

Lay of the Law of the Land

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Beneficiary Presentation
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About This Presentation

- Review of cases concerning trust lands from around the nation
- Updates for ongoing litigation
- Learn from the successes and mistakes of other states



Arizona Trust Lands Funding Litigation



- *Rumery v. Baier*, 2013 Arizona Supreme Court
 - Using revenues to fund trust land management violated state constitution, “even if doing so arguably could benefit the trust overall”
 - Not a problem in Utah
- 2016 Ballot Measure to change constitution
 - *Garcia v. Reagan*, filed March 27, 2015
 - Arguing ballot measure violates Enabling Act



Alaska Trust Lands Management Litigation



Alaska Department of Natural Resources

- *Citizens Protecting the Alaska School Lands Trust v. Alaska*
 - Filed in April 2013
 - State of Alaska has held all of its various trust/state lands together
 - 110 acres million in all
 - School lands have not been surveyed/segregated
 - Survived Summary Judgment, trial date in January 2016



Washington Condemnation Litigation



- *Public Utility District No. 1 of Okanogan County v. State*, Washington Supreme Court 2015
 - Washington’s condemnation statute allowed a utility district to condemn an easement across “school lands,” which were held to be the same as school trust lands
 - Public Auction Provision did not apply



Arizona



- *Baier v. Sussex*, Arizona Court of Appeals 2014
 - Long term trespassers on school trust lands could not use laches/statute of limitations to defeat title
 - Public interest in preserving title outweighed
 - Even though land managers were arguably negligent



Montana River Islands Case

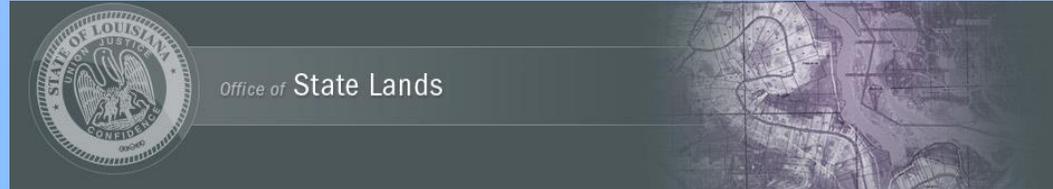


The Montana Department of
Natural Resources
& Conservation

- *Montana Dep't of Natural Resources v. ABBCO Investments*,
Montana Supreme Court 2012
 - State law said all islands in navigable streams/lakes were trust lands
 - 450+ acres of new islands appeared after statehood and merged with coast
 - Ruled to be trust lands



Louisiana Statute of Limitations



- *Vermilion Parrish School Board v. ConocoPhillips*, Louisiana Supreme Court 2012
 - School board seeking unpaid back royalties
 - Statute of limitations of 3 years held not to apply due to exemption for “state-owned properties”



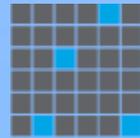
New Mexico Public Auction Case



- *King v. Lyons*, New Mexico Supreme Court 2011
 - Land exchange with private party held to violate public auction/appraisal requirement in state constitution
 - Authority for this denied by voters in 1930s and 1990s



Utah



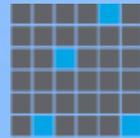
Trust Lands Administration

State of Utah School and Institutional Trust Lands Administration

- Marion Energy v. KFJ Ranch, Utah Supreme Court 2011:
 - Ambiguous whether oil/gas were considered “mineral deposits” for condemnation statute, therefore construed against condemnor
- State v. Mathis, Utah Supreme Court 2009:
 - Lawsuit challenging transfer 90 years earlier where land board forgot to reserve mineral rights
 - 7 year statute of limitations applied notwithstanding fiduciary obligations



Utah



Trust Lands Administration
State of Utah School and Institutional Trust Lands Administration

- National Parks Conservation Association v. SITLA, Utah Supreme Court 2010
 - Land exchange between SITLA and Garfield County, going back to the 80s
 - NPCA argued SITLA violated its fiduciary duty by obtaining 3X value from Garfield County
 - “These duties do not include monitoring whether Garfield County received adequate consideration. Instead, **SITLA is obligated**, according to general trust law, **to manage the trust lands in the interests of the beneficiaries-- the public school system and its students.**”



The End

- Questions
- Comments

