Creating a Northern Agriculture

IV. RESERVATION AND PRESERVATION OF AGRICULTURAL LANDS IN ALASKA

Wayne E. Burton
University of Alaska
School of Agricultural and Land Resources Management
Agricultural Experiment Station Bulletin 45
FOREWORD

This report, "Reservation and Preservation of Agricultural Lands in Alaska," is one of a series being published under the title CREATING A NORTHERN AGRICULTURE, by the Agricultural Experiment Station. The authorship is strictly that of Dr. Wayne E. Burton. Technical consultation has been provided by Dr. Minnie E. Wells. The content and conclusions are those of the author and do not necessarily reflect the views and policies of the University of Alaska, the School of Agricultural and Land Resources Management, or other Experiment Station faculty.

The objective of these reports is to direct attention to opportunities for development of a northern agriculture, and to opportunities forgone if agriculture continues to be ignored in Alaska’s land use and control planning process.

This series of reports rests squarely on the belief that substantial development of a northern agriculture would contribute materially to the economic and social well-being of Alaska’s peoples, particularly after the boom of the petroleum industry is gone. Moreover, development of agriculture could provide the largest source of employment for Alaskans of any resource based industry.

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CREATING A NORTHERN AGRICULTURE

IV. RESERVATION AND PRESERVATION OF AGRICULTURAL LANDS IN ALASKA

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IV. RESERVATION AND PRESERVATION OF AGRICULTURAL LANDS IN ALASKA

Wayne E. Burton

"Thus, in planning for the future use of our land, the capacity of American agriculture and its needs for land as a productive resource over the long term is now taking on an importance at least comparable to the highly visible, affluence oriented concern for allocation of lands as space to live and in assuring our quality of life at an acceptable level.” (12)

Introduction

The reservation of agricultural lands is one of the most urgent, and least recognized, problems facing Alaskans today. While more than 17 million acres suitable for agricultural tillage have been identified, fewer than 20,000 acres, in widely scattered locations, are now being tilled and they are increasingly suffering the ravages of suburban, urban, and industrial encroachment. Most lands suitable for agricultural tillage in the future, and all lands suited to domestic livestock grazing, are now in public ownership and control; yet public land use plans do not include agricultural production1 as a consideration for the future in Alaska.

As a source of food, fiber, ornamentals, and environmentals, agriculture exists for the public benefit, and as an industry, in turn, is particularly affected by the public interest. Land is obviously the critical primary resource for agricultural production. Its permanence as a resource base is absolutely essential to long-run development of an agricultural industry. Yet, at this time, Alaska stands alone, among the states of this nation, in its patent disregard for the need to reserve its agricultural lands for future production of food and amenities.

The State’s task, because of this peculiar lack of recognition and concern for agriculture, is one of leadership in creating policies and programs that will help restore faith in Alaskan agriculture and generate credibility for its future development. First priority, however, is the reservation of agricultural lands and waters, while policies and programs are engendered for their development and use. If positive action is not taken almost immediately, the question will become academic and all Alaskans, both present and future, will necessarily forego benefits that could be derived from an Alaskan agricultural industry.

1See appendix table II, item (5)
Urgency of the Problem

While national attention is increasingly directed to the need for preserving agricultural lands, Alaska hypnotically pursues the emotionally impacted issues of “wilderness”, wolves, pipeline, parks, and recreation, and images of the indefinable “Alaskan way of life”. The nation was sharply jolted from its food-surplus syndrome, in 1972, by the disappearance of national food and feed grain reserves. It was further jolted by rapidly escalating food prices, chaos in the livestock industries, and an energy crisis of critical proportions. Grim news regarding hungry and starving peoples in many areas of the world further aggravated national concern regarding continued capacity for food production. In contrast, Alaska has diligently carried out the benchmark federal-state land use planning effort with no concern for its future agricultural production capacity.

The National Perspective

The United States began the decade of the 1970’s imbued with a belief of perpetual food surpluses. Food and grain reserves had piled up during the 1960’s even though 60 million acres were being held out of production. Although warnings of impending world food shortages had been sounded, they were disdainfully ignored. However, a series of dramatic and unexpected events began unfolding during the summer of 1972. Large foreign grain sales, primarily to the Soviet Union and mainland China, virtually depleted the nation’s food and feed grain reserves. Adverse weather conditions throughout many areas of the country caused the greatest over estimate of crop production in decades. Food shortages were not yet a national concern, but food prices were a general topic of conversation.

The following year, 1973, found the United States enbriored in the “red-meat boycott”, the sugar price explosion, fertilizer shortages, the energy crisis and feed prices which precipitated chaos in the livestock industry. The 1973 Agricultural Act effectively removed acreage restrictions on most food crops, and established target price guarantees designed to stimulate all-out wheat and feed grain production. Nearly all of the land idled under federal programs was brought back into production. The weather cooperated and crops were good. However, foreign demand continued strong for food and feed grains, making it clear that the world food situation was changing.

The 1974 crop year was again adversely affected by weather. Fertilizer shortages were noted in many areas of the country. Financial losses in the cattle industry were the most severe since the Great Depression of the 1930’s. While food grain production was up, feed grain and forage production were at their lowest ebb in several years. When food prices continued to escalate, the American public became increasingly aware of the importance of agriculture in a nation that had taken food abundance for granted.
National assessments of continuing American food production capacity, during the 1972-'75 period, have been outstanding for conflicting conclusions. USDA’s Economic Research Service (ERS) concluded in its report, OUR LAND AND WATER RESOURCES, CURRENT AND PROSPECTIVE SUPPLIES AND USES (13), that continuing losses of agricultural land to urban and industrial encroachment would not impinge upon the nation's capacity for food production, since continuing technological advances would result in productivity to more than off-set acreage losses. The Citizens’ Advisory Committee on Environmental Quality found little comfort in the ERS report, and in its own report, REPORT TO THE PRESIDENT AND THE COUNCIL ON ENVIRONMENTAL QUALITY (6), not only penetratingly questioned assumptions of the ERS report, but posed particularly credible questions regarding that report based on emerging energy, land use, and world food and population developments.

The Alaska Perspective

Alaska was catapulted into the land use planning and decision process by passage of the Alaska Native Claims Settlement Act (3). It set in motion the first joint federal-state land use planning process, with specific direction to “insure that economic growth and development would be orderly, planned, and compatible with (a) state and national environmental objectives, (b) the public interest in public lands, parks, forests, and wildlife refuges in Alaska, and (c) the social well-being of the Native people and other residents of Alaska”. While the Act emerged during the final days of the nation’s surplus-food syndrome, little cognizance has been noted of the subsequent change in national perspective regarding food production capacity.

Secretary of Interior Morton’s withdrawal of more than 83 million acres, classed D-2 (for possible inclusion in the four national systems) under terms of the Act, obfuscated the opportunity for objective assessment of the need to identify and reserve “latent agricultural lands”2 for future production. The initial Department of the Interior impact statements on the D-2 withdrawals, 28 volumes, made only superficial and innocuous assessments of agricultural production possibilities. The Joint Federal-State Land Use Planning Commission further perpetuated this negativistic image (11). The State of Alaska, while having assigned two “issue analyses” on the preservation of agricultural lands, has yet to exhibit credible interest directed to the reservation or preservation of agricultural lands for future production.

The very nature of Alaska’s land use planning process dictates land-use dedication in perpetuity; otherwise, it will be excluded in perpetuity. At the

2See appendix table II, item (1)
beginning of 1972, the inception of the mandatory land use planning process, some 95 percent of all lands in Alaska remained in federal ownership and control. Most of the remainder was owned and controlled by the State of Alaska. Less than one percent was privately owned. Alaska's latent agricultural lands had not yet been identified. Even today, urban, suburban, industrial, and public encroachment on present farming areas is not recognized as a problem. Nevertheless, the problem of agricultural land reservation in Alaska is critical even if ignored, and if not immediately and ethically addressed, Alaska will lose the opportunity for its largest industry and the nation will suffer the loss of a major food production capacity.

Agricultural Lands in Jeopardy

Agricultural lands throughout the nation are in increasing jeopardy of being lost from agricultural production. Northeastern and West Coast states, after recognizing the accelerating loss of agricultural productivity, have begun attempts to preserve what is left. Both agriculturalists and environmentalists are sounding an alarm regarding possible loss of agricultural lands in the Northern Plains States and the Intermountain Region to strip mining of coal and oil shale. Most other states, while cognizant of losses to urban, industrial, and road building encroachments, are only beginning to address this critical problem. Alaska, however, faces a relatively greater jeopardy, since in addition to typical encroachments on its few acres of developed farm lands, it also faces massive public withdrawals and dedication of latent agricultural lands for non-agricultural purposes.

The continuing disappearance of agricultural lands in the more densely populated states has caused increasing concern to be directed to the loss in production of specialty crops, open space, and agrarian aesthetics, near metropolition areas. Not only is the continuing encroachment undermining the agricultural economy of such areas, but it is also raising serious questions of environmental concern. Some of the northeastern states have identified the extent of their losses as follows. Vermont lost half of its farm land to non-agricultural uses during the period 1945-1973. Connecticut lost half of its farms between 1959 and 1972. Massachusetts has virtually lost its food production capacity. New Jersey has lost more than 35 percent of its farm land since 1950. New York State has lost significant portions of its best agricultural lands. Wisconsin has lost some 5.5 million acres from farming in the last 25 years. Michigan reports a loss of more than 1/3 of its 18 million acres of prime agricultural land over the last 30 years. California, losing in excess of 134,000 acres per year, will, if the trend continues, lose more than 3/4th of its agricultural land within 30 years.

Alaska's latent agricultural lands, only recently identified (4), will be gone, if present indications come to pass, within a decade. Present federal D-2 withdrawals (Table 1), if approved by Congress, will remove more than 7 million acres of prime tillable lands from possible agricultural tillage in
perpetuity. The additional withdrawal of D-1 lands, if approved, will remove an extra 1.2 million acres, in perpetuity, from possible future agricultural tillage. Previous wildlife refuge withdrawals have removed some 400,000 acres from possible agricultural tillage, and military withdrawals have removed an additional 200,000 acres. A conservative estimate would indicate that more than 9 million acres of latent agricultural lands are now "locked up" in federal withdrawals, and in all probability will be dedicated in perpetuity to non-agricultural uses.

The State of Alaska has selected more than 4.9 million acres of tillable agricultural lands (Table 2). Major selections have been made in South Central (Susitna Basin) and the Tanana Basin, with lesser amounts in other regions. Agriculture was not a primary concern in these selections, since much of the land had not been identified as agricultural when selected. It is not yet of primary concern, nor is it likely to be unless agriculture receives far more attention than it has in the past. Some of the state agricultural lands have been selected by the various boroughs, and they are certainly not being dedicated to agricultural production.

Alaska Native selections, under terms of the Alaska Native Claims Settlement Act, may encompass as much as 3 million acres of tillable agricultural lands. It is quite certain that additional acreages of grazing lands will be selected in this process. While these will be private lands, subject to agricultural development, they will be sufficiently scattered throughout the State to seriously mitigate against their successful development unless some adjacent state and federal lands are dedicated to agricultural production.

Availability of Agricultural Lands

Agricultural lands have never been readily available in Alaska. The federal monopoly of all lands in Alaska, until passage of the Alaska Statehood Act, virtually precluded private acquisition of agricultural lands in sufficient quantity to develop viable agricultural units, much less an agricultural industry. The State of Alaska, while having an enlightened agricultural lands disposal mandate, has chosen to pursue a land-speculator philosophy in disposal of its agricultural lands.

Prior to passage of the Alaska Statehood Act, the only means by which public lands could be entered and patented were: a. mining claims (the Alaska Organic Act of 1884 - 23 U.S. Stat. 24); b. trade and manufacturing sites (Act of March 3, 1891 - 26 U.S. Stat. 1095); c. agricultural homesteading (the Homestead Act of 1898 - 30 U.S. Stat. 409); and other acts, passed at wide intervals, making small-tracts available for residential and recreational uses. However, by statehood, less than 500,000 acres had been patented and conveyed to private ownership (Appendix Table 1) of which 327,644 had been patented as agricultural homesteads.

Even with passage of the several special land Acts, private ownership of land was slow in coming to the "District of Alaska". During the first 40
### Table 1
Proposed Federal Withdrawals — D-2 Lands
(initially withdrawn under terms of the
Alaska Native Claims Settlement Act, P. L. 92-203)

<table>
<thead>
<tr>
<th>Withdrawal</th>
<th>acres withdrawn</th>
<th>acres tillable lands</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National Park System</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Gates of the Arctic National Wilderness Park</td>
<td>8.36</td>
<td>0.001</td>
</tr>
<tr>
<td>2. Kobuk Valley National Monument</td>
<td>1.85</td>
<td>0.018</td>
</tr>
<tr>
<td>3. Cape Krusenstern National Monument</td>
<td>0.35</td>
<td>0.000</td>
</tr>
<tr>
<td>4. Aniakchak Calder National Monument</td>
<td>0.44</td>
<td>0.000</td>
</tr>
<tr>
<td>5. Katmai National Park</td>
<td>1.87</td>
<td>0.275</td>
</tr>
<tr>
<td>6. Harding Icefield-Kenai Fjords National Monument</td>
<td>0.30</td>
<td>0.000</td>
</tr>
<tr>
<td>7. Lake Clark National Park</td>
<td>2.61</td>
<td>0.011</td>
</tr>
<tr>
<td>8. Mt. McKinley National Park Addition</td>
<td>3.18</td>
<td>0.065</td>
</tr>
<tr>
<td>9. Wrangell-St. Elias National Park</td>
<td>8.64</td>
<td>0.052</td>
</tr>
<tr>
<td>10. Yukon-Charley Rivers National Rivers</td>
<td>1.97</td>
<td>0.285</td>
</tr>
<tr>
<td>11. Chukchi-Imuruk National Wildlands</td>
<td>2.69</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>National Wildlife Refuge System</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Yukon Flats National Wildlife Refuge</td>
<td>3.59</td>
<td>1.947</td>
</tr>
<tr>
<td>13. Arctic National Wildlife Refuge Additions</td>
<td>3.76</td>
<td>0.000</td>
</tr>
<tr>
<td>14. Koyukuk National Wildlife Refuge</td>
<td>4.43</td>
<td>0.195</td>
</tr>
<tr>
<td>15. Selawik National Wildlife Refuge</td>
<td>1.40</td>
<td>0.000</td>
</tr>
<tr>
<td>16. Coastal National Wildlife Refuge</td>
<td>0.07</td>
<td>0.000</td>
</tr>
<tr>
<td>17. Yukon Delta National Wildlife Refuge</td>
<td>5.16</td>
<td>0.048</td>
</tr>
<tr>
<td>18. Togiak National Wildlife Refuge</td>
<td>2.74</td>
<td>0.000</td>
</tr>
<tr>
<td>19. Noatak National Ecological Range</td>
<td>7.59</td>
<td>0.000</td>
</tr>
<tr>
<td>20. Iliamna National Resource Range</td>
<td>2.85</td>
<td>0.862</td>
</tr>
<tr>
<td><strong>National Forest System</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Porcupine National Forest</td>
<td>5.50</td>
<td>2.058</td>
</tr>
<tr>
<td>22. Yukon-Kuskokwim National Forest</td>
<td>7.30</td>
<td>1.216</td>
</tr>
<tr>
<td>23. Wrangell Mountain National Forest</td>
<td>5.50</td>
<td>0.064</td>
</tr>
<tr>
<td>24. Chugach National Forest Additions</td>
<td>0.50</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>National Wild and Scenic River System</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. Fortymile National Wild and Scenic River</td>
<td>0.32</td>
<td>0.000</td>
</tr>
<tr>
<td>26. Birch Creek National Wild River</td>
<td>0.20</td>
<td>0.005</td>
</tr>
<tr>
<td>27. Beaver Creek National Wild River</td>
<td>0.20</td>
<td>0.000</td>
</tr>
<tr>
<td>28. Unalakleet National Wild River</td>
<td>0.10</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td>0.82</td>
<td>0.005</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>83.47</td>
<td>7.102</td>
</tr>
</tbody>
</table>
Table 2
Alaska Selections Under the Statehood Act,
(includes patented, tentatively approved, and pending, March 1974.)*

<table>
<thead>
<tr>
<th>Agricultural Region</th>
<th>Selected (agricultural lands)</th>
<th>Patented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Yukon Basin</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lower Yukon Basin</td>
<td>0.087</td>
<td>0</td>
</tr>
<tr>
<td>Tanana Basin</td>
<td>1.653</td>
<td>0.461</td>
</tr>
<tr>
<td>South Central</td>
<td>1.797</td>
<td>1.797</td>
</tr>
<tr>
<td>Kenai Peninsula</td>
<td>0.423</td>
<td>0.346</td>
</tr>
<tr>
<td>Alaska Peninsula, S.</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dillingham Block</td>
<td>0.441</td>
<td>0</td>
</tr>
<tr>
<td>Alaska Peninsula, N.</td>
<td>0.216</td>
<td>0</td>
</tr>
<tr>
<td>Kuskokwim Basin</td>
<td>0.251</td>
<td>0</td>
</tr>
<tr>
<td>Copper River Basin</td>
<td>0.036</td>
<td>0.010</td>
</tr>
<tr>
<td>Kodiak and Islands</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reindeer Grazing Area</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Total Acres 4.903 2.614

* Estimated acres from Department of the Interior mapping and Joint Federal Land Use Planning Commission overlay identification of agricultural lands, since the data was apparently not available from the state Department of Natural Resources.

years of United States control, only about 10,000 acres had been patented. The first agricultural homestead was patented in 1905. Some 40 years later (June 1944) 270,000 acres had been patented in Alaska, of which 162,950 acres had been patented as agricultural homesteads. The post World War II years (1945-'58) prior to statehood saw a large influx of veterans, and homestead patents issued on 164,694 acres during that period, but not more than 10 percent of homestead lands patented prior to Alaska statehood have ever received even superficial agricultural tillage.

Agricultural homesteading accelerated rapidly after statehood, reaching a peak of 50,205 acres patented in 1964. Some 285,590 acres of federal agricultural homestead land have been patented during the period 1959-1973. Even though the federal homestead program has been the major vehicle of transferring public domain lands to private ownership, it must be considered an abject failure in terms of its intended purpose (9). None of the agricultural homestead lands were evaluated and classified as to their agricultural suitability. Only a small portion of that homesteaded was suitable for agricultural tillage. The miserly manner which public domain lands were made available for transfer to private ownership coerced Alaskans
into using the agricultural homestead as a means of obtaining land for non-agricultural purposes.

The Alaska Statehood Act (P.L. 85-508, 72 Stat. 339) granted the state entitlement to select 102,550,050 acres of general grant lands and 800,000 acres for community expansion and recreation. Lesser grants for the support of schools and mental health programs, passed earlier, brought the state’s entitlement to 104 million acres (8). The Alaska Constitution mandated, “It is the policy of the State to encourage the settlement of its land and the development of its resources making them available for maximum use consistent with the public interest”, (Article VIII, Natural Resources, Section I). Further, the state is mandated not to sell, grant, or deed its rights to renewable resources (fish, forest, wildlife, and grazinglands).

The Department of Natural Resources has been vested with responsibility for conserving and developing the state’s natural resources, including land, water, forest, agriculture, recreation, and minerals. The Alaska Land Act (169 SLA 1959) established a Division of Lands in the Department of Natural Resources to select, manage, and dispose of state lands, and provided authority to classify such lands for their “highest and best use”. Detailed regulations have been promulgated (State of Alaska Administrative Code, Title II, Division I) for land classification and disposal. Under this authority agricultural lands may be disposed of by “homestead”, sale, or lease. “Agricultural lands” have been defined as lands having physical, climate, and economic features that make them suitable for production of agricultural crops.

The State of Alaska, through the State Division of Lands, has sold 61,663 acres of homestead land, 1,095 acres of agricultural land, and leases on 5,109 acres of agricultural land (Table 3.). The state initiated its agricultural land disposal program in 1961 with the sale of 20,795 acres of homestead land on the lower Kenai Peninsula. An additional 6,571 acres of homestead land and leases on 960 acres of agricultural land was sold in the same area during 1962. One small lease, some 19 acres, on agricultural lands was sold during 1963. No further state agricultural land disposal activities have been carried out on the Kenai Peninsula.

The state has sold some 14,227 acres of homestead, 1,095 acres of agricultural, and leases on 3,281 acres of its agricultural land in the Matanuska-Susitna Valley area. The initial sale of 160 acres homestead land and leases on 720 acres of agricultural land was held during 1962. A second sale of state agricultural lands in the area, which included 14,227 acres of homestead land, 1,095 acres of agricultural land, and leases on 3,281 acres of agricultural land, was held during 1964. One further sale (1966) included 79 acres of state agricultural land. The division of Lands has conducted other

3 Agricultural lands are without “homestead” development credit entitlement.
sales of agricultural lands and leases, but they were for borough and University lands.

Table 3
State of Alaska "Agricultural Lands"
Disposed of by Homestead, Sale, and Lease, by Year.*

<table>
<thead>
<tr>
<th>Year</th>
<th>Region</th>
<th>Homestead</th>
<th>Sale</th>
<th>Lease</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(acres)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>Kenai Peninsula</td>
<td>20,795</td>
<td>160</td>
<td>720</td>
</tr>
<tr>
<td>1962</td>
<td>Matanuska-Susitna</td>
<td></td>
<td>6,571</td>
<td>960</td>
</tr>
<tr>
<td></td>
<td>Kenai Peninsula</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1963</td>
<td>Kenai Peninsula</td>
<td></td>
<td></td>
<td>19</td>
</tr>
<tr>
<td>1964</td>
<td>Matanuska-Susitna a/</td>
<td>14,227</td>
<td>856</td>
<td>2,561</td>
</tr>
<tr>
<td></td>
<td>Delta-Clearwater a/</td>
<td>10,707</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tanana Valley</td>
<td></td>
<td></td>
<td>240</td>
</tr>
<tr>
<td>1965</td>
<td>Tanana Valley</td>
<td></td>
<td></td>
<td>610</td>
</tr>
<tr>
<td>1966</td>
<td>Matanuska-Susitna</td>
<td></td>
<td></td>
<td>79</td>
</tr>
<tr>
<td>1970</td>
<td>Delta-Clearwater</td>
<td>9,208</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tok</td>
<td>155</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL ACRES TO DATE  61,663  1,095  5,109

* Does not include lands selected by the University or a borough if included in sales conducted by the State Division of Lands.

a/ Over the counter sales may have been made in subsequent years.

Source: Data provided by the State Division of Lands, does not include state grazing or resource management leases.

The Delta-Clearwater area is the only other community in the state where state agricultural lands have been sold in significant quantity. Some 10,707 acres of state homestead lands were offered for sale in 1964; however, the last tracts offered in this sale were not sold until the fall of 1968. A second sale of state homestead land, including some 9,208 acres, was held in the spring of 1970. Agricultural leases on 850 acres of state agricultural land were sold in the Fairbanks community during 1964-'65, and one state agricultural homestead (155 acres) was sold in the Tok community during 1970.

The state has also sold leases on 124,173 acres of "grazing lands" during the period 1962-1974 (Table 4). While not classed as *agricultural*, such lands in most instances do make up a considerable portion of the resource base for grazing livestock operations. The state initiated its grazing
lease sale program (1962) with the initial sale of leases on some 13,948 acres located on the Kenai Peninsula. Subsequent sales have brought the total on the Kenai Peninsula to 90,536 acres, in the Matanuska-Susitna Valley area to 31,817 acres, and the Gustavus area to 340 acres.

The State’s agricultural land programs, including those for grazing lands, while well conceived, have reflected the vicissitudes of administrative philosophy and individual interpretation. For example, ethical responsibilities for classification have been abrogated in the quest for maximizing short-term dollar flows to the state general fund. Identified latent agricultural lands have often been classed as “utility”, “residential”, and “private recreation”. Classification decisions have been rationalized in terms of “highest and best use”.

### Table 4
State of Alaska “Grazing leases” Disposed of by Alaska Division of Lands Sale, by Year*

<table>
<thead>
<tr>
<th>Year</th>
<th>Region</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>Kenai Peninsula</td>
<td>13,948</td>
</tr>
<tr>
<td>1963</td>
<td>Gustavus</td>
<td>340</td>
</tr>
<tr>
<td></td>
<td>Kenai Peninsula</td>
<td>25,488</td>
</tr>
<tr>
<td>1964</td>
<td>Matanuska-Susitna</td>
<td>1,480</td>
</tr>
<tr>
<td>1970</td>
<td>Kenai Peninsula</td>
<td>21,993</td>
</tr>
<tr>
<td>1971</td>
<td>Matanuska-Susitna</td>
<td>31,817 a/</td>
</tr>
<tr>
<td>1974</td>
<td>Kenai Peninsula</td>
<td>29,107</td>
</tr>
</tbody>
</table>

**TOTAL ACRES TO DATE**

124,173

* Does not include borough selected or University lands which have been included in sales conducted by the State Division of Lands.

a/ Lands classed “resource management”, but sold as grazing leases.

Source: Data provided by the State Division of Lands.

### Reserving Agricultural Lands

The State of Alaska must move forward with a bold and innovative approach to the reservation of agricultural lands, if there is to be a future agricultural production capacity within the state. At best, it will be a difficult and thankless job. Public planners and organized groups, both inside and outside the state, are directing their efforts and energies to preserving public lands for parks, wildlife refuges, ecological reserves, scenic and
historic sites, public forests, mineral and petroleum production, and other real or conceived public purposes. In contrast, there are few people, in or out of government, who are even interested in Alaska's future agricultural land needs.

There is probably not one public administrator who has a gut-belief that modern commercial agriculture can be developed in Alaska. Not more than a dozen professional agriculturists, in the public sector, are committed to commercial agricultural development within the state. Neither the State nor the University has assumed a positive leadership role in agriculture or agroeuthenics development. Alaska's land speculators, both public and private, thrive on the near-hysteria of Alaska Suburbia. Alaska's legislators have assigned a higher priority to the "wolf problem" than to preserving agricultural lands. The general public recognizes only the mid-latitude agrarian aesthetics of the rural scene.

Many other states, particularly the densely populated ones, are addressing problems of agricultural land preservation (6). Particular attention is being directed to the maintenance of a permanent agriculture, protection of existing farms from undue developmental and taxation pressures, the preservation of open space and environment, and further development of land use planning strategies. Recognition is being given economic and social values derived from a viable agricultural industry. Concern is being expressed regarding maintenance of a long-run food production capacity. Agricultural land preservation policies are being implemented through statutes to create agricultural districts, restrict taxation to agricultural use value, separate agricultural and development rights in land ownership, and preclude the exercise of certain public "regulation" on agricultural lands (1, 2, 5, 14, 15).

The State of Alaska can provide the strong leadership role needed to reserve and then develop agricultural lands within its borders. This can only be done, however, if the State Administration squarely addresses problems of reserving latent agricultural lands, and preserving developed agricultural lands, for agricultural and agroeuthenics production. At present, the state is without agricultural land reservation policies or programs. It is without the element of confidence and concern so essential to new-lands development, particularly where large risk-capital investments are needed. Further, the elements of land availability, credibility for agriculture, and confidence in public leadership are little understood, in the development process, by otherwise thoughtful citizens and politicians who take the farmers output, and aesthetic benefits of the rural scene, for granted.

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4 A concept that deals with enhancement of human well-being, living conditions, and quality of life through increased production and consumption of wild gather and/or domesticated plant and animal products or services in a modernized ecosystem.

5 See appendix table II, item (6).
There are several areas of policy and program to which the State Administration can productively direct its attention, if it is to exercise the demanding leadership role so urgently needed. The initial concern must be for a general policy of agricultural land reservation to provide guidelines for both public and private efforts directed to use-planning and dedication of agricultural lands. Programs must be conceived to identify and classify such lands, create agricultural and open space reserves, create agricultural districts, recognize and preserve unique and irreplaceable agricultural lands, provide for dedication of agricultural lands by individuals, and clearly define the effects of agricultural districts and land dedications. The purpose of such policies and programs must be to protect not only agricultural lands, but also to protect the public interest in the rural economic and environmental resource.

If the State is to promulgate policies and programs for the reservation and development of its agricultural lands effectively and productively; then it must develop them as a "package", with the full realization that each part of the package must be carried out with full integrity or the whole effort will fail. Such a package has been identified (Appendix II). It addresses the need for a definitive policy statement:

It is the declared policy of the state to conserve and protect, and encourage the development and improvement of, its agricultural lands and waters for the production of food and other agricultural and agroeuthenics products and services. It is also the declared policy of the state to conserve and protect agricultural lands and waters as valued natural and ecological resources which provide open space, agrarian aesthetics, and rural living environments.

Isolated policy statements are of little substantive meaning or value unless solidly supported by well designed and viable programs. The initial program, imperative to the success of any agricultural land reservation policy, will be a program of identification and dedication:

It is the policy of the state to identify and classify all agricultural lands for agricultural or agroeuthenic purposes.

While planning groups abound (state, federal, and joint federal-state) in Alaska, none has as its mission the identification and classification of latent agricultural lands for dedication purposes. A technical group, located in the State's Division (Department) of Agriculture, could, in cooperation with the U.S. Department of Agriculture's Soil Conservation Service, carry out such an identification and classification function in an exemplary manner, if adequately directed and supported by the state administration.

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6 See appendix table II, item (3).
A second program, integral to the success of the package, is that of creating agricultural and open space reserves:

*It is the policy of the state to create agricultural and open space reserves of latent agricultural lands from those state lands which have been classified for agricultural dedication purposes.*

Agricultural lands, dedicated to agricultural and agroeuthenics purposes, cannot ethically be left in a preserved status. Programs must be activated to identify and assign priorities to potential development “blocks”. Planning must be implemented, on a selective basis, to provide those necessary public services to facilitate the development process. The opportunity must be provided for agriculture to be developed in the blocks identified as having priority for development.

In order to alleviate certain competitive stresses for dedicated agricultural lands, both policy and programs could be directed to alienating non-agricultural development rights from state lands disposed of from within the state agricultural reserve:

*It is also the policy of the state to alienate property rights other than those pursuant to agricultural and agroeuthenics production, storage, processing, and distribution purposes from classified and dedicated agricultural reserve lands.*

The sale or lease of only agricultural development rights would alleviate competitive stresses from Alaska Suburbia and other industrial developments. Reclassification encroachment could be ameliorated by strict adherence to requirement for an “agricultural impact statement” as part of any reclassification action on reserve lands.

A third item, critical to the package, is that of creating agricultural districts. It behooves the state to provide the opportunity, and statutory structure, for the local community or individuals to initiate and carry out agricultural land preservation activities, which will provide an environment of permanence for the agricultural community:

*It is the policy of the state to provide for the creating of agricultural districts from private viable and/or latent agricultural lands which have been classified for agricultural dedication purposes.*

One of the more distressing problems of agricultural communities is the environment of impermanence created by speculative development which brings with it the proliferation of fragmented “public services” and the resultant tax and service fee burdens resulting from premature and scattered development. The creation of agricultural districts, through community and private initiative, provides an opportunity for further self-determination at even the small rural community level.
A fourth item of the suggested package is that of identifying and creating special "districts" to conserve and protect particular unique and irreplaceable agricultural lands. This item should be of particular public concern, both for protecting the availability of particular agricultural products and for the implementation of comprehensive environmental planning functions. Because of the very public nature of such a program, the state should have the primary responsibility:

*It is the policy of the state to create special districts for unique and irreplaceable agricultural lands which have been classified as suitable for agricultural production purposes, where such lands could provide unique agricultural or agroethnics products or services, and would further state, borough, and/or municipality comprehensive environmental and/or development plans.*

Such districts may well be of increasing importance as Alaska's population "explodes" with the stimulus of continued petroleum and mineral resource development. Small and quiet villages may soon recognize the need for more effective and permanent strategies to combat the onslaught of "boom town" type development.

A fifth item in the suggested package of policy and programs for the reservation and preservation of agricultural lands is that of private dedication of such lands. Each individual agriculturalist, or would be agriculturalist, should be provided the opportunity to dedicate his or her agricultural lands to that specific purpose. The state should take the lead in providing that opportunity:

*It is the policy of the state to provide for the private dedication of agricultural lands and protect the integrity of such dedication.*

The process and effects of private dedication of agricultural lands should be well defined, but should not allow subversion of the purpose and intent of the program. Such a program could protect the individual from both public and private suburbanizing and development pressures.

A final item suggested as part of the package is that of well defined effects of agricultural districts and dedication of agricultural lands:

*It is the policy of the state to provide well defined guidelines and identified effects (of this chapter) on the dedication, preservation, and maintenance of agricultural lands and waters.*

As noted earlier, isolated policies and programs are of little value unless well defined, clearly understood, and carried out with full integrity. There are certain "effects" critical to the success of the above suggested policy and program package. They are as follows: agricultural value assessment, limitations on local regulation, policy of state agencies, limitations on the exercise of eminent domain and the advance of public funds, and limitations on powers of certain special districts to impose benefit assessments or
special *ad valorem* levies. Particular attention must be directed to these factors to preclude subversion of the purpose and intent of the suggested policies and programs.

**Summary and Conclusions**

Alaska is now facing the urgent and unrecognized problem of reserving its latent agricultural lands for future agricultural production. This situation has been brought about by a number of factors; a mandatory land use planning effort engendered by the Alaska Native Claims Settlement Act, identification of agricultural lands, the changing world food situation, Alaska’s burgeoning population and industrial growth, and the profoundly undeveloped state of the state’s agricultural industry.

One of the primary causes of underdevelopment in Alaska’s agricultural industry has been the unavailability of agricultural lands to farmers, both during the District-Territorial and Alaska Statehood periods. While 327,644 acres had been patented as agricultural homesteads prior to Alaska statehood, little had been patented for agricultural purposes. The federal government’s miserly approach to land disposal for private purposes coerced Alaskans into using the agricultural homestead as a means of obtaining land for non-agricultural purposes. Since Alaska statehood, only about 62,758 acres have been sold to individuals for agricultural development purposes. Little of this has been developed for agricultural production because of non-agricultural competition for its control.

The emerging national recognition of the need for preserving agricultural production capacity lends credence to the need for reserving agricultural lands in Alaska. The changing world food situation lends further credence to the opportunity for future agricultural production in Alaska. However, Alaska’s present land use planning does not provide for the reservation of latent agricultural lands, nor does it provide for any future agricultural food production capacity. The mandate of the Joint Federal-State land Use Planning Commission emerged during the national food-surplus syndrome, and has not been amended to include the present national food perspective, nor has it been amended to give cognizance to the needs of the rapidly increasing “other residents of Alaska”.

While the State of Alaska does have a constitutional mandate to “encourage the settlement of its land and the development of its resources”, it has not previously identified agricultural development as a relevant means of doing so. Land disposal and agricultural development policies and programs have reflected the vicissitudes of negative philosophies of administrators and personal interpretations. Alaskan agriculture is now at its lowest ebb since the turn of the century. In contrast, Alaska’s population is anticipated to exceed one million persons before the end of this century. More than 17 million acres have been identified as suitable for agricultural
tillage with identified energy and fertilizer resources more than adequate to support full industry’s development. And, Alaska must now look to the social and economic well-being of its citizens “after the petroleum-pipeline boom is over”.

The State of Alaska is the only entity, public or private, that can provide the leadership needed to reserve and preserve agricultural lands within the state. State selections encompass major areas of latent agricultural lands which are in proximity to present farming areas, and to latent agricultural lands being selected by Native village and regional corporations. The state has the infrastructure and competency (if adequately directed and motivated) to carry out needed identification and assessment functions inherent in the agricultural land preservation and reservation process.

The state does not presently have viable policies and programs for carrying out agricultural land identification, reservation and preservation functions to protect its future food production capacity. Such policies and programs have been identified which could provide guidelines for both public and private efforts directed to land-use planning and dedication of agricultural lands. If Alaskans choose to ignore the urgency, and need, for concerted efforts directed to promulgating such policies and programs for the preservation and reservation of agricultural lands within the state, then they must look forward to foregoing the future food, amenity, economic and social benefits to be derived from development of an agricultural industry.
REFERENCES


Appendix Table I

PATENTED AND CONVEYED LANDS IN ALASKA
June 30, 1958*

<table>
<thead>
<tr>
<th>Types of Patents</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cemetery Sites</td>
<td>400</td>
</tr>
<tr>
<td>Homesites</td>
<td>2,800</td>
</tr>
<tr>
<td>Homestead</td>
<td>327,644</td>
</tr>
<tr>
<td>Matanuska Valley Sales</td>
<td>22,005</td>
</tr>
<tr>
<td>Mineral</td>
<td>101,130</td>
</tr>
<tr>
<td>Mission Sites</td>
<td>4,158</td>
</tr>
<tr>
<td>Small Tracts</td>
<td>7,219</td>
</tr>
<tr>
<td>Soldiers’ Additional Homesteads</td>
<td>6,500</td>
</tr>
<tr>
<td>Townlots</td>
<td>2,000</td>
</tr>
<tr>
<td>Townsites</td>
<td>3,500</td>
</tr>
<tr>
<td>Trade and Manufacturing Sites</td>
<td>2,400</td>
</tr>
<tr>
<td>Lands Granted and Certified to the Territory</td>
<td>178,488</td>
</tr>
<tr>
<td>Other</td>
<td>10,654</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>668,898</td>
</tr>
</tbody>
</table>


a/ University of Alaska, 28,488 acres; and school sections, 150,000 acres estimated.

Appendix Table II

"An Act relating to land classification and dedication."

DECLARATION OF POLICY. It is the declared policy of the state to conserve and protect, and encourage the development and improvement of, its agricultural lands and waters for the production of food and other agricultural and agroethenics products and services. It is also the declared policy of the state to conserve and protect agricultural lands and waters as valued natural and ecological resources which provide open space, agrarian aesthetics, and rural living environments. Agricultural lands in all parts of the state are under pressure from urban, speculator, and
pseudoconservation interests. This pressure takes the form of scattered development, creates high costs of public services, discriminates against the indigenous population, increases the uncertainty for capital and resource development, and further fuels the fires of land speculation. Many of the present agricultural lands are already gone, and most of the latent agricultural lands are in jeopardy of being lost. It is the purpose of this act to provide means by which agricultural lands and waters may be protected as an economic and environmental resource of major importance to the states future.

________________________DEFINITIONS. In this chapter

(1) "Latent agricultural lands" as here used means lands identified as suitable for agricultural tillage, using standard soil survey criteria of the U.S. Department of Agriculture's Soil Conservation Service standard classification system, and offer the opportunity for functional and economic production at some future time when transportation, development infrastructure, information and technology flows, public services, and effective marketing infrastructures are available.

(2) "Viable agricultural lands" means lands presently in, or available for, agriculture and agroeuthenics production, and would continue to be feasible for such uses if real estate taxes, farm use restrictions, non-farm uses, and speculative activities are limited to levels approximating those in commercial agricultural areas not influenced by proximity of urban, suburban, recreational, or industrial developments.

(3) "Unique and irreplaceable agricultural lands" are those which, because of type or location are uniquely suited for the production of high value crops, but not limited to greenhouse, nursery, fruits, vegetables, and horticulture specialties.

(4) "Agricultural waters" means waters on, under, or in proximity to agricultural lands which are critical to present or future agricultural and agroeuthenics production on said lands.

(5) "Agricultural production" means the production for commercial purposes of crops, livestock, and livestock products (including reindeer, fur bearing animals, and related products) but not processing or retail merchandising of such crops, livestock, and livestock products.

(6) "Agroeuthenics production" means the production for subsistence, aesthetic, cultural enhancement, or environmental purposes (which may or may not be of commercial magnitude and/or value) of nursery, ornamental, environmental, home garden, small animal, recreational, or unique cultural oriented products and/or services (including greenbelt and open space preserves), but not processing or retail merchandising of such products or product services.
AGRICULTURAL LAND CLASSIFICATION. It is the policy of the state to identify and classify all agricultural lands present or latent for agricultural or agroeuthenics production purposes.

(a) Notwithstanding any other provision of law, no less than 80 percent of state owned or selected lands with agricultural potential, as determined by Soil Conservation Service of the United States Department of Agriculture classification criteria for II, III, and IV soils, shall be classified by the commissioner, in consultation with other appropriate agencies and entities, for use as agricultural land. The commissioner shall make the classification required under this section within one year of the effective date of this act, or within one year of the date additional lands are identified.

(b) After reasonable public notice and no sooner than 30 days after completion of a classification report, the commissioner or his designee shall hold a public hearing in a central location in the vicinity of the land to be classified, affording all interested persons an opportunity to be heard. The commissioner shall have 60 days after completion of the hearing to certify the classification, or a modified classification resulting from the hearing, but in no case will his responsibility to classify at least 80 percent of state owned or selected agricultural lands for dedication be abrogated.

(c) After land is classified for agricultural use under (a) of this section, any request for change in classification shall be submitted in writing to the commissioner. Within 60 days from the date the request for change is received, the commissioner shall hold a hearing, affording all interested persons the right to be heard. After a hearing, the determination of the commissioner as to approval of the change is final.

(d) The Department of Natural Resources shall promulgate regulations to implement the provisions of this section within its jurisdiction, including, but not limited to the manner of state classification under this section, and any other conditions or limitations necessary for the protection and maintenance of land for agricultural use.

CREATION OF AGRICULTURAL AND OPEN SPACE PRESERVES. It is the policy of the state to create agricultural and open space preserves of latent agricultural lands from those state lands which have been classified for agricultural dedication purposes. It is also the policy of the state to alienate property rights other than those pursuant to agricultural and agroeuthenics production, storage, processing, and distribution purposes from classified and dedicated agricultural preserve lands.

(a) Once state lands have been classified for agricultural purposes and that classification has been certified by the commissioner, the commissioner shall
declare those lands dedicated to agricultural and agroeuthenics uses and as part of the state agricultural lands reserve. The commissioner shall make the dedication required under this section within 30 days of the certification of classification for agricultural purposes.

(b) After state lands have become part of the state agricultural lands preserve, the commissioner, in consultation with appropriate agencies and entities, shall identify agricultural development blocks of sufficient size to allow the economically efficient operations of institutions, agencies, service and supply firms, and first processing firms to serve an agricultural industry in the area in a timely and propitious manner.

(c) Once development blocks have been identified under (b) of this section, a request for agricultural project development shall be submitted to the commissioner in writing. Within 60 days from the date the request for agricultural project development is received, the commissioner shall hold a hearing, the determination of the commissioner as to initiation of the development project is final.

(d) All agricultural lands placed in state agricultural and open space preserves under (a) of this section shall retain their agricultural dedication until some over-riding public purpose can be demonstrated, through a duly constituted hearing process, for reclassification to some non-agricultural purpose. One condition of any reclassification procedure shall be an agricultural impact statement clearly identifying long-run agricultural opportunity costs of land use for other than agricultural purposes.

(e) The Department of Natural Resources shall promulgate regulations to implement the provisions of this section within its jurisdiction, including but not limited to the manner of establishing agricultural and open space preserves and identifying agricultural development blocks, and any other conditions or limitations necessary for the protection and encouragement of land for agricultural or agroeuthenics uses.

CREATION OF AGRICULTURAL DISTRICTS.

It is the policy of the state to provide for the creating of agricultural districts from private viable and/or latent agricultural lands which have been classified for agricultural dedication purposes.

(a) The commissioner, with concurrence of the legislature, may create agricultural districts in response to requests from owner or owners of viable or latent agricultural lands which have been classified for agricultural or agroeuthenics purposes according to United States Department of Agriculture Soil Conservation Service classification criteria for II, III, and IV soils. Such request proposals shall be submitted in the manner and form as may be prescribed by the commissioner and shall include a description of the proposed district, including boundaries thereof.
Upon receipt of such a proposal, the commissioner shall:

1) provide public notice of the agricultural district proposal in newspaper(s) having general circulation in the area of the proposed district;
2) receive proposals for modification of the proposed agricultural district from individuals, municipalities, and others, in a manner and form prescribed by the commissioner;
3) prepare a comprehensive evaluation of the proposed agricultural district, which includes both short and long run probabilities within the district and for the general area;
4) hold a public hearing on the agricultural district proposal so that all parties may be heard, within or at a location otherwise readily accessible to the proposed district. After a hearing, the determination of the commissioner as to the agricultural district proposal will be final;
5) forward the completed proposal, along with the commissioners report and recommendations, to the legislature for final action.

The Department of Natural Resources shall promulgate regulations and procedures to implement provisions of this section within its jurisdiction, including but not limited to the manner of establishing agricultural districts, in a timely and expeditious manner.

CREATION OF UNIQUE AND IRREPLACEABLE LAND DISTRICTS: It is the policy of the state to create special districts for unique and irreplaceable agricultural lands, which have been classified as suitable for agricultural production purposes, where such lands could provide unique agricultural or agroeuthenics products or services, and would further state, borough, and/or municipality comprehensive environmental and/or development plans.

The commissioner, working closely with the commissioner of environmental conservation, boroughs and other municipalities, agricultural interests, consumer groups, conservation groups, and other interested persons, shall identify and designate unique and irreplaceable agricultural lands. The commissioner shall also be responsible for creating agricultural districts of those identified unique and irreplaceable agricultural lands needed to protect the public interest in developing communities, protect open space requirements in environmental plans, and encourage production of identified agricultural and agroeuthenics products and services.

The commissioner, after identifying and designating unique and irreplaceable agricultural lands, shall prepare a comprehensive plan for each proposed district. After reasonable public notice and no sooner than 30 days
after completion of the planning report, the commissioner or his designee shall hold a public hearing in proximity to the proposed district. After due consideration of testimony and comments, if any, the commissioner may affirm, modify, or withdraw the proposed district. Provided, however, that if the proposal is modified the commissioner shall carry out another complete hearing procedure before the district is affirmed.

(c) After seven years, and each subsequent seven years, the commissioner shall review each district created under this section and determine the need for continuation, expansion, or reduction of the district. If a change in status of the district, or lands within the district, is indicated, the commissioner shall hold hearings within the district or in proximity to the district to obtain testimony and comments on the proposed change. After the hearing, the commissioner will then reject or affirm the proposed change.

DEDICATION OF AGRICULTURAL LANDS WITHIN AGRICULTURAL DISTRICTS. It is the policy of the state to provide for the private dedication of agricultural lands and protect the integrity of such dedication.

(a) Any owner of lands which have been classified for agricultural production according to United States Department of Agriculture Soil Conservation Service classification criteria for II, III, and IV soils may dedicate such lands to agricultural or agroeuthenics production uses for a term of ten (10) or twenty (20) years, with the option of renewal during the ninth (9th) or nineteenth (19th) years.

(b) The commissioner shall have 30 days after receipt of the application for dedication of agricultural lands to affirm or reject the application. If affirmed, the commissioner shall certify dedication to agricultural and/or agroeuthenics purposes.

(c) A condition of agricultural lands dedication shall be the joint holding of non-agricultural development rights by the State of Alaska and the applicant for the period of the dedication agreement. The State shall not sell, transfer, convey, relinquish, vacate, or otherwise encumber non-agricultural development rights held under terms of this section except with full and mutual agreement of the owner and with full compensation to the owner for such alienation of non-agricultural development rights.

(d) All land dedication agreements under this section shall include the following provisions:

1) A structure shall not be built on the dedicated land except for use contingent with farming operations, or with approval of the local governing body and the commissioner.

2) Land improvements shall not be made on the dedicated lands
except for use consistent with farm operations and conservation practices, or with approval of the local governing body and the commissioner.

3) Any interest in the land shall not be alienated except for scenic, access, or utility easements which do not substantially hinder farming operations.

4) Public access shall not be permitted on the dedicated land unless agreed to by the owner.

5) Any other conditions and/or restrictions on the dedicated land as agreed to by the parties deemed necessary to preserve the land and appropriate portions of it as farm land.

(e) The Department of Natural Resources shall promulgate regulations and procedures to implement provisions of this section within its jurisdiction in a timely and expeditious manner, including but not limited to the manner of private lands dedication to agricultural and agroethenics uses.

EFFECTS OF AGRICULTURAL DISTRICTS. It is the policy of the state to provide well defined guidelines and identified effects of this chapter on the dedication, preservation, and maintenance of agricultural lands and waters.

(a) Agricultural Value Assessments.

1) Any land in agricultural districts which has been classified and dedicated as agricultural land is subject only to assessment as agricultural land under current statutes. That portion of value which represents an excess above the agricultural value shall not be subject to real property taxation.

2) Agricultural value per acre shall be determined annually by ascertaining the average value per acre of lands used in agricultural production when not affected by urban or speculative pressures in the relevant area of the state. This shall be done in consultation with agricultural lending institutions, local agricultural review committees, available institutional and agency expertise, and representatives of producer organizations.

3) In the event that dedicated agricultural lands, within an agricultural district, are converted to non-agricultural uses, each appropriate tax jurisdiction shall assess a penalty not to exceed 10 per cent of the total assessed value as well as taxes on the non-agricultural portion of total value for each of the previous years, not to exceed seven years, in which the land has been taxed only on its agricultural value.

(b) Limitations on Local Regulation. No local governing body shall exercise
any of its powers to enact local laws or ordinances within an agricultural
district which would unreasonably restrict or regulate farm structures or
farming practices in contravention of the purposes of the district unless such
restrictions or regulations bear a direct relationship to the public health or
safety.

(c) **Policy of State Agencies.** It shall be the policy of all state agencies,
departments, and divisions to encourage development and maintenance of
viable agriculture and agroeuthenics production, and their administrative
procedures and regulations will be modified to that end insofar as is
consistent with public health, safety, and federal statutes, regulations, and
requirements. Public funds shall be withheld from those agencies who do not
comply with provisions of this act.

(d) **Limitations on the Exercise of Eminent Domain and the Advance of
Public Funds.** Any agency of the state, public benefit corporation, or
municipality, which intends to acquire land or interest therein for the
purpose of converting dedicated agricultural lands to non-agricultural
purposes, or to subvert any of the goals, purposes, or provisions of an
agricultural district created under this chapter, or which will in any manner
be detrimental upon the preservation and enhancement of agricultural or
agroeuthenics development and maintenance shall provide a detailed
planning and impact report of such planned actions to the commissioner.
Such reports shall include a comprehensive agricultural impact statement
clearly identifying long-run agricultural opportunity costs of land-use for
other than agricultural purposes. This report will become part of the notice
of public hearings on the change of dedication of agricultural lands within
the agricultural district. The commissioner may request the attorney general
to bring an action to enjoin any such agency, public corporation, or
municipality from violating the integrity of an agricultural district if he does
not affirm requested changes in agricultural land dedication. The
commissioner may also request the withholding of public funds from such
state, public benefit corporations, or municipal projects until such time as
conflicts regarding the conversion of dedicated agricultural lands are
resolved.

(e) **Limitations on Powers of Certain Special Districts to Impose Benefit
Assessments or Special Ad Valorem Levies.** No special district for sewer,
water, lights, non-farm drainage, or other non-farm related services may
impose benefit assessments or special ad valorem levies on land dedicated to
agricultural production within an agricultural district on the basis of
frontage, acreage, or value, except a lot not exceeding one-half acre
surrounding any dwelling or non-farm structure located on said lands, unless
such benefit assessments or special ad valorem levies were imposed prior to
formation of the agricultural district and became part of the district
regulation.
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