

Alaska Mental Health Trust Authority
Trust Land Office
Notice under 11 AAC 99.050 of
Decision to Complete AMHT-USFS LAND EXCHANGE
MHT #9100897*

Notice is hereby given that, pursuant to the provisions of AS 38.05.801 and 11 AAC 99, the Executive Director of the Alaska Mental Health Trust Land Office (TLO) has determined that it is in the best interest of the Alaska Mental Health Trust and its beneficiaries to complete a land exchange with the United States Forest Service of certain Trust land. The basis for this determination is explained in a written best interest decision prepared by the Executive Director pursuant to 11 AAC 99.040.

The Trust land affected by the decision is adjacent or near to Ketchikan, Petersburg, Wrangell, Sitka, Meyers Chuck, No Name Bay and Juneau and is more particularly described in the best interest decision document referenced by this public notice. The total acreage to leave Trust ownership is approximately 18,000 acres. The Trust will acquire approximately 21,000 acres of Forest Service lands near Ketchikan on Revillagigedo Island and on Prince of Wales Island near Naukati and Hollis.

Persons who believe that the written decision should be altered because it is not in the best interests of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020, or any other provision of 11 AAC 99, must provide written comments on or before **4:30 PM, March 31, 2018. Comments should be submitted to the TLO at 2600 Cordova Street, Suite 100, Anchorage, AK 99503, or by fax (907) 269-8905 or email mhtlo@alaska.gov.** Following the comment deadline, the Executive Director will consider timely comments that question the decision on the basis of the best interest of the Alaska Mental Health Trust and its beneficiaries or inconsistency with 11 AAC 99, and the best interest decision may be changed in response to such written comments or other information. Commenting parties will be provided a copy of the final best interest decision after the end of the notice period.

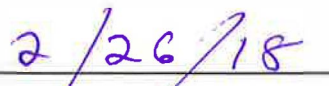
To be eligible to file for reconsideration of the best interest decision, or to file a subsequent appeal to the Superior Court, a person must have submitted written comments during the notice period. Eligible persons will have twenty (20) calendar days after published notice of or receipt of the final written decision to request that the Executive Director reconsider the decision under 11 AAC 99.060(b).

Copies of the written decision are available at the Trust Land Office, or at www.mhtrustland.org. If you have any questions concerning this action, please contact the Trust Land Office at (907) 269-8658.

In compliance with the Americans with Disabilities Act, the Alaska Mental Health Trust is prepared to accommodate individuals with disabilities. Please contact the Trust Land Office at (907) 269-8658 for assistance. Requests for assistance must be received at least 96 hours prior to the comment deadline in order to ensure that any necessary accommodations can be provided.

The Executive Director of the TLO reserves the right to waive technical defects in this notice or to amend, postpone, or vacate the best interest decision.


Wyn Menefee
Executive Director


Date
Published Anchorage Daily News: 02/28/2018

The Alaska Mental Health Trust Authority
Trust Land Office
BEST INTEREST DECISION
AMHT-USFS AND EXCHANGE

MHT: 9100897 *

MH Parcels: See Attachment A & B

In accordance with AS 38.05.801 et seq. and the implementing regulations governing Alaska Mental Health Trust ("Trust") land management (11 AAC 99), Trust land shall be managed consistently with the responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)). This means that management shall be conducted solely in the best interest of the Trust and its beneficiaries.

In determining the best interest of the Trust and its beneficiaries, and in determining consistency between state law and the Alaska Mental Health Enabling Act, the Executive Director of the Alaska Mental Health Trust Land Office ("TLO") shall, at a minimum, consider the following interactive Trust management principles in accordance with 11 AAC 99.020:

- Maximization of long-term revenue from Trust land;
- Protection of the corpus;
- Protection and enhancement of the long-term productivity of Trust land;
- Encouragement of a diversity of revenue-producing uses of Trust land; and
- Management of Trust land prudently, efficiently, and with accountability to the Trust and its beneficiaries.

I. Proposed Use of Trust Land.

The exchange of approximately 18,258 acres of Trust lands (the "Disposal Lands") for approximately 20,528 acres of United States Forest Service ("USFS") land (the "Acquisition Lands"), as contemplated by the Alaska Mental Health Trust Land Exchange Act of 2017 (the "Act"). The lands acquired by the Trust will be managed consistent with the Trust management principles and are anticipated to be managed largely for timber production. This best interest decision is for the simultaneous disposal of approximately 18,258 acres of current Trust lands and the acquisition of approximately 20,528 acres of current USFS lands. The exchange also retains a number of existing research study areas for limited periods of time and establishes certain perpetual conservation easements.

II. Applicant/File #.

MHT 9100897, Alaska Mental Health Trust Land Exchange Act of 2017.

III. Subject Property.

A. Legal Description.

Properties to be exchanged are to be based on a value for value appraisal and are outlined on attached maps referenced in The Act. The Act refers to 7 parcels of "federal" land

(maps 7 to 9) comprising of approximately **20,580 acres**. The Act refers to Trust lands as “non-federal” land comprised of approximately **18,258 acres** in 74 parcels depicted on maps 1 to 6 and map 10 (See Attachment B).

B. Settlement Parcel Number(s). See Attachment(s) A & B.

C. Site Characteristics/Primary Resource Values.

Disposal Lands

Disposal lands consist of acreage found in Ketchikan, Petersburg, Wrangell, Sitka, Meyers Chuck, No Name Bay, and Juneau. Much of the land is moderately to severely sloped. This acreage is a mix of old and young growth timber lands. Some recreation trails transect the parcels. In general, the lands border areas in those communities that are heavily valued for recreation and tourism. The viewshed and other ecosystem services provided to community residents and visitors make logging, especially by clear cut, undesirable and politically unpopular, despite the value of the resource. Moreover, the lands are spread throughout Southeast Alaska, presenting management and timber sale logistical issues, that are easily remedied by consolidating the Trust's timber holdings in the Acquisition Lands areas discussed below. The parcels were identified through extensive public engagements and collaboration with the USFS.

Acquisition Lands (Federal Lands)

Acquisition Lands consist of timberland acreages found in Shelter Cove (8224 acres) on Revillagigedo Island near Ketchikan, Naukati (10,883 acres) and Hollis (1,538 acres) on Prince of Wales Island. The acreage generally consists of a mix of old and young growth timberlands. The Federal lands were identified through a collaborative effort of local communities, USFS, TLO and environmental groups and consist of Federal lands designated as timber harvest lands which have been impacted by development and previous harvests.

D. Historical and Existing Uses of the Property.

Disposal Lands (Non-federal lands)

The AMHT through the TLO conducted harvest of several parcels in the exchange. Selective harvests occurred on parcels in Ketchikan, conventional logging occurred in Wrangell and a harvest was planned in Petersburg. A parcel in Ketchikan (Deer Mountain) was authorized by Congress to be purchased by the USFS in 2001. This sale was cancelled due to public opposition. This land exchange is a collaborative effort by a large group of stakeholders to allow the AMHT to continue its timber sale program in SE Alaska and preserve valuable community view sheds and ecosystem services. A few of the parcels have recreational trails that are important to the communities.

E. Adjacent Land Use Trends.

Disposal Lands

Lands adjacent to Disposal Lands are generally well-settled with existing transportation and utility infrastructure nearby. Commonly adjacent lands and Disposal Lands themselves are heavily utilized for recreation. Where Disposal Lands are not adjacent to

private holdings, adjacent lands are often owned by the USFS or the State of Alaska and have, at times, been harvested for timber.

Acquisition Lands

The Federal lands to be acquired by the Trust are within Federal land use designations which allow timber harvest. These areas have been impacted by past timber harvest and have extensive road systems.

Shelter Cove – A large portion of these and adjacent lands have been harvested. These lands adjoin State lands and Cape Fox Corporation there is an extensive road system.

Naukati – The majority of the Naukati Area (60%) has been previously harvested, there is an extensive road system.

Hollis – This area adjoins State land and SE Alaska Corporation lands which have been previously harvested.

F. Previous State Plans/Classifications.

Due to the extent of this land exchange several resource management plans previously guided the management of State lands before the Trust received ownership, which include: State Area Plans: Juneau, Northern Southeast, Central/Southern Southeast and Prince of Wales Island Plans. The Trust land management is not guided by these previous plans. The Tongass National Forest – Land and Resource Plan and Amendments guide the management of the affected federally owned area. The Trust land management is not guided by these previous federal plans.

G. Existing Plans Affecting the Subject Parcel. (See Item F above).

H. Apparent Highest and Best Use.

Disposal Lands

The quality of timber on Disposal Lands is generally excellent. However, the steep topography and adjacent community and recreational uses impose political and logistical difficulties to monetize the timber assets. These lands were selected for disposal as they are more consistent with the USFS, Tongass National Forest (TNF) Plan which has emphasis on community recreation, subsistence and ecosystem services.

Acquisition Lands

The TLO and USFS has utilized a collaborative effort in identifying land for exchange which would meet the fiduciary AMHT mandate, provide timber for the SE Alaska timber industry, and be compatible with TNF plan and land use designations. The precise composition of the exchange will not be known until the Land Exchange appraisal process is completed. However, the Acquisition Lands were carefully selected based upon their timber harvest potential and it is believed that nearly all Acquisition Lands will be classified with a highest and best use of timber harvest. Certain lands may also be

consistent with future commercial recreation leasing or subdivision development. No lands will be added to those identified within this Best Interest Decision.

IV. Proposal Background.

The TLO and the AMHT have been engaged with the US Forest Service since 2005 to reduce conflicts with SE Alaska Communities from timber harvest while providing timber resources to the SE Alaska timber industry in an effort to ensure that AMHT timber resources are monetized consistent with the AMHTA's fiduciary duty to beneficiaries. The Alaska Mental Health Exchange Act of 2017 and its complimentary State of Alaska legislation, 22 SLA 17, was the culmination of years of collaboration between the USFS, the timber industry, environmental and conservation organizations, SE Communities, State of Alaska, and other concerned stakeholders. The resulting Acts instructs the USFS to exchange about 20,580 acres of federal land in a value for value exchange (by appraisal) for 18,258 acres of AMHT lands. The final acreage will be determined by equalization set forth within the legislation and parcel adjustment through a predetermined sequence. There may be a cash equalization when it is determined to be prudent.

In 2013 the Board of Trustees appropriated \$3 Million Dollars to execute a land exchange with the U.S. Forest Service. The Trustees increased the allocation an additional \$3+ million this year. The Trust is obligated to pay for the cost of completing the exchange per the legislation. The TLO has positioned the land exchange to preserve or increase the value of its timber assets. This exchange will also preserve the existing timber industry in Southeast Alaska. We are maintaining existing infrastructure and markets and thereby strengthening viable customers who will purchase trust timber assets in the foreseeable future. The consultation stated, "making this funding available will allow the TLO to take advantage of the congressional support and potential alignment of the national forest plans toward addressing "Sustainable Forestry in Southeast Alaska" with this important initiative."

It has been recognized since 2007 that for a successful land exchange to occur, a direct link to the preservation of the existing timber industry in SE Alaska was critical. A signing ceremony for SB 88 was held in Ketchikan on August 10, 2017, attended by Senator Murkowski, Governor Walker, State Senator Stedman and Representative Ortiz. "This is an opportunity to help the Alaska Mental Health Trust as they seek to provide for the most vulnerable in our state," Murkowski said. "Because of this exchange, we have protected viewshed, we have allowed for support for our timber industry because of the exchange and again, provided a valuable resource to the Alaska Mental Health Trust".

SB 88 (enacted as 22 SLA 17) requires certain conditions for the Alaska Mental Health Trust Land Exchange Act of 2017 be enacted into law, specifically, that the federal bill must be passed, that the Executive Director of the TLO finds the exchange to be in the best interest of the Trust (for which purpose this decision document serves), and that the

board of trustees approve the exchange with certification of these three requirements in writing from the chair of the board of trustees before SB 88 becomes effective.

The purpose of this decision is to initiate those steps so that SB 88 will be an enforceable law by the first exchange deadline of May 5, 2018.

V. Terms and Conditions. (See Attachments C & D)

The terms and conditions of the proposed Exchange are dictated by statute and federal law. In general, the lands are to be exchanged in two phases. The first phase will see the total of the Phase I Acquisition and Disposal Lands exchanged by May 5, 2018, with an accounting of land values commenced upon the conclusion of the appraisal process. The second phase will see lands exchanged in a prioritized statutory order – with the lands equalized by value based on appraisal. This process requires exchange parcel sizes to be adjusted as needed to allow for an equal value exchange. The legislation has a specific equalization methodology. As parcels are appraised, the values of federal and non-federal parcels are equalized. The parcel list is balanced until the last parcel of one side is reached. However, if the lands are not equal value, the remaining parcels may be adjusted in size or an equalization payment may be made to equalize value.

Before completion of the exchange, reviews were required for threatened and endangered species, cultural and historic resources, wetland and floodplains, and hazardous materials. Several timber study plots will be preserved for completion of studies that will be of value to both the USFS and the Trust. Conservation easements are placed on two parcels, one for a buffer next to the Ketchikan landfill, and the other on certain karst landforms.

VI. Resource Management Considerations.

The proposed action is consistent with the Trust Land Office Resource Management Strategy (RMS) adopted March 2016. The Forest Management section of the RMS specifically identifies the land exchange and discusses how expanding the timber base of the Trust will allow for a sustainable timber program which will aid in the diversification of the Trust portfolio. The land exchange will provide the AMHT with a large consolidated base of timber lands which will allow operations to be consolidated, reduce management costs, and will increase revenue to the Trust. Future management of these lands for timber production and harvest will provide long term renewable revenues.

VII. Alternatives.

- A. Do Nothing:** This alternative assumes that the Trust's current holdings can be monetized through alternatives other than timber harvest. This has proven to be difficult to produce revenues from these lands due to community opposition. The communities of southeast Alaska have supported the exchange and believe the Trust will follow through with the process to complete the exchange.
- B. Alternate Development:** Due to the character and location, the various parcels do not lend themselves to cost-effective development opportunities that would produce a return to the Trust comparable to a commercial timber harvest. Alternative revenue

potential, such as carbon credits, have been evaluated and do not compare to the reoccurring potential income that could be produced with commercial timber harvest. The TLO and Trust have experienced significant pressure from the public and communities to proceed with the exchange. The revenues are expected to exceed the cost of the exchange with just the initial harvest of the lands to be acquired under Phase 1. The projected future revenues from all parcels will significantly exceed the cost of the exchange.

- C. Proposed Alternative:** This alternative will provide the Trust with significant revenue upon completion. The land exchange will provide significant restructuring of the Trust timber asset base and assist in diversifying the Trust asset portfolio. The new lands are expected to be managed primarily as timber lands with expected long-term revenues from sustainable yield.

VIII. Risk Management Considerations.

- A. Performance Risks.** Ultimately, the exchange is in the best interest of the Trust only if the timber revenues projected are realized. These revenues are dependent upon timber sale contracts being in place and the continued market for the various timber grades available on the Acquisition Lands. As such, there always remains the risk of contract default, commodities market collapse or the destruction of the resource by infestation. Initial expected harvest timelines and revenues will limit this risk.
- B. Environmental Risks.** Generally, by disposing of lands adjacent to communities and acquiring lands in more remote areas the risk of contamination is greatly reduced. However, Southeast Alaska has a long history of mining and forestry and there always remains the possibility of inadvertent inheritance of environmental risk. Risk is mitigated by adherence to the Alaska Forest Practices Act and Best Management Practices outlined therein. Initial hazard assessment will be done on all parcels before conveyance.
- C. Public Concerns.** The primary public concern of the Trust's timber activities has been impact to viewshed and impact to recreation near communities. By consolidating Trust timber assets in more remote areas, the Trust is addressing these concerns and simultaneously realizing operational efficiencies. The TLO will continue to seek public input concerning its timber operations and mitigate those concerns where possible. Key environmental and cultural resources have been or will be protected as provided in the federal legislation.

IX. Due Diligence.

- A. Site Inspection.** As part of the Exchange process, the USFS will deploy a number of agency personnel to conduct Environmental Site Assessments (ESAs) on both acquisition and disposal lands, sometimes referred to as a Phase I. The ESA will consist of a superficial site inspection and will note any and all potential environmental concerns that may arise. Affirmative results for environmental

contamination would be grounds to exclude both Acquisition and Disposal Lands from the exchange. TLO personnel have inspected all exchange lands to a certain degree.

- B. Valuation.** The legislation enabling the Exchange called for the establishment of mutually-agreed to appraisal instructions. These instructions were jointly crafted by both the Trust and the USFS and include requirements that the appraisers adhere to USPAP and other commercially acceptable forms of appraisal, including industry-standard timber cruising, where appropriate to value a portion of Acquisition or Disposal Land.

At the point in time of this decision, appraisals will not be completed for all the parcels. However, values will be provided for Phase 1 parcels before the Phase 1 parcels can be conveyed. The final board of Trustee approval of the exchange will occur after the release of the Phase 1 parcels appraisal, providing an opportunity for appropriate valuation check. There are strong indications that the valuation of the acquired land parcels in the exchange will provide valuable timber assets well in excess of the probable valuation of monetizing the existing Trust Disposal Land assets. In the event that the appraisal demonstrates an unexpected significant undervaluing of Trust lands, the exchange process could be halted by withholding Trustee approval as required by 22 SLA 17.

- C. Terms and Conditions Review.** The TLO staff, Department of Law, and Trust Board of Trustees have reviewed the proposed land exchange on several occasions. The Board has also approved funding on two occasions.

X. Authorities.

- A. Applicable Authority.** AS 37.14.009(a), AS 38.05.801, and 11 AAC 99 (key statutes and regulations applicable to Trust land management and disposal), 22 Session Laws of Alaska 2017; The Alaska Mental Health Trust Land Exchange Act of 2017, Pub. L. No. 115-31, 131 Stat. 502.
- B. Inconsistency Determination.** As the proposal is specifically authorized under 11 AAC 99, any relevant provision of law applicable to other state lands is inapplicable to this action if it is inconsistent with Trust responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)) as clarified by AS 38.05.801 and Alaska Mental Health Trust land regulations (11 AAC 99). 11 AAC 99 includes determinations that certain State statutes applicable to other State land do not apply to Trust land unless determined by the Executive Director, on a case-by-case basis, to be consistent with 11 AAC 99.020. The State Statutes deemed inconsistent with Trust management principles and inapplicable to Trust land by these regulations have not been applied to this decision or this action, including, but not limited to, AS 38.04 (Policy for Use and Classification of State Land Surface), AS 38.05.035 (Powers and Duties of the Director), AS 38.05.300 (Classification of Land), AS 38.05.945 (Notice), AS 38.05.946 (Hearings), and 11 AAC 02 (Appeals).

AS 38.50 (Exchange) was specifically excluded by 22 Session of Laws of Alaska 2017.

XI. Trust Authority Consultation.

The Alaska Mental Health Trust Resource Management Committee was consulted on January 4, 2018. The Committee recommended that the proposed transaction be forwarded to the Alaska Mental Health Trust board of trustees. The board of trustees was consulted on January 25, 2018, and the board of trustees concurred with the exchange.

XII. Best Interest Decision.

Given the information above and the information contained in the complete record, the Executive Director finds that the proposed transaction is in the best interest of the Trust, subject to the terms and conditions addressed in this decision. The decision is based upon the consideration of the five Trust management principles set out in 11 AAC 99.020 and is in full compliance with 11 AAC 99. This decision does not preclude the TLO from determining that an alternative proposal will serve the best interest of the Trust. A future determination of that nature will require a best interest decision specific to the proposal.

XIII. Opportunity for Comment.

Notice of this Best Interest Decision will take place as provided under 11 AAC 99.050. Persons who believe that the decision should be altered because it is not in the best interest of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020 or any other provision of 11 AAC 99, must provide written comments to the TLO during the notice period. Following the comment deadline, the Executive Director will consider timely written comments that question the decision on the basis of the best interest of the Trust and its beneficiaries or inconsistency with 11 AAC 99. The Executive Director will then, in his or her discretion, modify the decision in whole or in part in response to such comments or other pertinent information, or affirm the best interest decision without changes. The best interest decision as modified or affirmed will become the final agency action, subject to reconsideration procedures under 11 AAC 99.060. Additional notice will be provided for a substantially modified decision. If no comments are received by the end of the notice period, this best interest decision will be affirmed and the proposed action taken. (See notice for specific dates.)

XIV. Reconsideration.

To be eligible to file for reconsideration of this Best Interest Decision, or to file a subsequent appeal to the Superior Court, a person must submit written comments during the notice period.

Persons who submit timely written comments will be provided with a copy of the final written decision, and will be eligible to request reconsideration within 20 calendar days after publication of the notice or receipt of the decision, whichever is earlier under 11 AAC 99.060(b). The Executive Director shall order or deny reconsideration within 20 calendar days after receiving the request for reconsideration. If the Executive Director takes no action during the 20-day period following the request for reconsideration, the


request is considered denied. Denial of a request for reconsideration is the final administrative decision for purposes of appeal to the superior court under AS 44.62.560.

XV. Available Documents.

Background documents and information cited herein is on file and available for review at the TLO, located at 2600 Cordova Street, Suite 100, Anchorage, Alaska 99503. Phone: (907) 269-8658. Email: mhtlo@alaska.gov.

The disposal action proposed by this decision will occur no less than 30 days after the first publication date of this decision, and after the conclusion of the TLO administrative process. For specific dates or further information about the disposal, interested parties should contact the TLO at the above address, or visit the website at: www.mhtrustland.org.

XVI. APPROVED:


Wyn Menefee
Executive Director
Alaska Mental Health Trust Land Office

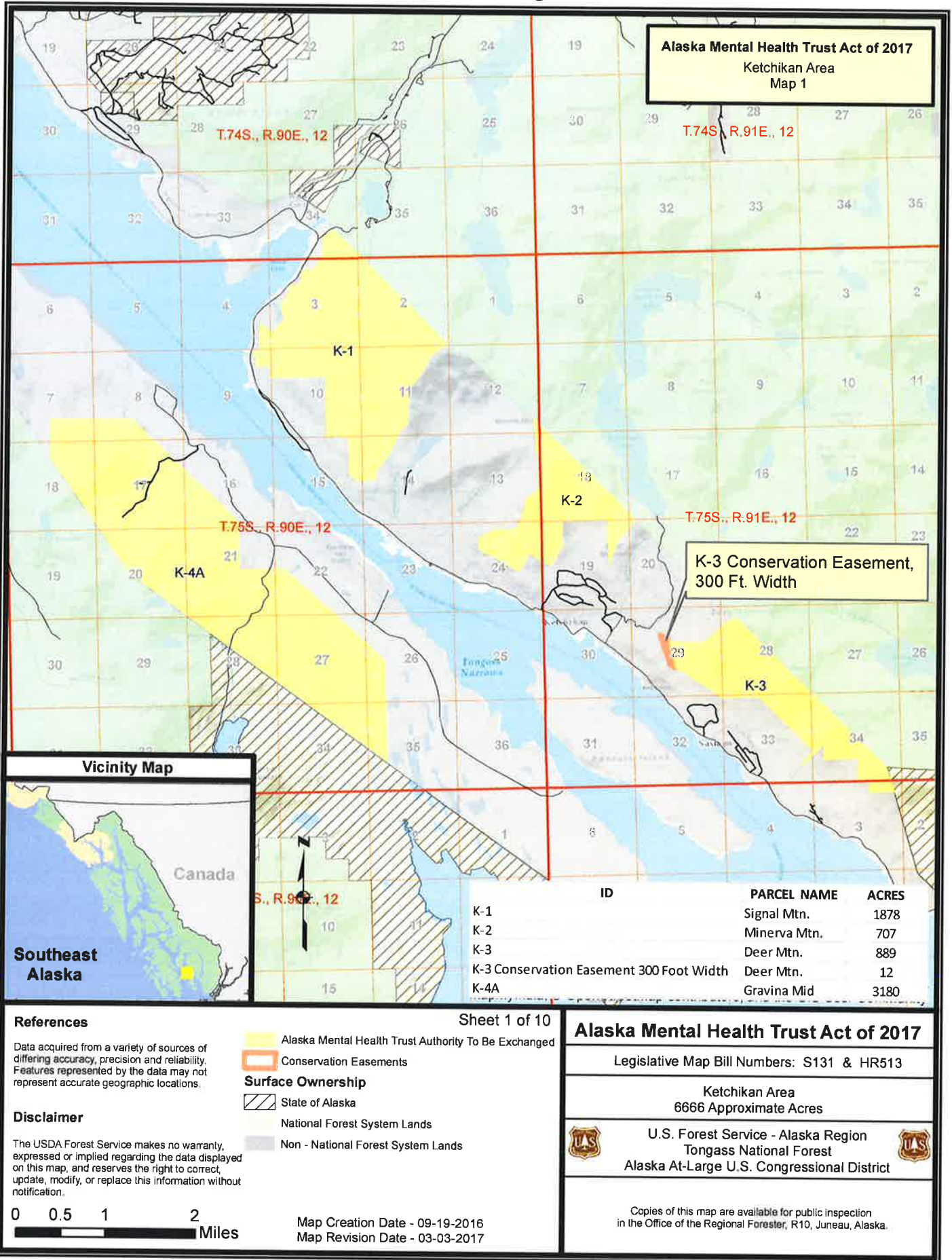
2/20/18
Date

Attachment A - Parcel List

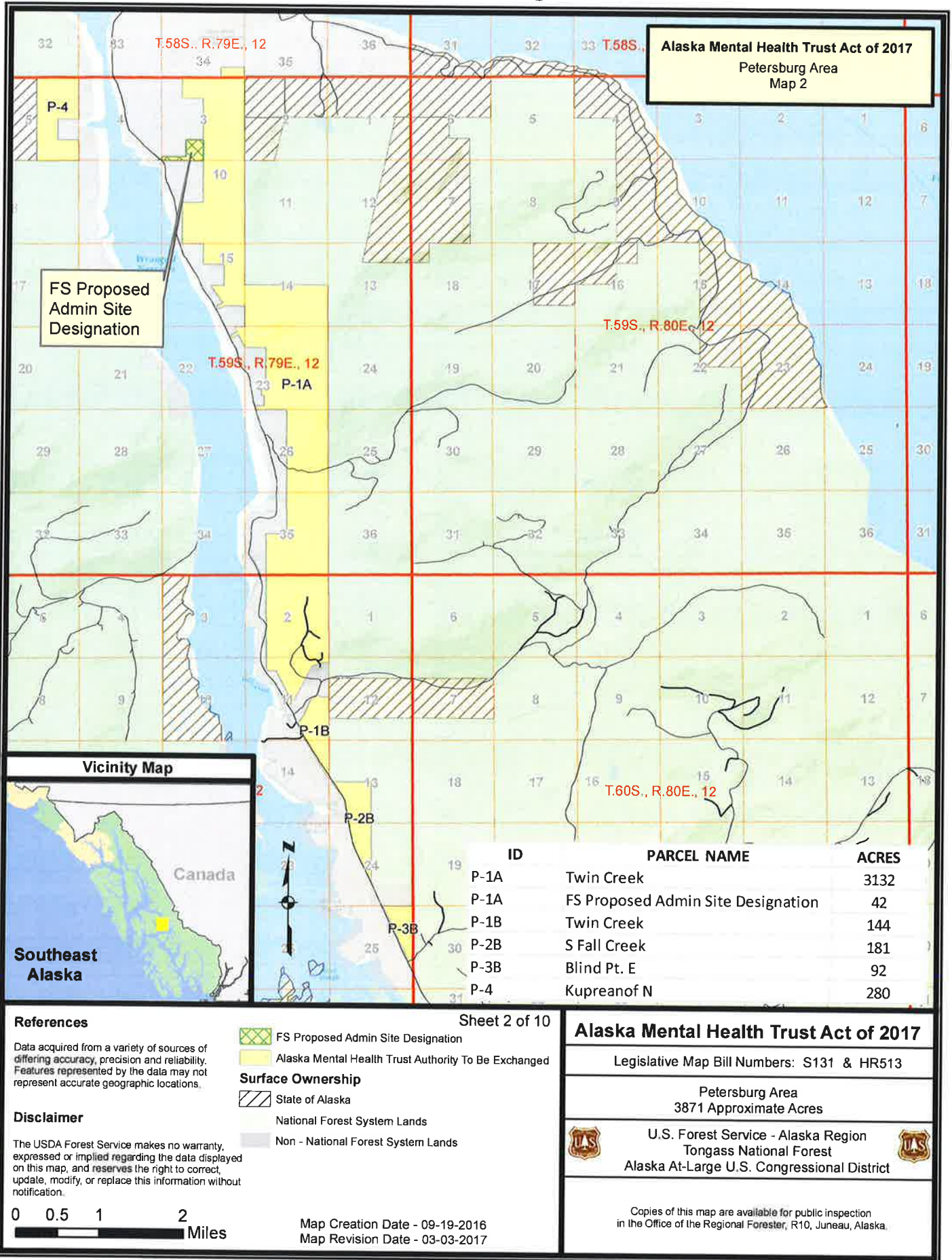
Alaska Mental Health Trust Land			Federal Land		
Community/Area	MH Parcel #	Township, Range	Community/Area	Township, Range	
Ketchikan			Naukati		
K-1	CRM-3159	C075S090E	2016 Naukati Addition	C069S080E	
K-1	CRM-3160	C075S090E	East Naukati	C068S079E, C069S080E	
K-1	CRM-3156-01	C074S090E, C075S090E	Central Naukati	C069S080E	
K-2	CRM-3157-01A	C075S090E, C075S091E	North Naukati	C068S078E, C068S079E	
K-3	CRM-3158-01	C075S091E, C076S091E	West Naukati	C068S078E, C068S079E, C069S079E, C069S080E	
K-4A	CRM-3129-03	C075S090E			
Petersburg			Shelter Cove	C073S091E, C073S092E, C074S092E	
P-1A	CRM-2060-02	C058S079E	Hollis	C073S084E	
P-1A	CRM-2099	C059S079E			
P-1A	CRM-2104	C059S079E			
P-1A	CRM-2175	C059S079E			
P-1A	CRM-2210	C059S079E			
P-1A	CRM-2214	C059S079E			
P-1A	CRM-2281	C060S079E			
P-1A	CRM-2282	C060S079E			
P-1A	CRM-2283	C060S079E			
P-1A	CRM-2284-02	C060S079E			
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P-2B	CRM-2284-02	C060S079E			
P-3B	CRM-2284-02	C060S079E			
P-4	CRM-2129	C059S079E			
P-4	CRM-2130	C059S079E			
P-4	CRM-2131	C059S079E			
Wrangell					
W-1	CRM-2402	C062S084E, C063S084E			
W-2	CRM-2454	C063S084E			
W-3	CRM-2443	C063S084E			
W-3	CRM-2454	C063S084E			
W-3	CRM-2458	C063S084E			
W-4	CRM-2528	C063S084E, C064S084E			
W-4	CRM-2529	C064S084E			
Sitka					
S-2	CRM-1835	C055S063E, C055S064E			
S-3	CRM-7003	C055S063E			
S-4	CRM-1811	C055S063E			
Myers Chuck					
MC-1	CRM-2556	C070S086E, C071S086E			
Juneau					
J-1A	CRM-1509	C042S067E			
J-1B	CRM-1509	C042S067E, C042S068E			
No Name Bay					
NB-1	CRM-7011	C062S073E, C062S074E			
NB-1	CRM-7012	C062S073E			
NB-1	CRM-7013	C062S073E, C062S074E			
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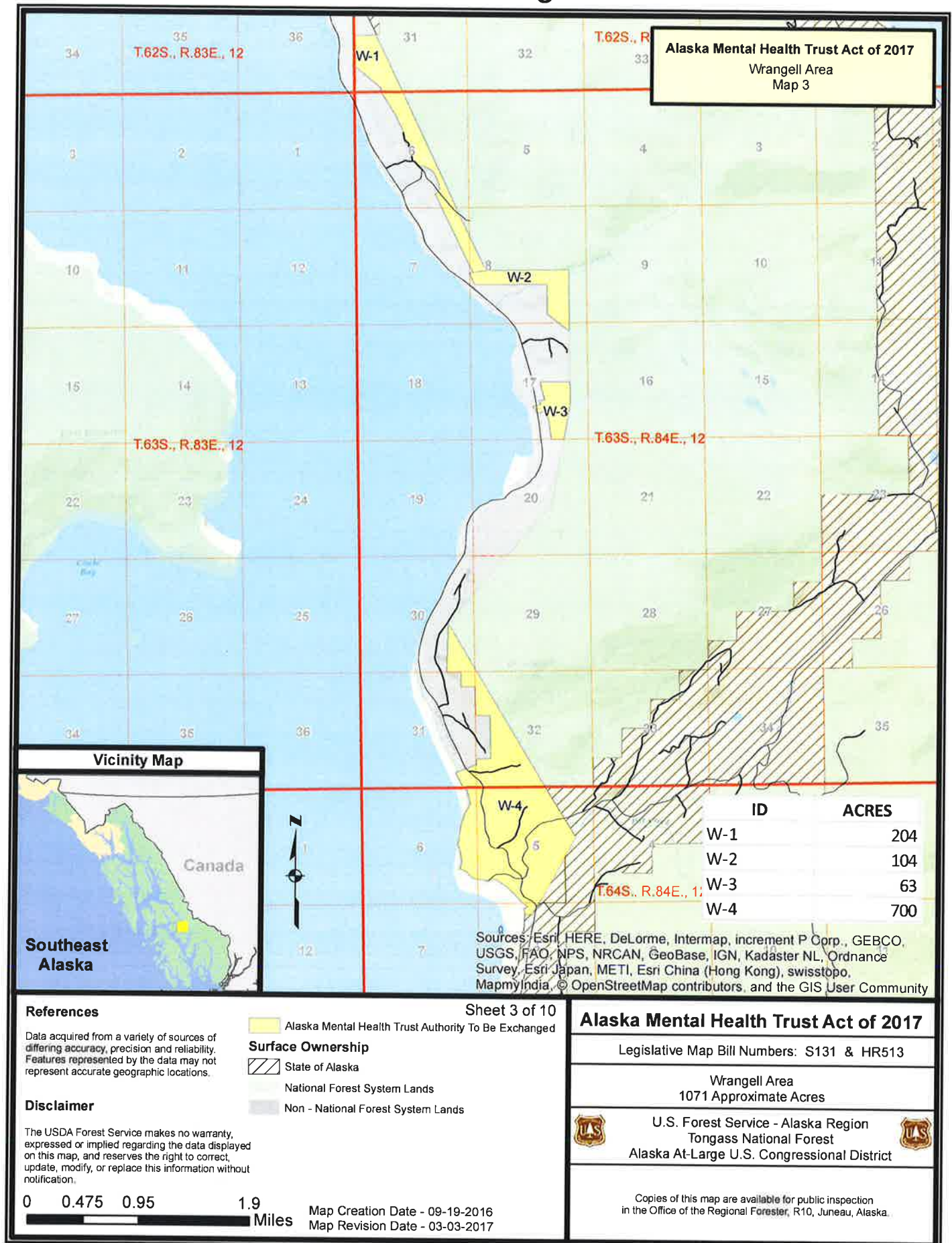
Attachment A - Parcel List

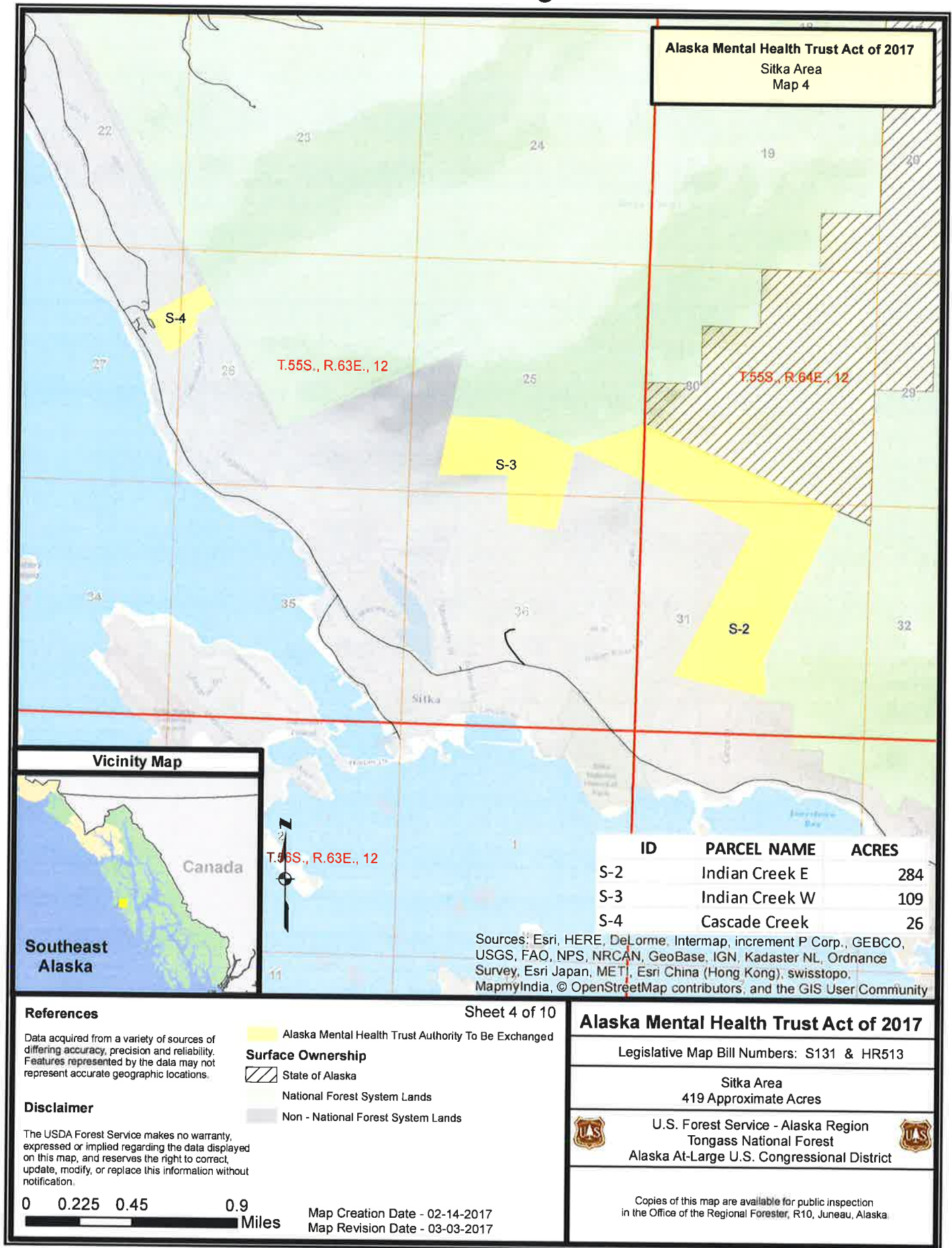
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NB-1	CRM-7026	C062S073E							
NB-1	CRM-7027	C062S073E							
NB-1	CRM-7028	C062S073E, C062S074E							
NB-1	CRM-7029	C062S073E, C062S074E							
NB-1	CRM-7030	C062S073E							
NB-1	CRM-7031	C062S073E							
NB-1	CRM-7032	C062S073E							
NB-1	CRM-7033	C062S073E							
NB-1	CRM-7034	C062S073E							
NB-1	CRM-7035	C062S073E							
NB-1	CRM-7036	C062S073E							
NB-1	CRM-7037	C062S074E							
NB-1	CRM-7038	C062S074E							
NB-1	CRM-7039	C062S074E							
NB-1	CRM-7040	C062S074E							
NB-1	CRM-7041	C062S074E							
NB-1	CRM-7042	C062S074E							
NB-1	CRM-7043	C062S074E							
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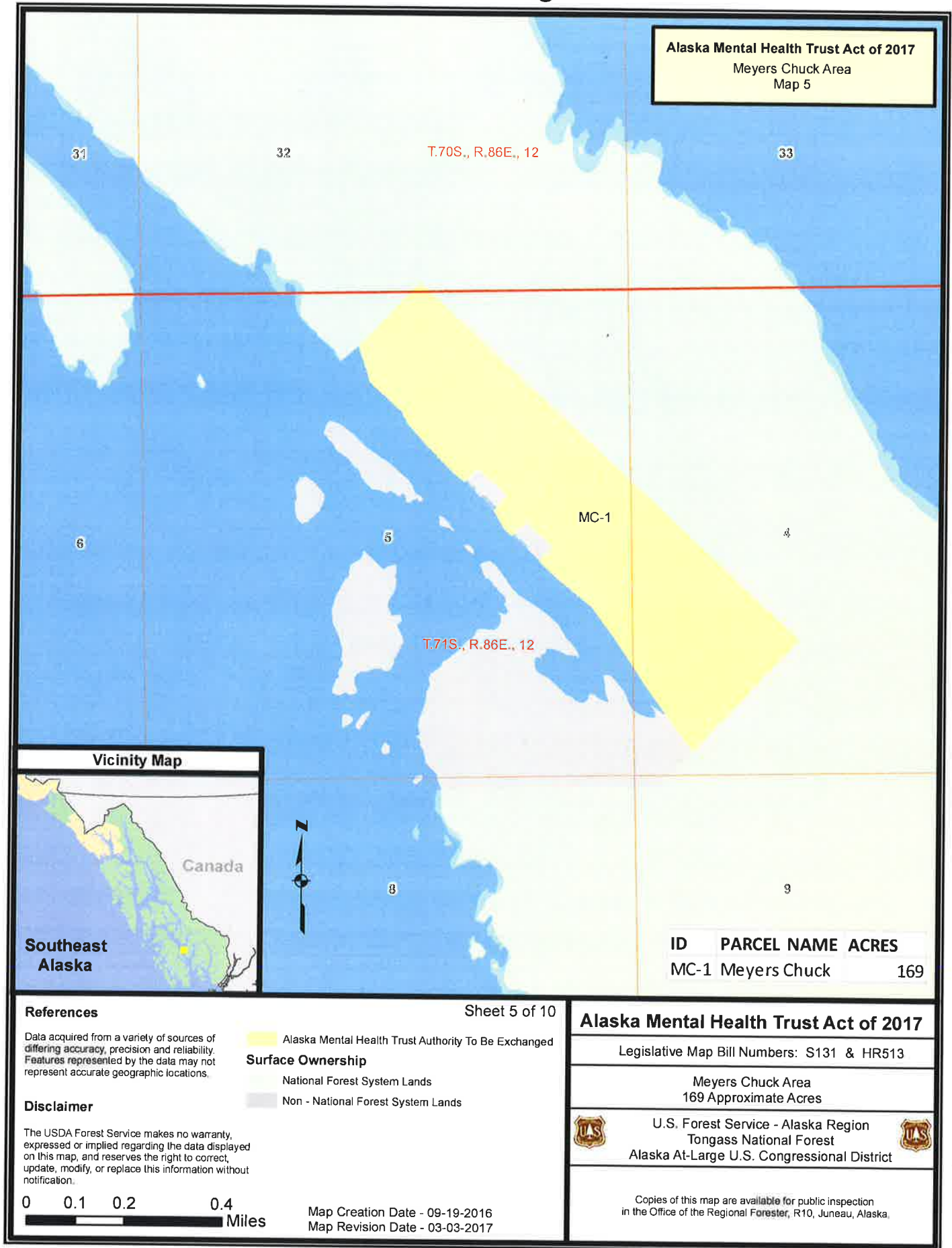


Attachment B Page 2 of 10

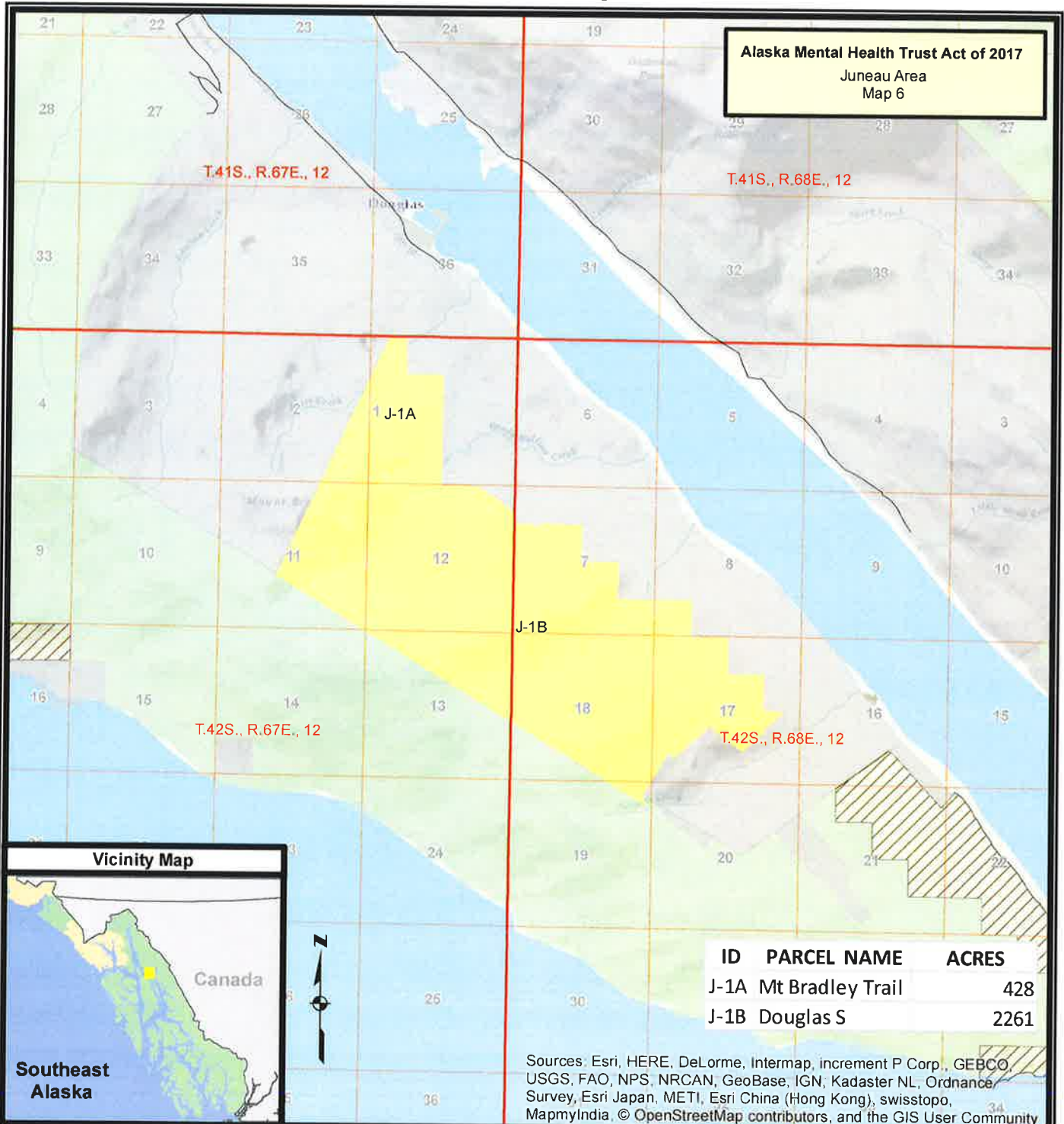








Attachment B Page 6 of 10



Alaska Mental Health Trust Act of 2017
Juneau Area
Map 6

T.41S., R.67E., 12

T.41S., R.68E., 12

1 J-1A

J-1B

T.42S., R.67E., 12

T.42S., R.68E., 12

Vicinity Map



**Southeast
Alaska**



ID	PARCEL NAME	ACRES
J-1A	Mt Bradley Trail	428
J-1B	Douglas S	2261

Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

References

Data acquired from a variety of sources of differing accuracy, precision and reliability. Features represented by the data may not represent accurate geographic locations.

Disclaimer

The USDA Forest Service makes no warranty, expressed or implied regarding the data displayed on this map, and reserves the right to correct, update, modify, or replace this information without notification.

0 0.425 0.85 1.7
Miles

Map Creation Date - 09-19-2016
Map Revision Date - 03-03-2017

Sheet 6 of 10

Alaska Mental Health Trust Authority To Be Exchanged

Surface Ownership

- State of Alaska
- National Forest System Lands
- Non - National Forest System Lands

Alaska Mental Health Trust Act of 2017

Legislative Map Bill Numbers: S131 & HR513

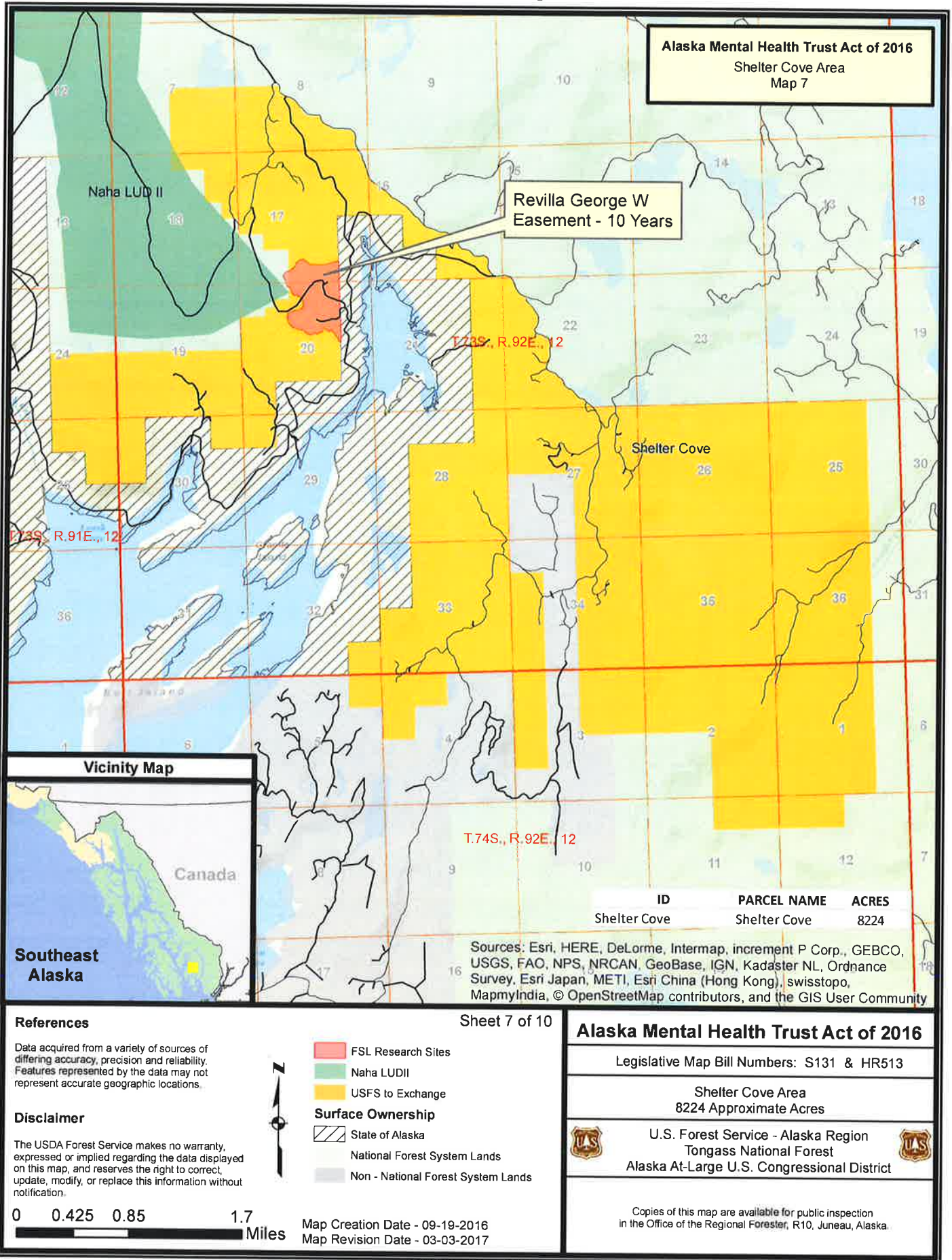
Juneau Area
2689 Approximate Acres

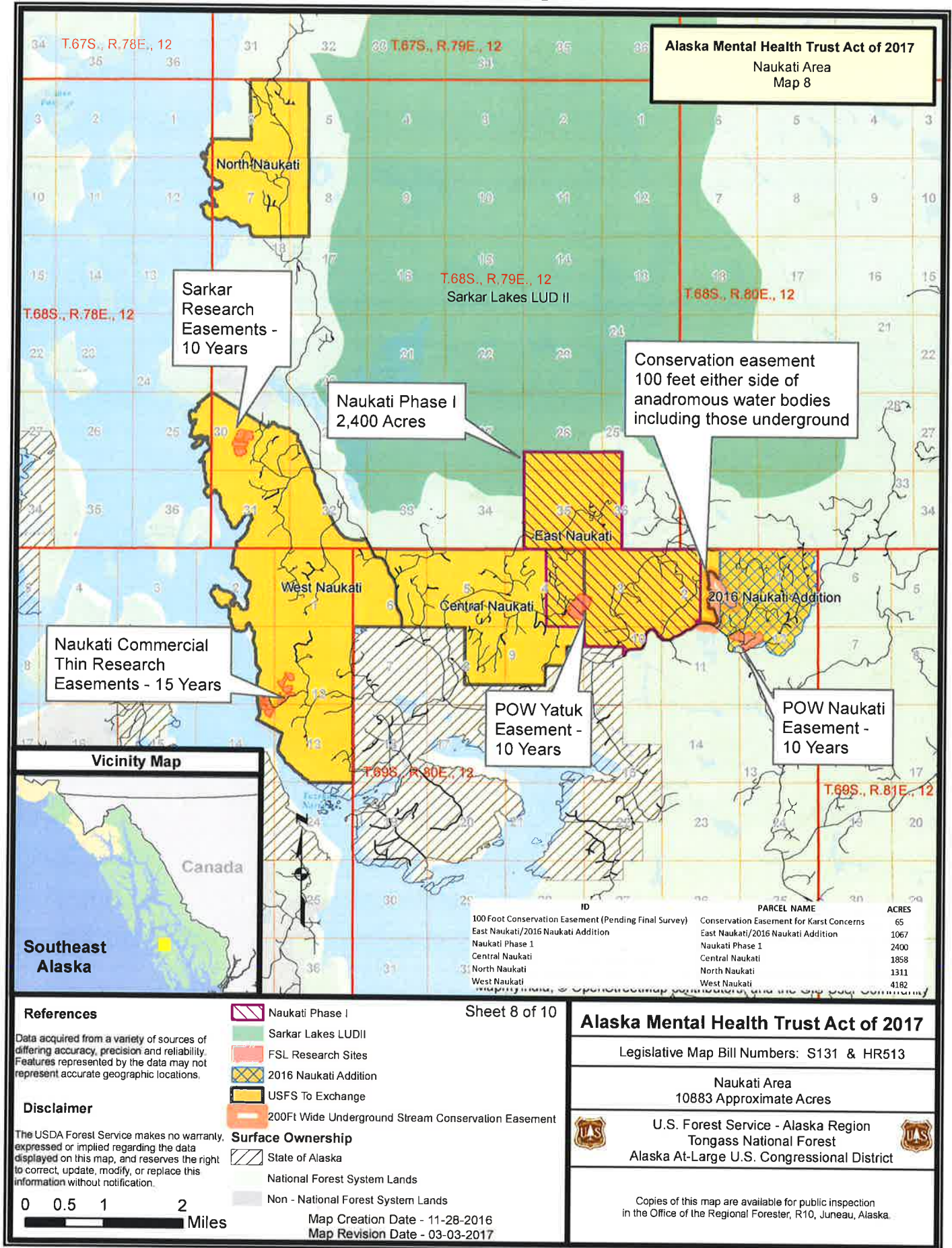


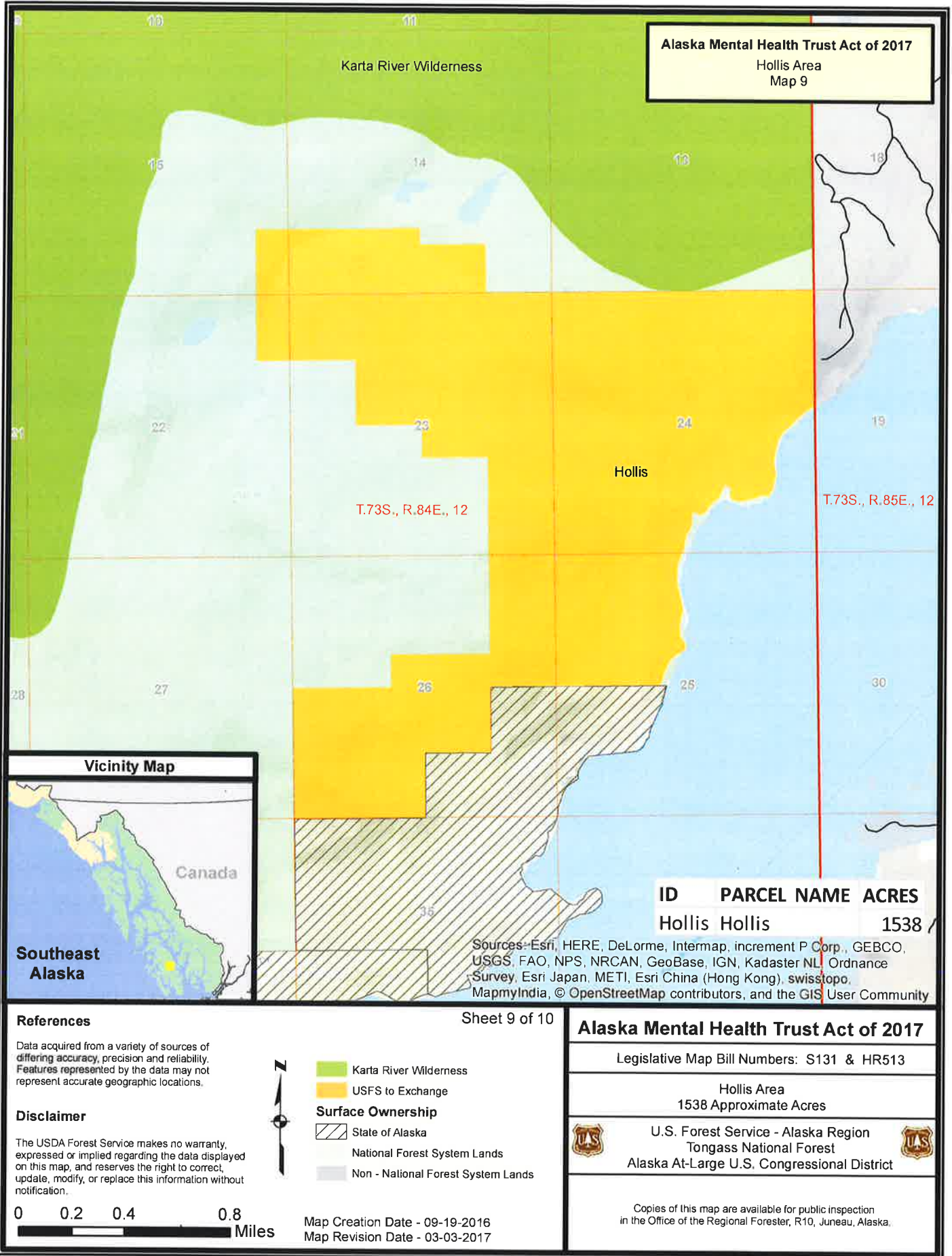
U.S. Forest Service - Alaska Region
Tongass National Forest
Alaska At-Large U.S. Congressional District

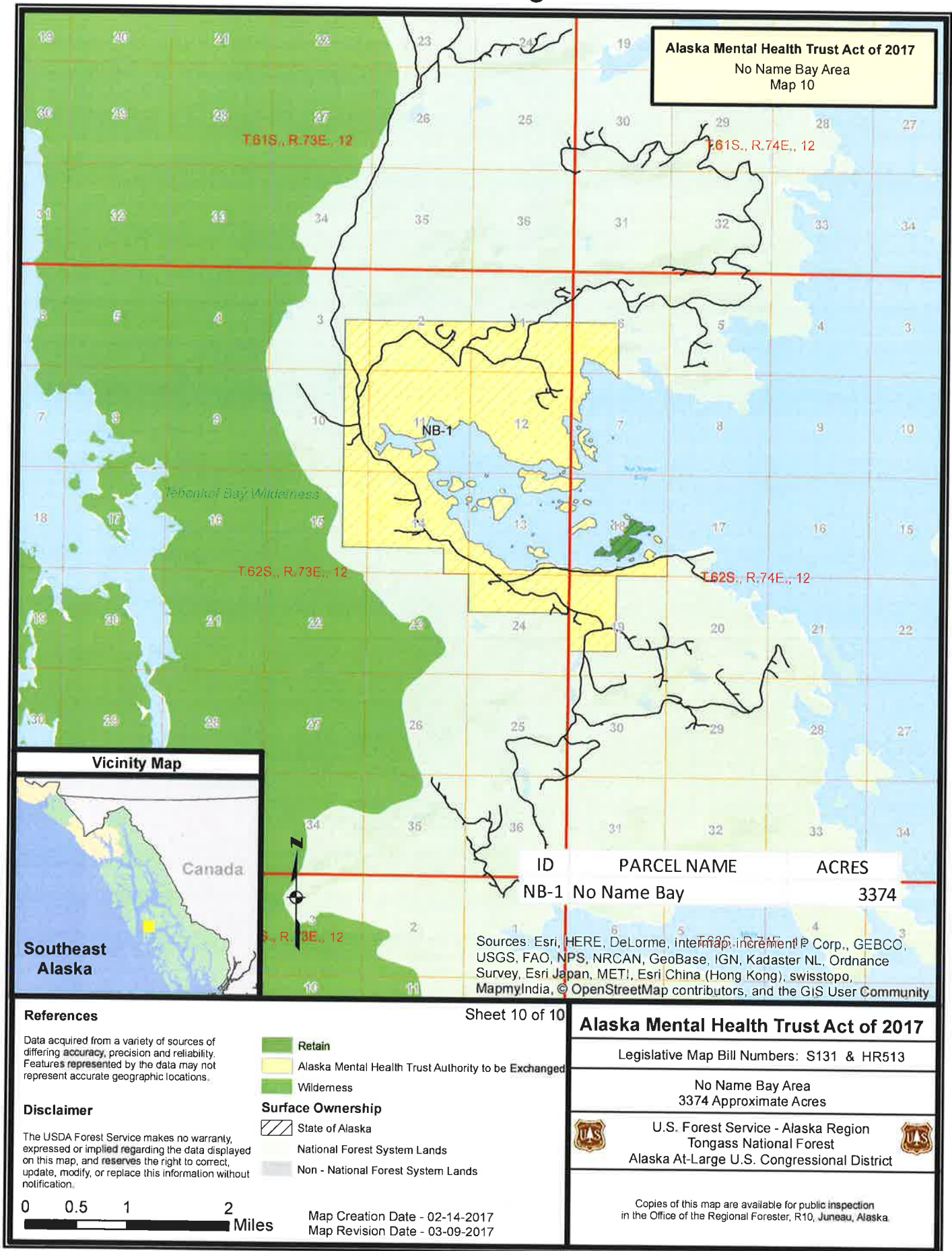


Copies of this map are available for public inspection in the Office of the Regional Forester, R10, Juneau, Alaska.











LAWS OF ALASKA

2017

Source
CSSB 88(RES)

Chapter No.

AN ACT

Authorizing a land exchange with the federal government in which certain Alaska mental health trust land is exchanged for certain national forest land and relating to the costs of the exchange; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

Attachment C - Page 2 of 9

AN ACT

1 Authorizing a land exchange with the federal government in which certain Alaska mental
2 health trust land is exchanged for certain national forest land and relating to the costs of the
3 exchange; and providing for an effective date.

4

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 **PURPOSE.** In accordance with the Alaska Mental Health Trust Land Exchange Act of
8 2017 or a federal Act with similar terms, the purposes of this Act are to

9 (1) authorize the Department of Natural Resources, acting on behalf of the
10 Alaska Mental Health Trust Authority, to exchange mental health trust land managed by the
11 Department of Natural Resources for United States Forest Service land of equal or
12 comparable value;

13 (2) aid the Alaska Mental Health Trust Authority in achieving its goals and
14 objectives, including increasing trust revenue;

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(3) contribute to the economic health of communities in Southeast Alaska; and
(4) preserve land adjacent to the communities of Ketchikan, Petersburg, Wrangell, Sitka, Juneau, and Meyers Chuck.

* **Sec. 2.** The uncoded law of the State of Alaska is amended by adding a new section to read:

EXCHANGE OF MENTAL HEALTH TRUST LAND FOR FEDERAL LAND. (a) Notwithstanding AS 38.05.801, AS 38.50, or any other provision of law, and subject to the provisions of this Act, the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms, and any valid existing rights, reservations, rights-of-way, or other encumbrances in, to, or on land conveyed under this Act, the Department of Natural Resources may convey all right, title, and interest of certain mental health trust land described in sec. 3(a) of this Act to the federal government in exchange for the conveyance of certain federal land described in sec. 3(b) of this Act.

(b) The Alaska Mental Health Trust Authority shall pay all costs of the exchange, including

(1) the costs incurred completing the land surveys, appraisals, and environmental reviews described in the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms; and

(2) upon request of the United States Secretary of Agriculture, the costs of federal agency staff, additional federal agency staff, or third-party contractors hired by the federal government to effect the exchange as described in the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms.

(c) All surveys required to complete the exchange shall be conducted in the manner described in the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms.

(d) In accordance with the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms, conveyance of both federal and mental health trust land under this Act is subject to

(1) reciprocal easements on existing roads as necessary to access the parcels that each party acquires in the exchange; the easements must also provide for public access; and

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(2) conservation and research easements and related land use limitations described in the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms that

(A) provide a buffer adjacent to the Ketchikan landfill;

(B) allow for the completion of United States Forest Service research on designated study plots; and

(C) protect certain karst areas of concern.

(e) The Department of Natural Resources may enter into a cost-share agreement to cover the cost of road maintenance with respect to any reciprocal road easements exchanged under (d)(1) of this section.

* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LAND TO BE EXCHANGED. (a) Subject to the provisions of this Act, the following mental health trust land, as generally depicted on maps one through six and 10, comprising a total of approximately 18,258 acres, may be exchanged for the federal land described in (b) of this section:

(1) land generally depicted as parcel K-1 on map 1, comprising approximately 1,878 acres;

(2) land generally depicted as parcel K-2 on map 1, comprising approximately 707 acres;

(3) land generally depicted as parcel K-3 on map 1, comprising approximately 901 acres, including the depicted conservation easement area;

(4) land generally depicted as parcel K-4A on map 1, comprising approximately 3,180 acres;

(5) land generally depicted as parcel P-1A on map 2, comprising approximately 3,174 acres;

(6) land generally depicted as parcel P-1B on map 2, comprising approximately 144 acres;

(7) land generally depicted as parcel P-2B on map 2, comprising approximately 181 acres;

(8) land generally depicted as parcel P-3B on map 2, comprising

Attachment C - Page 5 of 9

1 approximately 92 acres;

2 (9) land generally depicted as parcel P-4 on map 2, comprising approximately
3 280 acres;

4 (10) land generally depicted as parcel W-1 on map 3, comprising
5 approximately 204 acres;

6 (11) land generally depicted as parcel W-2 on map 3, comprising
7 approximately 104 acres;

8 (12) land generally depicted as parcel W-3 on map 3, comprising
9 approximately 63 acres;

10 (13) land generally depicted as parcel W-4 on map 3, comprising
11 approximately 700 acres;

12 (14) land generally depicted as parcel S-2 on map 4, comprising
13 approximately 284 acres;

14 (15) land generally depicted as parcel S-3 on map 4, comprising
15 approximately 109 acres;

16 (16) land generally depicted as parcel S-4 on map 4, comprising
17 approximately 26 acres;

18 (17) land generally depicted as parcel MC-1 on map 5, comprising
19 approximately 169 acres;

20 (18) land generally depicted as parcel J-1B on map 6, comprising
21 approximately 2,261 acres;

22 (19) land generally depicted as parcel J-1A on map 6, comprising
23 approximately 428 acres; and

24 (20) land generally depicted as parcel NB-1 on map 10, comprising
25 approximately 3,374 acres.

26 (b) Subject to the provisions of this Act, the mental health trust land described in (a)
27 of this section may be exchanged, in the manner provided in secs. 4 and 5 of this Act, for the
28 following United States Forest Service land, comprising a total of approximately 20,580
29 acres, as generally depicted on maps seven through nine:

30 (1) land generally depicted as the "Naukati Phase 1" parcel on map 8,
31 comprising approximately 2,400 acres;

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(2) land generally depicted as the "West Naukati" parcel on map 8, comprising approximately 4,182 acres;

(3) land generally depicted as the "North Naukati" parcel on map 8, comprising approximately 1,311 acres;

(4) land generally depicted as the "East Naukati/2016 Naukati addition" parcel on map 8, comprising approximately 1,067 acres;

(5) land generally depicted as the "Central Naukati" parcel on map 8, comprising approximately 1,858 acres;

(6) land generally depicted as the "Hollis" parcel on map 9, comprising approximately 1,538 acres; and

(7) land generally depicted as the "Shelter Cove Area" parcel on map 7, comprising approximately 8,224 acres.

(c) The Department of Natural Resources may, by mutual agreement with the United States Secretary of Agriculture, correct minor errors in any map, acreage estimate, or description of land subject to exchange under this section.

(d) If there is a conflict between a map, acreage estimate, or description of land subject to exchange under this section, the map shall be given effect unless the Department of Natural Resources and the United States Secretary of Agriculture mutually agree otherwise.

(e) In this section, "map" means the applicable map prepared by the Alaska Region of the United States Forest Service entitled "Alaska Mental Health Trust Act of 2017," numbered

(1) 1 - 9, and dated March 3, 2017; or

(2) 10, and dated March 9, 2017.

*** Sec. 4.** The uncoded law of the State of Alaska is amended by adding a new section to read:

LAND EXCHANGE PHASES. (a) Subject to the time limitations of the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal Act with similar terms, the land described in sec. 3(a) and (b) of this Act shall be exchanged in two phases, as described in this section.

(b) Subject to sec. 5 of this Act, if the United States Secretary of Agriculture has conveyed the parcel of federal land described in sec. 3(b)(1) of this Act to the Alaska Mental

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1 Health Trust Authority, the Department of Natural Resources shall convey the parcels of trust
2 land described in sec. 3(a)(1) and (2) of this Act to the federal government.

3 (c) Land to be conveyed under (b) of this section shall be appraised before land to be
4 conveyed under (e) of this section.

5 (d) Notwithstanding sec. 5 of this Act, any cash equalization payment due under sec.
6 5 of this Act shall be

7 (1) deferred until the completion of land conveyances under (e) of this section;
8 and

9 (2) debited or credited, as appropriate, to any final land or cash equalization
10 that may be required under sec. 5 of this Act from either party upon completion of the
11 conveyances under (e) of this section.

12 (e) Subject to sec. 5 of this Act, if the United States Secretary of Agriculture has
13 conveyed the parcels of federal land described in sec. 3(b)(2) - (7) of this Act to the Alaska
14 Mental Health Trust Authority, the Department of Natural Resources shall convey the parcels
15 of trust land described in sec. 3(a)(3) - (20) of this Act to the federal government.

16 * **Sec. 5.** The uncoded law of the State of Alaska is amended by adding a new section to
17 read:

18 EQUAL VALUE OF LAND AND OTHER CONSIDERATION EXCHANGED. (a)
19 The value of the mental health trust land and other consideration exchanged for federal land
20 and other consideration under this Act shall be equalized under this section when the
21 Department of Natural Resources completes the land exchange described in sec. 4(e) of this
22 Act.

23 (b) If the final appraised value of all of the federal land described in sec. 3(b) of this
24 Act exceeds the final appraised value of all of the mental health trust land described in sec.
25 3(a) of this Act, the Department of Natural Resources may, in consultation with the United
26 States Secretary of Agriculture,

27 (1) consent to the removal of one or more parcels of federal land described in
28 sec. 3(b) of this Act from the exchange, beginning in the reverse order that the parcels are
29 listed under that subsection until, to the maximum extent practicable, approximate equal value
30 is achieved in the exchange; and

31 (2) equalize any remaining difference in value by

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1 (A) removing a portion of a parcel of the federal land described in sec.
2 3(b) of this Act from the exchange;

3 (B) making a cash payment to the federal government that is equal to
4 the difference in value; or

5 (C) using both methods described in (A) and (B) of this paragraph.

6 (c) If the final appraised value of all of the mental health trust land described in sec.
7 3(a) of this Act exceeds the final appraised value of all of the federal land described in sec.
8 3(b) of this Act, the Department of Natural Resources may, in consultation with the United
9 States Secretary of Agriculture,

10 (1) remove one or more parcels of mental health trust land described in sec.
11 3(a) of this Act from the exchange, beginning in the reverse order that the parcels are listed
12 under that subsection, until, to the maximum extent practicable, approximate equal value is
13 achieved in the exchange; and

14 (2) equalize any remaining difference in value by

15 (A) removing a portion of a parcel of the mental health trust land
16 described in sec. 3(a) of this Act from the exchange;

17 (B) accepting a cash payment from the federal government that is
18 equal to the difference in value; or

19 (C) using both methods described in (A) and (B) of this paragraph.

20 (d) If a portion of a parcel of the federal land or the mental health trust land to be
21 conveyed under sec. 3 of this Act cannot be conveyed by the federal government or the
22 Department of Natural Resources because of the presence of hazardous material,

23 (1) that portion may be removed from the exchange; and

24 (2) the final values of the land exchanged under this Act shall be equalized
25 under this section.

26 (e) To expedite completion of the exchange, if the values of the federal land and the
27 mental health trust land cannot be exactly equalized under this section, the Department of
28 Natural Resources may, if the public officer in the Department of Natural Resources who is
29 responsible for the management of the land assets of the Alaska Mental Health Trust
30 Authority under AS 38.05.801 determines that it is in the best interests of the trust established
31 under the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709, waive any

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1 cash equalization payment due from the federal government under (c)(2) of this section.

2 (f) All land exchanged under this Act shall be appraised

3 (1) in accordance with nationally recognized appraisal standards, including the
4 Uniform Appraisal Standards for Federal Land Acquisitions and the Uniform Standards of
5 Professional Appraisal Practice; and

6 (2) subject to any appraisal instructions issued by the United States Secretary
7 of Agriculture under the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal
8 Act with similar terms.

9 (g) Once the value of a parcel of federal land or mental health trust land subject to
10 exchange under sec. 3 of this Act is approved as the final appraised value of the parcel by
11 both the federal government and the Department of Natural Resources under this section, the
12 state may not require the land to be reappraised or revalued.

13 * **Sec. 6.** The uncoded law of the State of Alaska is amended by adding a new section to
14 read:

15 **CONDITIONAL EFFECT; DUTY TO NOTIFY.** (a) This Act takes effect only if

16 (1) the Alaska Mental Health Trust Land Exchange Act of 2017 or a federal
17 Act with similar terms is passed by the 115th United States Congress and enacted into law;

18 (2) on or before January 1, 2024, the public officer in the Department of
19 Natural Resources who is responsible for the management of the land assets of the Alaska
20 Mental Health Trust Authority under AS 38.05.801 determines that the exchange authorized
21 by this Act is in the best interests of the trust established under the Alaska Mental Health
22 Enabling Act of 1956, P.L. 84-830, 70 Stat. 709; and

23 (3) on or before January 1, 2024, the Alaska Mental Health Trust Authority
24 approves the exchange authorized by this Act.

25 (b) The chair of the board of trustees of the Alaska Mental Health Trust Authority
26 shall certify in writing to the lieutenant governor and the revisor of statutes if, on or before
27 January 1, 2024, the Alaska Mental Health Trust Authority determines that the conditions in
28 (a) of this section have occurred.

29 * **Sec. 7.** If, under sec. 6 of this Act, this Act takes effect, it takes effect on the day after the
30 date on which the chair of the board of trustees of the Alaska Mental Health Trust Authority
31 makes the certification to the revisor of statutes under sec. 6 of this Act.

115TH CONGRESS
1ST SESSION

S. _____

To provide for the exchange of certain National Forest System land and non-Federal land in the State of Alaska, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. MURKOWSKI (for herself and Mr. SULLIVAN) introduced the following bill;
which was read twice and referred to the Committee on

A BILL

To provide for the exchange of certain National Forest System land and non-Federal land in the State of Alaska, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Alaska Mental Health
5 Trust Land Exchange Act of 2017”.

6 SEC. 2. PURPOSE.

7 The purpose of this Act is to facilitate, authorize, di-
8 rect, and expedite the exchange of land between the Alaska

1 Mental Health Trust and the Secretary of Agriculture in
2 accordance with this Act—

3 (1) to preserve the scenic and visual backdrops
4 of southeastern Alaska communities, while creating
5 jobs and economic opportunities in more remote
6 areas of the State;

7 (2) to secure Federal ownership and protection
8 of non-Federal land in the State that has significant
9 natural, scenic, recreational, and other public values;
10 and

11 (3) to contribute to the goals and objectives of
12 the Alaska Mental Health Trust.

13 **SEC. 3. DEFINITIONS.**

14 In this Act:

15 (1) **ALASKA MENTAL HEALTH TRUST.**—The
16 term “Alaska Mental Health Trust” means the Alas-
17 ka Mental Health Trust Authority, an agency of the
18 State.

19 (2) **FEDERAL LAND.**—The term “Federal land”
20 means the following 7 parcels of National Forest
21 System land, as generally depicted on maps 7
22 through 9, comprising a total of approximately
23 20,580 acres:

1 (A) The parcel generally depicted as
2 “Naukati Phase 1” on map 8, comprising ap-
3 proximately 2,400 acres.

4 (B) The parcel generally depicted as “West
5 Naukati” on map 8, comprising approximately
6 4,182 acres.

7 (C) The parcel generally depicted as
8 “North Naukati” on map 8, comprising ap-
9 proximately 1,311 acres.

10 (D) The parcel generally depicted as “East
11 Naukati/2016 Naukati addition” on map 8,
12 comprising approximately 1,067 acres.

13 (E) The parcel generally depicted as “Cen-
14 tral Naukati” on map 8, comprising approxi-
15 mately 1,858 acres.

16 (F) The parcel generally depicted as “Hol-
17 lis” on map 9, comprising approximately 1,538
18 acres.

19 (G) The parcel generally depicted as “Shel-
20 ter Cove Area” on map 7, comprising approxi-
21 mately 8,224 acres.

22 (3) MAP.—The term “map” means the applica-
23 ble map prepared by the Alaska Region of the For-
24 est Service entitled “Alaska Mental Health Trust
25 Act of 2016”—

4

1 (A) numbered 1, 2, 3, 4, 5, 6, 7, or 9 and
2 dated September 19, 2016; or

3 (B) numbered 8 and dated November 28,
4 2016.

5 (4) NON-FEDERAL LAND.—The term “non-Fed-
6 eral land” means the following 20 parcels of non-
7 Federal land, as generally depicted on maps 1
8 through 6, comprising a total of approximately
9 17,341 acres:

10 (A) The parcel generally depicted as parcel
11 K-1 on map 1, comprising approximately 1,878
12 acres.

13 (B) The parcel generally depicted as parcel
14 K-2 on map 1, comprising approximately 707
15 acres.

16 (C) The parcel generally depicted as parcel
17 K-3 on map 1, comprising approximately 901
18 acres, including the 12-acre conservation ease-
19 ment described in section 4(e)(1).

20 (D) The parcel generally depicted as parcel
21 K-4A on map 1, comprising approximately
22 3,180 acres.

23 (E) The parcel generally depicted as parcel
24 P-1A on map 2, comprising approximately

1 3,174 acres, including the administrative site
2 described in section 5(c).

3 (F) The parcel generally depicted as parcel
4 P-1B on map 2, comprising approximately 144
5 acres.

6 (G) The parcel generally depicted as parcel
7 P-2B on map 2, comprising approximately 181
8 acres.

9 (H) The parcel generally depicted as parcel
10 P-3B on map 2, comprising approximately 92
11 acres.

12 (I) The parcel generally depicted as parcel
13 P-4 on map 2, comprising approximately 280
14 acres.

15 (J) The parcel generally depicted as parcel
16 W-1 on map 3, comprising approximately 204
17 acres.

18 (K) The parcel generally depicted as parcel
19 W-2 on map 3, comprising approximately 104
20 acres.

21 (L) The parcel generally depicted as parcel
22 W-3 on map 3, comprising approximately 63
23 acres.

6

1 (M) The parcel generally depicted as parcel
2 W-4 on map 3, comprising approximately 700
3 acres.

4 (N) The parcel generally depicted as parcel
5 S-1 on map 4, comprising approximately 2,456
6 acres.

7 (O) The parcel generally depicted as parcel
8 S-2 on map 4, comprising approximately 284
9 acres.

10 (P) The parcel generally depicted as parcel
11 S-3 on map 4, comprising approximately 109
12 acres.

13 (Q) The parcel generally depicted as parcel
14 S-4 on map 4, comprising approximately 26
15 acres.

16 (R) The parcel generally depicted as parcel
17 MC-1 on map 5, comprising approximately 169
18 acres.

19 (S) The parcel generally depicted as parcel
20 J-1B on map 6, comprising approximately
21 2,261 acres.

22 (T) The parcel generally depicted as parcel
23 J-1A on map 6, comprising approximately 428
24 acres.

1 (5) SECRETARY.—The term “Secretary” means
2 the Secretary of Agriculture.

3 SEC. 4. LAND EXCHANGE.

4 (a) IN GENERAL.—If the Alaska Mental Health
5 Trust offers to convey to the Secretary, in the 2 phases
6 described in subsection (n), all right, title, and interest
7 of the Alaska Mental Health Trust in and to the non-Fed-
8 eral land, the Secretary shall simultaneously convey to the
9 Alaska Mental Health Trust, in the 2 phases described
10 in subsection (n), all right, title, and interest of the United
11 States in and to the Federal land.

12 (b) CONDITION ON ACCEPTANCE.—Title to any non-
13 Federal land conveyed by the Alaska Mental Health Trust
14 to the Secretary under subsection (a) shall be in a form
15 that is acceptable to the Secretary.

16 (c) VALID EXISTING RIGHTS.—Unless otherwise
17 agreed to by the Secretary and the Alaska Mental Health
18 Trust, the conveyances under subsection (a) shall be sub-
19 ject to any valid existing rights, reservations, rights-of-
20 way, or other encumbrances of third parties in, to, or on
21 the Federal land and the non-Federal land as of the date
22 of enactment of this Act.

23 (d) RECIPROCAL ROAD EASEMENTS.—

24 (1) IN GENERAL.—In conveying the Federal
25 land and the non-Federal land under subsection (a),

1 the Secretary and the Alaska Mental Health Trust
2 shall exchange at no cost reciprocal easements on ex-
3 isting roads as necessary to access the parcels each
4 party acquires in the exchange.

5 (2) PUBLIC ACCESS.—The reciprocal easements
6 exchanged under paragraph (1) shall provide for
7 public access.

8 (3) COST-SHARE AGREEMENT.—The Secretary
9 and the Alaska Mental Health Trust may enter into
10 a separate cost-share agreement to cover the cost of
11 road maintenance with respect to the reciprocal
12 easements exchanged under paragraph (1).

13 (e) K-3 PARCEL LANDFILL BUFFER.—

14 (1) IN GENERAL.—As a condition of the ex-
15 change under subsection (a), in conveying the parcel
16 of non-Federal land described in section 3(4)(C) to
17 the United States, the Alaska Mental Health Trust
18 shall grant to the United States a 300-foot conserva-
19 tion easement abutting that parcel along the inter-
20 face of the parcel and the City of Ketchikan landfill
21 (as in existence on the date of enactment of this
22 Act), as generally depicted on map 1.

23 (2) DEVELOPMENT AND OWNERSHIP.—The
24 conservation easement described in paragraph (1)

1 shall remain undeveloped and in the ownership of
2 the Alaska Mental Health Trust.

3 (3) EQUALIZATION.—The value of the conserva-
4 tion easement described in paragraph (1) shall be in-
5 cluded in the value of the non-Federal land for pur-
6 poses of equalizing the values of the Federal land
7 and the non-Federal land under subsection (j).

8 (f) RESEARCH EASEMENTS.—

9 (1) IN GENERAL.—In order to allow time for
10 the completion of research activities of the Forest
11 Service that are ongoing as of the date of enactment
12 of this Act, in conveying the Federal land to the
13 Alaska Mental Health Trust under subsection (a),
14 the Secretary shall reserve research easements for
15 the following Forest Service study plots (as in exist-
16 ence on the date of enactment of this Act):

17 (A) The Sarkar research easement study
18 plot on the parcel of Federal land described in
19 section 3(2)(B), as generally depicted on map
20 8, to remain in effect for the 10-year period be-
21 ginning on the date of enactment of this Act.

22 (B) The Naukati commercial thinning
23 study plot on the parcel of Federal land de-
24 scribed in section 3(2)(B), as generally depicted
25 on map 8, to remain in effect for the 15-year

1 period beginning on the date of enactment of
2 this Act.

3 (C) The POW Yatuk study plot on the
4 parcel of Federal land described in section
5 3(2)(A), as generally depicted on map 8, to re-
6 main in effect for the 10-year period beginning
7 on the date of enactment of this Act.

8 (D) The POW Naukati study plot on the
9 parcel of Federal land described in section
10 3(2)(D), as generally depicted on map 8, to re-
11 main in effect for the 10-year period beginning
12 on the date of enactment of this Act.

13 (E) The Revilla George study plot on the
14 parcel of Federal land described in section
15 3(2)(G), as generally depicted on map 8, to re-
16 main in effect for the 10-year period beginning
17 on the date of enactment of this Act.

18 (2) PROHIBITED ACTIVITIES.—The Alaska
19 Mental Health Trust shall not construct any new
20 road or harvest timber on any study plot covered by
21 a research easement described in paragraph (1) dur-
22 ing the period described in subparagraph (A), (B),
23 (C), (D), or (E) of that paragraph, as applicable.

24 (g) AREA OF KARST CONCERN.—

1 (1) IN GENERAL.—In conveying the parcels of
 2 Federal land described in subparagraphs (A) and
 3 (D) of section 3(2) to the Alaska Mental Health
 4 Trust under subsection (a), the Secretary shall re-
 5 serve to the United States a conservation easement
 6 that shall protect the aquatic and riparian habitat
 7 within the area labeled “Conservation Easement”, as
 8 generally depicted on map 8.

9 (2) PROHIBITED ACTIVITIES.—The conservation
 10 easement described in paragraph (1) shall prohibit
 11 within the area covered by the conservation ease-
 12 ment—

13 (A) new road construction and timber har-
 14 vest within 100 feet of any anadromous water
 15 bodies (including underground water bodies);
 16 and

17 (B) commercial mineral extraction.

18 (h) COMPLIANCE WITH APPLICABLE LAW.—Prior to
 19 completing each phase of the land exchange described in
 20 subsection (n), the Secretary shall complete, for the land
 21 to be conveyed in the applicable phase, any necessary land
 22 surveys and required preexchange clearances, reviews,
 23 mitigation activities, and approvals relating to—

24 (1) threatened and endangered species;

25 (2) cultural and historic resources;

1 (3) wetland and floodplains; and

2 (4) hazardous materials.

3 (i) APPRAISALS.—

4 (1) IN GENERAL.—Not later than 90 days after
5 the date of enactment of this Act—

6 (A) the Secretary and the Alaska Mental
7 Health Trust shall select an appraiser to con-
8 duct appraisals of the Federal land and the
9 non-Federal land; and

10 (B) the Secretary shall issue all appraisal
11 instructions for those appraisals.

12 (2) REQUIREMENTS.—

13 (A) IN GENERAL.—All appraisals under
14 paragraph (1) shall be conducted in accordance
15 with nationally recognized appraisal standards,
16 including—

17 (i) the Uniform Appraisal Standards
18 for Federal Land Acquisitions; and

19 (ii) the Uniform Standards of Profes-
20 sional Appraisal Practice.

21 (B) FINAL APPRAISED VALUE.—

22 (i) IN GENERAL.—During the 3-year
23 period beginning on the date on which the
24 final appraised values of the Federal land
25 and the non-Federal land for each phase of

1 the exchange described in subsection (n)
 2 are approved by the Secretary, the Sec-
 3 retary shall not be required to reappraise
 4 or update the final appraised values of the
 5 Federal land and the non-Federal land.

6 (ii) EXCHANGE AGREEMENT.—Begin-
 7 ning on the date of entrance into an ex-
 8 change agreement under subsection (a), no
 9 reappraisal or updates to the final ap-
 10 praised values of the Federal land and the
 11 non-Federal land approved by the Sec-
 12 retary shall be required.

13 (3) PUBLIC REVIEW.—Before completing each
 14 phase of the land exchange described in subsection
 15 (n), the Secretary shall make available for public re-
 16 view summaries of the appraisals of the Federal land
 17 and the non-Federal land for the applicable phase.

18 (j) EQUAL VALUE LAND EXCHANGE.—

19 (1) IN GENERAL.—The value of the Federal
 20 land and the non-Federal land to be exchanged
 21 under subsection (a) shall be—

22 (A) equal; or

23 (B) equalized in accordance with this sub-
 24 section.

25 (2) SURPLUS OF FEDERAL LAND VALUE.—

1 (A) IN GENERAL.—If the final appraised
2 value of the Federal land (after applying any
3 cash equalization credit or debit from phase 1
4 of the exchange under subsection (n)(2)) ex-
5 ceeds the final appraised value of the non-Fed-
6 eral land in phase 2 of the exchange, notwith-
7 standing subsection (a), 1 or more parcels, or
8 1 or more portions of parcels, of the Federal
9 land, as determined by the Alaska Mental
10 Health Trust after consultation with the Sec-
11 retary, shall be removed from the conveyance to
12 the Alaska Mental Health Trust by—

13 (i) removing parcels in accordance
14 with subparagraph (B) until, to the max-
15 imum extent practicable, approximate
16 equal value is achieved; and

17 (ii) equalizing any remaining dif-
18 ference in value in accordance with para-
19 graph (4).

20 (B) ORDER OF PRIORITY.—Parcels shall
21 be removed under subparagraph (A)(i) in the
22 reverse order of the parcels described in sub-
23 paragraphs (A) through (G) of section 3(2).

24 (3) SURPLUS OF NON-FEDERAL LAND VALUE.—

1 (A) IN GENERAL.—If the final appraised
 2 value of the non-Federal land (after applying
 3 any cash equalization credit or debit from phase
 4 1 of the exchange under subsection (n)(2)) ex-
 5 ceeds the final appraised value of the Federal
 6 land in phase 2 of the exchange, notwith-
 7 standing subsection (a), 1 or more parcels, or
 8 1 or more portions of parcels, of the non-Fed-
 9 eral land, as determined by the Alaska Mental
 10 Health Trust after consultation with the Sec-
 11 retary, shall be removed from the conveyance to
 12 the United States by—

- 13 (i) removing parcels in accordance
 14 with subparagraph (B) until, to the max-
 15 imum extent practicable, approximate
 16 equal value is achieved; and
 17 (ii) equalizing any remaining dif-
 18 ference in value in accordance with para-
 19 graph (4).

20 (B) ORDER OF PRIORITY.—Parcels shall
 21 be removed under subparagraph (A)(i) in the
 22 reverse order of the parcels, as described in
 23 subparagraphs (A) through (T) of section 3(4).

24 (C) WAIVER OF CASH EQUALIZATION.—In
 25 order to expedite completion of the exchange, if

1 the values of the Federal land and the non-Fed-
2 eral land cannot be exactly equalized under this
3 paragraph, the Alaska Mental Health Trust
4 may, at its sole discretion, elect to waive any
5 cash equalization payment that would otherwise
6 be due from the United States under paragraph
7 (4).

8 (4) REMAINING DIFFERENCE.—Any remaining
9 difference in value shall be equalized under para-
10 graph (2)(A)(ii) or (3)(A)(ii), as applicable, by—

11 (A) removal of a portion of a parcel of the
12 Federal land or the non-Federal land, as appli-
13 cable, as determined by the Alaska Mental
14 Health Trust after consultation with the Sec-
15 retary;

16 (B) the payment of a cash equalization, as
17 necessary, by the Secretary or the Alaska Men-
18 tal Health Trust, as appropriate, in accordance
19 with section 206(b) of the Federal Land Policy
20 and Management Act of 1976 (43 U.S.C.
21 1716(b)); or

22 (C) a combination of the methods de-
23 scribed in subparagraphs (A) and (B), as deter-
24 mined by the Alaska Mental Health Trust after
25 consultation with the Secretary.

1 (k) COSTS.—As a condition of the land exchange
2 under this Act, the Alaska Mental Health Trust shall
3 agree to pay, without compensation, all costs that are as-
4 sociated with each phase of the exchange described in sub-
5 section (n), including—

6 (1) all costs to complete the land surveys, ap-
7 praisals, and environmental reviews described in sub-
8 section (h) such that the exchange may be completed
9 in accordance with the deadlines described in sub-
10 section (n); and

11 (2) on request of the Secretary, reimbursement
12 of costs for agency staff, additional agency staff, or
13 third-party contractors appropriate such that the ex-
14 change may be completed in accordance with the
15 deadlines described in subsection (n).

16 (l) LAND SURVEYS, APPROVALS, USES.—

17 (1) SURVEY INSTRUCTIONS.—Not later than 90
18 days after the date of enactment of this Act, the
19 Secretary of the Interior shall issue survey instruc-
20 tions to assist in the timely completion of all land
21 surveys necessary to complete the land exchange
22 under subsection (a) in accordance with the dead-
23 lines described in subsection (n).

24 (2) SURVEYS.—Unless otherwise agreed to by
25 the Secretary and the Alaska Mental Health Trust,

1 after consultation with the Secretary of the Interior,
2 land surveys shall not be required for—

3 (A) any portion of the boundaries of the
4 non-Federal land that is contiguous to—

5 (i) National Forest System land, as in
6 existence on the date of enactment of this
7 Act; or

8 (ii) land that has been surveyed or
9 lotted as of the date of enactment of this
10 Act;

11 (B) any portion of the boundaries of the
12 Federal land that is contiguous to—

13 (i) land owned as of the date of enact-
14 ment of this Act by—

15 (I) the Alaska Mental Health
16 Trust; or

17 (II) the State; or

18 (ii) land that has been surveyed or
19 lotted as of the date of enactment of this
20 Act;

21 (C) any portion of the boundaries that the
22 Secretary and the Alaska Mental Health Trust
23 agree, after consultation with the Secretary of
24 the Interior, is adequately defined by a survey,

1 mapping, or aliquot part, or other legal descrip-
2 tion; and

3 (D) any portion of the boundaries of the
4 non-Federal land that—

5 (i) the United States tentatively con-
6 veyed to the State without survey;

7 (ii) is being reconveyed to the United
8 States in the land exchange under sub-
9 section (a); and

10 (iii) is not surveyed as of the date of
11 enactment of this Act.

12 (3) USE OF LAND.—Any Federal land or non-
13 Federal land that is conveyed to the Alaska Mental
14 Health Trust or the United States under subsection
15 (a) shall, on the conveyance—

16 (A) become the property of the party to
17 which the land is conveyed; and

18 (B) be available to the party to which the
19 land is conveyed for all uses permitted under
20 applicable laws (including regulations).

21 (m) PARCEL ADJUSTMENT.—If a portion of a parcel
22 of the Federal land or the non-Federal land to be conveyed
23 under subsection (a) cannot be conveyed due to the pres-
24 ence of hazardous materials—

1 (1) the portion shall be removed from the ex-
2 change; and

3 (2) the final exchange values shall be equalized
4 in accordance with subsection (j).

5 (n) LAND EXCHANGE PHASES.—

6 (1) IN GENERAL.—The land exchange under
7 subsection (a) shall be completed in 2 phases, as de-
8 scribed in paragraphs (2) and (3).

9 (2) PHASE 1.—

10 (A) IN GENERAL.—Subject to subpara-
11 graph (B) and subsection (j), not later than 1
12 year after the date of enactment of this Act—

13 (i) the Secretary shall convey to the
14 Alaska Mental Health Trust the parcel of
15 Federal land described in section 3(2)(A);
16 and

17 (ii) the Alaska Mental Health Trust
18 shall convey to the United States the par-
19 cels of non-Federal land described in sub-
20 paragraphs (A) and (B) of section 3(4).

21 (B) CONDITIONS.—Subparagraph (A) shall
22 be subject to the following conditions:

23 (i) The land conveyed under this sub-
24 paragraph shall be appraised—

21

1 (I) separately from the land de-
2 scribed in paragraph (3); but

3 (II) in accordance with the na-
4 tionally recognized appraisal stand-
5 ards described in subsection (i)(2)(A).

6 (ii) Any cash equalization payment
7 that would otherwise be necessary to be
8 paid by the Secretary or the Alaska Mental
9 Health Trust on the completion of the con-
10 veyance under this paragraph shall be—

11 (I) deferred until the completion
12 of the conveyance under paragraph
13 (3); and

14 (II) debited or credited, as appro-
15 priate, to any final land or cash
16 equalization that may be due from ei-
17 ther party on the completion of the
18 conveyance under paragraph (3).

19 (3) PHASE 2.—Subject to subsection (j), not
20 later than 2 years after the date of enactment of
21 this Act—

22 (A) the Secretary shall convey to the Alas-
23 ka Mental Health Trust the Federal land de-
24 scribed in subparagraphs (B) through (G) of
25 section 3(2); and

1 (B) the Alaska Mental Health Trust shall
 2 convey to the United States the non-Federal
 3 land described in subparagraphs (C) through
 4 (T) of section 3(4).

5 **SEC. 5. MANAGEMENT OF NON-FEDERAL LAND.**

6 (a) **IN GENERAL.**—On acquisition of the non-Federal
 7 land by the Secretary under this Act, the non-Federal land
 8 shall—

9 (1) become part of the Tongass National For-
 10 est;

11 (2) be administered in accordance with the laws
 12 applicable to the National Forest System; and

13 (3) be managed to protect the scenic value of
 14 the non-Federal land.

15 (b) **BOUNDARY REVISION.**—On acquisition of the
 16 non-Federal land by the Secretary under this Act, the
 17 boundaries of the Tongass National Forest shall be modi-
 18 fied to reflect the inclusion of the non-Federal land.

19 (c) **ADMINISTRATIVE SITE.**—On acquisition of the
 20 parcel of non-Federal land described in section 3(4)(E),
 21 the Secretary shall set aside 42 acres of the parcel, in the
 22 location generally depicted on map 2, as an administrative
 23 site for purposes of the future administrative needs of the
 24 Tongass National Forest.

1 SEC. 6. WITHDRAWAL.

2 Subject to valid existing rights, the non-Federal land
3 acquired by the Secretary under this Act shall be with-
4 drawn from all forms of—

5 (1) entry, appropriation, or disposal under the
6 public land laws;

7 (2) location, entry, and patent under the mining
8 laws; and

9 (3) disposition under the mineral leasing, min-
10 eral materials, and geothermal leasing laws.

11 SEC. 7. MISCELLANEOUS PROVISIONS.

12 (a) REVOCATION OF ORDERS; WITHDRAWAL.—

13 (1) REVOCATION OF ORDERS.—Any public land
14 order or administrative action that withdraws the
15 Federal land from appropriation or disposal under a
16 public land law shall be revoked to the extent nec-
17 essary to permit the conveyance of the Federal land.

18 (2) WITHDRAWAL.—

19 (A) IN GENERAL.—If the Federal land or
20 any Federal interest in the non-Federal land is
21 not withdrawn or segregated from entry and
22 appropriation under a public land law (includ-
23 ing logging and mineral leasing laws and the
24 Geothermal Steam Act of 1970 (30 U.S.C.
25 1001 et seq.)) as of the date of enactment of
26 this Act, the Federal land or Federal interest in

1 the non-Federal land shall be withdrawn, with-
2 out further action by the Secretary, from entry
3 and appropriation.

4 (B) TERMINATION.—The withdrawal
5 under subparagraph (A) shall be terminated—

6 (i) on the date of the completion of
7 the phase of the land exchange described
8 in section 4(n) covering the applicable Fed-
9 eral land; or

10 (ii) if the Alaska Mental Health Trust
11 notifies the Secretary in writing that the
12 Alaska Mental Health Trust elects to with-
13 draw from the land exchange under section
14 206(d) of the Federal Land Policy and
15 Management Act of 1976 (43 U.S.C.
16 1716(d)), on the date on which the Sec-
17 retary receives the notice of the election.

18 (b) MAPS, ESTIMATES, DESCRIPTIONS.—

19 (1) MINOR ERRORS.—The Secretary and the
20 Alaska Mental Health Trust, by mutual agreement,
21 may correct minor errors in any map, acreage esti-
22 mate, or description of any land conveyed or ex-
23 changed under this Act.

24 (2) CONFLICT.—If there is a conflict between a
25 map, acreage estimate, or description of land in this

1 Act, the map shall be given effect unless the Sec-
 2 retary and the Alaska Mental Health Trust mutually
 3 agree otherwise.

4 (3) AVAILABILITY.—On the date of enactment
 5 of this Act, the Secretary shall file and make avail-
 6 able for public inspection in the office of the Super-
 7 visor of the Tongass National Forest each map.