

MINUTE ITEM

4/23/70  
LYG

29. AUTHORIZATION TO UNDERTAKE A MANAGEMENT PLAN FOR VACANT STATE SCHOOL LANDS - S.W.O. 8375.

After consideration of Calendar Item 5 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. AUTHORIZES THE DIVISION TO UNDERTAKE AN INVENTORY AND CLASSIFICATION PROGRAM FOR ALL UNSOLD SCHOOL LANDS.
2. AUTHORIZES THE DIVISION TO CO-ORDINATE STATE SCHOOL LAND GRANT RECORDS WITH THOSE OF THE BUREAU OF LAND MANAGEMENT.
3. AUTHORIZES A STUDY TO DETERMINE PRESENT LAND NEEDS THAT CAN BE SATISFIED BY LANDS UNDER THE COMMISSION'S JURISDICTION.
4. AUTHORIZES THE DIVISION TO WITHHOLD ACCEPTANCE OF NEW SALES APPLICATIONS, EXCEPT THOSE INVOLVING PUBLIC AGENCY AND UTILITY COMPANY RIGHTS-OF-WAY.

Attachment:

Calendar Item 5 (4 pages)

CALENDAR ITEM

4/70  
S.W.O. 8375  
LHG

5.

AUTHORIZATION TO UNDERTAKE A MANAGEMENT PLAN FOR VACANT STATE SCHOOL LANDS.

Chapter 145 of the Federal Statutes of 1853 granted to the State of California approximately  $5\frac{1}{2}$  million acres of land for the benefit of common schools. Today approximately 600,000 acres of this grant remain unsold, with an additional entitlement of approximately 100,000 acres still to be received by the State.

Since 1853, the administrative practice of the State has been to sell the lands as soon as title has been gained and a purchaser found. Legislation in 1915 required bidding for school land, and provided that lands suitable for cultivation could be sold only to actual settlers who were U. S. citizens. Legislation in 1929 abolished the Office of the Surveyor General, which has been custodian of school lands, and created the Division of State Lands under the Department of Finance. The significant change in procedure resulting from this action was that timberlands could be sold only for cash. In 1938 the State Lands Commission was created, and succeeded to all of the responsibilities of the former Division of State Lands.

With the exception of lands having mineral potential and land which public agencies have agreed to purchase within a two-year period, all school lands (600,000 acres) are on a sales list, segregated by counties. Any one parcel or all parcels may be sold upon receipt of an application and completion of appraisal and advertising. Several thousand acres are sold each year, and several thousand acres are passed to the State each year from the Federal Government. The State is entitled to 76,000 acres of yet-to-be surveyed lands and 21,000 acres of indemnity lands.

The law requires that school lands be sold for cash and with a minimum size of no less than the smallest legal subdivision of government surveyed lands (40 acres). Other limitations of law usually make it necessary to sell the lands in subdivisions larger than 40 acres.

Management Plan of December 1, 1961

Realizing the inadequacies of a random sales program, the State Lands Commission, on May 24, 1960, directed the staff to undertake a feasibility study, inventory and classification, and to recommend an optimum management program for school lands. A moratorium was placed on further disposal of school lands until the directed actions were performed.

On December 1, 1961, a management plan was presented to the Commission that would have modernized the sales procedure and provided for retention of lands with high-use potential. Retained lands would have been leased rather than sold.

On June 28, 1962, the Senate adopted Resolution No. 22, requesting that no action be taken on the plan until a Senate committee report had been received by the Commission. A report was made by the Senate Fact Finding Committee on

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Natural Resources, which, in summary, said:

"Today, however, it appears to the Committee that the remaining lands (school lands) have the greatest value potential:

1. for sale to individuals;
2. for lease or sale to state or local governments having approved plans incorporating their use."

With regard to retention of lands for lease purposes, the Committee concluded that sale of leasable lands and commensurate increase in tax base would be a more desirable approach.

The plan adopted by the Commission on September 16, 1963, followed closely the recommendations of the Senate Fact Finding Committee, and resulted primarily in modification of the sales procedures.

Retention of lands was allowed for the following purposes.

1. Leasing, where an application to lease has been received.
2. Leasing to State and local agencies.
3. Mineral potential or mineral leasing.

The net effect of the adopted plan was not only the continuation of the random sales procedure, but also the institution of a random leasing program. Under this procedure, the number of acres of land under Commission jurisdiction, and its location, is known; however, the character and quality of the land have been of little interest to the State until a sale is imminent and revenue is to be gained.

#### Present Needs

In this era of rapidly diminishing resources, it is not desirable to continue a random depletion of any resource. The fallacy of increasing the tax base and revenue at any cost is today recognized by all levels of competent private and governmental enterprise. Planned use (conservation) of resources is essential to continued prosperity, and perhaps even to survival. Within the past few months, President Nixon and Governor Reagan have formed committees for environmental study, while the legislature has a permanent Joint Committee on Public Domain. Although planning and conservation have been historically effected through governmental police powers, recent trends indicate that landlords are voluntarily undertaking these programs.

#### AUTHORIZATIONS NECESSARY TO UNDERTAKE A MANAGEMENT PLAN

##### Inventory and Classification:

In order to plan a program for the effective use of a resource such as land, it is necessary to know not only the acres owned, but also the character and potential of the land. As explained above, the past administration of school

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lands has made it relatively unimportant to know the character of the lands administered until such time as revenue can be had through sale.

In order to recommend a management plan, the Division must have authorization to inventory and classify the lands under the jurisdiction of the Commission.

#### Co-ordination of Records:

The Bureau of Land Management administers the School Land Grant on behalf of the Federal Government. The Bureau is presently classifying all its lands, as authorized by the Federal Classification and Multiple Use Act. In conjunction with this classification program, the Bureau is reviewing all its records on the School Land Grant, and has asked the Division to compare its records at the same time. It is possible that by correction of old errors, the State may enlarge its land entitlement.

#### Determine Needs That Can Be Satisfied by the State Lands Commission:

It has been almost a decade since there has been any work done to determine the needs of society that the Commission might satisfy through prudent use of the School Land Grant. It is safe to say that, in this dynamic decade, these needs have changed. Authorization to survey present-day needs is essential to formulation of a management plan.

#### Limitation on Land Sales:

The Division staff is not large enough to continue the heavy sales activity and also to perform the demanding activities necessary to the formulation of a management plan. It is, therefore, essential to limit land sales while undertaking the basic work of inventory, classification, record co-ordination, and need studies. It is the opinion of the Division that new sales applications, except those involving public agency or utility company rights-of-way, should not be accepted. This is not intended to preclude selected public agency leasing for nonexclusive use of school lands for wildlife enhancement, park purposes, or other legitimate public agency needs. Any such leases would be accomplished on an interim basis until a management plan is adopted by the Commission.

#### Preliminary Report to the Commission:

With the limited sales program, the preliminary work of a management plan could be performed within a two-year period. At the end of that time, a preliminary report to the Commission would be submitted, along with recommendations for a formal management plan. Pending final adoption of a management plan, the sales limitation could be lifted and temporary guidelines consistent with staff recommendations adopted.

#### IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE THE DIVISION TO UNDERTAKE AN INVENTORY AND CLASSIFICATION PROGRAM FOR ALL UNSOLD SCHOOL LANDS.

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