

**CS FOR HOUSE BILL NO. 319(FIN) am**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 4/23/04

Offered: 4/21/04

Sponsor(s): REPRESENTATIVES FATE, Wolf, Foster, Ogg, Lynn

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the disposal of state land by lottery; relating to the reservation of**  
2 **rights by the state in land contracts and deeds; relating to the disposal, including sale or**  
3 **lease, of remote recreational cabin sites; and providing for an effective date."**

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

5 \* **Section 1.** 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 on  
10 a determination that scarcity of land for private use in the area of the land to be sold  
11 has resulted in unrealistic land values. The lottery shall be conducted in public by the  
12 commissioner. A purchaser selected by lot shall deposit an amount equal to **10** [FIVE]  
13 percent of the purchase price within 30 days after receiving notification of the  
14 selection.

1 \* **Sec. 2.** AS 38.05.125(a) is amended to read:

2 (a) Each contract for the sale, lease, or grant of state land, and each deed to  
 3 state land, properties, or interest in state land, made under AS 38.05.045 - 38.05.120,  
 4 38.05.321, **38.05.600**, 38.05.810 - 38.05.825, AS 38.08, or AS 38.50, except as  
 5 provided in AS 38.50.050, is subject to the following reservations: "The party of the  
 6 first part, Alaska, hereby expressly saves, excepts, and reserves out of the grant hereby  
 7 made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores,  
 8 minerals, fissionable materials, geothermal resources, and fossils of every name, kind,  
 9 or description, and which may be in or upon said land above described, or any part  
 10 thereof, and the right to explore the same for such oils, gases, coal, ores, minerals,  
 11 fissionable materials, geothermal resources, and fossils, and it also hereby expressly  
 12 saves and reserves out of the grant hereby made, unto itself, its lessees, successors,  
 13 and assigns forever, the right to enter by itself, its or their agents, attorneys, and  
 14 servants upon said land, or any part or parts thereof, at any and all times for the  
 15 purpose of opening, developing, drilling, and working mines or wells on these or other  
 16 land and taking out and removing therefrom all such oils, gases, coal, ores, minerals,  
 17 fissionable materials, geothermal resources, and fossils, and to that end it further  
 18 expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and  
 19 assigns forever, the right by its or their agents, servants, and attorneys at any and all  
 20 times to erect, construct, maintain, and use all such buildings, machinery, roads,  
 21 pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such  
 22 soil, and to remain on said land or any part thereof for the foregoing purposes and to  
 23 occupy as much of said land as may be necessary or convenient for such purposes  
 24 hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid,  
 25 generally all rights and power in, to, and over said land, whether herein expressed or  
 26 not, reasonably necessary or convenient to render beneficial and efficient the complete  
 27 enjoyment of the property and rights hereby expressly reserved."

28 \* **Sec. 3.** AS 38.05.600(a) is amended to read:

29 (a) The commissioner may provide for the sale or lease of state land for  
 30 remote recreational cabin sites. Sales under this section shall be at fair market value  
 31 determined as of the time of entry **by the department or by an appraiser from the**

1 **list of appraisers approved by the department. Land to be sold under this section**  
 2 **shall be surveyed before sale by the department or by a surveyor registered**  
 3 **under AS 08.48. The appraisal and survey shall be completed within 24 months**  
 4 **of entry. The** [, AND THE] purchaser shall **pay for the appraisal and survey or**  
 5 reimburse the state for the appraisal, survey, and platting costs for the recreational  
 6 cabin site.

7 \* **Sec. 4.** AS 38.05.600 is amended by adding new subsections to read:

8 (d) Each year, subject to appropriation from the state land disposal income  
 9 fund under AS 38.04.022, to implement this section, the commissioner shall

10 (1) prepare a schedule of land offerings under this section and identify  
 11 the parcels for disposal each year; the land offerings may not include mineral land  
 12 selected by the state or lands identified by the department as having a high mineral  
 13 potential; the department's identification of land having a high mineral potential shall  
 14 be based on standards adopted by the department in regulations and shall include  
 15 consideration of a geophysical survey or geological evaluation, if any, that was  
 16 conducted within 15 calendar years before the year for which the schedule is prepared;

17 (2) provide public notice of the proposed land offerings; and

18 (3) disclose all land offerings with mineral potential.

19 (e) The commissioner may solicit nominations each year from the residents of  
 20 the state for areas to be offered for disposal under this program. The commissioner  
 21 may add areas nominated by a resident to the schedule prepared under (d) of this  
 22 section if the land is classified for disposal or the disposal is consistent with other  
 23 requirements of AS 38.04 and this chapter.

24 (f) A resident may nominate a parcel for disposal under this section and, if the  
 25 resident has not leased or purchased land under this section during the three-year  
 26 period preceding the date of nomination, may apply for a lease for the nominated  
 27 parcel under (b) of this section.

28 (g) A parcel sold under this section may not exceed 10 acres. A parcel sold  
 29 under this section may include lake, river, or other navigable water frontage, subject to  
 30 the following limitations:

31 (1) the lake, river, or other navigable water frontage must be at least

1 300 feet and may not exceed 700 feet;

2 (2) only one parcel with frontage on a lake may be sold under this  
3 section for each five acres of water of that lake unless, in the public interest, the  
4 commissioner adopts a regulation indicating a different ratio of water to each parcel  
5 with frontage; and

6 (3) a parcel sold under this section is subject to 16 U.S.C. 3101(d) and  
7 16 U.S.C. 3213 (Alaska National Interest Lands Conservation Act).

8 (h) In this section, "resident" means a person who

9 (1) is physically present in the state with the intent to remain in the  
10 state indefinitely and to make a home in the state;

11 (2) has maintained the person's domicile in the state for the 12  
12 consecutive months immediately preceding the nomination of a parcel or area for  
13 disposal;

14 (3) is not claiming residency in another state, territory, or country; and

15 (4) is not obtaining benefits under a claim of residency in another state,  
16 territory, or country.

17 (i) Nothing in this section shall impede the state's authority under existing law  
18 to reserve a public easement allowing public access to, or along, a river, lake, or other  
19 water described in this section.

20 **\*Sec. 5.** AS 38.05.600(f), as enacted in sec. 4 of this Act, takes effect January 1, 2005.