



Senate Bill 224 Sectional Analysis
Short Title: Public Land: Sale/Lease/Commercial Develop

Section 1 Amends AS 38.04.045(b) by removing a clause requiring an official cadastral survey to be accomplished before the issuance of a long-term lease under AS 38.05.070.

Section 2 Amends AS 38.04.045 by adding a new subsection (c) granting the commissioner authority to require an official cadastral survey under (b) before issuance of a long-term lease under AS 38.05.070 or 38.05.400.

Section 3 Amends AS 38.05.055 to remove residency requirements, appeal language, and procedures for land sales. These provisions have been moved to Section 4.

Section 4 Amends AS 38.05.055 by adding new subsections, which outline residency requirements and sale procedures, and provide appeal provisions.

Section 5 Amends AS 38.05.065(a) to allow installment payments for land sale contracts, interests in land, and property sold under this chapter. The allowable length of installment payment periods is increased from 20 years to 30 years.

Section 6 Amends AS 38.05.065(c) by changing the word “foreclosure” to “termination.”

Section 7 Amends AS 38.05.065(d) by changing the word “foreclosure” to “termination.”

Section 8 Amends AS 38.05.065(e) by changing references to “foreclosure” to “termination” and allows hearings upon request rather than requiring a hearing.

Section 9 Amends AS 38.05.065(f) by changing references to “foreclosure” to “termination.”

Section 10 Amends AS 38.05.065(h) by removing a reference to subsection (b).

Section 11 Amends AS 38.05.065(h) by adding new subsections, outlining procedures for earnest money deposits, and allowing the commissioner to require that purchase prices be paid in full within 120 days of sale under certain circumstances.

Section 12 Amends AS 38.05.75(a) to add AS 38.05.400 to the list of exceptions for public auctions and sealed bids and requires lease compensation methods to be based on economic benefit to the state.

Section 13 Amends AS 38.05.75(f) by replacing a reference to “return on” to “benefit of.”

Section 14 Amends AS 38.05 by adding new section AS 38.05.400 entitled Article 13: Economic Development on State Land. This section provides authority, for the purposes of stimulating economic development, to designate state land as commercial development parks on qualified opportunity zones, state land nominated by a person, and land the commissioner deems appropriate. The section:

- Clarifies noticing requirements.
- Allows 55-year leases with an option to renew for another 55 years.
- Provides guidelines for terminations.
- Allows lessees in good standing the option to purchase the leased parcel, with lease payments credited toward the purchase price.
- Provides guidelines for the department’s reversionary interests in the commercial development parks it sells.
- Directs the department to establish compensation to obtain a fair return to the state.
- Outlines requirements to follow if more than one person offers to lease or purchase the same parcel with a commercial development park.
- Requires the department to adopt regulations to implement this section and provides a list of minimum requirements.

Section 15 Amends AS 38.05.965 by adding definitions for “good standing” and “public auction.”

Section 16 repeals AS 16.20.030(a)(8) and (9), AS 38.05.065(b), AS 41.21.518, and AS 41.21.520 AS 41.21.522.

Section 17 repeals Sections 2, 3, and 4 of chapter 132, SLA 1992 relating to the Business Park Wetlands Special Management Area.

Section 18 provides an effective date of January 1, 2027.