

ABSTRACT

History and Status of Alaska's Public School Trust Land

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This 54-page paper presents a brief history of Alaska's public school trust lands including the current status of these lands. Maps show locations of land granted at Statehood in 1959, added lands whose titles were confirmed in the 1980's, and new lands granted by the Alaska National Interest Land Conservation Act of 1980. Actions suggested to remedy current school land trust problems are presented.

Section One presents an overview of major school land trust events since 1959.

Section Two presents a detailed account of school trust lands in the 1959-2009 period. The case file system used by the Department of Natural Resources to manage the initial grant of more than 103,000 acres is explained.

School land management problems in the early 1970's contributed to the legislature's decision to redesignate in 1978 all school trust lands as general grant lands. The school lands were taken from the trust and put into the pool of state grant lands - without legal challenge. To replace the trust revenue lost through this change, the school fund was to be credited with 1/2 of one percent of total receipts from the management of all state grant lands.

Twenty years later, in 1998, the State of Alaska was charged with breaching the school land trust. On September 1, 1999, Superior Court Judge John Reese ruled that:

1. The State breached its duties as a trustee of public school lands,
2. Redesignation of the school lands into general grant lands is not permitted,
3. Failure to appraise the land before the redesignation was also a breach of the State's obligation, and
4. Remedies cannot be considered until the land has been appraised.

Salient points in the 18-page ruling are then presented.

As of March 2009, the land has not been appraised, and there are no indications that it will be done soon.

The balance of this section presents maps showing the locations of all school lands. There are area maps for Fairbanks, Glennallen, Wasilla/Palmer, Kenai Peninsula, and Southeast.

Section Three describes seven tracts, totaling a bit more than 3,000 acres, which were not confirmed as school trust land until after 1978, and thus were not converted into general grant lands. Several of these are not whole anymore, having been sold or put to

other uses by the state. A detailed historical account of each of these tracts is given along with a map of each.

Section Four describes the new grant of 75,000 acres authorized by the Alaska National Interest Lands Conservation Act (ANILCA). This new land grant was made because Alaska was unable to select and patent all of the land to which it was entitled in 1959. Although ANILCA was enacted in 1980, the land was not selected and patented until 1993 or later.

A major criteria for selection was the potential resource value of the land. Three large tracts were selected: (1) 38,647 acres southeast of Tonsina in the Copper River area, (2) 17,190 acres north of the Denali Highway in the Clearwater Mountain Range, and (3) 19,027 acres south of Black Rapids Glacier within the Alaska Range. One small tract, 66 acres, was selected near Gustavus in Southeastern Alaska.

Only two of the tracts, Numbers 1 and 3 above, have active mining claims. These claims, as of August 14, 2007, had total receipts of \$1,715,355.

Descriptions, tract income, and maps of these four tracts are presented.

Section Five presents an incident when the State leased land at less than fair market value due to the fact that the land applied for was "school land." This illustrates a common attitude that over the years probably prevented the school trust from achieving its potential. The beneficiaries, the public school children, have been ignored.

The current assets of the trust - the land and the fund - are reviewed, along with current management practices and the land appraisal hiatus. Issues are raised.

Several organizations are calling for the breach of the trust to be remedied. The organizations are the Alaska Parent Teachers Association (PTA), the Alaska Association of School Boards (AASB), and Citizens for the Educational Advancement of Alaska's Children. These groups want reconstitution and active management of the land trust and fund. They want state and federal lawmakers to ensure that these historic trusts are allowed to fulfill the purposes for which they were originally created. They want the maximum benefit of a new and larger trust to serve the beneficiaries - Alaska's school children. Some suggested changes to accomplish this are presented.

The Appendix contains resolutions of the Alaska PTA and the AASB. It also contains a three-page directory of information resources on the trust and the fund.

The complete paper is at <http://www.alaskapublicschooltrust.org>, a web site sponsored by the Alaska PTA. Copies of the paper are at the Alaska State Library in Juneau, and these libraries: Loussac and UAA in Anchorage, and UAF. An earlier paper, *A Promise to Keep: The Alaska Public School Trust Fund - A History of the Fund - 1985-2004*, is also on the same web site.

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