

Committee on Resources

Witness Statement

**STATEMENT OF MARK HAMILTON
PRESIDENT, UNIVERSITY OF ALASKA
REGARDING H.R. 2958
BEFORE THE
COMMITTEE ON RESOURCES
UNITED STATES HOUSE OF REPRESENTATIVES
October 27, 1999**

Mr. Chairman and Members of the Committee. My name is Mark Hamilton and I am the President of the University of Alaska. The University Administration and the University Board of Regents strongly support enactment of H.R. 2958.

During my relatively short tenure as president, I have come to appreciate the uniquely profound contribution that the University of Alaska offers to the State of Alaska, the United States and the world at large. This contribution is even more remarkable given that the University, one of Congress' designated land grant institutions, has been expected to perform without the full complement of land or land grant income, that accrues to other states. This legislation corrects that problem.

I would refer you to four key points relevant to H.R. 2958:

1. The minimal size of the land grant that the University of Alaska has received to date.
2. The contribution of the University of Alaska to national issues.
3. The assurance that revenues from land grants to the University of Alaska are dedicated to higher education.
4. That this legislation represents an investment in the public interest by virtue of a transfer to the United States of thousands of acres of environmentally important and financially valuable lands, in and around National Parks, and National Wildlife Refuges.

1. Although in the largest state with the most federal land, the University of Alaska ranks almost at the bottom in federal land received by universities.

It borders on a misnomer to refer to the University of Alaska as a land grant institution. The details of just how the University of a state one fifth the size of the continental United States came to receive less land than all but to of the smallest of those states is interesting, though not essential to warrant your support of the legislation before you.

Alaska was not a state in 1862 when the original Morrill Act established the population driven formula for land grant colleges. Had it been a state, however, the total acreage for the University of Alaska would have been 90,000 acres. Perhaps in recognition that a population driven land grant formula was not the most appropriate for the new Western states, subsequent legislation in 1915 and 1929, allocated approximately 360,000 acres to the University of Alaska. Most of this land required that surveys be done prior to conveyance and when statehood came in 1959, only a little over 100,000 acres of these combined lands had been conveyed to the University. The statehood act extinguished all designated claims on unsurveyed lands. Although there is nothing on the official record about the rationale for this extinguishment, the unofficial record indicates two reasons: first, a block grant approach appeared to be the best way to garner the most total land; and second, a common belief at the federal level that the 102 million acres granted to Alaska would be sufficient for the state to honor the federal intent for a land grant to support higher education.

Whatever the rationale, the results have been a travesty when viewed against the expectations that were set by the Congress when it determined that federal land grants should be used to support the higher education aspirations of the nation's citizens. Though Alaska received the nation's largest grant of federal land -- 104 million acres -- the federal government retains its role as Alaska's major landowner with two-thirds ownership of Alaska's land. The argument about whether the federal government "owes" land to the University is a straw dog. The real issue is that to fulfill the original commitment of Congress to establish the University of Alaska as a land grant college, it is necessary to establish a designated land grant that will provide the income necessary to provide a vital higher education system comparable to that enjoyed by the other land grant colleges. Alaskans believe that the federal commitment to establish the University of Alaska as a land grant college must be accompanied by the designation of federal lands to support that mission.

If the University of Alaska received the average percentage of the total federal grant to the state -- 42.01% of the State of Alaska grant -- the University would be managing 43 million acres, and would probably need no further state support. If the University of Alaska received a proportional share of the total federal grant to universities -- 5.09% of the State of Alaska grant -- the University would be managing 5.3 million acres. Even bringing the University of Alaska's federal grant up to the average of the smaller states -- 340,000 acres -- would nearly triple the size of the University's federal grant.

In contrast, the University currently holds approximately 166,000 acres of land, including 112,000 of federal land grants. After inflation proofing, land grant income available for education programs amount to \$2.1 million annually. This means that the amount of funding from land grant income that can responsibly be used for programs is less than one-half percent of the University's annual operating budget.

The bill before this committee reasonably addresses the difficult situation that the University of Alaska faces. Although this bill would not immediately reverse the real dollar budget reductions that the University has experienced over the last ten years, a meaningful land grant could provide critical long term, stable funding source for higher education in Alaska.

2. The contribution of the University of Alaska to national issues.

Despite its fiscal constraints, the University of Alaska extols a history of excellence relevant to national needs. Climatological issues, aerospace issues, environmental issues and international collaboration all have major national, even global, significance. As the nation's only university in the arctic region, the University of Alaska is uniquely situated to accomplish science in these fields. From research on global change, to space technology, to defense of the country, Alaska can take advantage of its geographic location to produce the highest quality science possible in many critical areas.

The University of Alaska is already a major participant in promoting international collaboration. As a leader in this effort, the University of Alaska can contribute to a spirit of cooperation and much needed scientific advancement around the world. A stable revenue base will ensure that the University of Alaska can continue its leadership role.

3. The assurance that a grant directly to the University of Alaska will be used for higher education.

The land grant university program has a proud history of fostering educational opportunities as our Nation has developed its frontiers. This tradition may well represent one of the wisest investments this country has ever made. I know of no reason to stop short with Alaska.

The benefit of university land grants is that they guarantee that revenues from the lands will be devoted to education and only to education. While the University of Alaska has not, as yet, been blessed with substantial income from its relatively meager land holdings, I can assure you that none of what has been earned has been diverted from education. Indeed, with the advent of the Alaska Scholars program, we are using an increasing portion of these modest earnings to retain Alaska's best high school graduates in Alaska.

It might help to understand that the University of Alaska is a constitutional corporation, in some limited respects autonomous from the legislative and executive branches of the state. Land grant funds are held in trust and managed as

an endowment. All spendable earnings derived from the land grant endowment go directly to educational purposes and not toward other state interests.

4. The University is giving up thousands of acres of environmentally important and financially valuable lands, in and around National Parks and Wildlife Refuges, as part of this exchange.

One anomaly of the University's land holdings is that they include thousands of acres of property within and around parks and refuges created by the 1980 Alaska National Interest Lands Conservation Act (ANILCA) (i.e., Wrangell-St. Elias National Park and Preserve, Kenai Fjords National Park, Alaska Peninsula Natural Wildlife Refuge). As property is transferred to the University, this legislation provides that approximately 12,350 acres of in-holdings will be relinquished to the United States, thereby freeing the University to seek earnings from less sensitive lands. I would not suggest that this would represent an even trade. It does represent an innovative method of protecting the critical values addressed by ANILCA, while at the same time addressing the need for stable, long-term funding of the University of Alaska.

It is important to not misapply other provisions of ANILCA to the University. Title IX of that Act had numerous provisions relating to the Statehood Act lands including a provision to settle certain of the State's School Lands claims. School lands do not benefit the University of Alaska and are separate and distinct from federal land grants for higher education. Thus, none of the school lands received under Title IX of ANILCA went to or in any way benefitted the University, nor were they intended to do so.

Conclusion

When H.R. 2958 is enacted, it will provide the University of Alaska with a land grant which is both more consistent, in terms of relative benefits, with what was originally intended by the Morrill Act and commensurate with the State's size and character. This legislation would result in the opportunity for a stable, long-term funding source that would enhance the University of Alaska's ability to fulfill its mission. Finally, this legislation continues the wise and proud federal tradition of assuring the advancement of higher education by directly granting real property to state university systems.

Before closing, I would like to bring to your attention the attached statement by the Governor of the State of Alaska in support of this legislation.

Thank you.

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