

1 HR496  
2 119540-1  
3 By Representative McClammy  
4 RFD: Rules  
5 First Read: 03-MAR-10

2  
3  
4  
5  
6  
7  
8           URGING CONGRESS TO ANNUALLY INDEMNIFY, FROM OFFSHORE  
9 ROYALTY REVENUES, EACH ALABAMA COUNTY FOR LOST SIXTEENTH  
10 SECTION LANDS.

11  
12           WHEREAS, sixteenth section lands are those lands  
13 which were designated for school purposes when Congress acted  
14 to admit the State of Alabama into the Union on March 2, 1819;  
15 and

16           WHEREAS, in the Alabama Enabling Act, Congress  
17 declared that "the section numbered sixteen in every township,  
18 and when such section has been sold, granted or disposed of,  
19 other lands equivalent thereto, and most contiguous to the  
20 same shall be granted to the inhabitants of such township for  
21 the use of schools"; and

22           WHEREAS, much of the original sixteenth section  
23 lands were underwater or valueless; however, an additional  
24 100,000 acres of indemnity lands were set aside by Congress in  
25 1841 to compensate for the valueless land and some 43,082  
26 additional acres of the most productive land in the state were  
27 claimed by the state in lieu of sixteenth section lands; and

1           WHEREAS, although the state should have the benefit  
2 of approximately 930,027 acres of sixteenth section lands,  
3 large portions of the lands have been sold or exchanged;  
4 principal resulting from the sale or lease of the lands was  
5 lost when the state bank failed in 1843; township lines have  
6 been abolished; scant records have been maintained to record  
7 the share of trust fund balances credited to each township,  
8 county, or school district; and many counties, townships, and  
9 school districts do not now have identifiable sixteenth  
10 section land; and

11           WHEREAS, for the 2008 fiscal year, the federal  
12 government received a total of \$14,500,998,847 in Gulf of  
13 Mexico Offshore Reported Royalty Revenues, from land that is  
14 now considered to be some of the most productive land around;  
15 now therefore,

16           BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF  
17 THE LEGISLATURE OF ALABAMA, That Congress is respectively  
18 requested to annually indemnify, from funds received from  
19 offshore royalty revenues, each Alabama county in an amount  
20 representative of the value of lost sixteenth section land per  
21 county, pursuant to a methodology similar to the following  
22 example:

23           If the approximately 930,027 acres of sixteenth  
24 section lands the state is entitled to have are equally  
25 divided among the 67 counties, approximately 13,881 acres is  
26 allocated to each county.

1           If Congress were to indemnify the state in an amount  
2 of just one-sixteenth of the 2008 fiscal year royalty  
3 revenues, or \$906,312,428, each acre would be assigned an  
4 approximate value of \$1,009 (\$906,312,428 divided by 898,393 =  
5 \$1,009).

6           To determine the amount of indemnification for each  
7 county, the total number of existing sixteenth section acres  
8 attributed to each county, based upon Department of  
9 Conservation and Natural Resources calculations, should be  
10 subtracted from 13,881 to determine the number of lost  
11 sixteenth section acres in each county, and that number should  
12 be multiplied by \$1,009. Pursuant to this calculation, the  
13 following counties would be entitled to receive the following  
14 indemnification amounts:

15           Autauga - \$14,005,929; Baldwin - \$12,657,905;  
16 Barbour - \$14,005,929; Bibb - \$13,642,689; Blount -  
17 \$13,906,038; Bullock - \$14,005,929; Butler - \$14,005,929;  
18 Calhoun - \$14,005,929; Chambers - \$13,983,731; Cherokee -  
19 \$14,005,929; Chilton - \$13,758,724; Choctaw - \$13,316,782;  
20 Clarke - \$13,198,729; Clay - \$13,844,489; Cleburne -  
21 \$13,844,489; Coffee - \$13,940,344; Colbert - \$14,005,929;  
22 Conecuh - \$14,005,929; Coosa - \$14,005,929; Covington -  
23 \$13,985,749; Crenshaw - \$14,005,929; Cullman - \$12,858,696;  
24 Dale - \$14,005,929; Dallas - \$14,005,929; DeKalb -  
25 \$13,277,431; Elmore - \$13,955,479; Escambia - \$14,005,929;  
26 Etowah - \$13,804,129; Fayette - \$11,751,823; Franklin -  
27 \$12,832,462; Geneva - \$13,890,903; Greene - \$13,019,127; Hale

1 - \$13,683,049; Henry - \$13,844,489; Houston - \$13,230,008;  
2 Jackson - \$13,884,849; Jefferson - \$12,116,072; Lamar -  
3 \$14,005,929; Lauderdale - \$14,005,929; Lawrence - \$14,005,929;  
4 Lee - \$14,005,929; Limestone - \$13,926,218; Lowndes -  
5 \$14,005,929; Macon - \$14,005,929; Madison - \$14,005,929;  
6 Marengo - \$13,521,609; Marion - \$11,946,560; Marshall -  
7 \$13,515,555; Mobile - \$14,005,929; Monroe - \$14,005,929;  
8 Montgomery - \$14,005,929; Morgan - \$13,924,200; Perry -  
9 \$13,927,227; Pickens - \$14,005,929; Pike - \$14,005,929;  
10 Randolph - \$13,807,156; Russell - \$14,005,929; Shelby -  
11 \$14,005,929; St. Clair - \$12,705,328; Sumter - \$14,005,929;  
12 Talladega - \$13,561,969; Tallapoosa - \$14,005,929; Tuscaloosa  
13 - \$11,086,892; Walker - \$7,663,355; Washington - \$12,819,345;  
14 Wilcox - \$13,925,209; Winston - \$11,746,778.

15           Sufficient safeguards shall be implemented to ensure  
16 that any indemnification funds received by a county for lost  
17 sixteenth section land pursuant to this resolution will  
18 increase and not supplant, replace, or decrease any existing  
19 state or local funds received from any other source for  
20 education purposes in the county.

21           Oversight of the process and procedures relating to  
22 the collection and distribution of indemnification funds,  
23 including the promulgation of any necessary rules, should be  
24 the responsibility of the Attorney General.

25           Alabama's Congressional Delegation is respectively  
26 requested to actively pursue such annual indemnification and  
27 take appropriate actions, including the enactment of necessary

1       legislation and the implementation of administrative action,  
2       to ensure Alabama is properly paid for lost sixteenth section  
3       land. Copies of this resolution shall be provided to each  
4       member of Alabama's Congressional Delegation, the President of  
5       the United States Senate, and the Speaker of the United States  
6       House of Representatives so that our deep interest in this  
7       matter is fully known.