

HOUSE BILL NO. 361

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/29/12

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Alaska Land Act, including certain lease, sale, and other
2 disposal of state land and materials; relating to production royalties from miners;
3 relating to rights to use state water; and providing for an effective date."

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

5 * **Section 1.** AS 38.05.055 is amended to read:

6 **Sec. 38.05.055. Auction sale or sealed bid procedures.** Unless another
7 method of sale is required under this chapter, AS 38.08, or AS 38.09, the sale of state
8 land shall be made at public auction **or by sealed bid, at the discretion of the**
9 **director,** to the highest qualified bidder as determined by the director. The director
10 may accept bids and sell state land under this section at no less than 70 percent of the
11 appraised fair market value of the land. To qualify to participate under this section in a
12 public auction **or sale by sealed bid** of state land that is other than commercial,
13 industrial, or agricultural land, a bidder shall have been a resident of the state for at
14 least one year immediately preceding the date of the **sale** [AUCTION] and submit

1 proof of that fact, as the commissioner requires by regulation. A bidder may be
2 represented by an attorney or agent at a public [THE] auction. An aggrieved bidder
3 may appeal to the commissioner within five days after the sale for a review of the
4 director's determination. The sale shall be conducted by the director, and, at the time
5 of sale, the successful bidder shall deposit an amount equal to five percent of the
6 purchase price. The director shall immediately issue a receipt containing a description
7 of the land or property purchased, the price bid, and the amount deposited. The receipt
8 shall be acknowledged in writing by the bidder.

9 * **Sec. 2.** AS 38.05.065(a) is amended to read:

10 (a) The contract of sale for land sold at public auction or by sealed bid under
11 AS 38.05.055 shall require the remainder of the purchase price to be paid in monthly,
12 quarterly, or annual installments over a period of not more than 20 years, with interest
13 at the rate provided in (i) of this section. Installment payments plus interest shall be set
14 on the level-payment basis.

15 * **Sec. 3.** AS 38.05.069(a) is amended to read:

16 (a) After consulting with the Board of Agriculture and Conservation
17 (AS 03.09.010), on a determination that the highest and best use of unoccupied land is
18 for agricultural purposes and that it is in the best interests of the state to sell or lease
19 the land, the commissioner shall grant to an Alaska resident owning and using or
20 leasing and using land for agricultural purposes a first option [AT THE AUCTION] to
21 purchase or lease the unoccupied land situated adjacent to land presently held by the
22 Alaska resident for the amount of the high bid received at public auction or by sealed
23 bid. If more than one Alaska resident qualifies for a first option under this section,
24 eligibility for the first option shall be determined by lot and the option must be
25 exercised on the conclusion of the public auction or opening of sealed bids. A parcel
26 of agricultural land sold under this section may not be less than 20 acres, and a parcel
27 of agricultural land that is acquired by exercise of the option granted in this subsection
28 may not exceed 320 acres. Agricultural land that is acquired under this section must be
29 used for agricultural purposes as required by law.

30 * **Sec. 4.** AS 38.05.069(c) is amended to read:

31 (c) Under this section,

1 (1) the director may transfer state land classified for agriculture only
2 for agricultural purposes;

3 (2) the sale or lease shall be at public auction **or by sealed bid**.

4 * **Sec. 5.** AS 38.05.070(b) is amended to read:

5 (b) The director, with the approval of the commissioner, shall determine the
6 land to be leased and the limitations, conditions, and terms of the lease. The director
7 shall preserve reasonable and traditional access to state land and water. If the
8 appraised value of the transaction is **\$10,000** [\$5,000] a year or less the director may
9 negotiate a lease for a period not to exceed 10 years, and on the limitations,
10 conditions, and terms that the director considers are in the best interests of the state. A
11 lease negotiated under this subsection is not eligible for a preference under
12 AS 38.05.102.

13 * **Sec. 6.** AS 38.05.070 is amended by adding new subsections to read:

14 (d) If, after notice under AS 38.05.945 soliciting interest for a competitive
15 auction, the department determines that only one potential bidder has expressed
16 interest in bidding, the director may cancel the competitive auction and negotiate a
17 lease and its conditions and terms that the director determines to be in the best
18 interests of the state.

19 (e) The director may renew a lease issued under this section, AS 38.05.075, or
20 38.05.810 upon its expiration if the lease is in good standing and the lease renewal is
21 determined to be in the best interests of the state. A renewal issued under this
22 subsection is not subject to AS 38.05.035(e). A lease may only be renewed once for a
23 term no longer than the initial term of the lease.

24 * **Sec. 7.** AS 38.05.073(g) is amended to read:

25 (g) After soliciting proposals under (e) of this section, if the commissioner
26 determines that two or more potential lessees are acceptable, the commissioner may
27 select the potential lessee who submits the highest bid during **a public** [AN] auction or
28 by sealed bids, whichever method the commissioner chooses. The minimum bid must
29 equal the amount established by the commissioner plus the administrative fee
30 established under (k) of this section. The commissioner shall also require the potential
31 lessee to make an earnest money deposit under AS 38.05.860(b). After the

1 commissioner selects a potential lessee, the commissioner may begin negotiations with
2 the potential lessee to develop the terms and conditions for the lease.

3 * **Sec. 8.** AS 38.05.075(a) is amended to read:

4 (a) Except as provided in AS 38.05.035, 38.05.070, 38.05.073, 38.05.082,
5 38.05.083, 38.05.087, 38.05.102, 38.05.600, 38.05.810, and this section, **when**
6 **competitive interest has been demonstrated or the commissioner determines that**
7 **it is in the state's best interests,** leasing shall be made at public auction **or by sealed**
8 **bid, at the discretion of the director,** to the highest qualified bidder as determined by
9 the commissioner. **A bidder may be represented by an attorney or agent at a**
10 **public auction.** In the public notice of a lease to be offered at public auction **or by**
11 **sealed bid,** the commissioner shall specify a minimum acceptable bid and the lease
12 compensation method. The lease compensation method shall be designed to maximize
13 the return on the lease to the state and shall be a form of compensation set out in
14 AS 38.05.073(m). An aggrieved bidder may appeal to the commissioner within five
15 days for a review of the determination. The leasing shall be conducted by the
16 commissioner and the successful bidder shall deposit at the **public** auction **or with the**
17 **sealed bid** the first year's rental or other lease compensation as specified by the
18 commissioner, or that portion of it that the commissioner requires in accordance with
19 the bid. The commissioner shall require, under AS 38.05.860, qualified bidders to
20 deposit a sum equal to any survey or appraisal costs reasonably incurred by another
21 qualified bidder acting in accordance with the regulations of the commissioner or
22 incurred by the department under AS 38.04.045 and AS 38.05.840. If a bidder making
23 a deposit of survey or appraisal costs is determined by the commissioner to be the
24 highest qualified bidder under this subsection, the deposit shall be paid to the
25 unsuccessful bidder who incurred those costs or to the department if the department
26 incurred the costs. All costs for survey and appraisal shall be approved in advance in
27 writing by the commissioner. The commissioner shall immediately issue a receipt
28 containing a description of the land or interest leased, the price bid, and the terms of
29 the lease to the successful qualified bidder. If the receipt is not accepted in writing by
30 the bidder under this subsection, the commissioner may offer the land for lease again
31 under this subsection. A lease, on a form approved by the attorney general, shall be

1 signed by the successful bidder and by the commissioner [WITHIN THE PERIOD
2 SPECIFIED IN THE AUCTION NOTICE].

3 * **Sec. 9.** AS 38.05.083(a) is amended to read:

4 (a) The commissioner may offer to the public for lease at public auction or by
5 sealed bid under AS 38.05.075 or by negotiation under AS 38.05.070 a site for
6 aquatic farming or related hatchery operations. Before a final decision to issue or
7 renew a lease under this section, the commissioner shall give notice and allow
8 opportunity for comment in accordance with AS 38.05.945 and may hold a hearing to
9 take testimony. Before a final decision to issue or renew a lease under this section, the
10 commissioner shall consider all relevant comment or testimony submitted under this
11 section, AS 38.05.945, or 38.05.946.

12 * **Sec. 10.** AS 38.05.110(a) is amended to read:

13 (a) The commissioner shall provide for cruises of timber on [AND
14 APPRAISALS OF OTHER MATERIALS IN OR UPON] state land and shall assess
15 the supply of and current markets for timber on [AND OTHER MATERIALS IN]
16 privately owned land in close proximity to state land to determine

17 (1) the timber [AND OTHER MATERIALS] that should be offered for
18 sale; and

19 (2) the terms of sale of the timber [OR OTHER MATERIALS].

20 * **Sec. 11.** AS 38.05.120 is amended to read:

21 **Sec. 38.05.120. Disposal procedure.** Timber [AND OTHER MATERIALS]
22 shall be sold either by sealed bids or public auction, depending on which method is
23 determined by the commissioner to be in the best interests of the state, to the highest
24 qualified bidder as determined by the commissioner. An aggrieved bidder may appeal
25 to the commissioner within five days after the sale for a review of the determination.
26 The sale shall be conducted by the commissioner, and at the time of sale the successful
27 bidder shall deposit the amount specified in the terms of sale. The means by which the
28 amount of deposit is determined shall be prescribed by appropriate regulation. The
29 commissioner shall immediately issue a receipt containing a description of the timber
30 [OR MATERIALS] purchased, the price bid, and the terms of sale. The receipt shall
31 be accepted in writing by the bidder. A contract of sale, on a form approved by the

1 attorney general, shall be signed by the purchaser and the contract shall be signed by
 2 the commissioner on behalf of the state. The commissioner may impose conditions,
 3 limitations, and terms considered necessary and proper to protect the interests of the
 4 state. Violation of any provision of this chapter or the terms of the contract of sale
 5 subjects the purchaser to appropriate legal action.

6 * **Sec. 12.** AS 38.05.212(a) is amended to read:

7 (a) In exchange for and to preserve the right to extract and possess the
 8 minerals produced, the holder of a mining claim, leasehold location, or mining lease,
 9 including a mining lease under AS 38.05.250, shall pay a royalty on all minerals
 10 produced from land subject to the claim, leasehold location, or mining lease during
 11 each calendar year, **or each fiscal year if the miner does not file the mining license**
 12 **tax on a calendar year basis. The department may exempt, by regulation, small**
 13 **operations from the production royalty otherwise required by this section.**

14 * **Sec. 13.** AS 38.05.250(c) is amended to read:

15 (c) Each submerged land mining lease shall be for a period of up to 20 years
 16 and for so long as there is production in paying quantities from the leased area. **A**
 17 **submerged land mining lease may be renewed for a period of up to 20 years at**
 18 **the discretion of the director if the director determines that the renewal is in the**
 19 **best interests of the state.**

20 * **Sec. 14.** AS 38.05 is amended by adding new sections to read:

21 **Article 14A. Material Sales.**

22 **Sec. 38.05.550. Disposal of materials.** (a) All materials owned in fee by the
 23 state may be sold or conveyed as provided in AS 38.05.550 - 38.05.565.

24 (b) Materials may only be sold or removed from sources or sites designated by
 25 the department. The department shall issue a decision under AS 38.05.035(e) that the
 26 sale and extraction of materials from that location is in the best interests of the state at
 27 the time each source or site is designated. The department shall give notice, in
 28 accordance with AS 38.05.945, of the department's decision to designate a source or
 29 site for the sale and extraction of materials. After decision and notice, the department
 30 may sell materials continuously, without further finding or notice, from that
 31 designated source or site under this section until the source or site is closed by the

1 department.

2 (c) Each sale of materials must be made through a materials sales contract on a
3 form that has been approved by the attorney general. At the time of each sale the
4 department shall determine

5 (1) the location of the source or site from which materials are to be
6 removed;

7 (2) the method of disposal as provided in AS 38.05.555 - 38.05.565;
8 and

9 (3) the limitations, conditions, and terms of sale, which shall address
10 the utilization, development, and maintenance of the source of the materials.

11 (d) The commissioner shall provide for valuation of materials in or upon state
12 land. Materials sold or conveyed under AS 38.05.550 - 38.05.565 may, at the
13 director's discretion, be sold either at

14 (1) representative regional sales prices periodically determined by the
15 commissioner for each type of material and for defined geographic regions, under
16 procedures established by regulation; public notice under AS 38.05.945 must be made
17 whenever the commissioner revises the representative regional sales prices;

18 (2) fair market value determined by appraisal completed and approved
19 within two years of the date of sale; or

20 (3) a price less than appraised value, determined under
21 AS 38.05.810(a).

22 **Sec. 38.05.555. Negotiated sales and personal use of materials.** (a)
23 Notwithstanding any other provision of AS 38.05.550 - 38.05.565, the director may
24 negotiate the sale of any amount of materials from a source or site designated under
25 AS 38.05.550(b). The period of a contract for a sale of materials negotiated under this
26 section may not exceed five years.

27 (b) Sales of materials under this section must be made at a representative
28 regional sales price set by the commissioner under AS 38.05.550(d)(1) unless

29 (1) the director determines that it is in the best interests of the state to
30 sell the materials at fair market value determined by an appraisal provided by the
31 department;

1 (2) the applicant, at its own cost, elects to provide an appraisal,
2 acceptable to the department, determining the fair market value of the materials to be
3 sold; or

4 (3) the sale is to a state or federal agency, or political subdivision
5 under AS 38.05.810(a) and the material to be extracted and removed is used for public
6 purposes; sales under this paragraph may be at a price less than appraised value as
7 determined by the director.

8 (c) Subsequent sales of similar materials from the same source or site may be
9 made by the department at the price established by an appraisal provided under (b) of
10 this section.

11 (d) Individual negotiated contracts for the sale of materials authorized by (a)
12 of this section are not subject to AS 38.05.035(e) or 38.05.945.

13 (e) Materials from a source or site designated under AS 38.05.550(b) may be
14 extracted and removed for personal use without cost up to a limit of two cubic yards
15 per person within a one calendar year period. Extraction and removal of materials
16 under this subsection must be approved by the department before extraction
17 operations.

18 **Sec. 38.05.560. Competitive sales of materials.** (a) The department shall offer
19 materials from a source or site designated under AS 38.05.550(b) for competitive sale
20 if the department determines that

21 (1) the sale would result in an exclusive use by the purchaser of a
22 designated source or site;

23 (2) materials available at a designated source or site are insufficient to
24 supply all anticipated buyers;

25 (3) the size of the designated source or site is too small to
26 accommodate the extraction operations of all anticipated buyers; or

27 (4) it is in the best interests of the state.

28 (b) Notice of a competitive sale of materials from a source or site designated
29 under AS 38.05.550(b) shall be given under AS 38.05.945(a)(4) and shall

30 (1) describe the location of the designated source or site, and the type
31 and quantity of the materials to be sold;

1 (2) solicit potential bidders to register with the department to
2 participate in the proposed sale; only persons registered to bid at a proposed sale of
3 materials may bid; and

4 (3) include the minimum bid for materials to be sold.

5 (c) A notice of competitive sale required under (b) of this section may be
6 combined with a notice required under AS 38.05.550.

7 (d) If, after notice under (b) of this section, only one potential bidder has
8 registered to bid at a proposed competitive sale, the competitive sale may be cancelled
9 and the materials sold by negotiation under AS 38.05.555.

10 (e) Materials sold under this section may be sold either by sealed bid or by
11 public outcry or online auction, in the discretion of the department, to the highest
12 qualified bidder as determined by the department. An aggrieved bidder may appeal to
13 the commissioner under AS 44.37.011 within five days after the sale for a review of
14 the determination. The sale shall be conducted by the director or the director's
15 designee, and at the time of sale the successful bidder shall deposit the amount
16 specified in the terms of sale. The means by which the amount of deposit is
17 determined shall be prescribed by regulation. The director shall immediately issue a
18 receipt containing a description of the materials purchased, the price bid, and the terms
19 of sale. The receipt shall be accepted in writing by the bidder. A contract of sale, on a
20 form approved by the attorney general, shall be signed by the purchaser and the
21 contract shall be signed by the director on behalf of the state. The director may impose
22 conditions, limitations, and terms considered necessary and proper to protect the
23 interests of the state.

24 **Sec. 38.05.562. Violations.** Violation of any provision of AS 38.05.550 -
25 38.05.565 or the terms of the contract of sale subjects the purchaser to appropriate
26 legal action.

27 **Sec. 38.05.565. Sale or disposal of materials for special purposes.** (a) The
28 department may negotiate the sale or otherwise dispose of materials from sources or
29 sites other than those designated under AS 38.05.550(b) to

30 (1) municipalities, other state and federal agencies, or other entities
31 under AS 38.05.872; sales under this section may be at less than fair market value and

1 materials may be disposed of free of charge if the director determines that such a
2 disposal is in the public interest;

3 (2) a licensed public utility or a licensed common carrier under
4 AS 38.05.810(e); sales under this section shall be at representative regional sales
5 prices determined under AS 38.05.550(d)(1); or

6 (3) a holder of a permit, land lease, or right-of-way issued by the
7 department, if the materials to be extracted and removed during the construction, use,
8 or maintenance of a facility authorized by a permit, land lease, or right-of-way, are
9 necessary and incidental to the primary purpose of the permit, land lease, or right-of-
10 way, and the materials are put to beneficial use in a way that alters the character,
11 usefulness, or availability of the materials in their native forms; the department may
12 authorize the sale of materials under terms of the permit, land lease, or right-of-way;
13 sales of materials under this paragraph must be at

14 (A) the representative regional sales price established under
15 AS 38.05.550(d)(1) unless the sale is to a state or federal agency, political
16 subdivision, or other entity under AS 38.05.810(a); or

17 (B) a price less than appraised value as determined by the
18 director if the sale is to a state or federal agency, political subdivision, or other
19 entity under AS 38.05.810(a) and the materials to be extracted and removed
20 are used for public purposes.

21 (b) If materials are moved within and not removed from the boundaries of a
22 permit, land lease, or right-of-way issued by the department, without altering the
23 character, usefulness, or availability of the materials in their native forms, the
24 applicant may not be required to purchase the materials.

25 (c) In this section, "land lease"

26 (1) means a lease issued under AS 38.05.070 - 38.05.105;

27 (2) does not include a lease issued under AS 38.05.131 - 38.05.275.

28 * **Sec. 15.** AS 38.05.810(b) is amended to read:

29 (b) Notwithstanding AS 38.05.070 - 38.05.080 and 38.05.095, the director,
30 upon application filed by an applicant eligible under (b) - (d) of this section, may, by
31 negotiation and without **competitive bid** [PUBLIC AUCTION] in the manner

1 prescribed in (b) - (d) of this section, lease state land for a term of not more than 55
 2 years. Before leasing, the director shall prepare a land use plan and a land
 3 classification to insure that the proposed use is compatible with area utilization. Before
 4 the land may be leased under (b) - (d) of this section, it must be shown to the
 5 satisfaction of the director that the land is to be used for an established or definitely
 6 proposed project, and that the eligible applicant has the financial ability to carry out
 7 the project. The commissioner may establish limitations on the acreage which may be
 8 leased under (b) - (d) of this section to an applicant.

9 * **Sec. 16.** AS 38.05.810(e) is amended to read:

10 (e) The lease, sale, or other disposal of state land at appraised fair market
 11 value may be negotiated with a licensed public utility or a licensed common carrier by
 12 the director with the approval of the commissioner if the utility or carrier reasonably
 13 requires the land for the conduct of its business under its license. **Notwithstanding**
 14 **AS 38.05.550 - 38.05.565, the sale of materials necessary for construction, use, or**
 15 **maintenance of property leased, sold, or disposed of under this section may be**
 16 **negotiated by the director.** A lease with a licensed public utility that is an electric
 17 utility entered into under this subsection may not include, as part of the rent or other
 18 fee that is negotiated or charged, an amount that is based on or determined by a
 19 percentage of gross revenue for renewable energy produced by the electric utility.

20 * **Sec. 17.** AS 38.05.872 is repealed and reenacted to read:

21 **Sec. 38.05.872. Disposition of state land and resources for flood control**
 22 **projects.** (a) The department may make conveyances of title or other interests in state
 23 land, provide for exchange of land, or make other arrangements with respect to state
 24 land, as necessary to meet federally established requirements of flood control projects
 25 authorized inside the state by the United States.

26 (b) The commissioner may convey materials at less than fair market value to
 27 municipalities, other state and federal agencies, or other entities, and make other
 28 arrangements for land and materials as mitigation of a flooding area where excess
 29 material deposition significantly contributes to the flooding, consistent with a site-
 30 specific flood mitigation plan approved by the commissioner and determined to be in
 31 the best interests of the public.

1 * **Sec. 18.** AS 38.05.945(b) is amended to read:

2 (b) When notice is required to be given under this section,

3 (1) the notice must contain sufficient information in commonly
4 understood terms to inform the public of the nature of the action and the opportunity
5 of the public to comment on it;

6 (2) if the notice is of a preliminary written finding described in
7 (a)(3)(A) of this section, the department shall give notice at the beginning of the public
8 comment period for the preliminary written finding, notifying the public of the right to
9 submit comments; the department shall give notice by

10 (A) **posting notice on the Alaska Online Public Notice**
11 **System for at least 30 consecutive days** [PUBLICATION OF A LEGAL
12 NOTICE IN NEWSPAPERS OF STATEWIDE CIRCULATION AND IN
13 NEWSPAPERS OF GENERAL CIRCULATION IN THE VICINITY OF
14 THE PROPOSED ACTION AT LEAST ONCE A WEEK FOR TWO
15 CONSECUTIVE WEEKS];

16 (B) publication of a notice in display advertising form
17 **describing the proposed action and referencing the online notice required**
18 **in (A) of this paragraph in newspapers of statewide circulation and in**
19 **newspapers of general circulation in the vicinity of the proposed action, if**
20 **available,** [IN THE NEWSPAPERS DESCRIBED IN (A) OF THIS
21 PARAGRAPH] at least once a week for two consecutive weeks;

22 (C) public service announcements on the electronic media
23 serving the area to be affected by the proposed action; and

24 (D) one or more of the following methods:

25 (i) **publication of a legal notice in newspapers of**
26 **statewide circulation or in newspapers of general circulation in the**
27 **vicinity of the proposed action, if available, at least once a week for**
28 **two consecutive weeks;**

29 **(ii)** [(i)] posting in a conspicuous location in the vicinity
30 of the action;

31 **(iii)** [(ii)] notification of parties known or likely to be

1 affected by the action; or

2 (iv) [(iii)] another method calculated to reach affected
3 parties;

4 (3) if the notice is of an action described in (a) of this section, other
5 than notice of an action under (a)(3)(A) of this section, the department shall give
6 notice at least 30 days before the action by **posting notice on the Alaska Online**
7 **Public Notice System for at least 30 consecutive days** [PUBLICATION IN
8 NEWSPAPERS OF STATEWIDE CIRCULATION AND IN NEWSPAPERS OF
9 GENERAL CIRCULATION IN THE VICINITY OF THE PROPOSED ACTION]
10 and **by** one or more of the following methods:

11 (A) **publication of a notice in display advertising form**
12 **describing the proposed action and referencing the online notice required**
13 **in this paragraph in newspapers of statewide circulation and in**
14 **newspapers of general circulation in the vicinity of the proposed action, if**
15 **available, at least once a week for two consecutive weeks;**

16 (B) [(A)] publication through public service announcements on
17 the electronic media serving the area affected by the action;

18 (C) [(B)] posting in a conspicuous location in the vicinity of
19 the action;

20 (D) [(C)] notification of parties known or likely to be affected
21 by the action;

22 (E) **publication of a legal notice, at least 30 days before the**
23 **action, briefly describing the proposed action and referencing the online**
24 **notice required in this paragraph in newspapers of statewide circulation**
25 **and in newspapers of general circulation in the vicinity of the proposed**
26 **action, if available;** or

27 (F) [(D)] another method calculated to reach affected persons.

28 * **Sec. 19.** AS 38.05.945(b), as amended by sec. 18 of this Act, is further amended to read:

29 (b) When notice is required to be given under this section,

30 (1) the notice must contain sufficient information in commonly
31 understood terms to inform the public of the nature of the action and the opportunity

1 of the public to comment on it;

2 (2) if the notice is of a preliminary written finding described in
 3 (a)(3)(A) of this section, the department shall give notice at the beginning of the public
 4 comment period for the preliminary written finding, notifying the public of the right to
 5 submit comments; the department shall give notice by

6 (A) posting notice on the Alaska Online Public Notice System
 7 for at least 30 consecutive days;

8 (B) publication of a notice in display advertising form
 9 describing the proposed action and referencing the online notice required in
 10 (A) of this paragraph in newspapers of statewide circulation and in newspapers
 11 of general circulation in the vicinity of the proposed action, if available, at least
 12 once a week for two consecutive weeks;

13 (C) public service announcements on the electronic media
 14 serving the area to be affected by the proposed action; and

15 (D) one or more of the following methods:

16 (i) publication of a legal notice in newspapers of
 17 statewide circulation or in newspapers of general circulation in the
 18 vicinity of the proposed action, if available, at least once a week for
 19 two consecutive weeks;

20 (ii) posting in a conspicuous location in the vicinity of
 21 the action;

22 (iii) notification of parties known or likely to be
 23 affected by the action; or

24 (iv) another method calculated to reach affected parties;

25 (3) if the notice is of an action described in (a) of this section, other
 26 than notice of an action under (a)(3)(A) of this section, the department shall give
 27 notice at least 30 days before the action by posting notice on the Alaska Online Public
 28 Notice System for at least 30 consecutive days and by one or more of the following
 29 methods:

30 (A) publication of a notice in display advertising form
 31 describing the proposed action and referencing the online notice required in

1 this paragraph in newspapers of statewide circulation and in newspapers of
 2 general circulation in the vicinity of the proposed action, if available, at least
 3 once a week for two consecutive weeks;

4 (B) publication through public service announcements on the
 5 electronic media serving the area affected by the action;

6 (C) posting in a conspicuous location in the vicinity of the
 7 action;

8 (D) notification of parties known or likely to be affected by the
 9 action; **or**

10 (E) [PUBLICATION OF A LEGAL NOTICE, AT LEAST 30
 11 DAYS BEFORE THE ACTION, BRIEFLY DESCRIBING THE PROPOSED
 12 ACTION AND REFERENCING THE ONLINE NOTICE REQUIRED IN
 13 THIS PARAGRAPH IN NEWSPAPERS OF STATEWIDE CIRCULATION
 14 AND IN NEWSPAPERS OF GENERAL CIRCULATION IN THE
 15 VICINITY OF THE PROPOSED ACTION, IF AVAILABLE; OR

16 (F)] another method calculated to reach affected persons.

17 * **Sec. 20.** AS 38.05.965(10) is repealed and reenacted to read:

18 (10) "materials"

19 (A) means all common variety rock and minerals of any
 20 quality, that are saleable and not subject to location under state or federal
 21 mining laws;

22 (B) includes aggregate, riprap, railroad ballast, road ballast,
 23 road metal, peat, silt, loam, sand, gravel, and quarry stone;

24 * **Sec. 21.** AS 46.15.155(a) is amended to read:

25 (a) Notwithstanding any contrary provision of this chapter, the commissioner
 26 may authorize the temporary use of a significant amount of water, as determined by
 27 the department by regulation, for a period of time not to exceed five consecutive years
 28 **for each authorization**, if the water applied for has not been appropriated in
 29 accordance with this chapter. **In the commissioner's discretion, a new authorization**
 30 **for the temporary use of a significant amount of water may be issued for a**
 31 **project at or before the expiration of the existing authorization issued for the**

1 same project.

2 * **Sec. 22.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change

5 (1) the heading of Article 4 of AS 38.05 from "Disposal of Timber and
6 Materials" to "Disposal of Timber";

7 (2) the catchline of AS 38.05.110 from "Sale of timber and materials; account"
8 to "Sale of timber".

9 * **Sec. 23.** Section 19 of this Act takes effect July 1, 2017.

10 * **Sec. 24.** Except as provided in sec. 23 of this Act, this Act takes effect July 1, 2012.