of this order, extending 150 feet on each side of the center line of the highways mentioned therein, is hereby established.

as modified by PLO 757, had withdrawn and reserved for highway purposes 150 feet on each side of the Seward Highway. *Id.* at 2376. PLO 1613 converted the 150 foot Seward Highway right-of-way to an easement of the same width.¹²

The Boysen parcel consists of some 80 acres joining the Seward Highway. The patent was issued to Boysen's predecessor on May 15, 1952, under the Homestead Act. The homestead entry was made January 2, 1951. The patent contains a blanket reservation for road rights-of-way as required by 48 U.S.C. § 321d. See page 718 *supra*.

Setting aside the possible effect of the section 321d reservation, the homestead entry of Boysen's predecessor in January 1951 fixes the date from which the property rights of the owners of the parcel are to be measured.¹³ As of that date, PLO 601 had withdrawn 100 feet of land from each side of the center line of the Seward Highway. 14 Fed.Reg. 5048 (1949).

The superior court was apparently of the view that unless the State had fully occupied or staked this 100 feet before the effective date of the Right-of-Way Act of 1966, that act eliminated the withdrawal. We disagree.

[4] The Seward Highway was in existence by the time of the homestead entry. The superior court apparently imposed the staking requirement because of section 3 of DO 2665.¹⁴ For the reasons we have expressed with respect to the Peases' property, the superior court's conclusion concerning the applicability of the staking require-

5. The easements established under paragraphs 3 and 4 of this order shall extend across both surveyed and unsurveyed public lands described in paragraphs 1 and 2 of this order for the specified distance on each side of the center line of the highways ... as those center lines are definitely located as of the date of this order.

Id. at 2376-77.

13. See part III *infra*.

14. Subsection (a)(1) of section 1 of DO 2665 recognizes expressly the 150 foot withdrawal for the Seward Highway expressed in PLO 757. See note 5 *supra*.

ment to the Seward Highway is erroneous. The Seward Highway was not new construction in 1949, when PLO 601 was promulgated, or in 1951, when DO 2665 was promulgated. It had a fixed location and the boundaries of its right-of-way were ascertainable by referring to the applicable PLO and measuring from its center line.

In addition, the 100 foot right-of-way first created by PLO 601 does not depend for its existence on the reservation placed in the patent under section 321d. PLO 601 was issued pursuant to Executive Order 9337, 8 Fed.Reg. 5516 (1943), under which the President of the United States delegated his authority to the Secretary of the Interior under 43 U.S.C. § 141, ch. 421, § 1, 36 Stat. 847 (1910), *repealed by* Pub.L. No. 94-579, Title VII, § 704(a) (1976), authorizing withdrawal of public lands in Alaska for specified public purposes.¹⁵ As previously noted, the Right-of-Way Act of 1966 applies only to rights-of-way acquired under section 321d reservations.

[5] For the above reasons the second paragraph of the judgment as it relates to the Boysen property must be reversed. The preceding discussion also requires, as did our discussion in part I concerning the Peases' property, reversal of the first paragraph of the judgment. We do not reach the question whether a full 150 foot easement became fixed across the Boysen property by operation of the section 321d patent reservation and promulgation of PLO 757, and thus may be unaffected by the Right-of-Way Act of 1966. This question was not specifically addressed by the superior court nor is it presented in the briefs before us.

III

THE CROSS-APPEAL AS TO THE HANSEN PROPERTY

The patent for the Hansen parcel was issued to Hansen's predecessor-in-interest

15. The State and the plaintiffs have agreed that PLO 601 is based on Executive Order 9337 which, "in turn, rests on" 43 U.S.C. § 141. We thus have no occasion to consider whether Executive Order 9337 delegated authority to make withdrawals in addition to those authorized by 43 U.S.C. § 141.

on June 1, 1950, under the Homestead Act. The homestead entry was made on January 23, 1945, before the promulgation of any of the land orders previously discussed, and before passage of 48 U.S.C. § 321d. The patent to the Hansen property does not contain a section 321d reservation.

The PLO 601 withdrawal was expressly subject to "valid existing rights." 14 Fed. Reg. 5048 (1949). Homestead entries have been held to give rise to valid existing rights,¹⁶ although these rights may not in all cases take priority over intervening government acts.¹⁷ Here, however, there is no doubt of the intention to except prior homestead entries from PLO 601. As we have noted, PLO 601 was promulgated pursuant to 43 U.S.C. § 141. 43 U.S.C. § 142 states that "there shall be excepted from the force and effect of any withdrawal made under the provisions of . . . section 141 . . . all lands which are, on the date of such withdrawal, embraced in any lawful homestead . . . entry . . ." Since entry was in 1945, and the first withdrawal occurred in 1949, Hansen's predecessor-in-interest, as an entryman, had rights superior to the withdrawals.

[6] Section 321d has no effect on the Hansen property. The mandatory reservation required by this statute was limited to "patents for lands hereafter taken up, entered, or located in the Territory of Alaska. . . ." (emphasis added). Since the Hansen land was entered in 1945, it was not "hereafter" entered and thus was excluded from the operation of that statute. This is consistent with the absence of the section 321d reservation in the Hansen patent, and also consistent with its presence in the patents to the other two parcels of land involved in this appeal where entry occurred after July

16. *Stockley v. United States*, 260 U.S. 532, 540, 43 S.Ct. 186, 188, 67 L.Ed. 390, 394 (1923). *Korf v. Itten*, 64 Colo. 3, 169 P. 148, 150 (1917).

17. *Wilbur v. United States ex rel. Stuart*, 53 F.2d 717, 720 (D.C.Cir.1931).

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24, 1947, the date on which section 321d was adopted.

Thus, for reasons different from those articulated by the superior court, the second paragraph of the declaratory judgment is affirmed as to the Hansen parcel.

IV

TRANSAMERICA'S LIABILITY

[7] In count I of the complaint, Transamerica sought a declaration absolving it of liability to the Peases under its title insurance policy. The superior court, following *Hahn v. Alaska Title Guaranty Co.*, 557 P.2d 143 (Alaska 1976), found Transamerica conditionally liable to the Peases for the value of the 17 foot strip arising from DO 2665. In *Hahn* we held that the publication of a public land order, there PLO 601, in the Federal Register imparted constructive notice of the order as to the land it effected. Under the terms of the title policy there involved, the title insurance company was found to be liable. *Id.* at 146. We agree that *Hahn* is squarely controlling.

Transamerica, however, contends that *Hahn* should be overruled. We have considered Transamerica's arguments in support of this position and we are not persuaded that *Hahn* is unsound in any respect. We therefore decline to overrule it. Thus, Transamerica is liable under its policy to the Peases. Paragraph 4 of the declaratory judgment so far as it relates to Transamerica's liability to the Peases is affirmed.

V

CROSS-APPEAL AS TO FIFTH, SIXTH, SEVENTH AND NINTH CLAIMS FOR RELIEF

The plaintiffs claim that the superior court should have granted summary judgment in their favor on their fifth, sixth, seventh and ninth claims for relief. The court made no ruling as to these claims. We review them in accordance with the

18. In this somewhat abstract context the term "property owner" should be considered to be a property owner situated as is the plaintiff Boy-

principle that any ground may be urged on appeal to support a judgment even if it was not accepted by the court in rendering judgment. *Moore v. State*, 553 P.2d 8, 21 (Alaska 1976); *Ransom v. Hancr*, 362 P.2d 282, 285 (Alaska 1961).

The fifth and sixth claims are similar because to prevail, a property owner¹⁸ must establish status as a "subsequent innocent purchaser . . . in good faith for a valuable consideration" as that term is used in AS 34.15.290. An innocent purchaser must lack "actual or constructive knowledge" of the conflicting deed or encumbrance that the purchaser seeks to avoid. *Sabo v. Horvath*, 559 P.2d 1038, 1043 (Alaska 1976). *Sabo* held that as between two grantees, a pre-patent grantee's deed that was recorded before the patent was issued is a "wild deed" and does not give constructive notice to a post-patent grantee who duly records. *Id.* at 1044.

The question here is whether public land orders, which appear in the Federal Register, impart constructive notice, thus preventing the property owner from claiming innocent purchaser status. We have in part IV of this opinion re-affirmed the holding of *Hahn v. Alaska Title Guaranty Co.*, 557 P.2d 143 (Alaska 1976) that publication of a land order in the Federal Register is constructive notice of the order as that term is used in a title insurance policy. That holding is controlling here.

[8] The distinction between *Sabo* and this appeal is that *Sabo* concerns private deeds and this appeal involves a conflict between a government regulation and a patent. Regulations published in the Federal Register take on the character of law. *Farmer v. Philadelphia Electric Co.*, 329 F.2d 3, 7 (3d Cir.1964); *United States v. Messer Oil Corp.*, 391 F.Supp. 557, 561-62 (W.D.Pa.1975). All persons are presumed to know the contents of the law. See *Ferrell v. Baxter*, 484 P.2d 250, 265 (Alaska 1971). In *United States v. Messer Oil Corp.*, the district court indicated that regu-

sen, for Hansen has prevailed on other grounds.

Homestead Act. Under the provisions of any of the sections discussed, and particularly § 321d. The court's decision is affirmed as to the Hansen parcel.

It was expressly held in *Hahn* that the rights of the Peases under their title insurance policy may not be defeated by the intervention of a subsequent purchaser. However, there is no exception to this rule prior to PLO 601. As we have previously held, a purchaser of land under a public land order is not bound by the withdrawal of a section of land on the date of its withdrawal. Since the withdrawal of a section of land does not affect the rights of a subsequent purchaser-in-interest, the superior court's decision is affirmed.

The effect on the declaratory judgment was limited to the portion taken up, in part, by the Alaska Supreme Court. The Hansen parcel was not "hereby excluded from the section 321d patent, and also in the patents land involved in the order issued after July

260 U.S. 532, 540, 390, 394 (1923); 19 P. 148, 150-51

See *ex rel. Stuart*, 53

lations published in the Federal Register were sufficient notice to allow conviction of a criminal violation. 391 F.Supp. at 562. If Federal Register notice is sufficient for this purpose, it is sufficient notice to a landowner regarding easements that the federal government has reserved across his land. Thus, the publication of the land orders in the Federal Register imparted constructive notice and served to preclude subsequent innocent purchaser status.

In the seventh claim, plaintiffs contend that the State is estopped from claiming any easements under the orders here involved. The State responds that constructive notice defeats the estoppel claim.

[9] Estoppel requires "the assertion of a position by conduct or word, reasonable reliance thereon by another party, and resulting prejudice." *Jamison v. Consolidated Utilities, Inc.*, 576 P.2d 97, 102 (Alaska 1978) (footnote omitted). Plaintiffs claim that the State has asserted by conduct that it claims no easements by allowing the owners to develop their property inconsistently with the easements, and by not recording the land orders. They assert that reasonable reliance on that assertion has taken place. Because we have already found that publication of the land orders imparts constructive notice of the easements which they create, that notice makes plaintiffs' reliance unreasonable. Thus, the estoppel claim lacks merit.

The ninth claim of plaintiffs is based on the fact that the property owners' patents involved here did not expressly refer to any land order easements. Because of this the plaintiffs contend that the property conveyed was conveyed free from such easements. They argue further that as a result suit was required to be brought against the property owners to vacate the patents, and that the time for such a suit is, in all cases

19. 43 U.S.C. § 1166 provides:

Suits by the United States to vacate and annul any patent shall only be brought within six years after the date of the issuance of such patents.

20. *Bird Bear v. McLean County*, 513 F.2d 190, 192-33 (8th Cir. 1975); *Ball v. Stephens*, 68

now before us, barred by the six year statute of limitations contained in 43 U.S.C. § 1166.¹⁹

The premise of this argument is that a patent which does not say that it is issued subject to a public easement operates to transfer the property free from the easement. We rejected this premise in *Green*. We held there that an unexpressed DO 2665 easement was effective. *Green*, 586 P.2d at 603.

Similarly, in *Girves v. Kenai Peninsula Borough*, 536 P.2d 1221 (Alaska 1975), we affirmed a trial court ruling that a right-of-way not expressed in a patent was effective:

At the outset Girves notes that neither her "Notice of Allowance", nor her patent contained any express reservation of rights-of-way in favor of any public body. However, the absence of an express reservation of easement does not preclude the borough from showing that a right-of-way was established prior to the issuance of these documents.

Id. at 1224 (footnote omitted). We cited as authority for that statement *State v. Crawford*, 7 Ariz.App. 551, 441 P.2d 586 (1968). That case aptly states:

[I]t is also clear from cases decided under 43 U.S.C. § 932 that a subsequent patentee takes subject to previous right-of-ways [sic] established under the grant contained in that federal statute [Citations omitted.] No contrary authority has come to our attention. . . . The silence of the patents does not preclude the State from showing the full extent of its right-of-way established prior to the time when the patents were issued to plaintiff's predecessors.

Id. at 590.

[10, 11] The above and other authorities²⁰ establish that, by operation of law,

Cal.App.2d 843, 158 P.2d 207, 210 (1945); *Nicolas v. Grassle*, 83 Colo. 536, 267 P. 196, 197 (1928); *Flint & P.M. Ry. v. Gordon*, 41 Mich. 420, 2 N.W. 648, 655 (1879); *Lovelace v. High-tower*, 50 N.M. 50, 168 P.2d 864, 874 (1946); *Verdier v. Port Royal R.R.*, 15 S.C. 476, 481 (1881); *Costain v. Turner County*, 72 S.D. 427.

land conveyed subject to pre- way where the silent as to the way. No suit t order to estal right-of-way is ent contains a that it is subje Thus the statut 43 U.S.C. § 116

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land conveyed by the United States is taken subject to previously established rights-of-way where the instrument of conveyance is silent as to the existence of such rights-of-way. No suit to vacate or annul a patent in order to establish a previously existing right-of-way is necessary because the patent contains an implied-by-law condition that it is subject to such a right-of-way.²¹ Thus the statute of limitations expressed by 43 U.S.C. § 1166 does not apply.

VI

CONCLUSION

The first paragraph of the judgment is REVERSED. The second paragraph of the judgment is AFFIRMED as to Hansen and REVERSED as to Boysen. The third paragraph of the judgment is REVERSED. The fourth paragraph of the judgment is AFFIRMED as to the Peases' claim against Transamerica. The case is REMANDED for further proceedings consistent with the foregoing.

RABINOWITZ, Chief Justice, dissenting in part.

I find that I am unable to agree with the court's conclusion that the State of Alaska

36 N.W.2d 382, 383 (1949); *Wells v. Perington County*, 2 S.D. 1, 48 N.W. 305, 308 (1891); *Sullivan v. Condas*, 76 Utah 585, 290 P. 954, 957 (1930).

21. Indeed, when the Secretary of the Interior declared these rights-of-way, they vested in the public and there is authority that thereafter the Secretary could not revoke them. In *Walcott Township v. Skauge*, 6 N.D. 382, 71 N.W. 544 (1897), the court, in discussing 43 U.S.C. § 932, stated:

Highways once established over the public domain under and by virtue of this act, the public at once became vested with an absolute right to the use thereof, which could not be revoked by the general government, and whoever thereafter took the title from the general government took it burdened with the highway so established.

Id. at 546 (emphasis added); *accord Bird Bear v. McLean County*, 513 F.2d 190, 192 (8th Cir. 1975); *Wenberg v. Gibbs Township*, 31 N.D. 46, 153 N.W. 440, 441 (1915); *Gustafson v. Gem Township*, 58 S.D. 308, 235 N.W. 712, 713 (1913). *Cf. City of Butte v. Mikosowitz*, 39 Mont. 350, 102 P. 593, 596 (1909) (grant of a

roadway under 43 U.S.C. § 932 is to the public, and governmental entities have "supervision and control thereof as trustee for the public, . . ."). That the rights-of-way were established by administrative action rather than public user does not put them on a different footing. See *United States v. Rogge*, 10 Alaska 130, 152-53 (D.Alaska 1941), *aff'd* 128 F.2d 800 (9th Cir.1942).

1. Although the right of the Municipality of Anchorage to claim undisclosed easements is also at issue, I will refer only to the state's rights, for convenience's sake, as the legal issues are the same as to both the state and the municipality.

2. The Pease patent reserved a right-of-way of unspecified location and width under the authority of 48 U.S.C. § 321d, and also reserved a separate 33-foot right-of-way along the south and east boundaries of the parcel. The Peases concede that the state is entitled to the 33-foot right-of-way, and the Alaska Right-of-Way Act of 1966, ch. 92, 1966 Temporary and Special Acts and Resolutions, requires the state to

or the Municipality of Anchorage is entitled to claim highway easements in excess of those reserved when the parcels in question were conveyed by patent from the federal government. Before discussing the grounds for my disagreement with the court's ruling, however, I believe that it will be useful to set forth what I consider to be the significant facts.

The principal question in this appeal is whether the state¹ must compensate three landowners for portions of their parcels taken to widen existing roads. The landowners—Theodore and Claire Pease, Richard Boysen, and a limited partnership called Hansen Associates—are the successors in interest to persons who originally acquired the parcels by patent from the federal government. The federal government expressly reserved highway easements or rights-of-way in the Pease and Boysen patents; there were no easements or rights-of-way reserved in the Hansen patent. In each case the state claims a highway easement greater than that reserved in the patent, resting its claims on various now-repealed federal directives which provided arguably that the easements claimed by the state should have been expressly reserved when the parcels were conveyed by patent.²

six year statute in 43 U.S.C.

ment is that a patent is issued that it operates to operate to operate from the easement in *Green*, 665 D.O. 2665, 586 P.2d at

Alaska Peninsula (Alaska 1975), we held that a right-of-way was effective.

It is that neither her patent nor her patent reservation of a right-of-way to a public body. It does not express reservation; it does not preclude a right-of-way to the is-

We cited as authority *State v. Crawford*, 586 P.2d 536 (1968).

decided under the subsequent patent. The previous right-of-way under the grant statute [Citation]. . . . The statute does not preclude the full extent of its right-of-way prior to the time sued to plain-

other authority of law,

210 (1945); *Ni*, 267 P. 196, 197 (Alaska 1945); *London*, 41 Mich. 364, 874 (1946); 5 S.C. 476, 481 (1947); 72 S.D. 427,

In my view, the state's reliance upon undisclosed easements, decades after the lands were patented,³ is foreclosed by both federal and state statutes of limitations governing suits to set aside patents.⁴ In addition, I think the landowners are entitled to the protection of Alaska's recording act.⁵ Thus, I do not agree with the court's ruling that the state need not compensate the landowners for taking easements which were not expressly reserved in the patents.⁶

In my view, the dispositive legal issue in this appeal should be framed as follows: if the federal government mistakenly issues a patent which purports to convey clear title to lands which should have been withheld

compensate the Peases if it uses a section 321d right-of-way notwithstanding the fact that the right-of-way was expressly reserved in the patent. In addition, section 138(b) of the Federal Aid Highway Act of 1970 provides an independent basis for concluding that the state may not claim a section 321d easement. That provision states:

Any right-of-way for roads, roadways, highways, tramways, trails, bridges, and appurtenant structures reserved by section 321(d) [sic] of title 48, United States Code (61 Stat. 418, 1947), not utilized by the United States or by the State or territory of Alaska prior to the date of enactment hereof, shall be and hereby is vacated and relinquished by the United States to the end and intent that such reservation shall merge with the fee and be forever extinguished.

Pub.L. No. 91-605, § 138(b), 1970 U.S. Code Cong. & Ad. News 2001, 2029 (uncodified). The state, however, claims yet another easement of fifty feet on the Pease parcel, which is seventeen feet greater than the easement to which the Peases agree the state is entitled. The state claims this fifty-foot easement pursuant to Public Land Orders 601 and 757 and Department Order 2665.

The Boysen patent reserved only a section 321d right-of-way; once again, the state must compensate Boysen if it uses a section 321d right-of-way. The state, however, claims a separate 150-foot easement on the Boysen parcel under the authority of Public Land Order 1613 and Department Order 2665.

As to the Hansen parcel, which is subject to no reserved highway easements or rights-of-way, the state also claims a 150-foot easement under the authority of Public Land Order 1613 and Department Order 2665.

3. The Hansen patent was issued on June 1, 1950; the Boysen patent, on May 15, 1952; the Pease patent, on October 4, 1955. The state

for highway easements, is there a time after which the patent may not be challenged notwithstanding the mistake? Because Congress has supplied the answer to this dispositive question in the form of a statute of limitations applicable to suits challenging the validity of patents, I think it is unnecessary to address the array of statutes, Public Land Orders, and Departmental Orders marshalled by the state in defense of the easements that it claims.

Forty-three U.S.C. § 1166 provides that "[s]uits by the United States to vacate and annul any patent shall only be brought within six years after the date of the issuance of such patents."⁷ This statute of

did not claim the easements that it now seeks until the mid to late 1970's.

4. 43 U.S.C. § 1166; AS 09.10.230. I do not find it necessary to distinguish or consider the many Alaska cases dealing with the effect of various federal directives, because none of those cases have addressed the statutes of limitations issues.

5. AS 34.15.290.

6. The only federal directive upon which the state relies which was in effect when the Hansen parcel was patented is Public Land Order 601; the remaining directives were not promulgated until after the Hansen patent was issued and cannot, in my view, be applied to alter vested property interests without abridging rights secured by the federal and state constitutions. The withdrawals made by Public Land Order 601 were, however, subject to "valid existing rights," and an entryman's claim is a "valid existing right" which could not be adversely affected by Public Land Order 601. Since the Hansen parcel was entered prior to the promulgation of Public Land Order 601, that parcel is not subject to the withdrawal made by that directive.

7. Admittedly the United States is not a party to this litigation, but this observation does not answer the question of the applicability of the federal statute of limitations. The state, which acquired its interests in federally-created highway easements from the federal government by quitclaim deed, could not have acquired greater rights than its grantor had; the state's rights are merely derivative. A claim that would have been time-barred as to the United States was not revived, nor did the federal statute of limitations cease to run as to viable claims when the United States transferred its rights to

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limitations was enacted because of "the insecurity and loss of confidence of the public in the integrity and value of patent title to public lands, which had been occasioned by conflicting claims . . . which had resulted in many suits being commenced to cancel patents." *United States v. Whited & Wheelless, Ltd.*, 246 U.S. 552, 562, 38 S.Ct. 367, 368, 62 L.Ed. 879, 882 (1918). The statute presupposes that the federal government might err and issue a patent to previously reserved lands. As the Supreme Court has explained, "[i]f the act were confined to valid patents it would be almost or quite without use." *United States v. Chandler-Dunbar Water Power Co.*, 209 U.S. 447, 450,

the state. Stated differently, a time-barred claim is not revived by assigning it to someone to whom the relevant statute of limitations is not applicable. See, e.g., *Stanczyk v. Keefe*, 384 F.2d 707, 708 (7th Cir.1967) (parents could not revive time-barred claim by assigning it to minor child, against whom statute of limitations did not run); *Smith v. Copiah County*, 232 Miss. 838, 100 So.2d 614, 616 (1958) (assignee's claim is barred if assignor's rights are barred).

Inherent in my conclusion that 43 U.S.C. § 1166 is applicable is the view that a judicial ruling which declares that a portion of the landowners' patented parcels must be conveyed without compensation to the state, in derogation of the patents themselves, is the functional equivalent of a ruling that portions of the patents be "vacated" or "annulled."

8. See *United States v. Winona & St. Peter R.R. Co.*, 165 U.S. 463, 17 S.Ct. 368, 41 L.Ed. 789 (1897); *United States v. Chandler-Dunbar Water Power Co.*, 209 U.S. 447, 28 S.Ct. 579, 52 L.Ed. 881 (1908). In *Winona* the Court explained:

Congress evidently recognized the fact that notwithstanding any error in certification or patent there might be rights which equitably deserved protection, and that it would not be fitting for the government to insist upon the letter of the law in disregard of such equitable rights. In the first place, it has distinctly recognized the fact that when there are no adverse individual rights, and only the claims of the government and of the present holder of the title to be considered, it is fitting that a time should come when no mere errors or irregularities on the part of the officers of the land department should be open for consideration. In other words, it has recognized that, as against itself in respect to these land transactions, it is right that there should be a statute of limitations; that when its proper officers, acting in the ordinary course of their

28 S.Ct. 579, 580, 52 L.Ed. 881, 887 (1908). The well-settled rule is that the running of the statute of limitations "makes the title of the patentee good as against the grantor, the United States." *United States v. Eaton Shale Co.*, 433 F.Supp. 1256, 1269 (D.Colo. 1977). If the landowners' patent titles are good as against the original grantor, the United States, then their titles are good as against the state, which acquired its interests, if any, in the patented lands in 1959 by quitclaim deed from the federal government. In my view the effect of the six-year statute of limitations is to validate a mistakenly issued patent after the limitations period has expired.⁸ Thus, I would

duties, have conveyed away lands which belonged to the government, such conveyances should, after the lapse of a prescribed time, be conclusive against the government, and this notwithstanding any errors, irregularities, or improper action of its officers herein. 165 U.S. at 475-76, 17 S.Ct. at 370-71, 41 L.Ed. at 795 (emphasis added).

Indeed, so strong is the federal policy of ensuring that federal patents convey unassailable title that the validity of even fraudulently-procured patents may not be challenged after the six-year statute of limitations has run. See, e.g., *United States v. Whited & Wheelless, Ltd.*, 246 U.S. 552, 38 S.Ct. 367, 62 L.Ed. 879 (1918). A patentee who procures a patent by fraud has good title after the six-year period has expired, although the statute of limitations does not begin to run until the fraud is discovered. *Exploration Co. v. United States*, 247 U.S. 435, 38 S.Ct. 571, 62 L.Ed. 1200 (1918).

In addition, the federal bona fide purchaser doctrine provides that the validity of an erroneously granted patent may not be challenged once the original patentee conveys the parcel to a bona fide purchaser. See, e.g., *United States v. California & Oregon Land Co.*, 148 U.S. 31, 40-41, 13 S.Ct. 458, 461-462, 37 L.Ed. 354, 359-60 (1893); *Colorado Coal & Iron Co. v. United States*, 123 U.S. 307, 313, 8 S.Ct. 131, 133, 31 L.Ed. 182, 185 (1887). Bona fide purchase from a patentee is a perfect defense to a suit to set aside a patent. See, e.g., *Wright-Blodgett Co. v. United States*, 236 U.S. 397, 35 S.Ct. 339, 59 L.Ed. 637 (1915), which involved a patent obtained by fraud:

[T]he respect due a patent, the presumption that all the preceding steps required by the law had been observed before its issue, and the immense importance of stability of titles dependent upon these instruments, demand that suit to cancel them should be sustained only by proof which produces conviction. . . . And, despite satisfactory proof of fraud in

Finally, I do not agree with the court's holding that Boysen and the Peases are charged with constructive notice of federal directives published in the Federal Register and thus are unable to claim bona fide purchaser status under Alaska's recording act, AS 34.15.290.

Forty-four U.S.C. § 1507 provides that persons are charged with notice of documents filed for publication in the Federal Register "except in cases where notice by publication is insufficient in law." Thus, the pertinent question is whether published notice of federal directives such as Public Land Orders is "insufficient in law" to bind Boysen and the Peases, who did not have actual knowledge of the published directives when they purchased their parcels.¹²

The answer to this question is supplied by federal law,¹³ and, as the court notes, there are a number of situations in which notice in the Federal Register is sufficient to bind persons who did not know of the publication. In my view, however, this appeal involves a situation in which notice by publication is "insufficient in law" within the meaning of 44 U.S.C. § 1507.

Our task is to determine whether Congress intended that the sufficiency of published notice of federal directives affecting Alaska real property is to be tested by looking to state law¹⁴ or by applying an independent body of federal common law

12. Under AS 34.15.290 Boysen and the Peases must prevail as bona fide purchasers unless they are charged with constructive notice of the existence of easements which were not recorded in their chains of title.

Our ruling in *Hahn v. Alaska Title Guaranty Co.*, 557 P.2d 143 (Alaska 1976) does not dispose of this issue because the parties in *Hahn* did not argue, and we did not consider, whether a notice published in the Federal Register might be "insufficient in law."

13. See, e.g., *Ritter v. Morton*, 513 F.2d 942, 946 (9th Cir.1975) (per curiam), cert. denied, 423 U.S. 947, 96 S.Ct. 362, 46 L.Ed.2d 281 (1975); *United States v. Boyd*, 458 F.2d 1252, 1254 (6th Cir.1972).

14. See, e.g., *Reconstruction Finance Corp. v. Beaver County*, 328 U.S. 204, 66 S.Ct. 992, 90 L.Ed. 1172 (1946). Congress is, of course, free to adopt state rules as federal law. See gener-

ally P. Bator, P. Mishkin, D. Shapiro, & H. Wechsler, *Hart and Wechsler's The Federal Courts and the Federal System* 470-71, 491-94 (2d ed. 1973). The classic example of such an incorporation of states' legal doctrine into federal law is the Federal Tort Claims Act, under which the liability of the United States—a federal question—is determined by applying state substantive law. See 28 U.S.C. § 2674; see also, e.g., *Otteson v. United States*, 622 F.2d 516 (10th Cir.1980).



ally P. Bator, P. Mishkin, D. Shapiro, & H. Wechsler, *Hart and Wechsler's The Federal Courts and the Federal System* 470-71, 491-94 (2d ed. 1973). The classic example of such an incorporation of states' legal doctrine into federal law is the Federal Tort Claims Act, under which the liability of the United States—a federal question—is determined by applying state substantive law. See 28 U.S.C. § 2674; see also, e.g., *Otteson v. United States*, 622 F.2d 516 (10th Cir.1980).

15. See, e.g., *Clearfield Trust Co. v. United States*, 318 U.S. 363, 63 S.Ct. 573, 87 L.Ed. 838 (1943).

16. See *File v. State*, 593 P.2d 268, 270 (Alaska 1979) ("patent is the highest evidence of title").

17. See *Sabo v. Horvath*, 559 P.2d 1038 (Alaska 1976).

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346, 67 L.Ed. at 628
e also *United States*
766 (W.D.La.1950);
8 P. 77 (Cal.1927).

a *Yearly Meeting of*
304, 306 n. 2 (9th

f the applicability of
sed below, we have
on appeal, a correct
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agree with the rea-
s *Fund Am. Ins. Cos.*
1017 n. 12 (Alaska
598 P.2d 969, 973
str. Co. v. Reid Bros.
7, 1211 n. 1 (Alaska

13-2222

Bradley

4/17/84

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act releasing claims of the state to land within
7 certain rights-of-way; and providing for an effective
8 date."

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

10 * Section 1. LEGISLATIVE PURPOSE AND FINDING. (a) The purpose of
11 sec. 2 of this Act is to release and relinquish certain rights-of-way
12 claimed by the Alaska Department of Transportation and Public Facilities.

13 (b) The legislature finds that sec. 2 of this Act is needed to alle-
14 viate economic hardship and physical and mental distress caused by the
15 taking of land by the state without just compensation.

16 * Sec. 2. AS 19.25 is amended by adding a new section to read:

17 Sec. 19.25.260. RELINQUISHMENT OF RIGHT-OF-WAY. (a) The right-
18 of-way for a road, roadway, highway, tramway, trail, bridge, or appur-
19 tenant structure created, withdrawn, or reserved under the Act of
20 January 27, 1905, 33 Stat. 616, the Act of June 30, 1932, 47 Stat.
21 446, the Act of July 24, 1947, 61 Stat. 418, Public Land Orders 601,
22 757, and 1612, and Department of the Interior Order 2665, ~~as amended,~~

23 ~~that is not on the effective date of this Act physically occupied by~~
24 ~~the roadway, shoulder, or ditching of a road, roadway, highway, tram-~~
25 ~~way, trail, bridge, or appurtenant structure is [redacted] and [redacted]~~

26 ~~shed~~ and the vacated and relinquished right-of-way may not be
27 taken, claimed, asserted, or used by the state without the payment of
just compensation.

(b) The provisions of (a) of this section ~~relinquish~~ and ~~release~~

to the subservient estate

1 to the ~~subservient estate~~ that portion of the right-of-way claimed,
2 asserted, or used by the state that is not physically occupied by the
3 roadway, shoulder, or ditching of the roadway before the effective
4 date of this Act.

5 (c) The provisions of (a) of this section do not divest the
6 state of title to land or require compensation by the state for land
7 physically occupied on the effective date of this Act by the roadway,
8 shoulder, or ditching of a road, roadway, highway, tramway, trail,
9 bridge, or appurtenant structure then constructed within the right-
10 of-way created, withdrawn, or reserved under the Acts of Congress and
11 the orders described in (a) of this section.

12 (d) Any expansion beyond the existing roadway, shoulders, or
13 ditching of a road, roadway, highway, tramway, trail, bridge, or
14 appurtenant structure requires the payment of just compensation to the
15 owner of the land and no other acts or actions by the state constitute
16 a physical occupation by a roadway, shoulder, or ditching within the
17 meaning of this section. The state has the burden of proof to show by
18 clear and convincing evidence that the physical occupation by a road-
19 way, shoulders, or ditching occurred before the effective date of this
20 Act.

21 (e) As used in this section, "physically occupied by the road-
22 way, shoulder, or ditching" means the construction of the actual
23 roadway, shoulders, or ditching before the effective date of this Act.

24 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
25 10.070(c).

*This act is not to be construed as giving any person or entity
any right in the land or any part of it
unless it is clearly stated in the right-of-way.*

IN THE HOUSE

BY THE JUDICIARY COMMITTEE

HOUSE BILL NO. _____ (Judiciary)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to defects in the title of the state to land; and providing for an effective date."

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

*Section 1. LEGISLATIVE PURPOSE AND FINDINGS. (a) The purpose of this Act is to release and relinquish certain highway rights-of-way claimed by the State of Alaska, Department of Transportation and Public Facilities.

(b) The legislature finds this bill is needed to alleviate economic hardship and physical and mental distress occasioned by the taking of land by the State of Alaska without compensation being paid to the person holding title to the land.

*Sec. 2. AS 19.25 is amended by adding a new section to article 4 to read:

Sec. 19.25.260 RELINQUISHMENT OF RIGHTS-OF-WAY.

(a) Any right-of way for roads, roadways, highways, tramways, trails, bridges and appurtenant structures created, withdrawn, or reserved by the federal government under the Act of January 27, 1905, 33 Stat. 616, the Act of June 30, 1932, 47 Stat. 446, the Act of July 24, 1947, 61 Stat. 418, Public Land Orders 601, 757 and 1613, and Department of Interior

Order 2665, as amended, which the State of Alaska may now or in the future claim, assert or utilize and which is not asserted or utilized by occupation with physical improvements by the construction of a roadway, shoulders and ditching (if applicable) shall be and hereby are vacated and relinquished and shall not be taken, claimed, asserted or utilized by the State of Alaska or its successors in interest without payment of just compensation.

(b) This section shall not be construed to divest the state or to require compensation by the state for any roadway, shoulder, or ditching, (if applicable) already constructed within the right-of-way created, withdrawn, or reserved under the federal statutes and orders set forth in subsection (a). This section hereby relinquishes and releases to the subservient estate the balance of the right-of-way claimed, asserted or utilized by the State of Alaska which is not physically occupied by roadway, shoulder or ditching (if applicable) constructed prior to the effective date of this section.

(c) For the purposes of determining whether the State of Alaska has occupied with physical improvements any right-of-way under subsection (a) "occupation with physical improvements" shall mean the construction of the actual roadway, shoulders and ditching (if applicable) prior to the effective date of this section or any expansion of existing roadway, shoulders and ditching (if applicable) which requires

additional property to construct shall require the payment of just compensation to the landowner. No other acts or actions by the State of Alaska shall constitute an occupation with physical improvements within the meaning of this section. The State of Alaska shall have the burden of proof to show by clear and convincing evidence that the occupation by physical improvements by the construction of roadway, shoulders and ditching (if applicable) occurred prior to the effective date of this section.

*Sec. 3. This Act takes effect immediately in accordance with AS 01.10.070(c).

TELEGRAM

ALASCOM, INC.
PHONE: 586-5886
JUNEAU, AK 99801

1984 APR 30 AM 11 19

02015 ANCHORAGE AK 74 04-30 1042 ADT

FMS REP CHARLIE BUSSELL

CHAIRMAN JUDICIARY COMMITTEE

2528

JUNEAU AK

URGE THAT YOU TABLE HB718, AN ACT RELEASING CLAIMS OF THE STATES TO LANDS WITHIN CERTAIN RIGHTS OF WAY. LAW SUITS ARE PENDING ON WHICH THIS BILL WOULD HAVE A SIGNIFICANT BEARING. HB718 ALSO WOULD HAVE SERIOUS ADVERSE FISCAL IMPACTS ON NUMEROUS STATE/LOCAL ROAD PROJECTS. IF ENACTED ANCHORAGE AND OTHER AREAS OF THE STATE MAY LOSE MUCH NEEDED ROAD IMPROVEMENTS. A BILL OF THIS NATURE NEEDS EXTENSIVE PUBLIC HEARING.

SIG STRANDBERG 276-4555

CHAPTER = 29.33
SECTION = 29.33.240
TITLE = 29

ADDITIONS TITLE 29.
MUNICIPAL GOVERNMENT.
CHAPTER 33.
AREAWIDE BOROUGH POWERS AND DUTIES.
ARTICLE 4.
PLANNING, PLATTING AND ZONING.
SECTION = 29.33.240.

TITLE LINE

TITLE TO VACATED AREA.

(A) THE TITLE TO THE STREET OR OTHER PUBLIC AREA VACATED ON A PLAT ATTACHES TO THE LOT OR LANDS BORDERING ON THE AREA IN EQUAL PROPORTIONS, EXCEPT THAT IF THE AREA WAS ORIGINALLY DEDICATED BY DIFFERENT PERSONS, ORIGINAL BOUNDARY LINES SHALL BE ADHERED TO SO THAT THE STREET AREA WHICH LIES ON ONE SIDE OF THE BOUNDARY LINE SHALL ATTACH TO THE ADJOINING PROPERTY ON THAT SIDE, AND THE STREET AREA WHICH LIES ON THE OTHER SIDE OF THE BOUNDARY LINE SHALL ATTACH TO THE PROPERTY ON THAT SIDE. THE PORTION OF A

VACATED STREET WHICH LIES WITHIN THE LIMITS OF A PLATTED ADDITION ATTACHES TO THE LOTS OF THE PLATTED ADDITION BORDERING ON THE AREA. IF A PUBLIC SQUARE IS VACATED, THE TITLE TO IT VESTS IN THE CITY IF IT LIES WITHIN THE CITY AND TO THE BOROUGH IF IT LIES WITHIN THE BOROUGH OUTSIDE A CITY. IF THE PROPERTY VACATED IS A LOT OR TRACT, TITLE VESTS IN THE RIGHTFUL OWNER.

(B) IF THE BOROUGH OR CITY ACQUIRED THE STREET OR OTHER PUBLIC AREA VACATED FOR LEGAL CONSIDERATION OR BY EXPRESS DEDICATION TO AND ACCEPTANCE BY THE COUNCIL OF A CITY AFTER THE REQUIRED SUBDIVISION PLATTING, BEFORE THE FINAL ACT OF VACATION THE FAIR MARKET VALUE OF THE STREET OR PUBLIC AREA SHALL BE DEPOSITED WITH THE PLATTING AUTHORITY TO BE PAID OVER TO THE BOROUGH OR CITY ON FINAL VACATION.

(C) PROVISIONS OF (A) OF THIS SECTION NOTWITHSTANDING, THE COUNCIL OF A SECOND CLASS CITY LOCATED OUTSIDE AN ORGANIZED BOROUGH MAY VACATE THOSE STREETS, ALLEYS, CROSSINGS, SIDEWALKS OR OTHER PUBLIC WAYS THAT MAY HAVE BEEN PREVIOUSLY DEDICATED OR ESTABLISHED WHEN THE COUNCIL, IN ITS DISCRETION, FINDS THAT THE STREETS, ALLEYS, CROSSINGS, SIDEWALKS OR OTHER PUBLIC WAYS ARE NO LONGER NECESSARY FOR THE PUBLIC WELFARE, OR WHEN THE PUBLIC

WELFARE WILL BE ENHANCED BY THE VACATION. IF THE COUNCIL DETERMINES THAT ALL OR A PORTION OF THE AREA VACATED UNDER THIS SUBSECTION SHOULD BE DEVOTED TO ANOTHER PUBLIC PURPOSE, TITLE TO THE AREA VACATED AND HELD FOR ANOTHER PUBLIC PURPOSE DOES NOT VEST AS PROVIDED IN (A) OF THIS SECTION BUT REMAINS IN THE CITY.

(SEC. 2 CH 118, SLA 1972, AM SEC. 5 CH 118, SLA 1972)
END OF DOCUMENT

19.05.070 DOCUMENT= 17 OF 37 PAGE = 1 OF 2

CHAPTER = 19.05

SECTION = 19.05.070

TITLE = 19

ADINGS TITLE 19.

HIGHWAYS AND FERRIES.

CHAPTER 05.

ADMINISTRATION.

ARTICLE 1.

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES.

SECTION SEC. 19.05.070.

TOP LINE

VACATING AND DISPOSING OF LAND AND RIGHTS IN LAND.

BT

(A) THE DEPARTMENT MAY VACATE LAND, OR PART OF IT, OR RIGHTS IN LAND ACQUIRED FOR HIGHWAY PURPOSES, BY EXECUTING AND FILING A DEED IN THE APPROPRIATE RECORDING DISTRICT. UPON FILING, TITLE TO THE VACATED LAND OR INTEREST IN LAND INHERES TO THE OWNERS OF THE ADJACENT REAL PROPERTY IN THE MANNER AND PROPORTION CONSIDERED EQUITABLE BY THE COMMISSIONER AND SET OUT BY HIM IN THE DEED.

(B) IF THE DEPARTMENT DETERMINES THAT LAND OR RIGHTS IN LAND

19.05.070 DOCUMENT= 17 OF 37 PAGE = 2 OF 2

ACQUIRED BY THE DEPARTMENT ARE NO LONGER NECESSARY FOR HIGHWAY PURPOSES THE DEPARTMENT MAY:

(1) TRANSFER THE LAND OR RIGHTS IN LAND TO THE DEPARTMENT OF NATURAL RESOURCES FOR DISPOSAL, OR

(2) SELL, CONTRACT TO SELL, LEASE, OR EXCHANGE LAND OR RIGHTS IN LAND ACCORDING TO TERMS, STANDARDS AND CONDITIONS ESTABLISHED BY THE COMMISSIONER.

(C) PROCEEDS RECEIVED FROM DISPOSAL OF LAND OR RIGHTS IN LAND AS AUTHORIZED BY THIS SECTION SHALL BE CREDITED TO THE FUNDS FROM WHICH THE PURCHASE OF THE LAND WAS MADE ORIGINALLY.

STORY (SEC. 4 ART IV TITLE IV CH 152 SLA 1957, AM SEC. 4 CH 37 SLA 1971)

END OF DOCUMENT

TELEGRAM

ALASCOM, INC.

PHONE: 586-5000

JUNEAU, AK 99802

1984 MAY 1 PM 6 23

02055 ANCHORAGE ALASKA 109 05-01 1655 RST

PHS REPRESENTATIVE CHARLIE BUSSELL

POUCH U 0022

JUNEAU AK 99811

AGAIN URGE YOU TO TABLE HOUSE BILL 718 UNTIL COMMITTEE CAN
BE BRIEFED ON LEGAL QUESTIONS CONCERNING STATES CLAIM TO
ROADS AND HIGHWAYS. IMPERATIVE THAT LEGISLATURE AVOID DOING
ANYTHING WHICH COULD IMPAIR STATES ABILITY TO ASSERT
OWNERSHIP OF IMPORTANT ROAD AND HIGHWAY RIGHTS-OF-WAY IN
BOTH URBAN AND RURAL AREAS. COMMITTEE SHOULD HEAR FROM STATE
TITLE DEFENSE SECTION OF DEPARTMENT OF NATURAL RESOURCES
CONCERNING FOREGOING. TITLE COMPANY PROBLEMS WITH RESPECT TO
ROAD AND HIGHWAY RIGHTS-OF-WAY WIDTHS CAN BE ADDRESSED
THROUGH LEGISLATION REQUIRING STATE TO DEAL EQUITABLY WITH
PROBLEMS ON CASE BY CASE BASIS. LEGISLATURE NEEDS TO TAKE AN
INDEPTH LOOK AT THIS COMPLEX PROBLEM.

SIG STRANDBERG 276-4555

HB

721

A PERFORMANCE REVIEW
OF THE
ALASKA COMMERCIAL FISHING
AND AGRICULTURE BANK

May 22, 1981

Audit Control Number
04-101-1035-S

Board of Directors of the:
ALASKA COMMERCIAL FISHING AND AGRICULTURE BANK

Chairperson
Vice Chairperson
Secretary/Treasurer
Member
Member
Member
Member

Roseleen Moore
Paul Huppert
Bob Waldrop
Dale Pihlman
Harvey Samuelsen
William Sutton
Frank Homan

STATE OF ALASKA

AUDIT DIVISION
POUCH W—ALASKA OFFICE BUILDING

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

JUNEAU, ALASKA 99811

May 22, 1981

Members of the
Legislative Budget and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

A PERFORMANCE REVIEW
OF THE
ALASKA COMMERCIAL FISHING
AND AGRICULTURE BANK

May 22, 1981



Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

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Agency Response:	
Alaska Commercial Fishing and Agriculture Bank.	19

PURPOSE AND SCOPE OF THE REVIEW

The purpose of our review was to determine if the performance of the Alaska Commercial Fishing and Agriculture Bank (CFAB) is efficient, effective, and economical. Our scope included a review of the Board of Directors' proceedings, operating expenditures, and the loan portfolio. CFAB's financial statements for the year ended December 31, 1980 were audited by a certified public accounting firm.

ORGANIZATION AND FUNCTION

The Alaska Commercial Fishing and Agriculture Bank (CFAB) was created by Chapter 159, SLA 1978 (AS 44.81.010) as a public corporation and government instrumentality of the State, but with a legal existence independent of and separate from the State. Its purpose is to provide financing for the commercial fishing and agricultural industries in Alaska.

In Fiscal Year 1979, the Commissioner of the Department of Revenue purchased \$2,000,000 (200 shares) of special preferred class C stock in accordance with AS 44.81.010(c). Then in March 1980, the Department of Revenue loaned CFAB \$30,000,000 at 9 1/2% per annum. In July 1980, the loan agreements were cancelled through the issuance of an additional 3,000 shares of class C stock to the State and the payment of interest from March 1980, totalling \$480,205. The class C stock receives no voting or dividend rights. CFAB must repurchase the class C stock from the State within 20 years.

CFAB made 136 loans from April 2, 1980 through March 13, 1981. As of March 13, 1981, there were 130 outstanding loans, totalling \$24,287,687 (see Appendix A).