

HOUSE BILL NO. 191

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE THERRIAULT

Introduced: 2/22/95

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the management and disposal of state land and resources;
2 relating to certain remote parcel and homestead entry land purchase contracts and
3 patents; and providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. AS 38.04.020(a) is amended to read:

6 (a) The state [COMMISSIONER SHALL ESTABLISH A] land disposal
7 program consists of [BANK CONTAINING] state land identified and classified
8 under adopted regional land use plans for disposal into private ownership.

9 * Sec. 2. AS 38.04.020(b) is amended to read:

10 (b) The state land disposal program [BANK] does not include
11 (1) land nominated for selection or selected by a municipality to satisfy
12 a general grant land entitlement under AS 29.65 or former AS 29.18.201 - 29.18.213;
13 (2) land retained in state ownership for multiple-use management;
14 (3) land where less than a fee simple title has been conveyed;

1 (4) land retained in state ownership under an enactment of the
2 legislature or by the governor or a state agency under authority of law.

3 * **Sec. 3.** AS 38.04.020(e) is repealed and reenacted to read:

4 (e) The commissioner may annually submit to the governor an appropriation
5 request for the entire amount of funding estimated to be necessary for each project
6 proposal to allow survey and disposal of land proposed to be offered for (1) homestead
7 staking under AS 38.09; (2) agricultural, commercial, industrial, or other uses under
8 AS 38.05.055 or 38.05.057; or (3) other subdivisions. Each project proposal shall
9 include the general location of the land and the estimated cost of preliminary feasibility
10 studies, engineering design work, right-of-way acquisition, and construction of access
11 roads and capital improvements required by municipal subdivision ordinance or
12 regulation of the platting authority or otherwise necessary to develop and market the
13 land.

14 * **Sec. 4.** AS 38.04.020(g) is amended to read:

15 (g) **The** [AFTER JULY 1 OF EACH YEAR, THE] commissioner shall direct
16 the expenditure of money appropriated for the disposal of land in response to requests
17 made under (e) [AND (f)] of this section for the following:

18 (1) Land designated as suitable for homestead disposal shall be
19 [CLASSIFIED AND] surveyed under this chapter and AS 38.05 and made available
20 for staking and lease under AS 38.09.

21 (2) Land designated as suitable for subdivision and homesite disposal
22 shall be surveyed, subdivided, [CLASSIFIED,] and disposed of under this chapter,
23 AS 38.05, and AS 38.08.

24 (3) Land designated agricultural, commercial, industrial, or suitable for
25 other disposal shall be sold under AS 38.05.055 or 38.05.057.

26 * **Sec. 5.** AS 38.04.020(h) is amended to read:

27 (h) Individual parcels disposed of in subdivisions **intended for private**
28 **residential or recreational use** may not exceed five acres unless the commissioner
29 determines that a larger size is necessary to comply with municipal ordinances; [,] to
30 permit the design of a viable subdivision because of topographical features, soil
31 conditions, on-site sewage disposal requirements, or water drainage or supply

1 considerations that are unique to the subdivision; **to increase the return to the state**
2 **from the sale of the parcels;** [,] to minimize adverse effect on wildlife, fishery, public
3 recreation, timber, or other significant resources in the area; [,] or to minimize adverse
4 effect on other residential uses in the area.

5 * **Sec. 6.** AS 38.04.020(i) is amended to read:

6 (i) Nothing in this section prevents the disposal of other land by the
7 commissioner in accordance with AS 38.05.055, 38.05.057, 38.05.070, the issuance of
8 remote cabin permits under AS 38.05.079, AS 38.08, **AS 38.09,** or other law.

9 * **Sec. 7.** AS 38.04.021(a) is amended to read:

10 (a) A municipality may apply for financial assistance for the execution of a
11 land disposal program of general grant land entitlements received from the state under
12 AS 29.65 or former AS 29.18.201 - 29.18.213 by submitting a request to the
13 commissioner for inclusion in the request submitted to the **governor** [LEGISLATURE]
14 under AS 38.04.020(e). A municipality may request financial assistance for expenses
15 of surveying land, designing subdivision plats, installing improvements required by
16 municipal ordinance or regulation of the local platting authority, and other reasonable
17 direct costs of land disposal.

18 * **Sec. 8.** AS 38.04.021(b) is amended to read:

19 (b) A request by a municipality under this section must be accompanied by
20 (1) a schedule for the disposal of municipal land for the next five years;
21 the schedule shall be based on an assessment of the demand for private land within the
22 municipality [AND INCLUDED IN THE ASSESSMENT SUBMITTED UNDER
23 AS 38.04.020(f)];
24 (2) an estimate of the number of acres of municipal land that the
25 municipality plans to dispose of during each fiscal year of the five-year period;
26 (3) a description of the methods to be used for the disposal of
27 municipal land and the terms under which it will be offered to the public; and
28 (4) a description of the municipal land that the municipality plans to
29 dispose of each fiscal year during the five-year period.

30 * **Sec. 9.** AS 38.04.030 is amended to read:

31 Sec. 38.04.030. LAND AVAILABILITY PROGRAMS. Programs that may

1 be used by the director to make the state's land surface available for private use under
2 AS 38.04.020 - 38.04.055 include sale of whole or partial rights to the fee simple
3 estate, including conveyance of agricultural use rights; leasing; [OPEN-TO-ENTRY;]
4 homesiting; homesteading; permitting for construction and occupation of cabins in
5 isolated locations on land retained in state ownership; and other methods as provided
6 by regulation or other law. Notwithstanding a contrary provision of this title, a
7 land availability program adopted by regulation must provide for competitive
8 disposal, based on no less than fair market value, to serve the best interests of the
9 state.

10 * **Sec. 10.** AS 38.04.035 is amended to read:

11 Sec. 38.04.035. CRITERIA FOR PROGRAM SELECTION. In determining
12 which land availability program is appropriate for state land in different locations, the
13 director shall be guided by the following criteria:

14 (1) to cover public costs associated with private land use and to provide
15 the public with a fair return for publicly owned property, conveyance of state land to
16 private parties shall [SHOULD] be at fair market value except where otherwise
17 authorized by statute, or by an administrative regulation the adoption of which is
18 specifically permitted by statute;

19 (2) sale or lease programs should be used where land is readily
20 accessible to a major community center or where, because of a prime location on
21 waterfront or a transportation route or some other location characteristic, land has
22 relatively high real estate value;

23 (3) sale programs are preferred but lease programs should be used

24 (A) where special land use controls are required and there is a
25 high public interest in having certain types of land used for particular purposes;

26 (B) when the intended use is a temporary one;

27 (C) in commercial or industrial situations when a leasehold can
28 provide cash flow advantages to the lessee;

29 (D) when a unique location with special public values is
30 involved, as in a deep water port, hydroelectric site, or aquaculture facility;

31 (E) where current demand for private use is high, but

1 projections suggest that, in the future, the land may be more valuable for public
2 use, as in accessible waterfront recreation areas;

3 (4) for enabling isolated cabin development in remote locations where
4 survey and conveyance is impractical **at the anticipated time of cabin development**,
5 or where disposal of land would cause potential conflicts with other resources and
6 uses, or where a long-range interest in public ownership and use exist, a system for
7 cabin permits on public land may be used;

8 (5) limited or conditional title may be granted when the state's best
9 interest so dictates; among other things, title limitations may include grants of
10 agricultural interest only, retention of development rights, and retention of scenic or
11 other easements; a conditional title may be tied to a development schedule or other
12 standards of performance.

13 * **Sec. 11.** AS 38.05.050 is amended to read:

14 Sec. 38.05.050. DISPOSAL OF LAND FOR PRIVATE OWNERSHIP. The
15 commissioner shall determine the land to be disposed of for private use. The
16 commissioner shall determine the time and place of disposal. An auction sale, a
17 lottery sale, or a disposal of land for homesites **may** [SHALL] be held in a community
18 that is near the land to be sold or disposed of.

19 * **Sec. 12.** AS 38.05.055 is amended to read:

20 Sec. 38.05.055. AUCTION SALE PROCEDURES. Unless another method of
21 sale is required under this chapter, [AS 38.07, OR] AS 38.08, **or AS 38.09**, the sale
22 of state land shall be made at public auction to the highest qualified bidder as
23 determined by the director. The director may accept bids and sell state land under this
24 section at no less than 70 percent of the appraised fair market value of the land. [A
25 BIDDER MUST APPEAR IN PERSON AT THE AUCTION UNLESS MEDICAL
26 REASONS, ATTENDANCE AT SCHOOL, OR MILITARY SERVICE OUTSIDE
27 THE STATE PREVENT ATTENDANCE.] A bidder may be represented by an
28 attorney or agent at the auction [IF THE LAND OFFERED FOR DISPOSAL IS
29 COMMERCIAL, INDUSTRIAL, OR AGRICULTURAL LAND]. An aggrieved
30 bidder may appeal to the commissioner within five days after the sale for a review of
31 the director's determination. The sale shall be conducted by the director and at the

1 time of sale the successful bidder shall deposit an amount equal to five percent of the
2 purchase price. The director shall immediately issue a receipt containing a description
3 of the land or property purchased, the price bid, and the amount deposited. The
4 receipt shall be acknowledged in writing by the bidder.

5 * **Sec. 13.** AS 38.05.057(a) is amended to read:

6 (a) The commissioner may dispose of land, including land limited to use for
7 agricultural purposes, by lottery. The purchase price of land sold by lottery shall be
8 the fair market value of the land as determined by the commissioner. The
9 commissioner may sell land by lottery for less than the fair market value of the land
10 on a determination that scarcity of land for private use in the area of the land to be
11 sold has resulted in unrealistic land values. [THE COMMISSIONER SHALL
12 CONSULT WITH THE ASSESSOR OF A MUNICIPALITY BEFORE
13 DETERMINING THE PURCHASE PRICE FOR LAND THAT IS LOCATED IN
14 THE MUNICIPALITY AND THAT IS TO BE SOLD UNDER THIS SECTION.] The
15 lottery shall be conducted in public by the commissioner. A [AN APPLICANT MAY
16 NOT BE SELECTED TO PURCHASE LAND UNLESS THE APPLICANT IS
17 PRESENT ON THE DATE AND AT THE PLACE THAT THE LOTTERY IS
18 CONDUCTED UNLESS MEDICAL REASONS, ATTENDANCE AT SCHOOL, OR
19 MILITARY SERVICE OUTSIDE THE STATE PREVENT ATTENDANCE. AN
20 APPLICANT MAY BE REPRESENTED BY AN AGENT ON THE DAY OF THE
21 LOTTERY IF THE LAND OFFERED FOR SALE IS COMMERCIAL,
22 INDUSTRIAL, OR AGRICULTURAL LAND. ON THE DAY OF THE LOTTERY
23 A] purchaser selected by lot shall deposit an amount equal to five percent of the
24 purchase price **within 30 days after receiving notification of the selection.**

25 * **Sec. 14.** AS 38.05.069(e)(2) is repealed and reenacted to read:

26 (2) "adjacent" means that a tract of land has a common boundary or
27 corner to presently held land or is separated from the presently held land only by a
28 physical barrier such as a road or stream.

29 * **Sec. 15.** AS 38.05.090 is repealed and reenacted to read:

30 Sec. 38.05.090. REMOVAL OR REVERSION OF IMPROVEMENTS UPON
31 TERMINATION OF LEASES. (a) Unless otherwise agreed to in writing by the

1 commissioner, a lessee shall remove from a former leasehold

2 (1) all personal property, including above-ground and below-ground
3 tanks, transportable buildings, equipment, machinery, tools, and other goods, not
4 belonging to the state, within 30 days after termination of the lease; and

5 (2) all buildings and fixtures, including gravel pads, foundations, and
6 slabs, not belonging to the state, within 60 days after termination of the lease.

7 (b) Unless otherwise agreed to in writing by the commissioner, the lessee shall
8 restore the leasehold to a good and marketable condition, acceptable to the
9 commissioner, within 120 days after termination of the lease.

10 (c) If the lessee does not remove personal property, buildings, and fixtures as
11 required within the time specified under (a) of this section, title to the personal
12 property, buildings, and fixtures that remain automatically vests in the state unless the
13 commissioner elects to remove and dispose of the remaining personal property,
14 buildings, and fixtures of the lessee. The commissioner may assess upon the lessee
15 the cost of removing and disposing of personal property, buildings, and fixtures
16 remaining upon the land.

17 (d) If the lessee does not restore the land within the time period specified
18 under (b) of this section, the commissioner may have the land restored and assess the
19 costs upon the lessee.

20 (e) As part of a lease agreement, and in order to protect the public interest, the
21 commissioner may require terms for removal or reversion of improvements additional
22 to those specified in (a) - (d) of this section.

23 (f) Private residential improvements of a lessee that have become fixtures of
24 the land and that are not removed by that lessee upon termination of the lease shall be
25 purchased by the subsequent purchaser of the land if the improvements were
26 authorized in the former lease or by permit from the director and if they have a net
27 value of more than \$10,000. The net value is the value of the improvements as
28 determined by an appraisal approved by the commissioner, less all rents due the
29 department, all costs of restoration under (d) of this section, and all department
30 expenses estimated to be incurred in making the sale. After termination of the former
31 lessee's lease, and at additional times as determined necessary by the commissioner,

1 the value of the authorized residential fixtures shall be determined by an independent
2 appraisal made at the cost of the former lessee. A notice or offer by the state to sell
3 formerly leased land under this subsection must state (1) the appraised value of
4 authorized residential fixtures remaining on the land that must be purchased, and (2)
5 that that cost is included in the purchase price. Out of the proceeds of the sale, the
6 department shall pay to the former lessee the appraised value of the residential
7 improvements, less all rents due the department, all costs of restoration due the
8 department under (d) of this section, and all department expenses incurred in making
9 the sale.

10 (g) Personal property described in (c) of this section is not subject to AS 34.45
11 (Uniform Unclaimed Property Act).

12 * **Sec. 16.** AS 38.05.185(a) is amended to read:

13 (a) The acquisition and continuance of rights in and to deposits on state land
14 of minerals, which on January 3, 1959, were subject to location under the mining laws
15 of the United States, shall be governed by AS 38.05.185 - 38.05.275. Nothing in
16 AS 38.05.185 - 38.05.275 affects the law pertaining to the acquisition of rights to
17 mineral deposits owned by any other person or government. The director, with the
18 approval of the commissioner, shall determine that land from which mineral deposits
19 may be mined only under lease, and, subject to the limitations of AS 38.05.300, that
20 land that shall be closed to **location under AS 38.05.185 - 38.05.275** [MINING].
21 State land may not be closed to [MINING OR MINERAL] location **under**
22 **AS 38.05.185 - 38.05.275** except as provided in AS 38.05.300 and unless the
23 commissioner makes a finding that mining would be incompatible with significant
24 surface uses on the state land. State land may not be restricted to mining under lease
25 unless the commissioner determines that potential use conflicts on the state land
26 require that mining be allowed only under written leases issued under AS 38.05.205
27 or the commissioner has determined that the land was mineral in character at the time
28 of state selection. The determinations required under this subsection shall be made in
29 compliance with land classification orders and land use plans developed under
30 AS 38.05.300.

31 * **Sec. 17.** AS 38.05.190(a) is amended to read:

1 (a) The right to acquire exploration and mining rights under AS 38.05.185 -
2 38.05.275 may be acquired or held only by

3 (1) citizens of the United States at least 18 years of age;

4 (2) legal guardians or trustees of citizens of the United States under 18
5 years of age on behalf of the citizens;

6 (3) persons at least 18 years of age who have declared their intention
7 to become citizens of the United States;

8 (4) [ALIENS AT LEAST 18 YEARS OF AGE IF THE LAWS OF
9 THEIR COUNTRY GRANT LIKE PRIVILEGES TO CITIZENS OF THE UNITED
10 STATES;

11 (5)] corporations organized under the laws of the United States or of
12 any state or territory of the United States and qualified to do business in this state [,
13 EXCEPT THAT IF MORE THAN 50 PERCENT OF THE STOCK OF A
14 CORPORATION IS OWNED OR CONTROLLED BY ALIENS WHO ARE NOT
15 QUALIFIED, THE CORPORATION IS NOT QUALIFIED TO ACQUIRE OR HOLD
16 THE RIGHTS];

17 (5) [(6)] associations of persons described in (1) - (4) [(1) - (5)] of this
18 subsection.

19 * **Sec. 18.** AS 38.05.211(d) is repealed and reenacted to read:

20 (d) The rental amount established under this section shall be revised by the
21 commissioner as provided in this section based on changes in the Consumer Price
22 Index for all urban consumers, Anchorage Metropolitan Area (Semi-Annual Average)
23 compiled by the Bureau of Labor Statistics, United States Department of Labor, as
24 revised, rebased or replaced by that bureau. The reference base index is the index for
25 January - June, 1989, as revised or rebased by that bureau. The rental amount shall
26 be revised by the commissioner if the change between the index for the first six
27 months of the current year and the most recent index used to revise the rental, or the
28 reference base index if the rental amount has never been revised, equals or exceeds \$5.
29 The rental amount shall be increased or decreased, as appropriate, by an amount equal
30 to the change in the index described in this subsection rounded to the nearest whole
31 \$5 unit. The commissioner shall calculate the change in the index annually and, if the

1 rental amount must be revised, shall adopt a regulation establishing the revised rental
2 amount. A revised rental amount applies to a rental payment if the regulation
3 establishing the revised rental amount took effect at least 90 days before the date the
4 rental payment is due.

5 * **Sec. 19.** AS 38.05.255 is amended to read:

6 Sec. 38.05.255. SURFACE USE OF LAND OR WATER. Surface uses of
7 land or water included within mining properties by owners of those properties shall be
8 limited to those necessary for the prospecting for, extraction of, or basic processing of
9 mineral deposits and shall be subject to reasonable concurrent uses. **Leases**
10 [PERMITS] for millsites and tailings disposal may be **issued** [GRANTED] by the
11 director. The **leases** [PERMITS] shall be conditioned upon payment of a reasonable
12 **annual rent** [CHARGE] for the **lease** [USE] and **restriction to** [CONTINUANCE OF]
13 the limited use. Timber from land open to mining without lease, except timberland,
14 may be used by a mining claimant or prospecting site locator for the mining or
15 development of the location or adjacent claims under common ownership. On other
16 land, timber may be acquired as provided in this chapter. Use of water shall be made
17 in accordance with AS 46.15.

18 * **Sec. 20.** AS 38.05.255 is amended by adding a new subsection to read:

19 (b) A lease issued under this section is exempt from the provisions of
20 AS 38.05.070 - 38.05.105. The commissioner, by regulation, shall establish
21 appropriate leasing procedures and annual rent amounts for leases under this section.

22 * **Sec. 21.** AS 38.05.265 is amended to read:

23 Sec. 38.05.265. ABANDONMENT. Failure to properly record a certificate of
24 location or a statement of annual labor, [FILE WITH THE DIRECTOR WITHIN THE
25 TIME PRESCRIBED A LEASE APPLICATION,] pay any required annual rental, pay
26 any required production royalty, or keep location boundaries clearly marked as
27 required by AS 38.05.185 - 38.05.275 and by regulations adopted under these sections
28 constitutes abandonment of all rights acquired under the mining claim, leasehold
29 location, lease, or site involved, and the claim, location, lease, or site is subject to
30 relocation by others. A locator or claimant of an abandoned location or a successor
31 in interest may not relocate the location until one year after abandonment. A statement

1 of annual labor that does not accurately set out the essential facts is void and of no
2 effect. If an annual rental or a royalty payment is deficient but is otherwise timely
3 paid, abandonment does not result if full payment is made within

4 (1) the period prescribed by a deficiency notice from the commissioner;
5 or

6 (2) 30 days after a final judgment establishing the amount due if the
7 deficiency amount due was contested.

8 * **Sec. 22.** AS 38.05.850(a) is amended to read:

9 (a) The director, without the prior approval of the commissioner, may issue
10 permits, rights-of-way or easements on state land for roads, trails, ditches, field
11 gathering lines or transmission and distribution pipelines not subject to AS 38.35,
12 telephone or electric transmission and distribution lines, log storage, oil well drilling
13 sites and production facilities for the purposes of recovering minerals from adjacent
14 land under valid lease, and other similar uses or improvements, or **revocable,**
15 **nonexclusive permits** for the [LIMITED] personal **or commercial** use **or removal of**
16 **resources that the director has determined to be of limited value** [OF TIMBER OR
17 MATERIALS]. The commissioner, upon recommendation of the director, shall
18 establish a reasonable rate or fee schedule to be charged for these uses, subject to the
19 exception for nonprofit cooperative associations specified in (b) of this section. In the
20 granting, suspension or revocation of a permit or easement of land, the director shall
21 give preference to that use of the land which will be of greatest economic benefit to
22 the state and the development of its resources. However, first preference shall be
23 granted to the upland owner for the use of a tract of tideland, or tideland and
24 contiguous submerged land, which is seaward of the upland property of the upland
25 owner and which is needed by the upland owner for any of the purposes for which the
26 use may be granted.

27 * **Sec. 23.** AS 38.08.030(b) is amended to read:

28 (b) Fees for filing an application may not exceed **\$25** [\$10].

29 * **Sec. 24.** AS 38.08.040(a) is amended to read:

30 (a) An applicant meeting the qualifications for homesite entry under
31 AS 38.08.030 **and selected under (f) of this section** shall be issued a revocable permit

1 to occupy and improve the homesite in order to qualify for issuance of patent as
2 provided in this chapter. **The holder of a homesite entry permit shall pay, in**
3 **advance, an annual rental fee of \$100.** [THE APPLICATION FEE IS THE SOLE
4 RENT CHARGEABLE ON THE PERMIT FOR ITS DURATION.]

5 * **Sec. 25.** AS 38.08.040 is amended by adding a new subsection to read:

6 (f) If only one application for a homesite parcel is received, the commissioner
7 shall offer an entry permit for the parcel to the applicant provided the applicant is
8 otherwise qualified. If more than one application is received for a parcel, the
9 commissioner shall select by lottery the applicant who is entitled to receive the permit
10 for the parcel. The lottery shall be conducted under regulations adopted by the
11 commissioner that are to the maximum extent practicable consistent with the provisions
12 of AS 38.05.057 and the regulations adopted under that section.

13 * **Sec. 26.** AS 38.09.010(g) is amended to read:

14 (g) The commissioner may limit the number of persons permitted to stake
15 homestead entries within an area designated under (a) of this section by a lottery of
16 qualified applicants. [THE COMMISSIONER MAY CONDUCT A LOTTERY HELD
17 UNDER THIS SUBSECTION IN THE COMMUNITY THAT IS CLOSEST TO THE
18 AREA DESIGNATED FOR HOMESTEAD ENTRY. THE COMMISSIONER MAY
19 REQUIRE THAT EACH PARTICIPANT IN THE LOTTERY BE PRESENT UNLESS
20 ATTENDANCE AT THE LOTTERY IS PREVENTED BY

21 (1) MEDICAL REASONS, ATTENDANCE AT SCHOOL, OR
22 MILITARY SERVICE OUTSIDE THE STATE; OR

23 (2) A MANDATORY, UNAVOIDABLE EMPLOYMENT
24 COMMITMENT DETERMINED VALID BY THE COMMISSIONER BEFORE THE
25 SALE.]

26 * **Sec. 27.** AS 38.09.030(a) is amended to read:

27 (a) An applicant for a homestead entry permit shall

28 (1) submit proof acceptable to the commissioner that the applicant is
29 at least 18 years of age and has been a resident of the state for not less than one year
30 immediately before the date of application;

31 (2) pay a fee of \$5 per acre according to the description provided by

1 the applicant **if the entry is on land classified agricultural, or \$20 per acre if the**
2 **entry is on land not classified agricultural;**

3 (3) agree to comply with the requirements of AS 38.09.050;

4 (4) certify that the corners of the land entered have been staked and the
5 boundaries have been flagged; **and** [OR]

6 (5) assume full responsibility for the accuracy of the description of the
7 land filed with the commissioner under AS 38.09.020(b).

8 * **Sec. 28.** AS 38.09 is amended by adding a new section to read:

9 Sec. 38.09.105. REMOVAL OF CONDITIONS ON REMOTE PARCEL AND
10 HOMESTEAD ENTRY LAND. (a) The commissioner may not include the
11 conditions of former AS 38.05.078(d) in a remote parcel purchase contract issued on
12 or after the effective date of this section.

13 (b) The commissioner shall amend a remote parcel or homestead entry land
14 purchase contract or patent issued before the effective date of this section to remove
15 the conditions of former AS 38.05.078(d) or former AS 38.09.050(e) if the holder of
16 the purchase contract or patent

17 (1) requests the amendment;

18 (2) pays the reasonable administrative costs of the amendment as
19 determined by the commissioner; and

20 (3) pays the difference, as established by the commissioner, between
21 the land's fair market value before the amendment and the estimated fair market value
22 after the amendment.

23 * **Sec. 29.** AS 38.04.020(c), 38.04.020(f), 38.04.020(j), 38.04.020(k);
24 AS 38.05.035(e)(6)(F), 38.05.057(g), 38.05.057(j), 38.05.207, 38.05.945(g); AS 38.09.050(d),
25 and 38.09.050(e) are repealed.

26 * **Sec. 30.** Notwithstanding AS 41.21.120 - 41.21.125, within Township 10 North, Range
27 1 East, Seward Meridian, the commissioner of natural resources may

28 (1) convey a property interest in land to the Alaska Railroad Corporation for
29 the purpose of realigning the railroad in conjunction with the relocation of the Seward
30 Highway, provided that the property interest conveyed must be equivalent to that conveyed
31 to the state-owned railroad under 45 U.S.C. 1201 - 1214 (Alaska Railroad Transfer Act of

1 1982) and shall be held and managed by the Alaska Railroad Corporation under AS 42.40;

2 (2) grant a 300 foot wide highway easement to the Department of
3 Transportation and Public Facilities for the relocated Seward Highway;

4 (3) grant a 100 foot wide utility easement to Chugach Electric Association,
5 Inc., for the relocation of the 115 kilovolt electric transmission line (Federal Power
6 Commission project no. 2170, AA-39417, and ADL 32417) and the electric distribution line
7 (A-029885) located within the Chugach State Park.

8 * **Sec. 31.** TRANSITIONAL PROVISIONS: REGULATIONS. (a) Notwithstanding
9 sec. 32 of this Act, the Department of Natural Resources may proceed to adopt regulations
10 necessary to implement the changes made by this Act. The regulations take effect under
11 AS 44.62 (Administrative Procedure Act), but not before July 1, 1995.

12 (b) To the extent they are consistent with AS 38.08, regulations governing the
13 selection of applicants for homesite parcels under AS 38.08 in effect on the effective date of
14 this Act remain in effect notwithstanding the amendments to AS 38.08.040, made by secs. 24
15 and 25 of this Act, until the regulations are amended, repealed, or superseded.

16 * **Sec. 32.** Except for sec. 31 of this Act, this Act takes effect July 1, 1995.

17 * **Sec. 33.** Section 31 of this Act takes effect immediately under AS 01.10.070(c).