

**HOUSE BILL NO. 109**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/19/25

Referred: Resources, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the lease and sale of state land for recreational cabin sites; and**  
2 **providing for an effective date."**

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

4 **\* Section 1.** AS 38.04.020(i) is amended to read:

5 (i) Nothing in this section prevents the disposal of other land by the  
6 commissioner in accordance with AS 38.05.055, 38.05.057, 38.05.070, the issuance of  
7 [REMOTE] recreational cabin site leases or sales under AS 38.05.600, AS 38.08,  
8 AS 38.09, or other law.

9 **\* Sec. 2.** AS 38.05.035(e) is amended to read:

10 (e) Upon a written finding that the interests of the state will be best served, the  
11 director may, with the consent of the commissioner, approve contracts for the sale,  
12 lease, or other disposal of available land, resources, property, or interests in them. In  
13 approving a contract under this subsection, the director need only prepare a single  
14 written finding. In addition to the conditions and limitations imposed by law, the

1 director may impose additional conditions or limitations in the contracts as the director  
2 determines, with the consent of the commissioner, will best serve the interests of the  
3 state. The preparation and issuance of the written finding by the director are subject to  
4 the following:

5 (1) with the consent of the commissioner and subject to the director's  
6 discretion, for a specific proposed disposal of available land, resources, or property, or  
7 of an interest in them, the director, in the written finding,

8 (A) shall establish the scope of the administrative review on  
9 which the director's determination is based, and the scope of the written  
10 finding supporting that determination; the scope of the administrative review  
11 and finding may address only reasonably foreseeable, significant effects of the  
12 uses proposed to be authorized by the disposal;

13 (B) may limit the scope of an administrative review and finding  
14 for a proposed disposal to

15 (i) applicable statutes and regulations;

16 (ii) the facts pertaining to the land, resources, or  
17 property, or interest in them, that the director finds are material to the  
18 determination and that are known to the director or knowledge of which  
19 is made available to the director during the administrative review; and

20 (iii) issues that, based on the statutes and regulations  
21 referred to in (i) of this subparagraph, on the facts as described in (ii) of  
22 this subparagraph, and on the nature of the uses sought to be authorized  
23 by the disposal, the director finds are material to the determination of  
24 whether the proposed disposal will best serve the interests of the state;  
25 and

26 (C) may, if the project for which the proposed disposal is  
27 sought is a multiphased development, limit the scope of an administrative  
28 review and finding for the proposed disposal to the applicable statutes and  
29 regulations, facts, and issues identified in (B)(i) - (iii) of this paragraph that  
30 pertain solely to the disposal phase of the project when

31 (i) the only uses to be authorized by the proposed

1 disposal are part of that phase;

2 (ii) the disposal is a disposal of oil and gas, or of gas  
3 only, and, before the next phase of the project may proceed, public  
4 notice and the opportunity to comment are provided under regulations  
5 adopted by the department;

6 (iii) the department's approval is required before the  
7 next phase of the project may proceed; and

8 (iv) the department describes its reasons for a decision  
9 to phase;

10 (2) the director shall discuss in the written finding prepared and issued  
11 under this subsection the reasons that each of the following was not material to the  
12 director's determination that the interests of the state will be best served:

13 (A) facts pertaining to the land, resources, or property, or an  
14 interest in them other than those that the director finds material under (1)(B)(ii)  
15 of this subsection; and

16 (B) issues based on the statutes and regulations referred to in  
17 (1)(B)(i) of this subsection and on the facts described in (1)(B)(ii) of this  
18 subsection;

19 (3) a written finding for an oil and gas lease sale or gas only lease sale  
20 under AS 38.05.180 is subject to (g) of this section;

21 (4) a contract for the sale, lease, or other disposal of available land or  
22 an interest in land is not legally binding on the state until the commissioner approves  
23 the contract, but if the appraised value is not greater than \$50,000 in the case of the  
24 sale of land or an interest in land, or \$5,000 in the case of the annual rental of land or  
25 interest in land, the director may execute the contract without the approval of the  
26 commissioner;

27 (5) public notice requirements relating to the sale, lease, or other  
28 disposal of available land or an interest in land for oil and gas, or for gas only,  
29 proposed to be scheduled in the five-year oil and gas leasing program under  
30 AS 38.05.180(b), except for a sale under (6)(F) of this subsection, are as follows:

31 (A) before a public hearing, if held, or in any case not less than

1 180 days before the sale, lease, or other disposal of available land or an interest  
2 in land, the director shall make available to the public a preliminary written  
3 finding that states the scope of the review established under (1)(A) of this  
4 subsection and includes the applicable statutes and regulations, the material  
5 facts and issues in accordance with (1)(B) of this subsection, and information  
6 required by (g) of this section, upon which the determination that the sale,  
7 lease, or other disposal will serve the best interests of the state will be based;  
8 the director shall provide opportunity for public comment on the preliminary  
9 written finding for a period of not less than 60 days;

10 (B) after the public comment period for the preliminary written  
11 finding and not less than 90 days before the sale, lease, or other disposal of  
12 available land or an interest in land for oil and gas or for gas only, the director  
13 shall make available to the public a final written finding that states the scope of  
14 the review established under (1)(A) of this subsection and includes the  
15 applicable statutes and regulations, the material facts and issues in accordance  
16 with (1) of this subsection, and information required by (g) of this section,  
17 upon which the determination that the sale, lease, or other disposal will serve  
18 the best interests of the state is based;

19 (6) before a public hearing, if held, or in any case not less than 21 days  
20 before the sale, lease, or other disposal of available land, property, resources, or  
21 interests in them other than a sale, lease, or other disposal of available land or an  
22 interest in land for oil and gas or for gas only under (5) of this subsection, the director  
23 shall make available to the public a written finding that, in accordance with (1) of this  
24 subsection, sets out the material facts and applicable statutes and regulations and any  
25 other information required by statute or regulation to be considered upon which the  
26 determination that the sale, lease, or other disposal will best serve the interests of the  
27 state was based; however, a written finding is not required before the approval of

28 (A) a contract for a negotiated sale authorized under  
29 AS 38.05.115;

30 (B) a lease of land for a shore fishery site under AS 38.05.082;

31 (C) a permit or other authorization revocable by the

1 commissioner;

2 (D) a mineral claim located under AS 38.05.195;

3 (E) a mineral lease issued under AS 38.05.205;

4 (F) an exempt oil and gas lease sale or gas only lease sale under  
 5 AS 38.05.180(d) of acreage subject to a best interest finding issued within the  
 6 previous 10 years or a reoffer oil and gas lease sale or gas only lease sale under  
 7 AS 38.05.180(w) of acreage subject to a best interest finding issued within the  
 8 previous 10 years, unless the commissioner determines that substantial new  
 9 information has become available that justifies a supplement to the most recent  
 10 best interest finding for the exempt oil and gas lease sale or gas only lease sale  
 11 acreage and for the reoffer oil and gas lease sale or gas only lease sale acreage;  
 12 however, for each oil and gas lease sale or gas only lease sale described in this  
 13 subparagraph, the director shall call for comments from the public; the  
 14 director's call for public comments must provide opportunity for public  
 15 comment for a period of not less than 30 days; if the director determines that a  
 16 supplement to the most recent best interest finding for the acreage is required  
 17 under this subparagraph,

18 (i) the director shall issue the supplement to the best  
 19 interest finding not later than 90 days before the sale;

20 (ii) not later than 45 days before the sale, the director  
 21 shall issue a notice describing the interests to be offered, the location  
 22 and time of the sale, and the terms and conditions of the sale; and

23 (iii) the supplement has the status of a final written best  
 24 interest finding for purposes of (i) and (l) of this section;

25 (G) a surface use lease under AS 38.05.255;

26 (H) a permit, right-of-way, or easement under AS 38.05.850;

27 **(I) a recreational cabin site lease or sale under**  
 28 **AS 38.05.600;**

29 (7) the director shall include in

30 (A) a preliminary written finding, if required, a summary of  
 31 agency and public comments, if any, obtained as a result of contacts with other

1 agencies concerning a proposed disposal or as a result of informal efforts  
 2 undertaken by the department to solicit public response to a proposed disposal,  
 3 and the department's preliminary responses to those comments; and

4 (B) the final written finding a summary of agency and public  
 5 comments received and the department's responses to those comments.

6 \* **Sec. 3.** AS 38.05.045 is amended to read:

7 **Sec. 38.05.045. Generally.** All land owned in fee by the state or to which the  
 8 state may become entitled, excepting tide, submerged, or shoreland, and timber or  
 9 grazing land, may be sold as provided in AS 38.05.045 - 38.05.069 and AS 38.08.  
 10 However, this section does not prevent the disposition of land as provided in  
 11 AS 38.05.300, 38.05.321, **38.05.600**, 38.05.810 - 38.05.870, 38.05.920, 38.05.945 and  
 12 38.05.946.

13 \* **Sec. 4.** AS 38.05.065(b) is amended to read:

14 (b) The contract of sale for land sold under AS 38.05.057, [OR] under former  
 15 AS 38.05.078, **or under AS 38.05.600** shall require the remainder of the purchase  
 16 price to be paid in monthly, quarterly, or annual installments over a period of not more  
 17 than **30** [20] years. Installment payments plus interest shall be set on the level-  
 18 payment basis. The interest rate to be charged on installment payments is the rate  
 19 provided in (i) of this section.

20 \* **Sec. 5.** AS 38.05.125(a) is amended to read:

21 (a) Each contract for the sale, lease, or grant of state land, and each deed to  
 22 state land, properties, or interest in state land, made under AS 38.05.045 - 38.05.120,  
 23 38.05.321, **38.05.600**, 38.05.810 - 38.05.825, AS 38.08, or AS 38.50 except as  
 24 provided in AS 38.50.050 is subject to the following reservations: "The party of the  
 25 first part, Alaska, hereby expressly saves, excepts and reserves out of the grant hereby  
 26 made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores,  
 27 minerals, fissionable materials, geothermal resources, and fossils of every name, kind  
 28 or description, and which may be in or upon said land above described, or any part  
 29 thereof, and the right to explore the same for such oils, gases, coal, ores, minerals,  
 30 fissionable materials, geothermal resources, and fossils, and it also hereby expressly  
 31 saves and reserves out of the grant hereby made, unto itself, its lessees, successors,

1 and assigns forever, the right to enter by itself, its or their agents, attorneys, and  
2 servants upon said land, or any part or parts thereof, at any and all times for the  
3 purpose of opening, developing, drilling, and working mines or wells on these or other  
4 land and taking out and removing therefrom all such oils, gases, coal, ores, minerals,  
5 fissionable materials, geothermal resources, and fossils, and to that end it further  
6 expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and  
7 assigns forever, the right by its or their agents, servants and attorneys at any and all  
8 times to erect, construct, maintain, and use all such buildings, machinery, roads,  
9 pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such  
10 soil, and to remain on said land or any part thereof for the foregoing purposes and to  
11 occupy as much of said land as may be necessary or convenient for such purposes  
12 hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid,  
13 generally all rights and power in, to, and over said land, whether herein expressed or  
14 not, reasonably necessary or convenient to render beneficial and efficient the complete  
15 enjoyment of the property and rights hereby expressly reserved."

16 \* **Sec. 6.** AS 38.05.600 is repealed and reenacted to read:

17 **Sec. 38.05.600. Recreational cabin sites.** (a) The longstanding policy of the  
18 state, declared in art. VIII, secs. 1, 2, and 9, Constitution of the State of Alaska, and  
19 the Alaska Land Act (AS 38.05) has been to encourage the settlement of the state's  
20 land and the development of its resources by making land available for the maximum  
21 use consistent with the public interest. Consistent with the Constitution of the State of  
22 Alaska, it is the intent of the legislature that state land be made available to all  
23 Alaskans for recreational purposes to promote the maximum use of state land  
24 consistent with the public interest.

25 (b) The commissioner shall administer a program for the leasing and sale of  
26 state land for recreational cabin sites to eligible applicants. A recreational cabin site  
27 shall be made available through either a schedule of land offerings issued by the  
28 commissioner under (c) of this section or the recreational cabin site nomination  
29 process described in (d) of this section.

30 (c) The commissioner shall annually publish a schedule of land offerings that  
31 lists areas available for the staking of a recreational cabin site. The department shall

1 provide public notice of the annually published schedule of land offerings and of any  
2 revisions made to the schedule. An eligible applicant may apply for the lease or sale of  
3 a recreational cabin site from the schedule of land offerings.

4 (d) An eligible applicant may nominate and apply for a lease or sale of up to  
5 10 acres of available state land for a recreational cabin site that is not included in the  
6 commissioner's schedule of land offerings. Nominated land must have legal access or  
7 access provided under generally allowed uses and be unencumbered by any easement,  
8 right-of-way, or other legal encumbrance so that the surface estate may be leased or  
9 sold as provided in this section. A recreational cabin site on nominated land shall be  
10 located at least one quarter mile from any other recreational cabin site. The applicant  
11 has the burden of demonstrating that nominated land is eligible for lease and sale  
12 under this section.

13 (e) The commissioner may not approve an application for the lease or sale of a  
14 recreational cabin site on land that is classified as mineral or oil and gas land unless  
15 the applicant has held a valid mining claim located on the parcel or contiguous to the  
16 parcel for the preceding five years. Notwithstanding (d) of this section, an applicant  
17 holding a valid mining claim under this subsection may nominate land that is less than  
18 one-quarter mile from another recreational cabin site.

19 (f) If the commissioner approves an application, the department shall provide  
20 public notice of the intent to sell or lease the land to the applicant. After the time for  
21 public notice, the commissioner may issue the lease under (g) of this section or sell the  
22 land under (i) of this section.

23 (g) The commissioner may issue a lease under this section to an eligible  
24 applicant for a term of up to 10 years. Excepting sites under (e) of this section on  
25 which a valid mining claim is located, land leased under this section may be used only  
26 as a recreational cabin site during the term of the lease. A recreational cabin site lease  
27 must require that the leased land be surveyed at the cost of the lessee no later than five  
28 years from commencement of the lease. The commissioner may terminate a lease  
29 before its expiration if a lessee fails to use the land in the manner required by the terms  
30 of the lease. At any time during the lease, the lessee may purchase the recreational  
31 cabin site.

1 (h) The commissioner shall set annual fees for a lease under this section to  
 2 ensure that the state receives a fair return for the use granted. After termination of a  
 3 recreational cabin site lease, improvements or personal property remaining on the land  
 4 shall be managed in the same manner provided in AS 38.05.090 for removal or  
 5 reversion of improvements upon termination of leases of state land. A lease under this  
 6 section may be assigned with the consent of the commissioner.

7 (i) The commissioner may sell land offered or nominated under this section to  
 8 an eligible applicant. A sale must be at fair market value, and the purchaser shall pay  
 9 for the appraisal, platting costs, and a survey if not already completed for the  
 10 recreational cabin site. For a sale to a lessee under (g) of this section, fair market value  
 11 shall be determined as of the time of entry, and the lessee may apply lease payments to  
 12 the purchase price.

13 (j) The commissioner may adopt regulations under AS 44.62 (Administrative  
 14 Procedures Act) necessary to implement this section.

15 (k) In this section,

16 (1) "eligible applicant" means a resident at least 18 years of age who  
 17 has not leased or purchased a recreational cabin site during the 10-year period before  
 18 submitting an application under this section;

19 (2) "resident" means an individual who has resided in the state for one  
 20 year immediately preceding an application under this section.

21 \* **Sec. 7.** AS 38.05.945(a) is amended to read:

22 (a) This section establishes the requirements for notice given by the  
 23 department for the following actions:

24 (1) classification or reclassification of state land under AS 38.05.300,  
 25 **except for land reclassified for lease or sale under AS 38.05.600,** and the closing of  
 26 land to mineral leasing or entry under AS 38.05.185;

27 (2) zoning of land under applicable law;

28 (3) issuance of a

29 (A) preliminary written finding under AS 38.05.035(e)(5)(A)  
 30 regarding the sale, lease, or disposal of an interest in state land or resources for  
 31 oil and gas, or for gas only, subject to AS 38.05.180(b);

1 (B) written finding for the sale, lease, or disposal of an interest  
 2 in state land or resources under AS 38.05.035(e)(6), except a lease sale  
 3 described in AS 38.05.035(e)(6)(F) for which the director must provide  
 4 opportunity for public comment under the provisions of that subparagraph;

5 (4) a competitive disposal of an interest in state land or resources after  
 6 final decision under AS 38.05.035(e);

7 (5) a preliminary finding under AS 38.05.035(e) concerning sites for  
 8 aquatic farms and related hatcheries;

9 (6) a decision under AS 38.05.132 - 38.05.134 regarding the sale,  
 10 lease, or disposal of an interest in state land or resources;

11 (7) an exchange of state land under AS 38.50;

12 (8) solicitation of competitive interest under AS 38.05.081(c).

13 \* **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to  
 14 read:

15 ELIGIBILITY OF PERSONAL USE CABINS FOR LEASE AND PURCHASE AS  
 16 RECREATIONAL CABIN SITES. (a) Notwithstanding any provision in AS 16.20 or  
 17 AS 41.21 to the contrary or regulations adopted by the Department of Natural Resources  
 18 under the authority of AS 38.04.035, AS 38.05.020, AS 41.21.020, and AS 44.37.011 that  
 19 state a personal use cabin permit does not convey any interest in state land or grant any  
 20 preference right for the lease or purchase of state land, the commissioner may

21 (1) approve a nomination by the holder of a current valid permit for a cabin  
 22 site and surrounding land under AS 38.05.600, as repealed and reenacted by sec. 6 of this Act,  
 23 and, after public notice, sell or lease to the permit holder the nominated land as a recreational  
 24 cabin site; and

25 (2) approve a nomination by a former holder, or an immediate family member  
 26 of a former holder, of a permit for a cabin site and surrounding land under AS 38.05.600, as  
 27 repealed and reenacted by sec. 6 of this Act, that expired prior to the effective date of this Act,  
 28 and, after public notice, sell or lease to the person or family member the nominated land as a  
 29 recreational cabin site if the person or family member has continuously maintained the  
 30 personal use cabin at the site.

31 (b) The department may authorize a recreational cabin site under this section that is

1 less than one-quarter mile from another recreational cabin site.

2 (c) The lands affected by this section include those sites listed in the 2025 Personal  
3 Use Cabin Permit Master List, located in the office of the director of the division of lands,  
4 Department of Natural Resources, in Anchorage, Alaska.

5 (d) All dispositions and uses under (a) of this section of lands that are part of a state  
6 park, state forest, state game refuge, state wildlife refuge, state game sanctuary, state  
7 recreational area, state recreational river, state wilderness park, state marine park, state special  
8 management area, state public use area, critical habitat area, bald eagle preserve, bison range,  
9 or moose range are confirmed and ratified. In considering whether to approve a nomination  
10 under this subsection, the commissioner shall consider whether the disposal is consistent with  
11 the uses of the land, including the preservation of public access. Land subject to this  
12 subsection may be leased or sold regardless of its classification.

13 \* **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to  
14 read:

15 TRANSITION. (a) A lease executed under AS 38.05.600 before the effective date of  
16 this Act and in effect on the effective date of this Act is not subject to AS 38.05.600, as  
17 repealed and reenacted by sec. 6 of this Act, and shall continue in effect pursuant to its terms.

18 (b) Land leased or sold under AS 38.05.600 before the effective date of this Act is a  
19 recreational cabin site for the purpose of AS 38.05.600(k)(1), as repealed and reenacted by  
20 sec. 6 of this Act.

21 \* **Sec. 10.** Section 8 of this Act is repealed June 30, 2032.

22 \* **Sec. 11.** This Act takes effect immediately under AS 01.10.070(c).