

**SENATE BILL NO. 293**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

**BY SENATOR MCGUIRE**

**Introduced: 2/24/10**

**Referred: Resources, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to a preference right to purchase or lease certain state land."**

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

3 \* **Section 1.** AS 38.05.035(f) is amended to read:

4 (f) The director shall grant a preference right to the purchase or lease without  
5 competitive bid of up to five acres of state land to an individual **who has a state use**  
6 **permit for or state lease of that land and** who has erected a building on the land and  
7 used the land for bona fide business purposes for **10** [FIVE] or more years  
8 **immediately** [UNDER A FEDERAL PERMIT OR WITHOUT THE NEED FOR A  
9 PERMIT AND, AFTER SELECTION BY THE STATE, UNDER A STATE USE  
10 PERMIT OR LEASE, IF THE BUSINESS PRODUCED NO LESS THAN 25  
11 PERCENT OF THE TOTAL INCOME OF THE APPLICANT FOR THE FIVE  
12 YEARS] preceding the application to purchase or lease the land. The director shall sell  
13 or lease the land at a price determined by the director to represent the current fair  
14 market value of the unimproved land but in no event less than the cost of  
15 administration including survey if required. If the director determines in a written

1 finding that the purchase or lease of the land would interfere with public use by  
2 residents of the area, the director may condition the purchase or lease to mitigate the  
3 adverse effects on the public use. **A change in land classification adopted after the**  
4 **state use permit or state lease was executed does not bar the individual from**  
5 **obtaining the preference right to the land** [OR MAY REJECT THE  
6 APPLICATION FOR THE PREFERENCE RIGHT]. A lease granted under this  
7 subsection may not be for a period in excess of 50 years. In this subsection, "business  
8 purposes" means a purpose permitted under the classification of the land at the time  
9 the land was entered.

10 \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
11 read:

12 APPLICABILITY. AS 38.05.035(f), as amended by sec. 1 of this Act, applies only to  
13 applications for purchase or lease under that subsection that are filed on or after the effective  
14 date of this Act.