

**SENATE BILL NO. 110**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATOR WILKEN

Introduced: 3/18/99

Referred: Judiciary

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to liability involving certain property acquired by a governmental  
2 entity; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 46.03.822(c) is amended to read:

5 (c) For purposes of (b)(1)(B) of this section, a third party or an agent of a  
6 third party is in privity of contract with the person who is otherwise liable [,] if the  
7 third party or its agent and the person are parties to a land contract, deed, or other  
8 instrument transferring title or possession of the real property on which the facility in  
9 question is located, unless that property was acquired by the person after the disposal  
10 or placement of the hazardous substance on, in, or at the facility, and the person  
11 establishes that the person has satisfied the requirements of (b)(1)(B) of this section  
12 and establishes that

13 (1) at the time the person acquired the facility, the person did not know  
14 and had no reason to know that a hazardous substance that is the subject of the release

1 or threatened release was disposed of on, in, or at the facility;

2 (2) the person is a governmental entity that acquired the facility

3 (A) by escheat, **bankruptcy, foreclosure, tax delinquency, or**  
 4 **abandonment;**

5 (B) [OR] through **an** [ANOTHER] involuntary transfer or  
 6 acquisition; [,] or

7 (C) through the exercise of eminent domain authority by  
 8 purchase or condemnation;

9 (3) the person is a corporation organized under 43 U.S.C. 1601 - 1629e  
 10 (Alaska Native Claims Settlement Act) that acquired the facility under those sections;

11 (4) the person acquired the facility by inheritance or bequest; or

12 (5) the person is a state governmental entity and the state acquired the  
 13 facility under Public Law 85-508 (Alaska Statehood Act).

14 \* **Sec. 2.** APPLICABILITY. AS 46.03.822(c)(2), as amended in sec. 1 of this Act, applies  
 15 to property acquired by a governmental entity on or after the effective date of this Act. For  
 16 purposes of this section, when foreclosure by a municipality is involved, the property is  
 17 acquired on the date it is deeded to the municipality under AS 29.45.450.

18 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).