

ALASKA LEGISLATURE COMMITTEE FILES 1900-1900 00 / 2

4289 SRES SB 414 169

1 accordance with AS 01.10.070(c).

2 \* Sec. 14. Sections 1 - 3, 5 - 10, and 12 of this Act take effect Janu-  
3 ary 1, 1987.

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Offered: 3/28/86  
Referred: Resources

Original sponsor: Ferguson

BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE

1 IN THE SENATE

2 CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to general grant land entitlements;  
7 and providing for an effective date."

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

9 \* Section 1. AS 29.65 is amended by adding a new section to read:

10 Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-  
11 ITIES. The general grant land entitlement of a municipality is 10  
12 percent of the maximum total acreage of vacant, unappropriated, unre-  
13 served land within its boundaries at any time between the date of its  
14 incorporation and two years after the expiration of the state's right  
15 to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.  
16 By January 1 of each year the director shall determine or update the  
17 unfulfilled entitlement for each municipality under this section and  
18 certify that entitlement to that municipality.

19 \* Sec. 2. AS 29.65 is amended by adding a new section to read:

20 Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-  
21 ity is eligible for only one general grant land entitlement. A munic-  
22 ipality that qualifies for an entitlement under AS 29.65.010 and  
23 29.65.015 shall receive the larger of the two entitlements.

24 (b) A municipality may not receive a general grant land en-  
25 titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

26 (c) All conveyances of legal title to land by the state to a  
27 municipality under AS 29.65.010 or a former law shall be credited  
28 toward fulfillment of the entitlement for that municipality. All  
29 payments for land under AS 29.65.080 or former AS 29.18.208 shall be

1 { credited toward fulfillment of the entitlement for that municipality.

2 (d) Land classified under AS 38.05.300 for wildlife habitat may  
3 not be selected or conveyed in fulfillment of a general grant land  
4 entitlement.

5 \* ~~Sec. 3. AS 29.65.040 is repealed and reenacted to read:~~

6 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After January 1,  
7 1987, a general grant land entitlement under AS 29.65.010 is a vested  
8 property right that must be fulfilled in accordance with AS 29.65.025  
9 and 29.65.080.

10 (b) A general grant land entitlement under AS 29.65.015 is a  
11 property right that vests on the date of incorporation of the munici-  
12 pality. The entitlement must be fulfilled in accordance with AS 29.-  
13 65.025.

14 \* Sec. 4. AS 29.65.060 is repealed and reenacted to read:

15 Sec. 29.65.060. SCHOOL AND MENTAL HEALTH LAND. (a) School land  
16 and mental health land within the boundaries of a municipality may not  
17 be included for purposes of determining the general grant land en-  
18 titlement of that municipality.

19 (b) A municipality may not receive school land or mental health  
20 land in fulfillment of its general grant land entitlement.

21 \* Sec. 5. AS 29.65.080(b) is amended to read:

22 (b) A municipality shall receive payment for its land deficiency  
23 from the municipal land account. A municipality is eligible to re-  
24 ceive payment for land deficiency if, after July 1, 1980, the amount  
25 of land selected by a municipality that is physically suitable for  
26 residential, commercial, or industrial purposes amounts to less than  
27 one-third acre per capita. Any entitlement under AS 29.65.010 that is  
28 less than one-third acre per capita will, for the purposes of this  
29 subsection, be considered a land deficiency. An unselected remaining

1 entitlement will, for the purpose of deficiency payment under this  
2 subsection, be considered as land physically suitable for residential,  
3 commercial, or industrial purposes. A municipality eligible under  
4 this subsection is entitled to receive a payment for land deficiency  
5 equal to \$1,000 per acre for a number of acres equal to the difference  
6 between one-third of the population of the municipality less the  
7 number of acres physically suitable for residential, commercial or  
8 industrial purposes that has been selected by the municipality. For  
9 the purpose of this subsection, the population of the municipality  
10 shall be the population determined by the commissioner under former  
11 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-  
12 ipality whose entitlement was determined under former AS 29.16.201 [IN  
13 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-  
14 ipality under this subsection in excess of \$9,000,000.

15 \* Sec. 6. AS 29.65.080(g) is amended to read:

16 (g) Payments authorized by this section may only [NOT] be made  
17 to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010  
18 [AS 29.65.020 OR 29.65.030].

19 \* Sec. 7. AS 29.65.130(10) is amended to read:

20 (10) "vacant, unappropriated, unreserved land" means  
21 general grant land as defined in (3) of this section, excluding miner-  
22 als as required by sec. 6(i) of the Alaska Statehood Act, that

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

25 (B) has not been approved for patent to a municipal-  
26 ity under this chapter or former AS 29.18.190 and 29.18.200; or

27 (C) is unclassified or, if classified under AS 38.-  
28 05.300, is classified for agricultural, grazing, material, public  
29 recreation, resource management, settlement, transportation

1            corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,  
2            PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY  
3            PURPOSES,] or is classified in accordance with an agreement  
4            between a municipality and the state providing for state manage-  
5            ment of land of the municipality.

6            \* Sec. 8. AS 38.05.321(b) is amended to read:

7            (b) State land classified as agricultural land that has been  
8            selected by a municipality under former AS 29.18.190 - 29.18.200 or  
9            former AS 29.18.205(e) may be approved by the director for patent  
10           under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for  
11           agricultural purposes may be transferred and all other interests in  
12           the land will remain with the state. Agricultural land approved for  
13           patent to a municipality shall be credited, acre for acre, toward  
14           fulfillment of that municipality's entitlement under AS 29.65 [AS 29.-  
15           65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the  
16           director later determines it to be in the best interests of the state  
17           to transfer some or all of the additional rights in that approved or  
18           patented agricultural land, those rights shall pass without considera-  
19           tion to the municipality in which the land is located. The notice and  
20           review provisions of AS 38.05.945 are applicable to conveyance of  
21           rights under this section.

22           \* Sec. 9. AS 38.05.321(c) is amended to read:

23           (c) The provisions of this section do not apply to  
24           (1) state land classified as agricultural land that has  
25           been selected by a municipality under the provisions of former  
26           AS 29.18.190 - 29.18.200 if the selection is an approved selection  
27           before April 1, 1978 and is otherwise valid under former  
28           AS 29.65.050(b) or former AS 29.18.205(b); or  
29           (2) a quitclaim of the interest of the state to the federal

1 government under AS 38.05.035(b)(9).

2 \* Sec. 10. Before January 1, 1987, the Department of Natural Resources  
3 shall consult with each municipality affected by this Act regarding classi-  
4 fications of state land within its boundaries and shall assist the munic-  
5 ipality in identifying land suitable for selection in fulfillment of its  
6 general grant land entitlement.

7 \* Sec. 11. Before January 1, 1987, the commissioner of natural  
8 resources may negotiate and enter into an agreement with a borough or  
9 unified municipality to convey state land within the municipality's  
10 boundaries without regard to whether the land is vacant, unappropriated,  
11 unreserved land as defined under AS 29.65.130(10) if the commissioner  
12 determines the land is not necessary for retention by the state. Land  
13 conveyed to a borough or unified municipality under an agreement entered  
14 into under this section constitutes complete fulfillment of the  
15 municipality's general grant land entitlement and the municipality is not  
16 entitled to additional land under this Act.

17 \* Sec. 12. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090  
18 and 29.65.110 are repealed.

19 \* Sec. 13. Sections 4, 10, and 11 of this Act take effect immediately  
20 in accordance with AS 01.10.070(c).

21 \* Sec. 14. Sections 1 - 3, 5 - 9, and 12 of this Act take effect Janu-  
22 ary 1, 1987.

Original sponsor: Adams

INCLUDES Pourchot amendments

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 -2nd CS FOR HOUSE BILL NO. 587 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to general grant land entitlements;  
7 and providing for an effective date."

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

9 \* Section 1. AS 29.65 is amended by adding a new section to read:

10 Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-  
11 ITIES. The general grant land entitlement of a municipality is 10  
12 percent of the maximum total acreage of vacant, unappropriated, unre-  
13 served land within its boundaries at any time between the date of its  
14 incorporation and two years after the expiration of the state's right  
15 to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.  
16 By December 31 of each year the director shall determine or update the  
17 unfulfilled entitlement for each municipality under this section and  
18 certify that entitlement to that municipality.

19 \* Sec. 2. AS 29.65 is amended by adding a new section to read:

20 Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-  
21 ity is eligible for only one general grant land entitlement. A munic-  
22 ipality that qualifies for an entitlement under AS 29.65.010 and  
23 29.65.015 shall receive the larger of the two entitlements.

24 (b) A municipality may not have a general grant land en-  
25 titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

26 (c) The following shall be credited toward fulfillment of the  
27 general grant land entitlement of a municipality:

28 (1) conveyances of legal title to land by the state to the  
29 municipality before January 1, 1987, under a former law;

1 (2) payments for land before January 1, 1987, under former  
2 AS 29.18.208;

3 (3) conveyances of legal title to land before January 1,  
4 1987, and thereafter under AS 29.65.010;

5 (4) payments for land before January 1, 1987, and there-  
6 after under AS 29.65.080;

7 (5) disposals of land to the municipality before January 1,  
8 1987, and thereafter under AS 38.05.810 for which the state receives  
9 no consideration.

10 (d) Land classified under AS 38.05.300 for wildlife habitat only  
11 may not be selected or conveyed in fulfillment of a general grant land  
12 entitlement.

13 (e) In each conveyance of land in fulfillment of a general grant  
14 land entitlement, the state shall reserve the right to explore, enter,  
15 develop, and occupy the surface as reasonably necessary for access to  
16 the mineral estate in accordance with AS 38.05.125.

17 \* Sec. 3. AS 29.65.040 is repealed and reenacted to read:

18 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) [After January 1,  
19 1987, a] <sup>A</sup> general grant land entitlement under former AS 29.18.201-.202 or  
20 AS 29.65.010 is a vested  
21 property right that must be fulfilled in accordance with AS 29.65.025,  
22 ~~and 29.65.080[.]~~ and ~~former~~ AS 29.65.060.

23 (b) A general grant land entitlement under AS 29.65.015 is a  
24 property right that vests on the date of incorporation of the munici-  
25 pality. The entitlement must be fulfilled in accordance with AS 29.-  
26 65.025.

27 \* Sec. 4. AS 29.65.060 is repealed and reenacted to read:

28 Sec. 29.65.060. SCHOOL, UNIVERSITY, AND MENTAL HEALTH LAND. (a)  
29 School land, university land, and mental health land within the bound-  
aries of a municipality may not be included for purposes of

1 determining the general grant land entitlement of that municipality.

2 (b) A municipality may not receive school land, university land,  
3 or mental health land in fulfillment of its general grant land en-  
4 titlement.

5 \* Sec. 5. AS 29.65.080(b) is amended to read:

6 (b) A municipality shall receive payment for its land deficiency  
7 from the municipal land account. A municipality is eligible to re-  
8 ceive payment for land deficiency if, after July 1, 1980, the amount  
9 of land selected by a municipality that is physically suitable for  
10 residential, commercial, or industrial purposes amounts to less than  
11 one-third acre per capita. Any entitlement under AS 29.65.010 that is  
12 less than one-third acre per capita will, for the purposes of this  
13 subsection, be considered a land deficiency. An unselected remaining  
14 entitlement will, for the purpose of deficiency payment under this  
15 subsection, be considered as land physically suitable for residential,  
16 commercial, or industrial purposes. A municipality eligible under  
17 this subsection is entitled to receive a payment for land deficiency  
18 equal to \$1,000 per acre for a number of acres equal to the difference  
19 between one-third of the population of the municipality less the  
20 number of acres physically suitable for residential, commercial or  
21 industrial purposes that has been selected by the municipality. For  
22 the purpose of this subsection, the population of the municipality  
23 shall be the population determined by the commissioner under former  
24 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-  
25 ipality whose entitlement was determined under former AS 29.18.201 [IN  
26 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-  
27 ipality under this subsection in excess of \$9,000,000.

28 \* Sec. 6. AS 29.65.080(g) is amended to read:

29 (g) Payments authorized by this section may only [NOT] be made

AS 29.65.080 is amended to add the following section:

(h) Compensation under this section shall be made into a municipal land bank or land trust account created by municipal ordinance, whose purpose shall be to apply such compensation in land or other receipts toward the acquisition of land necessary for public purposes, which land may be otherwise unavailable to the municipality.

to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010 [AS 29.65.020 OR 29.65.030].

INSERT HERE

\* Sec. 7. AS 29.65.130(3) is amended to read:

(3) "general grant land"

(A) means land patented or tentatively approved to the state from the United States under sec. 6(a) or (b) of the Alaska Statehood Act;

(B) does not include mental health land, school land, or university land;

\* Sec. 8. AS 29.65.130(10) is amended to read:

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

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

(B) has not been approved for patent to a municipality under this chapter or former AS 29.18.190 and 29.18.200; or

(C) is unclassified or, if classified under AS 38.05.300, is classified for agricultural, grazing, material, public recreation, resource management, settlement, transportation corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in accordance with an agreement between a municipality and the state providing for state management of land of the municipality.

\* Sec. 9. AS 38.05.321(b) is amended to read:

(b) State land classified as agricultural land that has been selected by a municipality under former AS 29.18.190 - 29.18.200 or former AS 29.18.205(e) may be approved by the director for patent

1 under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for  
2 agricultural purposes may be transferred and all other interests in  
3 the land will remain with the state. Agricultural land approved for  
4 patent to a municipality shall be credited, acre for acre, toward  
5 fulfillment of that municipality's entitlement under AS 29.65 [AS 29.-  
6 65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the direc-  
7 tor later determines it to be in the best interests of the state to  
8 transfer some or all of the additional rights in that approved or  
9 patented agricultural land, those rights shall pass without considera-  
10 tion to the municipality in which the land is located. The notice and  
11 review provisions of AS 38.05.945 are applicable to conveyance of  
12 rights under this section.

13 \* Sec. 10. AS 38.05.321(c) is amended to read:

14 (c) The provisions of this section do not apply to

15 (1) state land classified as agricultural land that has  
16 been selected by a municipality under the provisions of former AS 29.-  
17 18.190 - 29.18.200 if the selection is an approved selection before  
18 April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or  
19 former AS 29.18.205(b); or

20 (2) a quitclaim of the interest of the state to the federal  
21 government under AS 38.05.035(b)(9).

22 \* Sec. 11. Before January 1, 1987, the Department of Natural Resources  
23 shall consult with each municipality affected by this Act regarding classi-  
24 fications of state land within its boundaries and may assist the munic-  
25 ipality in identifying land suitable for selection in fulfillment of its  
26 general grant land entitlement.

1 \* Section 12. The commissioner of natural resources may negotiate and enter  
 2 into an agreement with a borough or unified municipality whose entitlement  
 3 under AS 29.65.01C has not been fulfilled on the date of enactment of this  
 4 Act, if the borough or municipality elects in writing prior to January 1,  
 5 1987 to pursue a settlement of that existing entitlement. The commissioner's,  
 6 authority to negotiate such an agreement to convey state land within the  
 7 municipality's boundaries shall be without regard to whether the land is  
 8 vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if  
 9 the commissioner determines, after notice and review, that the land lies  
 10 outside the smallest practicable tract enclosing land actually used in  
 11 connection with the administration of any state function by the holding agency  
 12 on the date of enactment of this Act. Land conveyed to a borough or unified  
 13 municipality under an agreement entered into under this section may constitute  
 14 complete fulfillment of the municipality's general grant land entitlement.  
 15 Conveyances by agreement under this section shall contain no restrictions or  
 16 conditions which are not required to be imposed by statute.

17 13  
 18 \* Sec. [12] AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090  
 19 and 29.65.110 are repealed.

20 \* Sec. <sup>14</sup>[13] Sections 4, [and] <sup>AND 12</sup>11 of this Act take effect immediately in  
 21 accordance with AS 01.10.070(c).

22 \* Sec. 15. Sections 1-3, 5-10, and 13 of this Act take effect January 1, 1987.  
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(NEGOTIATION: Sec. 13 of the bill)

Sec. 13. The commissioner of natural resources may negotiate with and enter into an agreement to convey state land to a borough or unified municipality whose entitlement under AS 29.65.010 in the commissioner's determination cannot be fulfilled as of January 1, 1987, if the borough or unified municipality elects in writing before January 1, 1987, to pursue a settlement of that existing entitlement. The commissioner has authority under this section to convey state land without regard as to whether the land is vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if the commissioner determines, after public notice, that the land lies outside the smallest practicable tract of land actually used in connection with the administration of a state function on <sup>July</sup> ~~July~~ 1, 1987, except that the commissioner may not convey lands owned by another state agency without its consent. Land conveyed to a borough or a unified municipality under an agreement entered into under this section may constitute complete fulfillment of the municipality's general grant land entitlement as specified in the agreement and agreed to by both parties. Conveyances under an agreement entered into under this section may contain no restrictions or conditions that are not required to be imposed by law, except those restrictions or conditions mutually agreed upon by the parties.

(COMPENSATION: Add at AS 29.65.060)

*of the bill.*

(c) A municipality shall be entitled to just compensation for any selection made by it under former AS 29.18.206 or 29.65.060 which was pending, or on timely appeal, on April 1, 1986, and which cannot be conveyed to the municipality as a result of any final judicial action or legislative enactment, except that no compensation is required for any selection of land by a municipality within a special use area designated by the Legislature under AS 16 or AS 41 or for any selection of land that is not vacant, unappropriated, and unreserved land as defined under AS 29.65.130(10), provided that nothing in this ~~act~~ <sup>section</sup> shall affect the legal rights of any party with regard to any selection of school, university, or mental health land by a municipality prior to June 1, 1986.

(MENTAL HEALTH/UNIVERSITY/SCHOOL LANDS: Revise 060(b) in the bill to read:)

(b) After June 1, 1986, a municipality may not select school, university, or mental health land in fulfillment of its general grant land entitlement provided that nothing in this act shall affect the legal rights of any party with regard to any selection of school, university, or mental health land by a municipality prior to June 1, 1986.

10,86 12:41 PURCHSING MUNICIPALITY OF ANCHORAGE 007 274 5718

P.02

Municipality of Anchorage  
 Amendments to Senate Bill No. 414  
 (additions underlined, deletions [bracketed])

Offered: 3/28/86  
 Referred: Resources  
 Original Sponsor: Ferguson

IN THE SENATE

BY THE COMMUNITY AND  
 REGIONAL AFFAIRS COMMITTEE

CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (C&amp;RA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to general grant land entitlements;  
 and providing for an effective date."

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

\* Section 1. AS 29.65 is amended by adding a new section to read:

Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPALITIES. The general grant land entitlement of a municipality is 10 percent of the maximum total acreage of vacant, unappropriated, unreserved land within its boundaries at any time between the date of its incorporation and two years after the expiration of the state's right to make selections under sec. 6(a) or (b) of the Alaska Statehood Act. By January 1 of each year the director shall determine or update the unfulfilled entitlement for each municipality under this section and certify that entitlement to that municipality.

\* Sec. 2. AS 29.65 is amended by adding a new section to read:

Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipality is eligible for only one general grant land entitlement. A

Apr 10, 86 12:41 PURCHASING MUNICIPALITY OF ANCHORAGE 907 274 5718

P.04

municipality that qualifies for an entitlement under AS 29.65.010 and 29.65.015 shall receive the larger of the two entitlements.

(b) A municipality may not receive a general grant land entitlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

(c) All conveyances of legal title to land by the state to a municipality under AS 29.65.010 or a former law shall be credited toward fulfillment of the entitlement for that municipality. All payments for land under AS 29.65.080 or former AS 29.18.208 shall be credited toward fulfillment of the entitlement for that municipality.

(d) Land classified under AS 38.05.300 for wildlife habitat may not be selected or conveyed in fulfillment of a general grant land entitlement.

\* Sec. 3. AS 29.65.040 is repealed and reenacted to read:

Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) [After January 1, 1987, a]A general land grant entitlement under former AS 29.18.201-.202 or AS 29.65.010 is a vested property right that must be fulfilled in accordance with AS 29.65.025 and 29.65.080[.], and former AS 29.65.060. *ch*

(b) A general grant land entitlement under AS 29.65.015 is a property right that vests on the date of incorporation of the municipality. The entitlement must be fulfilled in accordance with AS 29.65.025.

\* Sec. 4. AS 29.65.060 is repealed and reenacted to read:

Sec. 29.65.060. SCHOOL AND MENTAL HEALTH LAND. (a) School land and mental health land within the boundaries of a municipality may not be included for purposes of determining the general grant land entitlement of that municipality.

(b) After the date of enactment of this Act, [A] municipality may not select [receive] school land or mental health land in fulfillment of its general grant land entitlement. *No*

(c) A municipality shall be entitled to just compensation, at fair market value, for any selection made by it of university, school or mental health land under former AS 29.18.206 or 29.65.060 which is pending, or on timely appeal, on the date of enactment of this act and which cannot be conveyed to the municipality as a result of any final judicial decision or legislative enactment. Payment of compensation under this section shall be made as provided in Sec. .080(h) of this chapter. *PAT Purchase*

\* Sec. 5. AS 29.65.100 is amended by adding a new subsection to read:

(d) On or before January 1, 1988, the Commissioner of Natural Resources shall negotiate and conclude the purchase of the Eagle River Greenbelt, as depicted in that document entitled the "Eagle River Greenbelt Plan" and dated ~~March 1986~~ April 1985. Upon such acquisition, the lands acquired shall be dedicated to public park and recreation purposes. If the Commissioner fails to complete the purchase within the time provided, the Municipality of Anchorage, at its option, may acquire the Eagle River Greenbelt under municipal authority for the purposes specified, in which event the municipality shall be fully compensated by the state for its costs of acquisition.

*Rec'd by [unclear] 7/17/86*

*Acq. mental health land*

\* Sec. 6. AS 29.65.080(b) is amended to read:

(b) A municipality shall receive payment for its land deficiency from the municipal land account. A municipality is eligible to receive payment for land deficiency if, after July 1, 1980, the amount of land selected by a municipality that is physically suitable for residential, commercial, or industrial purposes amounts to less than one-third acre per capita. Any entitlement under AS 29.65.010 that is less than one-third acre per capita will, for the purposes of this subsection, be considered a land deficiency. An unselected remaining entitlement will, for the purpose of deficiency payment under this subsection, be considered as land physically suitable for residential, commercial, or industrial purposes. A municipality eligible under this subsection is entitled to receive a payment for land deficiency equal to \$1,000 per acre for a number of acres equal to the difference between one-third of the population of the municipality less the number of acres physically suitable for residential, commercial or industrial purposes that has been selected by the municipality. For the purpose of this subsection, the population of the municipality shall be the population determined by the commissioner under former AS 43.18.010 for the program year beginning July 1, 1978, for a municipality whose entitlement was determined under former AS 29.18.201. No payment may be made to a municipality under this subsection in excess of \$9,000,000.

\* Sec. 7. AS 29.65.080(g) is amended to read:

(g) Payments authorized by this section may only be made to a municipality for an entitlement under AS 29.65.010.

Apr 10,86 12:43 PURCHSING MUNICIPALITY OF ANCHORAGE 907 274 5718

P.07

*Gravel*

(h) Payments under this section shall be made into a municipal land bank or land trust account created by municipal ordinance, whose purpose shall be to apply such payments and other receipts toward the acquisition of land necessary for public purposes, which land may be otherwise unavailable to the municipality.

\* Sec. 8. AS 29.65.130(10) is amended to read:

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

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

(B) has not been approved for patent to a municipality under this chapter or former AS 29.18.190 and 29.18.200; or

(C) is unclassified or, if classified under AS 38.05.300, is classified for agricultural, grazing, material, public recreation, resource management, settlement, transportation corridor, forestry, or wildlife habitat or is classified in accordance with an agreement between a municipality and the state providing for state management of land of the municipality.

\* Sec. 9. AS 38.05.321(b) is amended to read:

(b) State land classified as agricultural land that has been selected by a municipality under former AS 29.18.190 - 29.18.200 or former AS 29.18.205(e) may be approved by the director for patent under AS 29.65; however, only rights in the land for agricultural purposes may be transferred and all other interests in the land will

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P.08

remain with the state. Agricultural land approved for patent to a municipality shall be credited, acre for acre, toward fulfillment of that municipality's entitlement under AS 29.65 or former AS 29.18.201 - 29.18.203. If the director later determines it to be in the best interests of the state to transfer some or all of the additional rights in that approved or patented agricultural land, those rights shall pass without consideration to the municipality in which the land is located. The notice and review provisions of AS 38.05.945 are applicable to conveyance of rights under this section.

\* Sec. 10. AS 38.05.321(c) is amended to read:

(c) The provisions of this section do not apply to

(1) state land classified as agricultural land that has been selected by a municipality under the provisions of former AS 29.18.190 - 29.18.200 if the selection is an approved selection before April 1, 1978 and is otherwise valid under former AS 29.65.050(b) or former AS 29.18.205(b); or

(2) a quitclaim of the interest of the state to the federal government under AS 38.05.035(b)(9).

\* Sec. 11. Before January 1, 1987, the Department of Natural Resources shall consult with each municipality affected by this Act regarding classifications of state land within its boundaries and shall assist the municipality in identifying land suitable for selection in fulfillment of its general grant land entitlement.

\* Sec. 12. [Before January 1, 1987, t]The commissioner of natural resources may negotiate and enter into an agreement with a borough

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- or unified municipality whose entitlement under AS 29.65.010 has not been fulfilled on the date of enactment of this Act, if the borough or municipality elects in writing to pursue a settlement of that existing entitlement, which election shall waive any claim to an additional entitlement under Sec. 015 of this chapter. The commissioner's authority to negotiate such an agreement to convey state land within the municipality's boundaries shall be without regard to whether the land is vacant, unappropriated, unreserved land as defined under AS 29.65.130(10) if the commissioner determines, after notice and review, that the land lies outside the smallest practicable tract enclosing land actually used in connection with the administration of any state function by the holding agency on the date of enactment of this Act. [the land is not necessary for retention by the state. Land conveyed to a borough or unified municipality under an agreement entered into under this section constitutes complete fulfillment of the municipality's general grant land entitlement and the municipality is not entitled to additional land under this Act.] Conveyances by agreement under this section shall contain no restrictions or conditions which are not required to be imposed by existing law.

\* Sec. 13. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090 and 29.65.110 are repealed.

\* Sec. 14. Sections 4, <sup>5, 11 and 12</sup> ~~10, and 11~~ of this act take effect immediately in accordance with AS 01.10.070(c).

\* Sec. 15. Sections 1 - 3, <sup>6-10</sup> ~~5-9~~, and <sup>13</sup> ~~12~~ of this Act take effect January 1, 1987.

Sen Sturgulowski

Introduced: 3/25/86  
Referred: Community & Regional Affairs,  
Resources and Finance

1 IN THE SENATE

BY FERGUSON

2

(2d) SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to general grant land entitlements;

7

and providing for an effective date."

8

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

9

\* Section 1. AS 29.65 is amended by adding a new section to read:

10

Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-

11

ITIES. The general grant land entitlement of a municipality is 10

12

percent of the maximum total acreage of vacant, unappropriated, unre-

13

served land within its boundaries at any time between the date of its

14

incorporation and two years after the expiration of the state's right

15

to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.

16

By January 1 of each year the director shall determine or update the

17

unfulfilled entitlement for each municipality under this section and

18

certify that entitlement to that municipality.

19

\* Sec. 2. AS 29.65 is amended by adding a new section to read:

20

Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-

21

ity is eligible for only one general grant land entitlement. A munic-

22

ipality that qualifies for an entitlement under AS 29.65.010 and

23

29.65.015 shall receive the larger of the two entitlements.

24

(b) A municipality may not receive a general grant land en-

25

titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

26

(c) All conveyances of legal title to land by the state to a

27

municipality under AS 29.65.010 or a former law shall be credited

28

toward fulfillment of the entitlement for that municipality. All

29

payments for land under AS 29.65.080 or former AS 29.18.208 shall be

1 credited toward fulfillment of the entitlement for that municipality.

2 (d) Land classified under AS 38.05.300 for wildlife habitat may  
3 not be selected and conveyed in fulfillment of a general grant land  
4 entitlement.

5 \* Sec. 3. AS 29.65.040 is repealed and reenacted to read:

6 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After January 1,  
7 1987, a general grant land entitlement under AS 29.65.010 is a vested  
8 property right that must be fulfilled in accordance with AS 29.65.025  
9 and 29.65.080.

10 (b) A general grant land entitlement under AS 29.65.015 is a  
11 property right that vests on the date of incorporation of the municipi-  
12 pality. The entitlement must be fulfilled in accordance with AS 29.-  
13 65.025.

14 \* Sec. 4. AS 29.65.050 is amended by adding a new subsection to read:

15 (d) The commissioner of natural resources is authorized to  
16 negotiate and enter into an agreement with the Municipality of  
17 Anchorage prior to January 1, 1987, whereby the municipality's en-  
18 titlement under this chapter may be fully satisfied by the conveyance  
19 of state land within the municipal boundaries which the commissioner  
20 determines is not necessary for retention in state ownership, whether  
21 or not the land is vacant, unappropriated, and unreserved. The agree-  
22 ment may provide for the conveyance of no more than 5,000 acres of  
23 state land which the commissioner determines is worth no less than  
24 \$5,000,000.

25 \* Sec. 5. AS 29.65.060 is repealed and reenacted to read:

26 Sec. 29.65.060. SCHOOL AND MENTAL HEALTH LAND. (a) School land  
27 and mental health land within the boundaries of a municipality may not  
28 be included for purposes of determining the general grant land en-  
29 titlement of that municipality.

1 (b) A municipality may not receive school land or mental health  
2 land in fulfillment of its general grant land entitlement.

3 \* Sec. 6. AS 29.65.080(b) is amended to read:

4 (b) A municipality shall receive payment for its land deficiency  
5 from the municipal land account. A municipality is eligible to re-  
6 ceive payment for land deficiency if, after July 1, 1980, the amount  
7 of land selected by a municipality that is physically suitable for  
8 residential, commercial, or industrial purposes amounts to less than  
9 one-third acre per capita. Any entitlement under AS 29.65.010 that is  
10 less than one-third acre per capita will, for the purposes of this  
11 subsection, be considered a land deficiency. An unselected remaining  
12 entitlement will, for the purpose of deficiency payment under this  
13 subsection, be considered as land physically suitable for residential,  
14 commercial, or industrial purposes. A municipality eligible under  
15 this subsection is entitled to receive a payment for land deficiency  
16 equal to \$1,000 per acre for a number of acres equal to the difference  
17 between one-third of the population of the municipality less the  
18 number of acres physically suitable for residential, commercial or  
19 industrial purposes that has been selected by the municipality. For  
20 the purpose of this subsection, the population of the municipality  
21 shall be the population determined by the commissioner under former  
22 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-  
23 ipality whose entitlement was determined under former AS 29.18.201 [IN  
24 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-  
25 ipality under this subsection in excess of \$9,000,000.

26 \* Sec. 7. AS 29.65.080(g) is amended to read:

27 (g) Payments authorized by this section may only [NOT] be made  
28 to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010  
29 [AS 29.65.020 OR 29.65.030].

1 \* Sec. 8. AS 29.65.130(10) is amended to read:

2 (10) "vacant, unappropriated, unreserved land" means  
3 general grant land as defined in (3) of this section, excluding miner-  
4 als as required by sec. 6(i) of the Alaska Statehood Act, that

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

7 (B) has not been approved for patent to a municipal-  
8 ity under this chapter or former AS 29.18.190 and 29.18.200; or

9 (C) is unclassified or, if classified under AS 38.-  
10 05.300, is classified for agricultural, grazing, material, public  
11 recreation, resource management, settlement, transportation  
12 corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,  
13 PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY  
14 PURPOSES,] or is classified in accordance with an agreement  
15 between a municipality and the state providing for state manage-  
16 ment of land of the municipality.

17 \* Sec. 9. Before January 1, 1987, the Department of Natural Resources  
18 shall consult with each municipality affected by this Act regarding classi-  
19 fications of state land within its boundaries and may assist the munic-  
20 ipality in identifying land suitable for selection in fulfillment of its  
21 general grant land entitlement.

22 \* Sec. 10. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090  
23 and 29.65.110 are repealed.

24 \* Sec. 11. Sections 4 and 9 of this Act take effect immediately in  
25 accordance with AS 01.10.070(c).

26 \* Sec. 12. Sections 1 - 3, 5 - 8, and 10 of this Act take effect  
27 January 1, 1987.

*Check as to how long selection rights*

Offered: 3/28/86  
Referred: Resources

Original sponsor: Ferguson

1 IN THE SENATE BY THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE  
2 CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414 (C&RA)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to general grant land entitlements;  
7 and providing for an effective date."

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

9 \* Section 1. AS 29.65 is amended by adding a new section to read:

10 Sec. 29.65.015. DETERMINATION OF ENTITLEMENTS FOR MUNICIPAL-  
11 ITIES. The general grant land entitlement of a municipality is 10  
12 percent of the maximum total acreage of vacant, unappropriated, unre-  
13 served land within its boundaries at any time between the date of its  
14 incorporation and two years after the expiration of the state's right  
15 to make selections under sec. 6(a) or (b) of the Alaska Statehood Act.  
16 By January 1 of each year the director shall determine or update the  
17 unfulfilled entitlement for each municipality under this section and  
18 certify that entitlement to that municipality.

19 \* Sec. 2. AS 29.65 is amended by adding a new section to read:

20 Sec. 29.65.025. LIMITATIONS ON ENTITLEMENTS. (a) A municipal-  
21 ity is eligible for only one general grant land entitlement. A munic-  
22 ipality that qualifies for an entitlement under AS 29.6. .10 and  
23 29.65.015 shall receive the larger of the two entitlements.

24 (b) A municipality may not receive a general grant land en-  
25 titlement under AS 29.65.010 or 29.65.015 that exceeds 400,000 acres.

26 (c) All conveyances of legal title to land by the state to a  
27 municipality under AS 29.65.010 or a former law shall be credited  
28 toward fulfillment of the entitlement for that municipality. All  
29 payments for land under AS 29.65.080 or former AS 29.18.208 shall be

1 credited toward fulfillment of the entitlement for that municipality.

2 (d) Land classified under AS 38.05.300 for wildlife habitat may  
3 not be selected or conveyed in fulfillment of a general grant land  
4 entitlement.

5 \* Sec. 3. AS 29.65.040 is repealed and reenacted to read:

6 Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After January 1,  
7 1987, a general grant land entitlement under AS 29.65.010 is a vested  
8 property right that must be fulfilled in accordance with AS 29.65.025  
9 and 29.65.080.

10 (b) A general grant land entitlement under AS 29.65.015 is a  
11 property right that vests on the date of incorporation of the munici-  
12 pality. The entitlement must be fulfilled in accordance with AS 29.-  
13 65.025.

14 \* Sec. 4. AS 29.65.060 is repealed and reenacted to read:

15 Sec. 29.65.060. SCHOOL AND MENTAL HEALTH LAND. (a) School land  
16 and mental health land within the boundaries of a municipality may not  
17 be included for purposes of determining the general grant land en-  
18 titlement of that municipality.

19 (b) A municipality may not receive school land or mental health  
20 land in fulfillment of its general grant land entitlement.

21 \* Sec. 5. AS 29.65.080(b) is amended to read:

22 (b) A municipality shall receive payment for its land deficiency  
23 from the municipal land account. A municipality is eligible to re-  
24 ceive payment for land deficiency if, after July 1, 1980, the amount  
25 of land selected by a municipality that is physically suitable for  
26 residential, commercial, or industrial purposes amounts to less than  
27 one-third acre per capita. Any entitlement under AS 29.65.010 that is  
28 less than one-third acre per capita will, for the purposes of this  
29 subsection, be considered a land deficiency. An unselected remaining

1 entitlement will, for the purpose of deficiency payment under this  
2 subsection, be considered as land physically suitable for residential,  
3 commercial, or industrial purposes. A municipality eligible under  
4 this subsection is entitled to receive a payment for land deficiency  
5 equal to \$1,000 per acre for a number of acres equal to the difference  
6 between one-third of the population of the municipality less the  
7 number of acres physically suitable for residential, commercial or  
8 industrial purposes that has been selected by the municipality. For  
9 the purpose of this subsection, the population of the municipality  
10 shall be the population determined by the commissioner under former  
11 AS 43.18.010 for the program year beginning July 1, 1978, for a munic-  
12 ipality whose entitlement was determined under former AS 29.18.201 [IN  
13 ACCORDANCE WITH AS 29.65.060(f)]. No payment may be made to a munic-  
14 ipality under this subsection in excess of \$9,000,000.

15 \* Sec. 6. AS 29.65.080(g) is amended to read:

16 (g) Payments authorized by this section may only [NOT] be made  
17 to a municipality [ELIGIBLE] for an entitlement under AS 29.65.010  
18 [AS 29.65.020 OR 29.65.030].

19 \* Sec. 7. AS 29.65.130(10) is amended to read:

20 (10) "vacant, unappropriated, unreserved land" means  
21 general grant land as defined in (3) of this section, excluding miner-  
22 als as required by sec. 6(i) of the Alaska Statehood Act, that

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

25 (B) has not been approved for patent to a municipal-  
26 ity under this chapter or former AS 29.18.190 and 29.18.200; or

27 (C) is unclassified or, if classified under AS 38.-  
28 05.300, is classified for agricultural, grazing, material, public  
29 recreation, resource management, settlement, transportation

1           corridor, forestry, or wildlife habitat [COMMERCIAL, INDUSTRIAL,  
2           PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY, OR OPEN-TO-ENTRY  
3           PURPOSES,] or is classified in accordance with an agreement  
4           between a municipality and the state providing for state manage-  
5           ment of land of the municipality.

6           \* S. c. 8. AS 38.05.321(b) is amended to read:

7           (b) State land classified as agricultural land that has been  
8           selected by a municipality under former AS 29.18.190 - 29.18.200 or  
9           former AS 29.18.205(e) may be approved by the director for patent  
10          under AS 29.65 [AS 29.65.050(c)]; however, only rights in the land for  
11          agricultural purposes may be transferred and all other interests in  
12          the land will remain with the state. Agricultural land approved for  
13          patent to a municipality shall be credited, acre for acre, toward  
14          fulfillment of that municipality's entitlement under AS 29.65 [AS 29.-  
15          65.010 - 29.65.030] or former AS 29.18.201 - 29.18.203. If the  
16          director later determines it to be in the best interests of the state  
17          to transfer some or all of the additional rights in that approved or  
18          patented agricultural land, those rights shall pass without considera-  
19          tion to the municipality in which the land is located. The notice and  
20          review provisions of AS 38.05.945 are applicable to conveyance of  
21          rights under this section.

22          \* Sec. 9. AS 38.05.321(c) is amended to read:

23               (c) The provisions of this section do not apply to  
24               (1) state land classified as agricultural land that has  
25               been selected by a municipality under the provisions of former  
26               AS 29.18.190 - 29.18.200 if the selection is an approved selection  
27               before April 1, 1978 and is otherwise valid under former  
28               AS 29.65.050(b) or former AS 29.18.205(b); or  
29               (2) a quitclaim of the interest of the state to the federal

1 government under AS 38.05.035(b)(9).

2 \* Sec. 10. Before January 1, 1987, the Department of Natural Resources  
3 shall consult with each municipality affected by this Act regarding classi-  
4 fications of state land within its boundarier and shall assist the munic-  
5 ipality in identifying land suitable for selection in fulfillment of its  
6 general grant land entitlement.

7 \* Sec. 11. Before January 1, 1987, the commissioner of natural  
8 resources may negotiate and enter into an agreement with a borough or  
9 unified municipality to convey state land within the municipality's  
10 boundaries without regard to whether the land is vacant, unappropriated,  
11 unreserved land as defined under AS 29.65.130(10) if the commissioner  
12 determines the land is not necessary for retention by the state. Land  
13 conveyed to a borough or unified municipality under an agreement entered  
14 into under this section constitutes complete fulfillment of the  
15 municipality's general grant land entitlement and the municipality is not  
16 entitled to additional land under this Act.

17 \* Sec. 12. AS 29.65.010(b), 29.65.020, 29.65.030, 29.65.050, 29.65.090  
18 and 29.65.110 are repealed.

19 \* Sec. 13. Sections 4, 10, and 11 of this Act take effect immediately  
20 in accordance with AS 01.10.070(c).

21 \* Sec. 14. Sections 1 - 3, 5 - 9, and 12 of this Act take effect Janu-  
22 ary 1, 1987.

*John 2, 1984*

Introduced: 3/11/86  
Referred: Community and Regional  
Affairs and Finance

*Original - Statute*  
*Approved July 29*  
*July 38*  
*Land*  
*Entitlements*

1 IN THE SENATE

BY FERGUSON

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 414  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: An Act relating to municipal land entitlements; and  
7 providing for an effective date.

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

9 \* Section 1. AS 29.65.010(b) is amended to read:

10 (b) This section is a continuation of the provisions of former  
11 AS 29.18.201 and does not grant additional entitlements, although if  
12 an entitlement established under AS 29.65.020 or 29.65.030 exceeds the  
13 entitlement in (a) of this section, the municipality shall receive the  
14 larger entitlement. The entitlement for a municipality may not exceed  
15 400,000 acres.

16 \* Sec. 2. AS 29.65.020(a) is amended to read:

17 Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR MUNICIPALITIES  
18 [CITIES]. (a) The general grant land entitlement of a municipality  
19 [CITY] formerly eligible to receive general grant land under the  
20 provisions of former AS 29.18.190 and 29.18.200 is 10 percent of the  
21 maximum total acreage of vacant, unappropriated, unreserved land  
22 within [IN] the boundaries of each municipality [CITY] at any time  
23 between the initial date of eligibility under former AS 29.18.190 and  
24 29.18.200 and two years after the expiration of the state's right to  
25 make selections under sec. 6(a) or (b) of the Alaska Statehood Act.  
26 By January 1 of each calendar year [JULY 1], 1978. WITHIN SIX MONTHS  
27 AFTER JULY 1, 1978,] the director shall determine or update the en-  
28 titlement for each municipality [CITY] eligible to receive general  
29 grant land under this section [FORMER AS 29.18.202] and certify that  
S

1 entitlement to the municipality [CITY].

2 \* Sec. 3. AS 29.65.020(b) is repealed and reenacted to read:

3 (b) Other conveyances of state land to a municipality shall  
4 counted toward fulfillment of a municipality's entitlement.

5 \* Sec. 4. AS 29.65.030(a) is amended to read:

6 Sec. 29.65.030. DETERMINATION OF ENTITLEMENT FOR [NEWLY INCOR  
7 PORATED] MUNICIPALITIES. (a) The general grant land entitlement of  
8 municipality incorporated after July 1, 1978, is 10 percent of th  
9 total acreage of vacant, unappropriated, unreserved land within th  
10 boundaries of the municipality at any time between the date of incor  
11 poration and two years after the expiration of the state's right t  
12 make selections under secs. 6(a) and (b) of the Alaska Statehood Ac  
13 [ON THE DATE OF ITS INCORPORATION].

14 \* Sec. 5. AS 29.65.060 is repealed and reenacted to read:

15 Sec. AS 29.65.060. SCHOOL, UNIVERSITY, AND MENTAL HEALTH LAND

16 (a) The acreage of school, university, or mental health land, if any  
17 may not be included in the determination of entitlement under AS 29.  
18 65.010, 29.65.020 or 29.65.030.

19 (b) Municipalities may not select school, university, or menta  
20 health land under this chapter.

21 \* Sec. 6. AS 29.65.130(10) is amended to read:

22 (10) "vacant, unappropriated, unreserved land" means genera  
23 grant land as defined in (3) of this section, excluding minerals a  
24 required by sec. 6(i) of the Alaska Statehood Act, that

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

27 (B) has not been approved for patent to a municipalit  
28 under this chapter or former AS 29.18.190 and 29.18.200; or

29 (C) is unclassified or, if classified unde

1 AS 38.05.300, is classified for agricultural, grazing, material,  
2 public recreation, resource management, settlement, transporta-  
3 tion corridor, forestry, wildlife habitat and water resources,  
4 [COMMERCIAL, INDUSTRY, PRIVATE RECREATIONAL, RESIDENTIAL, UTILI-  
5 TY, OR OPEN-TO-ENTRY PURPOSES,] or is classified in accordance  
6 with an agreement between a municipality and the state providing  
7 for state management of land of the municipality. \*

8 \* Sec. 7. AS 29.65 is amended by adding a new section to read:

9 Sec. 29.65.150. MUNICIPALITY PARTICIPATION. The department  
10 shall coordinate and consult with the affected municipality in identi-  
11 fying or classifying state land before the effective date of secs. 1 -  
12 6 of this Act.

13 \* Sec. 8. AS 29.65.030(c), 29.65.040(e), 29.65.050(b) and (c), 29.65.-  
14 090 and 29.65.110 are repealed.

15 \* Sec. 9. Section 7 of this Act takes effect immediately in accordance  
16 with AS 01.10.070(c).

17 \* Sec. 10. Sections 1 - 6 and 8 of this Act take effect January 1,  
18 1987.

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 10, 1986

POSITION PAPER

RE: SB 414

SPONSOR: Senator Ferguson

Program Effects of Bill

The bill would, by broadening the definition to "municipalities", extend to boroughs the right to select 10% of vacant unappropriated and unreserved State land within their boundaries.

The bill would also extend the determination of land selection date from "within six months of July 1, 1978" (or "six months from date of incorporation" for municipalities incorporated after July 1, 1978) to "two years after the expiration of the State's right to make selections". This revision would allow municipalities the right to make selections from all State land, rather than just the land available at a particular time. It would also allow municipalities to select State land in newly annexed areas.

In addition, Section 4 of the bill would change the definition of "vacant, unappropriated and unreserved land" to include land categories currently utilized by the State. Land extensive categories such as "resource management, forestry, wildlife habitat and water resources" would be specifically included.

Comments

The Department of Community and Regional Affairs supports the proposed legislation because of its beneficial effect on municipalities. The political subdivisions of the State should be entitled to share the benefits of increased State land within their boundaries whenever the increase occurs. The proposed legislation allows municipalities to share the good fortunes of the State whenever the State receives additional land within the municipal boundaries. Beneficiaries of the proposed legislation would include the proposed Northwest Arctic Borough, the Matanuska-Susitna Borough, the City of Anderson, the North Slope Borough, and cities such as Yakutat that may be annexing State land in the future.

- POUCH B  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508  
PHONE: (907) 563-1073

One of the Department's goals is to support the formation of local governments when it is desired by residents of the area. Under current laws, the municipal land entitlement is based on the amount of State land within the municipal boundaries at the time of incorporation. Thus, the decision to incorporate a local government at a particular time may be significantly influenced by whether or not the State has received land in the area being considered for incorporation. Because the proposed legislation allows the municipal land entitlement to be determined as the State receives land, the amount of State land in the area proposed for incorporation becomes less of a factor in the decision to incorporate. Local residents can concentrate more debate on the need for and desirability of local government rather than on the timing of State land selections. Moreover, the proposed legislation would allow municipalities to increase their entitlements when annexing areas containing State land, consistent with the overall intent of the entitlement program. It would also serve to institute a consistent framework for entitlements, rather than continue the piecemeal approach that had been followed in the past when the Legislature addressed the issue of entitlements for the cities of Pelican and Whittier.

The Department urges that the Legislature adopt the amendments to AS 29.65.130(10)(C) contained in Section 4 of the bill as introduced. The municipal land entitlement is based on the amount of land considered to be "vacant, unappropriated and unreserved". Under AS 29.65.130(10)(C) the State land classifications, which are considered "vacant, unappropriated and unreserved" for purposes of determining municipal land entitlements, are listed. Many future boroughs, and to some extent future cities, are expected to contain significant amounts of State land classified as forestry or wildlife habitat. Therefore it is of particular importance that the State land classifications of forestry and wildlife habitat remain in the list of classifications considered "vacant, unappropriated and unreserved" for purposes of determining municipal land entitlements.

  
\_\_\_\_\_  
Emil Notti, Commissioner

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M  
JUNEAU, ALASKA 99811  
PHONE: 907-465-2400

March 11, 1986

The Honorable Edna DeVries  
Chair, Community and Regional  
Affairs Committee  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

Dear Senator DeVries:

I am writing with regard to SB 414, relating to municipal entitlements. The Department supports the concept of this bill and approves of changes made in the sponsor substitute. The bill now serves the interests of both increasing municipal entitlement opportunities in Alaska and cleaning up language in the existing statute.

Municipal land entitlements serve a variety of public policy goals. They increase the ability of local government to advance local purposes such as economic development or land conservation. They reduce the state's management responsibilities and role within organized areas, shifting some of the costs, difficulties, and benefits of land management from the state to local governments. They also can serve as an incentive for the organization or new boroughs and cities, to the long-term benefit of Alaska's citizens.

The proposed bill is expected to provide state lands to between ten and twenty communities which received a zero entitlement under the last municipal entitlement rewrite in 1978. Another ten to twenty communities will receive state land before 1996. A few communities which have already received land will see their existing entitlements increase. Our staff are not able to quantify the amount of state acreage that would be conveyed under SB 414, nor have we been able to identify conclusively the communities which will benefit; these tasks would require some very detailed and expensive work on the status plats. However, I am attaching some general information on the amount of state land in classifications which might be available for selection under SB 414, and a summary of municipal entitlement conveyances made to date.

The Hon. Edna Devries

- 2 -

March 11, 1986

As you can see from the enclosures, about 67.8 million acres of state land are classified in categories that would be open for selection. We do not know how much of this land is within city or borough boundaries, nor do we know how much of it is within the boundaries of communities which have already received all or most of their entitlement under previous entitlement programs.

Please contact me if you have questions or comments on the department's position on the bill. Thank you.

Sincerely,

*Esther C. Wunnicke*

*f* Esther C. Wunnicke  
Commissioner

Attachments

cc: Senator Ferguson

ATTACHMENT ONE  
Municipal conveyances (2/86)

<u>Municipality</u>	<u>Acreage</u>
Ketchikan	0.5
North Pole	0.5
Dillingham	1.0
Soldotna	14.0
Fairbanks, City	15.0
Hoonah	15.0
Homer	16.0
Kodiak	32.0
Port Lions	35.0
Bethel	40.0
Yakutat	75.0
Kupreanof	180.0
Cordova	235.0
Ouzinkie	240.0
Kenai	307.0
Wrangell	310.0
Delta Junction	400.0
Houston	405.0
Petersburg	461.0
Skagway	500.0
Seward	562.0
Whittier	600.0
Thorne Bay	612.0
Haines Borough	2,800.0
Bristol Bay Borough	2,898.0
Tenakee Springs	2,958.1
Valdez	4,805.0
Sitka, City and Borough	10,500.0
Ketchikan Gateway Borough	11,593.0
Juneau, City and Borough	19,584.0
Anchorage, Municipality	44,893.0
Kodiak Island Borough	56,500.0
Fairbanks Northstar Borough	112,000.0
Kenai Peninsula Borough	155,780.0
Matanuska-Susitna Borough	355,210.0

ATTACHMENT TWO  
State Land Classifications (12/85)

<u>State land in categories open to selection:</u>	<u>Acreege:</u>
Unclassified	11,200,000
Agriculture	629,000
Grazing	152,750
Material	5,100
Public recreation	1,400,000
Resource management	39,800,000
Settlement	2,900,000
Transportation corridor	0
Forestry	3,200,000
Wildlife habitat	1,900,000
Water resources	127,500
Wildlife habitat/Public recreation	6,200,000
Forestry/Wildlife habitat	283,000
Wildlife habitat/Water resources	55,000
	<hr/>
TOTAL STATE ACREAGE IN AVAILABLE CATEGORIES	67,852,350

<u>State land not in categories open to selection:</u>	<u>Acreege:</u>
Legislatively designated areas	8,000,000
Minerals	83,750
Minerals/Wildlife habitat/Public recreation	2,100,000
Oil and gas/Wildlife habitat	352,000
Oil and gas/Wildlife habitat/Public recreation	2,400,000
Reserved use	600,000
Coal	2,500
Resource assessment	150,000
	<hr/>
TOTAL STATE ACREAGE NOT IN AVAILABLE CATEGORIES	13,688,250

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : SB 414  
 Title : Municipal Land Entitlements  
 \_\_\_\_\_  
 Sponsor : Sen Ferguson  
 Requestor : Sen. C. & R. A.  
 Date of Request : 03-07-86

**FISCAL DETAIL**

Agency Affected : Natural Resources  
 BRU : Land & Water Mgmt-Public Use  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		218.4				
TRAVEL		12.0				
CONTRACTUAL		21.0				
SUPPLIES		3				
EQUIPMENT		9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>252.6</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		252.6	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>252.6</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

**POSITIONS :**

FULL-TIME		5				
PART-TIME						
TEMPORARY						

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

The analysis includes funding for 4 Nat'l Res Officer II and 1 Nat'l Res Tech II. These positions will be placed in the Regional Offices to determine entitlements for the entities in the region.

Prepared by : Gary Johnson *RMJ*  
 Division : Land & Water Mgmt.

Phone : 762-4355  
 Date : 03-11-86

Approved by Commissioner : Thomas D. Amundson  
 Agency : Natural Resources

Date : 3/11/86

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**MEMORANDUM****State of Alaska**

DEPARTMENT OF NATURAL RESOURCES - Division of Land and Water Management

TO: Tom Hawkins, Director  
Land and Water Management

DATE: February 26, 1986

FILE NO: 9102

TELEPHONE NO: 276-5755

FROM: Frank Tyler, NRO *FT*

SUBJECT: Muni Entitlement Data for  
Senator Sturgulewski

Here are printouts from data stored on the P.C. concerning the municipal entitlements program. There are two lists, each being described separately.

**Municipalities By Incorporation Date.** This is a list of all local governments in ascending order by incorporation date. Incorporation date is the second column on the sheet. The first municipality listed is Ketchikan, a home rule city which was incorporated in 1900 with an entitlement of 0.5 Acres. The primary purpose of the entitlements in response to the 1978 changes established in AS 29.18.202 was done in August 1978. Therefore if you desire to know what cities have had an entitlement determined by the department subsequent to 1978, turn to page 4. The City of Sand Point was incorporated in 1978 and the municipalities listed after this also fall within the class of municipalities which have had a municipal entitlement by the department subsequent to 1978.

**Municipalities by entitlement, ascending order.** This is the title of the second printout. This is the same data as the first list; this list is just ordered differently. The third column shows the acres of entitlement for the local government. As you can see from a cursory glance that the first three pages are "zero entitlement cities."

**DISCLAIMERS/CAVEATS AND CAUTIONS.**

The column with "entitlement acres" may appear at times to have incorrect information. Example is Whittier which did not receive acreage under AS 29.18.202. The legislature passed a session law which stated that: we know that Whittier has not entitlement because DNR determined that there was a zero entitlement, but there are special circumstances and the legislature hereby grants to Whittier 600 Acres. The reason this municipality and others in the same class are on the printout is that this entitlement is administered by this office with this program.

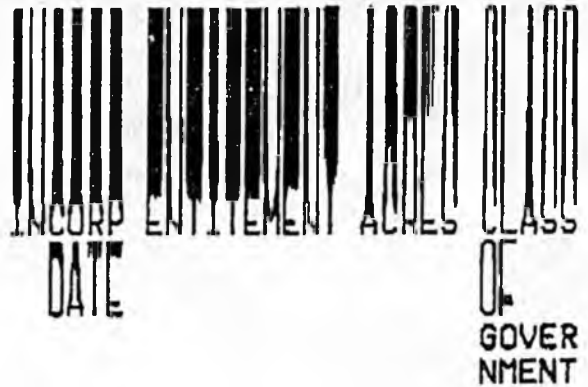
**DATA DEFINITIONS**

The only data column which may not be immediately apparent in its meaning is the "Class of Government": "1" is a first class city; "2" is a second class city; "x" is a city organized under federal law; "m" is a home rule city; "u" is a unified municipality; "b" is a borough.

TH/FLT/ka

MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY



MUNICIPALITY	INCORP DATE	ENTITLEMENT	ACRES	CLASS OF GOVERNMENT
	0		0.0	
	0		0.0	
Ketchikan	0		0.5	m
Skagway	0		500.0	1
Eagle	1		0.0	2
Nome	1		0.0	1
Valdez	1		4805.0	m
Fairbanks, City	3		15.0	m
Wrangell	3		310.0	m
Cordova	9		235.0	m
Haines	10		0.0	1
Petersburg	10		461.0	m
Seward	12		562.0	m
Nenana	21		0.0	m
Craig	22		0.0	1
Hydaburg	27		0.0	1
Klawock	29		0.0	1
Saxman	30		0.0	2
Kodiak	40		32.0	m
Unalaska	42		0.0	1
Pelican	43		0.0	1
Metlakatla	44		0.0	x
Seldovia	45		0.0	1
Hoonah	46		15.0	1
King cove	47		0.0	1
Yakutat	48		75.0	1
Palmer	51		0.0	m
Kake	52		0.0	1
North Pole	53		0.5	m
Anaktuvuk Pass	57		0.0	2
Bethel	57		40.0	s
Kotzebue	58		0.0	2
Barrow	59		0.0	1
Fort Yukon	59		0.0	2
Delta Junction	60		400.0	2
Kachemak	61		0.0	2
Anderson	62		0.0	2
Bristol Bay Borough	62		2898.0	b
Kenai	62		307.0	m
Wainwright	62		0.0	2
Angoon	63		0.0	2
Dillingham	63		1.0	1
Gambell	63		0.0	2
Ketchikan Gateway Borough	63		11593.0	b
Kodiak Island Borough	63		56500.0	b
Nulato	63		0.0	2
Teller	63		0.0	2
Emmonak	64		0.0	2
Fairbanks Northstar Borough	64		112000.0	b

02/24/85

## MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY	INCORP DATE	ENTITEMENT ACRES	CLASS OF GOVER NMENT
Homer	64	16.0	1
Kenai Peninsula Borough	64	155780.0	b
Kiana	64	0.0	2
Matanuska-Susitna Borough	64	355210.0	b
Noorvik	64	0.0	2
Wales	64	0.0	2
Buckland	66	0.0	2
Hooper Bay	66	0.0	2
Houston	66	405.0	2
Old Harbor	66	0.0	2
Point Hope	66	0.0	2
Port Lions	66	35.0	2
Chevak	67	0.0	2
Mountain Village	67	0.0	2
Ouzinkie	67	240.0	2
Saint Mary's	67	0.0	1
Scammon Bay	67	0.0	2
Shungnak	67	0.0	2
Soldotna	67	14.0	1
Haines Borough	68	2800.0	b
Holy Cross	68	0.0	2
Alakanuk	69	0.0	2
Anvik	69	0.0	2
Brevig Mission	69	0.0	2
Grayling	69	0.0	2
Huslia	69	0.0	2
Kaltag	69	0.0	2
Kivalina	69	0.0	2
Lower Kalskag	69	0.0	2
Mekoryuk	69	0.0	2
Nunapitchuk	69	0.0	2
Pilot Station	69	0.0	2
Saint Michael	69	0.0	2
Savoonga	69	0.0	2
Shaktoolik	69	0.0	2
Shishmaref	69	0.0	2
Stebbins	69	0.0	2
Togiak	69	0.0	2
White Mountain	69	0.0	2
Whitter	69	600.0	2
Akiak	70	0.0	2
Oeering	70	0.0	2
Diomedé	70	0.0	2
Eek	70	0.0	2
Elim	70	0.0	2
Fortuna Ledge	70	0.0	2
Goodnews Bay	70	0.0	2
Juneau, City and Borough	70	19584.0	u
Kotlik	70	0.0	2

02/24/86

## MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY	INCORP DATE	ENTIREMENT ACRES	CLASS OF GOVERNMENT
Koyuk	70	0.0	2
Manokotak	70	0.0	2
Napakiak	70	0.0	2
Nikolai	70	0.0	2
Russian Mission	70	0.0	2
Shageluk	70	0.0	2
Tuluksak	70	0.0	2
Ambler	71	0.0	2
Clark's Point	71	0.0	2
Galena	71	0.0	1
Golovin	71	0.0	2
Kaktovik	71	0.0	2
Napaskiak	71	0.0	2
Newhalen	71	0.0	2
Newtok	71	0.0	2
Nondalton	71	0.0	2
Saint Paul	71	0.0	2
Sitka, City and Borough	71	10500.0	u
Tenakee Springs	71	2958.1	2
Aniak	72	0.0	2
New Stuyahok	72	0.0	2
North Slope Borough	72	0.0	b
Port Heiden	72	0.0	2
Toksook Bay	72	0.0	2
Aleknagik	73	0.0	2
Hughes	73	0.0	2
Kobuk	73	0.0	2
Koyukuk	73	0.0	2
Ruby	73	0.0	2
Akhiak	74	0.0	2
Akiachak	74	0.0	2
Chefornak	74	0.0	2
Ekwok	74	0.0	2
Larsen Bay	74	0.0	2
Nightmute	74	0.0	2
Port Alexander	74	0.0	2
Sheldon Point	74	0.0	2
Unalakleet	74	0.0	2
Wasilla	74	0.0	2
Allakaket	75	0.0	2
Anchorage, Municipality	75	44893.0	u
Chuathbaluk	75	0.0	2
Kupreanof	75	180.0	2
Kwethluk	75	0.0	2
McGrath	75	0.0	2
Nuiqsut	75	0.0	2
Platinum	75	0.0	2
Quinhagak	75	0.0	2
Tununak	75	0.0	2

Page No.

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02/24/85

MUNICIPALITIES BY INCORPORATION DATE

MUNICIPALITY	INCORP DATE	ENTITEMENT ACRES	CLASS OF GOVERN MENT
Upper Kalskag	75		
Atmautluak	76	0.0	2
Kasaan	76	0.0	2
Selawik	77	0.0	2
Sand Point	78	0.0	2
Akutan	79	0.0	1
Cold Bay	81	0.0	2
Atkasuk	82	0.0	2
Kasigluk	82	0.0	2
Tanana	82	0.0	2
Thorne Bay	82	0.0	1
Chignik	82	612.0	2
Saint George	83	0.0	2
Bettles	83	0.0	2
	85	0.0	2

02/24/85

MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY

ACRES OF INCORPORATION MUNICIPALITY  
ENTITLEMENT DATE CLASS

MUNICIPALITY	ACRES OF ENTITLEMENT	INCORPORATION DATE	MUNICIPALITY CLASS
	0.0		0
	0.0		0
Akhiok	0.0	74	2
Akiachak	0.0	74	2
Akiak	0.0	70	2
Akutan	0.0	79	2
Alakanuk	0.0	69	2
Aleknagik	0.0	73	2
Allakaket	0.0	75	2
Ambler	0.0	71	2
Anaktuvuk Pass	0.0	57	2
Anderson	0.0	62	2
Angoon	0.0	63	2
Aniak	0.0	72	2
Anvik	0.0	69	2
Atmautluak	0.0	76	2
Atkasuk	0.0	32	2
Barrow	0.0	59	1
Bettles	0.0	85	2
Brevig Mission	0.0	69	2
Buckland	0.0	66	2
Chefornak	0.0	74	2
Chevak	0.0	67	2
Chignik	0.0	83	2
Chuathbaluk	0.0	75	2
Clark's Point	0.0	71	2
Cold Bay	0.0	81	2
Craig	0.0	22	1
Deering	0.0	70	2
Diomede	0.0	70	2
Eagle	0.0	1	2
Eek	0.0	70	2
Ekwok	0.0	74	2
Elim	0.0	70	2
Emmonak	0.0	64	2
Fort Yukon	0.0	59	2
Fortuna Ledge	0.0	70	2
Galena	0.0	71	1
Gambell	0.0	63	2
Golovin	0.0	71	2
Goodnews Bay	0.0	70	2
Grayling	0.0	69	2
Haines	0.0	10	1
Holy Cross	0.0	68	2
Hooper Bay	0.0	66	2
Hughes	0.0	73	2
Huslia	0.0	69	2
Hydaburg	0.0	27	1
Kachemak	0.0	61	2
Kake	0.0	52	1
Kaktovik	0.0	71	2

MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY

ACRES OF ENTITLEMENT INCORPORATION DATE

MUNICIPALITY	ACRES OF ENTITLEMENT	INCORPORATION DATE
Kaltag	0.0	69 2
Kasaan	0.0	76 2
Kasigluk	0.0	82 2
Kiana	0.0	64 2
King cove	0.0	47 1
Kivalina	0.0	69 2
Klawock	0.0	29 1
Kobuk	0.0	73 2
Kotlik	0.0	70 2
Kotzebue	0.0	58 2
Koyuk	0.0	70 2
Koyukuk	0.0	73 2
Kwethluk	0.0	75 2
Larsen Bay	0.0	74 2
Lower Kalskag	0.0	69 2
Manokotak	0.0	70 2
McGrath	0.0	75 2
Mekoryuk	0.0	69 2
Metlakatla	0.0	44 x
Mountain Village	0.0	67 2
Napaklak	0.0	70 2
Napaskiak	0.0	71 2
Nenana	0.0	21 m
New Stuyahok	0.0	72 2
Newhalen	0.0	71 2
Newtok	0.0	71 2
Nightmute	0.0	74 2
Nikolai	0.0	70 2
Nome	0.0	1 1
Nondalton	0.0	71 2
Noorvik	0.0	64 2
North Slope Borough	0.0	72 b
Nuiqsut	0.0	75 2
Nulato	0.0	63 2
Nunapitchuk	0.0	69 2
Old Harbor	0.0	66 2
Palmer	0.0	51 m
Pelican	0.0	43 1
Pilot Station	0.0	69 2
Platinum	0.0	75 2
Point Hope	0.0	66 2
Port Alexander	0.0	74 2
Port Heiden	0.0	72 2
Quinhagak	0.0	75 2
Ruby	0.0	73 2
Russian Mission	0.0	70 2
Saint George	0.0	33 2
Saint Mary's	0.0	67 1
Saint Michael	0.0	69 2
Saint Paul	0.0	71 2
Sand Point		

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02/24/85

## MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY	ACRES OF ENTITLEMENT	INCORPORATION DATE	MUNICIPALITY CLASS
Savoonga	0.0	69	2
Saxman	0.0	30	2
Scammon Bay	0.0	67	2
Selawik	0.0	77	2
Seldovia	0.0	45	1
Shageluk	0.0	70	2
Shaktoolik	0.0	69	2
Sheldon Point	0.0	74	2
Shishmaref	0.0	69	2
Shungnak	0.0	67	2
Stebbins	0.0	69	2
Tanana	0.0	82	1
Teller	0.0	63	2
Togiak	0.0	69	2
Toksook Bay	0.0	72	2
Tuluksak	0.0	70	2
Tununak	0.0	75	2
Unalakleet	0.0	74	2
Unalaska	0.0	42	1
Upper Kalskag	0.0	75	2
Wainwright	0.0	62	2
Wales	0.0	64	2
Wasilla	0.0	74	2
White Mountain	0.0	69	2
Ketchikan	0.5	0	m
North Pole	0.5	53	m
Dillingham	1.0	63	1
Soldotna	14.0	67	1
Fairbanks, City	15.0	3	m
Hoonah	15.0	46	1
Homer	16.0	64	1
Kodiak	32.0	40	m
Port Lions	35.0	66	2
Bethel	40.0	57	s
Yakutat	75.0	48	1
Kupreanof	180.0	75	2
Cordova	235.0	9	m
Ouzinkie	240.0	67	2
Kenai	307.0	62	m
Wrangell	310.0	3	m
Delta Junction	400.0	60	2
Houston	405.0	66	2
Petersburg	461.0	10	m
Skagway	500.0	0	1
Seward	562.0	12	m
Whitter	600.0	69	2
Thorne Bay	612.0	82	2
Haines Borough	2800.0	68	b
Bristol Bay Borough	2898.0	62	b
Tenakee Springs	2958.1	71	2
Valdez	4805.0	1	m

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02/24/85

MUNICIPALITIES BY ACRES OF ENTITLEMENT

MUNICIPALITY	ACRES OF INCORPORATION ENTITLEMENT	DA'
Sitka, City and Borough	10500.0	
Ketchikan Gateway Borough	11593.0	
Juneau, City and Borough	19584.0	
Anchorage, Municipality	44893.0	
Kodiak Island Borough	56500.0	
Fairbanks Northstar Borough	112000.0	
Kenai Peninsula Borough	155780.0	
Matanuska-Susitna Borough	355210.0	



**CITY OF ANDERSON**

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

MAR 11 1986

In Reply  
Refer To:

March 7, 1986

The Honorable Arliss Sturgulewski  
Alaska State Legislature  
Pouch V (MS 3100)  
Juneau, Alaska 99811

Dear Senator Sturgulewski:

Once again, I want to thank you for your time and demonstrated support for the concerns of the City of Anderson. Your ability to obtain information which had not been forthcoming to the City, though requested, is very much appreciated.

While the information on zero entitlement municipalities was far from complete, I am confident that your good offices can assure that the proper analysis of this issue will be forthcoming.

Senator Coghill or Representative Shultz should be forwarding to you a draft copy of the proposed legislation on municipal land entitlements shortly, which I drafted while in Juneau, if they have not done so already.

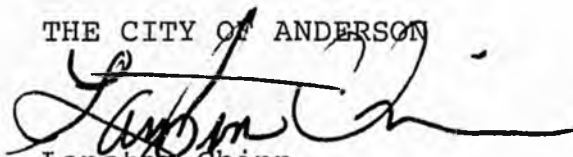
The City of Anderson hopes that you, as Chairman of the Senate Resource Committee, in concert with your colleagues, are able to introduce this important legislation this session.

If I can be of any assistance at the local level, please don't hesitate to let me know.

Thanks once again.

Sincerely,

THE CITY OF ANDERSON



Lanston Chinn  
City Administrator

LC/cte

Introduced: 2/14/86  
Referred: Community and Regional  
Affairs and Finance

1 IN THE SENATE

BY FERGUSON

2 SENATE BILL NO. 414

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal land entitlements; and  
7 providing for an effective date.

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

9 \* Section 1. AS 29.65.020(a) is amended to read:

10 Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR MUNICIPALITIES  
11 [CITIES]. (a) The general grant land entitlement of a municipality  
12 [CITY] formerly eligible to receive general grant land under the  
13 provisions of former AS 29.18.190 and 29.18.200 is 10 percent of the  
14 maximum total acreage of vacant, unappropriated, unreserved land  
15 within [IN] the boundaries of each municipality [CITY] at any time  
16 between the initial date of eligibility under former AS 29.18.190 and  
17 29.18.200 and two years after the expiration of the state's right to  
18 make selections under Sec. 6(a) or (b) of the Alaska Statehood Act.  
19 By January 1 of each calendar year [JULY 1, 1978. WITHIN SIX MONTHS  
20 AFTER JULY 1, 1978], the director shall determine or update the en-  
21 titlement for each municipality [CITY] eligible to receive general  
22 grant land under this section [FORMER AS 29.18.202] and certify that  
23 entitlement to the municipality [CITY].

24 \* Sec. 2. AS 29.65.030(a) is amended to read:

25 Sec. 29.65.030. DETERMINATION OF MILEAGE RATE EQUIVALENT [EN-  
26 TITLEMENT FOR NEWLY INCORPORATED MUNICIPALITIES]. (a) The general  
27 grant land entitlement of a municipality incorporated after July 1,  
28 1978, is 10 percent of the total acreage of vacant, unappropriated,  
29 unreserved land within the boundaries of the municipality at any time

1 between the date of incorporation and two years after the expiration  
2 of the state's right to make selections under Secs. 6(a) and (b) of  
3 the Alaska Statehood Act [ON THE DATE OF ITS INCORPORATION].

4 \* Sec. 3. AS 29.65.030(b) is amended to read:

5 (b) Within six months after the date of incorporation of a  
6 municipality that is incorporated after July 1, 1978, the director  
7 shall determine the entitlement of each municipality eligible to  
8 receive general grant land under (a) of this section and certify the  
9 entitlement to the municipality. The director shall thereafter update  
10 the entitlement of each eligible municipality by January 1 of each  
11 calendar year and certify that entitlement to the municipality.

12 \* Sec. 4. AS 29.65.130(10) is amended to read:

13 (10) "vacant, unappropriated, unreserved land" means  
14 general grant land as defined in (3) of this section, excluding miner-  
15 als as required by sec. 6(i) of the Alaska Statehood Act, that

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

18 (B) has not been approved for patent to a municipal-  
19 ity under this chapter or former AS 29.18.190 and 29.18.200; or

20 (C) is unclassified or, if classified under AS 38.-  
21 05.300, is classified for agricultural, grazing, material, public  
22 recreation, resource management, settlement, transportation  
23 corridor forestry, wildlife habitat and water resources, [COM-  
24 MERCIAL, INDUSTRIAL, PRIVATE RECREATIONAL, RESIDENTIAL, UTILITY,  
25 OR OPEN-TO-ENTRY PURPOSES,] or where [IS] classified in accor-  
26 dance with an agreement between a municipality and the state  
27 providing for state management of land of the municipality.

28 \* Sec. 5. AS 29.65.020(b) and AS 29.65.030(c) are repealed.

29 \* Sec. 6. This Act takes effect immediately in accordance with

1 AS 01.10.070(c).

Chapter 74

1           Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR CITIES. (a)

2           The general grant land entitlement of a city formerly eligible to  
3           receive general grant land under the provisions of former AS 29.18.190  
4           and 29.18.200 is 10 percent of the maximum total acreage of vacant,  
5           unappropriated, unreserved land in the boundaries of each city at any  
6           time between the initial date of eligibility under former AS 29.18.190  
7           and 29.18.200 and July 1, 1978. Within six months after July 1, 1978,  
8           the director shall determine the entitlement for each city eligible to  
9           receive general grant land under former AS 29.18.202 and certify that  
10          entitlement to the city.

11          (b) This section is a continuation of the ~~provisions of former~~ *REPEALED*  
12          AS 29.18.203 and does not grant additional entitlements to cities  
13          incorporated before January 1, 1986.

14          Sec. 29.65.030. DETERMINATION OF ENTITLEMENT FOR NEWLY INCOR-  
15          PORATED MUNICIPALITIES. (a) The general grant land entitlement of a  
16          municipality incorporated after July 1, 1978, is 10 percent of the  
17          total acreage of vacant, unappropriated, unreserved land within the  
18          boundaries of the municipality on the date of its incorporation.

19          (b) Within six months after the date of incorporation of a muni-  
20          cipality that is incorporated after July 1, 1978, the director shall  
21          determine the entitlement of each municipality eligible to receive  
22          general grant land under (a) of this section and certify the entitle-  
23          ment to the municipality.

24          (c) This section is a continuation of the ~~provisions of former~~ *REPEALED*  
25          AS 29.18.203 and does not grant additional entitlements to  
26          municipalities incorporated before January 1, 1986.

27          Sec. 29.65.040. STATUS OF ENTITLEMENTS. (a) After July 1,  
28          1978, general grant land entitlements provided in former AS 29.18.201  
29          and former AS 29.18.202 are vested property rights that must be

# Alaska State Legislature

ARLISS STURGULEWSKI, Chairman  
BETTYE FAHRENKAMP, Vice Chairman  
JACK COGHILL  
DICK ELIASON  
VIC FISCHER  
RICK HALFORD  
FRED ZHAROFF



P. O. BOX V  
JUNEAU, ALASKA 99811  
(907) 485-4907

## Senate Committee on Resources

TO: Senate Resource Committee Members                      April 4, 1985

FROM: Senate Resource Committee Staff *Mc/K*

RE: Committee Substitute for 2nd Sponsor Substitute for  
Senate Bill No. 414 (C&RA)  
"An Act relating to general grant land entitlements; and  
providing for an effective date."

It is expected that CS for 2nd SSSB 414(C&RA) will have public hearing today and that the bill will come back to the committee for action on Wednesday, April 9th. It is expected that representatives of the Departments of Natural Resources and Community and Regional Affairs and the Alaska Municipal League will be present to testify today.

In this packet is:

- a sectional analysis by legal services
- a letter from Commissioner Wunnicke to Senator Sturgulewski giving the background of municipal land entitlements.
- a letter from Commissioner Wunnicke to Senator DeVries explaining the effects of SSSB 414.
- a series of charts that show the effect of this bill on existing and proposed municipalities.
- a fiscal note from DNR on SSSB414. DNR is preparing a revised fiscal note for CS for 2nd SSSB 414(C&RA). The new note is expected to be significantly lower.
- a zero fiscal from DC&RA on SB 414, the department feels that subsequent changes in the bill will not cause a change in this note.
- a position paper and memo from DC&RA on SB 414.
- a position paper from the Alaska Municipal League on SB 414 and an update on SSSB 414.

*Low prints - no slope Bump & cities ?)*

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date : 4/9/86

**REQUEST**

Bill/Resolution No. : SSSB 414  
 Title : Municipal Land Entitlements  
 \_\_\_\_\_  
 Sponsor : Senator Ferguson  
 Requestor : Senate C&RA  
 Date of Request : 4/9/86

**FISCAL DETAIL**

Agency Affected : Natural Resources  
 BRU : Land & Water Management  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		34.6	34.6	34.6	34.6	34.6
TRAVEL		12.0	6.0	4.0	4.0	4.0
CONTRACTUAL		21.0	10.5	6.0	6.0	6.0
SUPPLIES		.3	.3	.2	.2	.2
EQUIPMENT		.9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>68.8</b>	<b>51.4</b>	<b>44.8</b>	<b>44.8</b>	<b>44.8</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		68.8	51.4	44.8	44.8	44.8
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>68.8</b>	<b>51.4</b>	<b>44.8</b>	<b>44.8</b>	<b>44.8</b>

**POSITIONS :**

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

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

see attached

Prepared by : Frank Mielke Phone : 561-2020  
 Division : Land and Water Management Date : 4/9/86

Approved by Commissioner : *Leithen P. Wunnick* Date : 4/9/86  
 Agency : Natural Resources

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

4/9/86

Analysis - SSSB 414

The analysis includes funding for a Natural Resources Tech I. Additionally, two positions and their funding which are currently located in the land conveyance component will be transferred to work on this project. These positions will be located in the regional offices to determine entitlements for the entities in the region.

Most of the work to prepare certificates of entitlement will occur in the first year of the project. Successive years will require less intense activity to update land records in preparation of annual certificates. Positions will be transferred back to the land conveyance component when not needed. In years 1989, 1990 and 1991, we anticipate handling the statewide workload with a single NRT I.

The contractual funds are principally for the costs of publishing notices required by AS 38.05.945 and the large number of maps and plats that will be required to adjudicate the land selections of municipalities, and to determine entitlements.

Tam - Please prepare a new work draft for 103587

- ① take out section 12 on Anchorage
- ② put in new section as follows:

~~1. To protect oil and gas mineral interests:~~

add a paragraph to Sec. 2 / AS 29.65.025 -

"(e) In any conveyance of land to a municipality under this act, the commissioner shall reserve the right to explore, enter, develop, and occupy the surface as reasonably necessary for access to the mineral estate, as required by AS 38.05.125."

- ③ prepare a sectional based on new work draft.

Thanks - *Lozano*

~~2. To repeal in lieu payments provision (except for Anchorage):~~

add a repealer Sec. 14 and renumber following sections -

~~"Sec. 14. AS 29.65.080 is repealed except for any municipality qualified on January 1, 1987."~~

~~3. To reverse presumption of Anchorage language:~~

At Sec. 12 delete the end of the first sentence from "if the commissioner...." and replace it with:

"unless the state determines that the land must be retained in the state's ownership."



Official Business

# Alaska State Legislature

## Senate

### Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman

Members:

Senator Ferguson, Vice Chairman

Senator Coghill

Senator Sturgulewski

Senator V. Fischer

Pouch V

Juneau, Alaska 99811

April 2, 1986

#### MEMORANDUM

TO: Senator Frank Ferguson  
Senator Vic Fischer  
Senator Jack Coghill  
Senator Arliss Strugulewski

FROM: Senator DeVries, Chair  
Community & Regional Affairs Committee

SUBJECT: SB 414 Municipal Entitlements

---

Even though this bill has passed out of Senate C&RA Committee I wanted you to have Commissioner Wunnicke's letter dated 3/26/86 with attachments for clarification and to complete your file.

Enclosure

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M  
JUNEAU, ALASKA 99811  
PHONE: 907-465-2400

March 26, 1986

MAR 31 1986

The Honorable Edna DeVries, Chair  
Senate Community and Regional  
Affairs Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Senator DeVries:

In my March 17 letter about SB 414 (municipal entitlements), I included some figures about borough land entitlements. We have reviewed this chart, which was prepared quite expeditiously, and we found that the acreage for the Bristol Bay Borough was inaccurately represented. I am enclosing a revised chart for you, other members of the Committee, and House Committee members.

Thank you.

Sincerely,



Esther C. Wunnicke  
Commissioner

Enclosure

cc: Senate Community and Regional  
Affairs Committee Members  
House Community and Regional  
Affairs Committee Members

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414  
Based on March, 1986 Land Status

<u>BOROUGH</u>	<u>SSSB 414 ENTITLEMENT</u>	<u>1978 ENTITLEMENT</u>	<u>APPROXIMATE ADDITIONAL ENTITLEMENT</u>
Ketchikan Gateway	1,470	11,593	0
Sitka	490	10,500	0
Juneau	430	19,584	0
Haines	13,300	2,800	10,500
Bristol Bay	4,900	2,898	2,000
Kodiak Island	41,200	58,787	0
Kenai Peninsula	76,200	155,780	0
Anchorage	1,700	44,893	0
Matanuska-Susitna	400,000	355,210	44,800
Fairbanks-North Star	223,200	112,000	111,000
North Slope	400,000	89,850*	400,000
NW Arctic (Proposed)	230,000	n.a.	<u>230,000</u>
TOTAL			798,300

\* Received zero entitlement pursuant to election  
of benefits in AS 29.65.110.

DNR Division of Land and Water Management  
Land Management Section  
March 19, 1986

DEPARTMENT OF  
NATURAL RESOURCES

MAR 21 1986

COMMISSIONER'S OFFICE  
JUNEAU

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414  
Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	HAINES	BRISTOL BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	NW ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehood Land Conveyed to State	26,900	15,600	25,000	165,000	51,500	482,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	483,000	2,603,600	614,600	0	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	118,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,584	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	806	0	406	15	0	0
- Disposals	750	200	300	2,000	0	415	17,000	200	262,800	175,000	0	0
- Land Ex/Agmt.	0	0	0	0	0	0	292,965	0	185,590	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	504,000	4,364,000	999,000	7,000	0
Available Selectable Land	14,700	4,900	4,300	133,000	49,000	412,000	762,000	17,000	4,970,000	2,232,000	7,506,000	2,300,000
SSSB 414 Entitlement (10% of WU)	1,470	490	430	13,300	4,900	41,200	76,200	1,700	400,000*	223,200	400,000*	230,000
1978 Entitlement	11,593	10,500	19,584	2,800	2,898	58,787	155,780	44,893	355,210	112,000	89,850**	n.a.

\* Entitlement not to exceed 400,000 acres under SSSB 414.

\*\* Received zero entitlement pursuant to election of benefits in AS 29.65.110.

DNR Division of Land and Water Management  
Land Management Section  
March 19, 1986

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M  
JUNEAU, ALASKA 99811  
PHONE: 907-465-2400

March 26, 1986

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Senate Community and Regional  
Affairs Committee  
Alaska State Legislature  
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Juneau, AK 99811

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Thank you.

Sincerely,



Esther C. Wunnicke  
Commissioner

Enclosure

cc: Senate Community and Regional  
Affairs Committee Members  
House Community and Regional  
Affairs Committee Members

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Fairbanks-North Star	223,200	112,000	111,000
North Slope	400,000	89,850*	400,000
NW Arctic (Proposed)	230,000	n.a.	<u>230,000</u>
TOTAL			798,300

\* Received zero entitlement pursuant to election  
of benefits in AS 29.65.110.

DNR Division of Land and Water Management  
Land Management Section  
March 19, 1986

DEPARTMENT OF  
NATURAL RESOURCES

MAR 21 1986

COMMISSIONER'S OFFICE  
JUNEAU

ESTIMATED BOROUGH ENTITLEMENT ACREAGE UNDER SSSB 414  
Based on March, 1986 Land Status

	KETCHIKAN GATEWAY	SITKA	JUNEAU	HAINES	BRISTOL BAY	KODIAK ISLAND	KENAI PENINSULA	ANCHORAGE	MATANUSKA SUSITNA	FAIRBANKS NORTH STAR	NORTH SLOPE	NW ARCTIC (PROPOSED)
Total 6(a) and 6(b) Statehood Land Conveyed to State	26,900	15,600	25,000	165,000	51,500	482,000	2,019,000	521,000	9,334,000	3,231,000	7,513,000	2,300,000
Less: Legislatively Designated Units	0	0	800	27,500	0	11,200	580,000	483,000	2,603,600	614,600	0	0
Less: Non-Selectable Classifications	0	0	0	27	0	0	267,000	0	956,000	118,700	7,031	0
Less: Previous Conveyances												
- Borough	11,402	10,500	19,584	2,800	2,519	58,787	99,393	20,676	355,703	90,572	0	0
- City	0	0	0	0	0	1	806	0	406	15	0	0
- Disposals	750	200	300	2,000	0	415	17,000	200	262,800	175,000	0	0
- Land Ex/Agmt.	0	0	0	0	0	0	292,965	0	185,590	0	0	0
Total Land Unavailable	12,200	10,700	20,700	32,000	2,500	70,000	1,257,000	504,000	4,364,000	999,000	7,000	0
Available Selectable Land	14,700	4,900	4,300	133,000	49,000	412,000	762,000	17,000	4,970,000	2,232,000	7,506,000	2,300,000
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\* Entitlement not to exceed 400,000 acres under SSSB 414.

\*\* Received zero entitlement pursuant to election of benefits in AS 29.65.110.

DNR Division of Land and Water Management  
Land Management Section  
March 19, 1986

~~Hammer~~  
~~Can support~~  
~~Hulford~~  
~~Sen~~

Anchorage  
Jensen  
Sutka  
Hamm  
Wood

Harris  
Kroni  
Auld  
Fambro  
No Star



Cook

OK

A M E N D M E N T

Offered in the SENATE

TO: CS 2d SSSB 414(Resources)

Page 1, line 23, after "entitlements." insert:

"However, land may not be conveyed to a municipality under AS 29.65.-015 that exceeds the amount of entitlement acreage listed under AS 29.65.010 until at least 90 percent of the amount of the entitlement under AS 29.65.010 has been fulfilled, through approval of selections or otherwise, for each listed municipality. This limitation does not apply to conveyance of a small parcel for a specific public purpose if the commissioner of natural resources finds that the conveyance will serve a public interest."

# STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

## LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 4, 1986

SUBJECT: General Grant Land Entitlements  
(CS 2d SSSB 414(C&RA))

TO: Senator Arliss Sturgulewski, Chair  
Senate Resources Committee

FROM: Tamara Brandt Cook *TBC*  
Director  
Division of Legal Services

Section 1. The general grant land entitlement of a municipality, either city or borough, is 10 percent of the maximum acreage of vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and two years after the expiration of the state's right to make selections under sec. 9(a) or (b) of the Alaska Statehood Act. Each year the entitlement for each municipality is determined or updated. Under existing law the entitlement for cities formerly eligible to receive general grant land under repealed laws is 10 percent of the vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and July 1, 1978. The entitlement for newer municipalities is 10 percent of that land in its boundaries on the date of incorporation. Both these entitlement provisions are replaced by the entitlement provided in sec. 1.

Sec. 2. A municipality is eligible for only one general grant land entitlement. A municipality that qualifies for an entitlement under AS 29.65.010 (setting out the amount of acreage boroughs are entitled to) and under the sec. 1 10 percent formula receives the larger of the two entitlements. No municipality may receive more than 400,000 acres. All conveyances of legal title to land under AS 29.65.010 or former law are credited toward fulfillment of the entitlement for that municipality, as well as all land deficiency payments made under existing or former law. Land classified for wildlife habitat may not be selected or conveyed.

Sec. 3. After the effective date of the Act a general grant land entitlement under AS 29.65.010 (setting out acreage amounts for boroughs) is a vested property right that must be fulfilled, through conveyance of land subject to the limitations under sec. 2, or through land deficiency payments. An entitlement under section 1 is a property right that vests on the date of incorporation and must be fulfilled, through grants of land subject to the limitations under sec. 2.

Sec. 4. School land and mental health land within the boundaries of a municipality may not be included for purposes of determining the general grant land entitlement of a municipality. This is not a change from existing law. (AS 29.65.060(b)) A municipality may not receive school land or mental health land in fulfillment of its entitlement. Existing law permits the selection of vacant school or mental health land in certain cases.

Sec. 5. The reference to AS 29.65.060(f), repealed in this Act, is deleted and the substantive material from that subsection is enacted in this section as a technical amendment.

Sec. 6. Payments for land deficiency may only be made to municipalities for entitlements under AS 29.65.010 (setting out acreage amounts for boroughs). Existing law permits land deficiency payment only to boroughs eligible for entitlements under that section.

Sec. 7. The definition of vacant, unappropriated, unreserved land is amended to add certain classifications under AS 38.05.300 and delete others. These classifications are established by the Department of Natural Resources.

Sec. 8. References to repealed sections are deleted and replaced with citations to the entire general grant land entitlement chapter.

Sec. 9. This is another technical amendment adding the word "former" before a reference to a section repealed by this Act.

Sec. 10. Before the effective date of most of this Act the Department of Natural Resources is required to consult with each municipality affected by the Act regarding classifications of land within its boundaries and assist in identifying land suitable for selection.

Sec. 11. Before the effective date of most of this Act the commission of natural resources is authorized to negotiate and enter into an agreement with a borough or unified municipality to convey state land without regard to whether the land is vacant, unappropriated, unreserved land if the commissioner determines the land is not necessary for retention by the state. Land conveyed under an agreement entered into under this section constitutes complete fulfillment of the municipality's general grant land entitlement.

Sec. 12. Certain provisions are repealed including the section on determination of entitlement for cities and that for determination of entitlements for newly formed municipalities. The entitlement in section 1 of the bill replaces these. The section on fulfillment of land entitlements is deleted and replaced with the provisions under section 2 of the bill. The sections authorizing land exchanges and the section on election of benefits (requiring municipalities engaged in litigation regarding a claim to state land under former laws to elect to obtain the benefits under the new general grant land chapter or pursue the litigation and waive benefits) have been repealed.

Sec. 13. The section dealing with mental health land and school land and the two temporary law sections requiring action before the effective date of the main portions of the Act take effect immediately.

Sec. 14. The rest of the Act takes effect January 1, 1987.

TBC:mkr  
m4/070

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 18, 1986

SUBJECT: Municipal land entitlements  
(SSSB 414 - Sectional Analysis)

TO: Senator Edna DeVries, Chair  
Senate Community and Regional Affairs  
Committee

FROM: Tamara Brandt Cook *TBC*  
Director  
Division of Legal Services

Sec. 1. The section dealing with general grant land entitlements to boroughs and unified municipalities is amended so that the municipalities, which under this bill qualify to receive an entitlement under another section as well, will receive the larger of the two entitlements. Although it is not entirely clear, this appears to be the intended affect of this provision. In addition, the section sets an upper limit of 400,000 acres for an entitlement. The provision appears to be intended to apply to entitlements under AS 29.65.020 and 29.65.030 as well as 29.65.010, and probably should be contained in a separate section rather than being inserted into AS 29.65.010.

Sec. 2. The section that under existing law applies only to entitlements for cities eligible to receive entitlements under former laws is expanded to apply to all forms of municipalities, including boroughs. The amount of an entitlement is determined based on the amount of certain state land within the boundaries of a municipality at any time between its date of eligibility under the former law and two years after the expiration of the state's right to make selections under the Alaska Statehood Act. The cut-off date of July 1, 1978 contained in existing law has been deleted. By January 1 of each year the director is required to determine or update the entitlement for each municipality. Under existing law the determination is required to be made within six months after the July 1, 1978 cut-off date.

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Sec. 3. The existing subsection (b) stating that entitlements under AS 29.65.020 are not new entitlements, but rather, a continuation of entitlements available under prior law has been repealed. It is replaced with a statement that other conveyances of state land are counted toward fulfillment of the general grant land entitlement. This provision appears to be intended to replace AS 29.65.050(a), or, at least, appears to substantially duplicate AS 29.65.050(a). It seems to me that AS 29.65.050(a) should be repealed or modified to contain the material placed in Sec. 3.

Sec. 4. A municipality incorporated after July 1, 1978 may receive an amount of land based on the amount of certain state land within its boundaries at any time between the date of incorporation and two years after the expiration of the state's right to make selections under secs. 6(a) and (b) of the Alaska Statehood Act. Under existing law, the determination is made as of the date of incorporation. Under this bill there now appears to be essentially no difference between the determination of entitlements based on whether or not a municipality is incorporated after July 1, 1978. It would seem appropriate to merge material contained in Section 3 - 4 of the bill into one section of law and simply repeal AS 29.65.020 and 29.65.030. The result would, I think, be clearer. Eliminating AS 29.65.020 would also partially avoid the confusion now created by AS 29.65.040 with provisions that no longer seem necessary concerning vesting of entitlements under former laws, specifically providing for vesting of rights under AS 29.65.030, and utterly silent concerning vesting of rights under AS 29.65.020, which, as amended in this bill, now creates new rights.

Sec. 5. The provision in existing law permitting selection in certain cases of school or mental health land is eliminated. This land may not be selected.

Sec. 6. The definition of "vacant, unappropriated, unreserved land" is amended by deleting references to certain classifications established under AS 38.05.300 and inserting reference to others. Since the classifications are set by the Department of Natural Resources, it cannot be determined to what extent the amendment alters the state land available for selection by municipalities.

Sec. 7. The department is required to consult with affected municipalities in identifying or classifying state land

before the effective date of the Act. Note that "department" is by definition the Department of Community and Regional Affairs, although, in the context of this section I suspect that the Department of Natural Resources is intended. Also, the section should be treated as temporary law and not assigned a statute number.

Sec. 8. The subsection providing that entitlements under AS 29.65.030 are merely continuations of entitlements under former law is repealed. Subsection (e) relating to the status of entitlements is repealed. That entire section seems confusing in the context of this bill and I recommend that it be redrafted. Provisions on pending selections under former law are repealed, along with the provision requiring the director to approve selections within nine months. The provision authorizing land exchanges between the director and a municipality is repealed. The provision requiring a municipality engaged in litigation regarding a claim to state land under former law to elect the benefits of a general grant land entitlement or pursue the litigation and waive any claim to the entitlement is repealed.

Sec. 9. The provision requiring consultation with affected municipalities on land classifications has an immediate effective date.

Sec. 10. The rest of the bill takes effect January 1, 1987.

TBC:mkr  
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STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

April 11, 1986

SUBJECT: General Grant Land Entitlements  
(CS 2d SSSB 414(Resources))

TO: Senator Arliss Sturgulewski, Chair  
Senate Resources Committee

FROM: Tamara Brandt Cook *TBC*  
Director  
Division of Legal Services

Section 1. The general grant land entitlement of a municipality, either city or borough, is 10 percent of the maximum acreage of vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and two years after the expiration of the state's right to make selections under sec. 9(a) or (b) of the Alaska Statehood Act. Each year the entitlement for each municipality is determined or updated. Under existing law the entitlement for cities formerly eligible to receive general grant land under repealed laws is 10 percent of the vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and July 1, 1978. The entitlement for newer municipalities is 10 percent of that land in its boundaries on the date of incorporation. Both these entitlement provisions are replaced by the entitlement provided in sec. 1.

Sec. 2. A municipality is eligible for only one general grant land entitlement. A municipality that qualifies for an entitlement under AS 29.65.010 (setting out the amount of acreage boroughs are entitled to) and under the sec. 1 10 percent formula receives the larger of the two entitlements. No municipality may receive more than 400,000 acres. Conveyances and payments for land deficiencies under existing or former laws as itemized are credited toward fulfillment of the general grant land entitlement. Land classified for wildlife habitat may not be selected or conveyed. The state shall reserve the right in each conveyance to explore, enter, develop and occupy the surface as reasonably necessary for access to the mineral estate.

Sec. 3. After the effective date of the Act a general grant land entitlement under AS 29.65.010 (setting out acreage amounts for boroughs) is a vested property right that must be fulfilled, through conveyance of land subject to the limitations under sec. 2, or through land deficiency payments. An entitlement under section 1 is a property right that vests on the date of incorporation and must be fulfilled, through grants of land subject to the limitations under sec. 2.

Sec. 4. School land, university land, and mental health land within the boundaries of a municipality may not be included for purposes of determining the general grant land entitlement of a municipality. This is not a change from existing law. (AS 29.65.060(b)) A municipality may not receive school land, university land, or mental health land in fulfillment of its entitlement. Existing law permits the selection of vacant school or mental health land in certain cases.

Sec. 5. The reference to AS 29.65.060(f), repealed in this Act, is deleted and the substantive material from that subsection is enacted in this section as a technical amendment.

Sec. 6. Payments for land deficiency may only be made to municipalities for entitlements under AS 29.65.010 (setting out acreage amounts for boroughs). Existing law permits land deficiency payment only to boroughs eligible for entitlements under that section.

Sec. 7. The definition of "general grant land" does not include mental health land or school land. The existing definition only mentions university land as being excluded.

Sec. 8. The definition of "vacant, unappropriated, unreserved land" is amended to add certain classifications under AS 38.05.300 and delete others. These classifications are established by the Department of Natural Resources.

Sec. 9. References to repealed sections are deleted and replaced with citations to the entire general grant land entitlement chapter.

Sec. 10. This is another technical amendment adding the word "Former" before a reference to a section repealed by this Act.

Senator Arliss Sturgulewski

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April 11, 1986

Sec. 11. Before the effective date of most of this Act the Department of Natural Resources is required to consult with each municipality affected by the Act regarding classifications of land within its boundaries and may assist in identifying land suitable for selection.

Sec. 12. Certain provisions are repealed including the section on determination of entitlement for cities and that for determination of entitlements for newly formed municipalities. The entitlement in section 1 of the bill replaces these. The section on fulfillment of land entitlements is deleted and replaced with the provisions under section 2 of the bill. The sections authorizing land exchanges and the section on election of benefits (requiring municipalities engaged in litigation regarding a claim to state land under former laws to elect to obtain the benefits under the new general grant and chapter or pursue the litigation and waive benefits) have been repealed.

Sec. 13. The section dealing with mental health land, university land, and school land and the temporary law section requiring action before the effective date of the main portions of the Act take effect immediately.

Sec. 14. The rest of the Act takes effect January 1, 1987.

TBC:mkr  
m4/097

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 23, 1986

SUBJECT: General Grant Land Entitlements  
(CS 2d SSSB 414(Resources))

TO: Senator Arliss Sturgulewski, Chair  
Senate Resources Committee

FROM: Tamara Brandt Cook *TB'*  
Director  
Division of Legal Services

Section 1. The general grant land entitlement of a municipality, either city or borough, is 10 percent of the maximum acreage of vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and two years after the expiration of the state's right to make selections under sec. 9(a) or (b) of the Alaska Statehood Act. Each year the entitlement for each municipality is determined or updated. Under existing law the entitlement for cities formerly eligible to receive general grant land under repealed laws is 10 percent of the vacant, unappropriated, unreserved land in its boundaries between the date of incorporation and July 1, 1978. The entitlement for newer municipalities is 10 percent of that land in its boundaries on the date of incorporation. Both these entitlement provisions are replaced by the entitlement provided in sec. 1.

Sec. 2. A municipality is eligible for only one general grant land entitlement. A municipality that qualifies for an entitlement under AS 29.65.010 (setting out the amount of acreage boroughs are entitled to) and under the sec. 1 10 percent formula receives the larger of the two entitlements. No municipality may receive more than 400,000 acres. Conveyances and payments for land deficiencies under existing or former laws as itemized are credited toward fulfillment of the general grant land entitlement. Land classified for wildlife habitat may not be selected or conveyed. The state shall reserve the right in each conveyance to explore, enter, develop and occupy the surface as reasonably necessary for access to the mineral estate.

Sec. 3. After January 1, 1987 a general grant land entitlement under AS 29.65.010 (setting out acreage amounts for boroughs) is a vested property right that must be fulfilled, through conveyance of land subject to the limitations under sec. 2 and the provision dealing with school, university and mental health land, or through land deficiency payments. An entitlement under section 1 is a property right that vests on the date of incorporation and must be fulfilled, through grants of land subject to the limitations under sec. 2.

Sec. 4. The cross reference to a section repealed in this bill is deleted and the section that replaces it is inserted.

Sec. 5. The cross reference to a section repealed in this bill is deleted and the section that replaces it is inserted.

Sec. 6. Existing law permits the selection of vacant school or mental health land in certain cases. Under this section a municipality may not select school or mental health land after June 1, 1986. A municipality is entitled to just compensation for a selection of school or mental health land that is pending or on appeal on April 1, 1986, if conveyance cannot be made due to judicial decision or law. No compensation is required for land selected within a special use area or for a selection of land not qualified to be selected. Compensation is credited against the municipality's remaining land entitlement. The rights of any person with regard to selections of school land, university land, and mental health land made on or before June 1, 1986 are not affected by this section of law.

Sec. 7. The reference to AS 29.65.060(f), repealed in this Act, is deleted and the substantive material from that subsection is enacted in this section as a technical amendment.

Sec. 8. Payments for land deficiency may only be made to municipalities for entitlements under AS 29.65.010 (setting out acreage amounts for boroughs). Existing law permits land deficiency payment only to boroughs eligible for entitlements under that section.

Sec. 9. A payment for land deficiency must be made into a municipal land bank or trust account to go to the acquisition of land.

Sec. 10. The definition of "general grant land" does not include mental health land or school land. The existing definition only mentions university land as being excluded.

Sec. 11. The definition of "vacant, unappropriated, unreserved land" is amended to add certain classifications under AS 38.05.300 and delete others. These classifications are established by the Department of Natural Resources.

Sec. 12. References to repealed sections are deleted and replaced with citations to the entire general grant land entitlement chapter.

Sec. 13. This is another technical amendment adding the word "former" before a reference to a section repealed by this Act.

Sec. 14. Before the effective date of most of this Act the Department of Natural Resources is required to consult with each municipality affected by the Act regarding classifications of land within its boundaries and may assist in identifying land suitable for selection.

Sec. 15. The commissioner of natural resources is authorized to enter into an agreement to convey state land to a borough or unified municipality whose entitlement under AS 29.65.010 cannot be fulfilled by January 1, 1987. The commissioner has authority to convey land regardless of whether it is vacant, unappropriated, unreserved land. Land conveyed may constitute complete fulfillment of the municipality's entitlement as specified in the agreement. Conveyances may contain no restrictions or conditions not required by law except those agreed to by both parties.

Sec. 16. Certain provisions are repealed including the section on determination of entitlement for cities and that for determination of entitlements for newly formed municipalities. The entitlement in section 1 of the bill replaces these. The section on fulfillment of land entitlements is deleted and replaced with the provisions under section 2 of the bill. The sections authorizing land exchanges and the section on election of benefits (requiring municipalities engaged in litigation regarding a claim to state land under former laws to elect to obtain the benefits under the new general grant land chapter or pursue the litigation and waive benefits) have been repealed.

Sec. 17. The section dealing with mental health land, university land, and school land and the temporary law section

Senator Arliss Sturgulewski

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April 23, 1986

requiring action before the effective date of the main portions of the Act take effect immediately.

Sec. 18. The rest of the Act takes effect January 1, 1987.

TBC:mkr  
m5/011

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M  
JUNEAU, ALASKA 99811  
PHONE: 907-465-2400

April 3, 1986

APR 4 1986

The Honorable Arliss Sturgulewski  
Chair, Senate Resources Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Re: CS for 2d Sponsor Substitute for SB 414

Dear Senator Sturgulewski:

In preparation for the Resources Committee's hearings on SB 414 (municipal entitlements), I am providing some general background information on the history of AS 29.65, and some other information from earlier hearings on SB 414 in the Senate Community and Regional Affairs Committee.

As you know, the Legislature passed omnibus municipal land entitlement legislation during the 1978 session which applied to all home rule and general law municipalities. This legislation was intended to correct perceived inequities that may have existed under prior law; it also created specific statutory municipal land entitlement acreages for all boroughs. AS 29.65.010(a), pertaining to statutory entitlements, provided specific acreages for boroughs, ranging from 2,800 acres for the Haines Borough to 355,210 acres for the Matanuska-Susitna Borough. Although in most cases there is a relationship between the size of each entitlement and the amount of available state land within the boroughs, it is also evident that in a few instances, the statutory figure substantially exceeds not only 10 percent of the available state general grant land, but all of the available state general grant land within municipal boundaries. A case in point is the Municipality of Anchorage's entitlement of 44,893 acres.

The fact that entitlements were created that might exceed land availability also led to adoption of a payment for land deficiency provision. Adopted as AS 29.65.080, this section provides that, subject to legislative appropriation, a municipality may receive payment for a land deficiency from a municipal land account. Eligibility for payment occurs if

April 3, 1986

a municipality is unable to obtain full entitlement due to a) a lack of acreage suitable for residential, commercial or industrial purposes; or b) if municipal selections prior to December 18, 1971 encompassed state land also validly selected by a corporation organized under the Alaska Native Claims Settlement Act. There was established a cap of not more than \$4,000,000 per fiscal year could be appropriated or \$12,000,000 in total.

These land deficiency payments are available to boroughs; the statute does not envision appropriations to cities. The only borough to have received a payment under this section is the Municipality of Anchorage (\$4,000,000).

The 1978 legislation established that cities would be eligible to receive 10 percent of the maximum total acreage of vacant, unappropriated, unreserved state land at any time between their original date of entitlement eligibility under the previous law (former AS 29.18.190 and 29.18.200) and July 1, 1978. Thus, because there was no such state land of this category available within many city boundaries, approximately 125 of the state's 145 cities received a zero acreage entitlement. The 1978 legislation also allowed municipalities incorporated after 1978 to receive 10 percent of the vacant, unappropriated and unreserved state land as of the date of their incorporation.

Obviously, the vast majority of Alaska's cities did not benefit from the 1978 legislation. In a sense, most of these cities would not benefit under any circumstances because there is no state land within or near their areas. (The list of cities and entitlements is included among attachments to my March 17 letter to Senator DeVries.) However, in some situations, the state has been conveyed additional land within or adjacent to communities since 1978. In this situation SB 414 would allow the adjustment of entitlements to reflect conveyances of federal land to the state since 1978.


SB 414 enables municipalities to receive an entitlement or increase an existing entitlement if the state has been conveyed additional land within municipal boundaries since 1978 or if a municipality has annexed additional acreage (including state land) since that date. Under the proposed bill, entitlements would be updated on an annual basis to reflect either circumstance (until two years after the expiration of the state's selection rights).

The Hon. Arliss Sturgulewski -2-

April 3, 1986

I offer the above in order to better clarify the primary effects of this legislation. Department staff will be at tomorrow's committee meeting to answer questions.

Sincerely,

  
Esther C. Wunnicke  
Commissioner

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M  
JUNEAU, ALASKA 99811  
PHONE: 907-485-2400

March 17, 1986

The Honorable Edna B. DeVries, Chair  
Community and Regional Affairs Committee  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

Dear Senator DeVries:

In response to questions posed last Tuesday by you and other members of the Community and Regional Affairs Committee regarding the Sponsor Substitute for Senate Bill 414, an act relating to municipal land entitlements, the department has assembled pertinent information.

First, attached for your review is a sectional analysis of SSSB 414. This analysis was prepared by the department in consultation with the Department of Community and Regional Affairs (DCRA).

Second, I have also attached several charts which should help explain the effect of this bill on existing and proposed municipalities. State land status records for the area within the existing and proposed boroughs were analyzed to determine which boroughs will likely be affected by the proposed legislation. This analysis involved the identification of the approximate acreage of vacant, unappropriated and unreserved general grant land within each existing borough which would be available for municipal entitlement calculations and selection.

As a result of this analysis, it appears that the Matanuska-Susitna, Fairbanks North Star, North Slope, Haines, Bristol Bay and proposed Northwest Arctic Boroughs would be the primary beneficiaries. The remaining boroughs would likely not be eligible for additional entitlement acreage because the existing entitlement under AS 29.65.010(a) exceeds the amount of available land pursuant to the proposed legislation. As a result, their entitlements will remain the same.