



To: Corri Feige, Chair
Resource Management Committee
From: Jusdi Warner, Executive Director
Date: 1/22/2026
Re: Administrative Order 360
Fiscal Year: Beginning FY2027

Consultation

Proposed RMC Motion:

"The Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees approve the Trust Land Office's compliance with Administrative Order 360 and submission of proposed amendments to 11 AAC 99 (Exhibit A) through the Department of Natural Resources to the Department of Law's Legislation, Regulations, and Legislative Research Section."

Background:

Project: Regulatory reduction in 11 AAC 99 to meet Governor Dunleavy's Administrative Order (AO) 360.

General Background: Governor Dunleavy's Administrative Order 360 directs state agencies to improve the quality, transparency, and efficiency of the State's regulatory environment. The Trust Land Office (TLO) continues to work on implementing AO 360 through the Department of Natural Resources (DNR) who coordinates with the Department of Law's Legislation, Regulations, and Legislative Research Section, which will draft the final language for any amendments to 11 AAC 99. Each division and office within DNR has been asked to achieve a 15% reduction to ensure an equitable distribution of the effort.

TLO has completed the public solicitation process and quarterly reporting, identifying the required 15% reduction in regulations targeted for 2026. To support this initiative, the TLO submitted its Regulatory Reform Plan to DNR.

This plan establishes a baseline of 79 regulations with a target to reduce those regulations to 67 by 2026. The plan details stakeholder engagement efforts, including virtual and written public notices soliciting input on 11 AAC 99. TLO received no comments on its plan.

TLO, in consultation with the Alaska Mental Health Trust Authority (AMHTA), holds the responsibility for drafting the revised regulations, which are scheduled for submission to the Department of Law's Legislation, Regulations, and Legislative Research Section by the end of February, following consultations with AMHTA's Resource Management Committee and the AMHTA Board.

The three key anticipated benefits of the proposed changes to 11 AAC 99 are:

- accelerated decision-making through reduced notice and appeal periods;
- a more streamlined consultation and written decision process – in particular to allow for concurrent processes to save time; and
- updating language that has become outdated since the regulations were promulgated in 1997, which will ensure that administrative processes for managing Alaska Mental Health Trust land are current and efficient.

These changes will balance the legislature's direction under AS 38.05.801 – to manage land in the best interest of the trust beneficiaries – while also aligning with AO 360's vision for streamlining. By shortening notice and appeal timelines, the amendments expedite decision-making and reduce administrative delays. Running the Trust Authority consultation process concurrently with the public notice process further accelerates decision-making and shortens the overall timeline from application to issuance. This, in concert with simply updating the current TLO regulations, aligns with AO 360 and the goals of streamlining TLO's administrative processes.

Trust Authority Consultation: This document satisfies consultation requirements. Any significant project changes will be brought back to the Trust Authority for review.

Chapter 99 **Management of Alaska Mental Health Trust Land**

11 AAC 99.010. Authority and duties of executive director. (a) The executive director shall exercise the authority of that office consistently with this chapter and other provisions of law as implemented by this chapter. To implement the management goals and priorities contained in the contract required by AS 37.14.009(a)(2), between the department and the trust authority, the executive director shall manage mental health trust land consistently with 11 AAC 99.020 and with the asset and resource allocations contained in that contract. (b) Authorized actions include the management, sale, lease, conveyance, permitting, licensing, dedication, and other management or disposal action concerning the trust land. The executive director may delegate authority for the management and disposal of trust land consistent with AS 38.05.801 and AS 37.14.009 to an employee of the department. The executive director may provide for the acquisition, dedication, and maintenance of rights-of-way and easements to and across trust land, by agreement or otherwise. (c) The executive director may acquire land on behalf of the trust consistently with the statutes and regulations and with the approval of the trust authority. (d) Decisions made or actions taken without the approval of the executive director have no effect on trust land.

11 AAC 99.020. Management of Alaska mental health trust land. (a) This section describes the management responsibilities that are consistent with trust principles accepted by the Territory and State of Alaska under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)). (b) Trust land shall be managed consistently with trust responsibilities accepted by the state under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)), which means that management shall be conducted solely in the best interest of the Alaska mental health trust and its beneficiaries. (c) 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 (P.L. 84-830, 70 Stat. 709 (1956)), the executive director shall, at a minimum, consider the following trust management principles: (1) maximization of long-term revenue from trust land; (2) protection of the corpus; (3) protection and enhancement of the long-term productivity of trust land; (4) encouragement of a diversity of revenue-producing uses of trust land; and (5) management of trust land prudently, efficiently, and with accountability to the trust and its beneficiaries. (d) The disposal of trust land shall be made on a competitive basis, unless (1) the executive director, in consultation with the trust authority, determines in a written decision required by 11 AAC 99.040 that a non-competitive disposal is in the best interest of the trust and its beneficiaries; or (2) an existing law that is applicable to other state land and that is consistent with (a) - (c) of this section allows for a negotiated transaction. (e) If a provision of state law requires that an action be taken or decision be made in the "best interest of the state," that provision as applied to trust land means that the action must be taken or decision be made in the best interest of the trust and its beneficiaries. (f) Unless otherwise specified in this chapter, every provision of law applicable to other state land applies to the management of trust land unless its application is determined, in the written finding required by 11 AAC 99.040, to be inconsistent, in whole or in part, with (a) - (c) of this section.

11 AAC 99.030. General land management and disposal actions. (a) The executive director may accept and adjudicate, or reject, an application for any action on trust land at any time. The acceptance of an application or expression of interest vests no rights in an applicant or a third party. (b) Trust land shall be valued, before disposal, by a method determined by the executive director to be consistent with 11 AAC 99.020. (c) The executive director shall keep the trust authority informed of trust land management and disposal actions on a regular basis, as may be required by the contract between the department and the trust authority. (d) The executive director shall consult with the trust authority before issuing the public notice of a written decision required by 11 AAC 99.040. Consultation may occur concurrently with adjudication, valuation, public notice preparation, and drafting of the written decision. The executive director may proceed with these steps while consultation is pending, provided that any input received before issuance of the written decision is considered and documented.

(e) Provisions of law applicable to other state land, including AS 38.05.840, that appear to be in conflict with this section 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 determination shall be stated in a written finding.

11 AAC 99.040. Written decision of best interest and consistency. (a) The executive director shall prepare a written decision, on a case-by-case basis, before disposing of trust land and before taking any other action that requires a determination that a relevant provision of law applying to other state land will not be applied to trust land because of an inconsistency with 11 AAC 99.020. (b) The written decision must describe the proposed action, state why it is in the best interest of the trust and its beneficiaries, cite the authority for the action, and state why any relevant provision of law applicable to other state land has been found to be inconsistent with 11 AAC 99.020 and will not be applied to the proposed action. (c) Provisions of law applicable to other state land, including AS 38.05.035(e) - (g), that appear to be in conflict with this section 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 determination shall be stated in a written finding. (d) Consultation under 11 AAC 99.030 does not suspend or delay the executive director's authority to continue processing the proposed action. The executive director may complete analysis, conduct public notice, and prepare the written decision during consultation. (e) The final written decision must incorporate and address any consultation input received before issuance.

11 AAC 99.050. Public notice. (a) Notice of an action requiring a written decision under 11 AAC 99.040, and notice under 11 AAC 99.090, shall be published in a newspaper or other publication of general circulation at least 30-15 days before the action. In addition, at least 30-15 days before the action, notice shall be provided (1) to the trust authority; (2) to the appropriate municipality, if the trust land is located within the boundaries of a municipality; (3) to the appropriate Alaska Native regional nonprofit corporation, if the trust land is outside of a municipality and within the geographic boundaries of an Alaska Native region as established by 43 U.S.C. 1606 (Alaska Native Claims Settlement Act, sec. 7); and (4) by any other method the executive director considers reasonable, including publication in a trade journal, posting of notice in a public place, electronic media announcements, display advertisements, and mailing to interested parties. (b) Provisions of law applicable to other state land, including AS 38.05.945 and AS 38.05.946, that appear to be in conflict with this section 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 determination shall be stated in a written finding.

11 AAC 99.060. Appeals. (a) A decision by the executive director is a final agency action. Judicial review may be sought under AS 44.62.560. (b) Before an appeal under AS 44.62.560 or other applicable law may be taken, a person who, under AS 38.05.035(i), is eligible to file for reconsideration must do so within 20-10 calendar days after publication of notice or receipt of the decision, whichever is earlier. The executive director shall order or deny reconsideration within 20-10 days after receiving the request for reconsideration. If the executive director takes no action during the 2010-day period following receipt of the request, 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. (c) A person may appeal a decision made under 11 AAC 99.040 to the superior court, but only if the person was eligible to request, and did request, reconsideration under (b) of this section. The person must initiate the appeal within 30-15 days after the date that the decision on reconsideration is mailed or the date the request for reconsideration is considered denied by the executive director, whichever is earlier. (d) Provisions of law applicable to other state land, including AS 38.05.035 and 11 AAC 02, that appear to be in conflict with this section 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 determination shall be stated in a written finding. A provision found to be consistent then forms a part of the appeals process for that action under this section.

11 AAC 99.070. Transfers and assignments. The transfer of an interest in trust land, including an assignment under AS 38.05.920, is not effective unless approved by the executive director on a form designated by the executive director. A transfer may not be approved unless it is consistent with 11 AAC 99.020. The executive director's approval is not required before the transfer of a valid mining right under AS 38.05.185 - 38.05.275, that vested before the effective date of the land's designation as Alaska mental health trust land.

11 AAC 99.080. Closure of mental health trust land. The executive director, after consultation with the trust authority, may close trust land to any use inconsistent with 11 AAC 99.020.

11 AAC 99.090. Classification, planning, and other designations. (a) Alaska mental health trust land is designated and classified as trust land, to be managed consistently with AS 37.14.009, AS 38.05.801, and this chapter, with no further action required by the executive director or the department. Trust land may be used for any purpose that is consistent with 11 AAC 99.020 and other provisions of law. (b) The executive director, in consultation with the trust authority, shall prepare and maintain an inventory of trust land and improvements. The inventory must contain, at a minimum, the legal description, size, and location of each parcel. (c) The executive director, in consultation with the trust authority, shall adopt and maintain a long-term asset management strategy that establishes goals for managing the trust land assets to execute the overall trust management principles of 11 AAC 99.020. The strategy shall be adopted, and may be amended, following public notice under 11 AAC 99.050. The strategy may not preclude the executive director from taking site-specific action on trust land that is consistent with 11 AAC 99.020 and other provisions of law. ~~(d) If trust land was included in a state plan, or was subject to a classification or other designation, before its designation as trust land, the executive director, when considering a proposed disposal, shall review any such plan or other designation of the department before completing a written decision under 11 AAC 99.040.~~ (e) Provisions of law applicable to other state land, including AS 38.04, AS 38.05.112, 38.05.113, 38.05.180(b), and AS 38.05.300, that require action that appears to be in conflict with this section 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 determination shall be stated in a written finding.

11 AAC 99.100. Mining rights. (a) Rights to locatable minerals on trust land are available only as provided in this section. To the extent that a statute or regulation applicable to other state land, including AS 38.05.185, 38.05.195, 38.05.205, and 38.05.245, contains a requirement that provides for or permits the acquisition of mineral rights, rights to prospect, or rights that open land to claim staking, mineral location, or leasehold location, that provision of law is considered inconsistent with 11 AAC 99.020, and does not apply to trust land. (b) The executive director, in consultation with the trust authority, shall open areas of trust land under one or more of the following methods, or under (c) of this section, which the executive director determines to be consistent with 11 AAC 99.020: (1) competitive lease; (2) exploration license; (3) negotiated agreement; (4) prospecting permit; (5) mineral entry; or (6) by other methods that the executive director considered appropriate. (c) If an area is not opened for the disposal of rights to locatable minerals under (b) of this section, a person may apply under 11 AAC 99.030 for an authorization to explore and prospect for or lease locatable minerals in that area. ~~(d) Terms and conditions of an authorization under (b) of this section, applicable to mining rights on trust land, shall be developed in consultation with the trust authority.~~ (e) The rent, royalty, and assessment work credit provisions of law applicable to other state land, including AS 38.05.211 and 38.05.212, 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 determination shall be stated in a written finding. (f) Nothing in this chapter affects valid mineral rights on trust land that existed at the time the land was designated as trust land.

11 AAC 99.110. Direct use by beneficiaries. A trust beneficiary, or an organization acting on behalf of a trust beneficiary wanting to use trust land to directly benefit persons as part of, or to fulfill, the trust authority's purpose to ensure a plan for an integrated, comprehensive mental health program prepared under AS 47.30.660(a)(1), may be granted use of trust land. Trust land use to be granted under this section must be approved by the authority ~~before consideration by the executive director~~.

11 AAC 99.120. Confidentiality of materials. (a) Every provision of law that provides for the confidentiality or inspection of public records that applies to the management of state land also applies to the management of trust land, unless its application is determined by the executive director in writing, on a case-by-case basis, to be inconsistent with 11 AAC 99.020. (b) Material, including verbally transmitted information determined to be confidential by the executive director under (a) of this section, shall be made available to the trust authority upon request, subject to the requirement that the material will remain confidential after receipt.

11 AAC 99.130. Fees. (a) Except as otherwise provided in this chapter, fees for services, documents, or actions to be performed or provided relating to trust land, other than consideration for real property interests, resources, or authorizations, will be based on an estimate of the administrative costs relating to providing the service, document, or action, including personnel, travel, and materials, to be incurred by the department. (b) The minimum fee for

initial processing of an application shall be set by the executive director, in consultation with the Trust Authority~~s~~
~~\$150~~, which is nonrefundable, unless the fee is waived by the executive director on the basis of overriding benefit to the trust. Subsequent processing costs, consistent with (a) of this section, will be estimated after the application is received. (c) Except for 11 AAC 05.030(a)(1) - (5), (7) and (8), and 11 AAC 05.270, statutes and regulations applicable to other state land that appear to be in conflict with this section 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 determination shall be stated in a written finding.

11 AAC 99.140. Application of other state and local law. (a) The management of trust land is subject to the police power authority of the state and its political subdivisions to the same extent as private land, including compliance with AS 41.17. (b) Land designated as trust land by sec. 40(a)(1) and (2), ch. 5, FSSLA 1994, as amended by sec. 4, ch. 1, SSSLA 1994, remains subject to all encumbrances and interests existing on the effective date of its designation as Alaska mental health trust land.

11 AAC 99.990. Definitions. In this chapter, in AS 38.05.801, and elsewhere in the statutes and regulations as applied to trust land, and unless otherwise specified, (1) "Alaska mental health trust" and "trust" mean the Alaska mental health trust established under AS 37.14.001 - 37.14.099, and administered under the trust instrument, which is composed of (A) the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)); (B) sec. 6(k) of the Alaska Statehood Act (P.L. 85-508, 72 Stat. 339 (1958)); (C) AS 09.25.050(a); AS 29.25.030; AS 29.45.030; AS 36.30.805(b); AS 37.05.146 and 37.05.540(b); AS 37.13.030 and 37.13.300; AS 37.14.001 - 37.14.099; AS 38.05.801; AS 38.07.030(c); AS 39.25.120(c)(9) and (23); AS 41.15.025; AS 44.21.230(a) and (d); AS 44.25.200 - 44.25.295; AS 44.29.022 - 44.29.140, 44.29.640(b), 44.29.660(13), 44.29.800, 44.29.810, 44.29.830(b), 44.29.850, 44.29.860; 47.30.470 - 47.30.530, 47.30.540(b), 47.30.545, 47.30.547, 47.30.550(e), 47.30.590 - 47.30.610, 47.30.660, 47.30.910(d) and (g), and 47.30.915(20); AS 47.37.040(10) and 47.37.125; and 47.80.110; sec. 58, ch. 66, SLA 1991, as repealed and reenacted by sec. 37, ch. 5, FSSLA 1994 and amended by sec. 2, ch. 1, SSSLA 1994; sec. 40, ch. 5, FSSLA 1994, as amended by secs. 4 and 5, ch. 1, SSSLA 1994; sec. 41, ch. 5, FSSLA 1994, as amended by secs. 6 and 7, ch. 1, SSSLA 1994; secs. 42 - 46 and 48, ch. 1, SSSLA 1994; and secs. 1 and 2, ch. 6, FSSLA 1994; (D) the "Settlement Agreement and Stipulations to Terms of Dismissal," dated June 10, 1994, with attachments, in Weiss v. State (4FA-82-2208 Civil); and (E) the "Order," dated December 13, 1994, dismissing Weiss v. State (4FA-82-2208 Civil); (2) "Alaska mental health trust land," "trust land," and "land" when referring to that trust land, mean the land, and interests and resources in the land, including improvements to the land, referred to in sec. 40(a)(1) and (2), ch. 5, FSSLA 1994, as amended by sec. 4, ch. 1, SSSLA 1994; the terms also include land, and interests and resources in land, including improvements to the land, acquired by or on behalf of the trust by any other means after June 24, 1994; (3) "authority" and "trust authority" mean the Alaska Mental Health Trust Authority established by AS 44.25.200; (4) "beneficiary" means a person who is a beneficiary of the mental health lands trust created by Congress in the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)), including a resident of the state who is mentally ill, mentally defective or retarded, chronically alcoholic suffering from a psychosis, or senile and as a result of that senility suffers from a major mental illness, and any other person needing mental health services as the legislature may determine; (5) "commissioner" means the commissioner of the Department of Natural Resources; (6) "consult" means giving to the trust authority or its designee timely notice of the general terms and conditions of a proposed action, opportunity for a discussion of issues related to and consideration of the proposed action, opportunity to obtain relevant information, and opportunity to furnish comments and advice; (7) "department" means the Department of Natural Resources; (8) "disposal" means the transfer of land or resources, or of an interest in land or resources, but does not include (A) a permit or other authorization that is revocable by the executive director; (B) a sale of up to 500,000 board feet of timber or 100,000 cubic yards of materials; or (C) other nonrenewable authorizations for the private, exclusive use of land not to exceed one year, or for a private or public nonexclusive use; (9) "executive director" means the executive director or other officer designated by the commissioner as the head of the unit required by AS 44.37.050, or the executive director's designee; (10) "other state land" means state land that is not Alaska mental health trust land.