

1 IN THE HOUSE BY THE COMMITTEE ON RESOURCES  
2 COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 119  
3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA  
4 TWENTY-THIRD SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Alaska lands and  
7 resources; establishing a Department of  
8 Lands, a Land Board, and the Office of the  
9 Land Director, and prescribing duties and  
10 powers; providing for selection, acquisi-  
11 tion, management, and disposal of Alaska  
12 lands and resources; repealing Ch. 126,  
13 SLA 1953 and Ch. 183, SLA 1955, and  
14 declaring an emergency."

15 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

16 PREAMBLE

17 It is the policy of Alaska to encourage the settlement of  
18 its land and the development of its resources by making them  
19 available for maximum use consistent with the public interest.

20 Article I

21 TITLE AND DEFINITIONS

22 Section 1. SHORT TITLE: This Act shall be known as the  
23 "Alaska Land Act."

24 Sec. 2. DEFINITIONS: For the purpose of this Act, the  
25 term defined shall have the meaning provided herein unless the  
26 context clearly requires otherwise:

27 (a) "Alaska" means the Territory of Alaska or, in  
28 the event of statehood, the State of Alaska.

29 (b) "Alaska Lands" or "Lands" means all lands,

1 including shore, tide and submerged lands, or resources belonging  
2 to or hereafter in any manner acquired by Alaska.

3 (c) "Agricultural Lands" and "Grazing Lands" means  
4 all lands chiefly valuable for agriculture, cultivation or  
5 grazing purposes.

6 (d) "Board" means the members of the Alaska Land  
7 Board.

8 (e) "Director" means the Director of the Alaska  
9 Department of Lands.

10 (f) "Department" means the Alaska Department of Lands.

11 (g) "Industrial and Settlement Lands" means all  
12 Alaska lands chiefly valuable for industrial trade, manufacturing  
13 and settlement use.

14 (h) "Lieu and Indemnity Lands" means lands which  
15 Alaska is entitled to or has selected under the provisions of  
16 38 Stat. 1214, as amended (48 U.S.C. 353) or under any other  
17 similar statute to compensate for lands in lieu of surveyed  
18 rectangulars, which have been lost to Alaska by reason of defi-  
19 cient sections, prior rights, claims, and other appropriations.

20 (i) "Mental Health Lands" means lands granted under  
21 the provisions of Title III, Section 2 (2) of Public Law 830,  
22 84th Congress, 2nd Session.

23 (j) "Mineral" means those minerals, other than oil  
24 or gas, subject to the provisions of the Mineral Leasing Act of  
25 1920, as amended (30 U.S.C. 181; Section 47-3-2, ACLA 1949),  
26 namely, coal, phosphate, sodium, potassium, oil shale and  
27 sulphur.

28 (k) "Oil and Gas." "Oil" means crude petroleum oil  
29 and other hydrocarbons regardless of gravity which are produced

1 at the wellhead in liquid form and the liquid hydrocarbons  
2 recovered from gas, other than casinghead gas. "Gas" means all  
3 natural gas and all hydrocarbons produced at the wellhead not  
4 defined herein as oil.

5 (l) "Park and Recreation Lands" means lands chiefly  
6 valuable for public park and recreation use.

7 (m) "School Lands" means all Sections 16 and 36 of  
8 surveyed rectangles reserved to Alaska under the provisions of  
9 38 Stat. 1214, as amended (48 U.S.C. 353), and any other lands  
10 which may be hereafter designated solely for school revenues.

11 (n) "Shore Lands" means all lands belonging to Alaska  
12 which are covered by non-tidal waters that are navigable under  
13 the laws of the United States up to ordinary high water mark as  
14 heretofore or hereafter modified by accretion, erosion, or re-  
15 liction.

16 (o) "Submerged Lands" means those lands covered by  
17 tidal waters between the line of mean low water and seaward to  
18 a distance of three geographical miles.

19 (p) "Tide Lands" means those lands which are peri-  
20 odically covered by tidal waters between the elevation of mean  
21 high and mean low tides.

22 (q) "Timber Lands" and "Material Lands" means all  
23 Alaska lands chiefly valuable for materials, including, but not  
24 limited to, sand, stone, gravel, common clay, or timber and  
25 other forest products.

26 (r) "University Lands" means all Section 33 reserved  
27 to the University under 38 Stat. 1214, as amended (48 U.S.C.  
28 353) and all lands granted for the benefit of the University.

29 Article II

1 ORGANIZATION, AUTHORITY AND DUTY

2 Section 1. DEPARTMENT OF LANDS. There is hereby created a  
3 Department of Lands of Alaska. The Department shall be under the  
4 control and supervision of the Board. Administrative powers and  
5 other delegated duties, as prescribed by law or regulation, shall  
6 be vested in the Director.

7 Sec. 2. COMPOSITION OF THE BOARD. The Alaska Land Board  
8 shall be composed of the Commissioner of Agriculture, the Com-  
9 missioner of Mines, the Commissioner of Education, the Highway  
10 Engineer, and the Attorney General, or such persons within each  
11 of those agencies as may be designated by the particular agency  
12 head. The Board shall elect a chairman from among its members.

13 Sec. 3. APPOINTMENT OF DIRECTOR. The Board shall appoint  
14 a Director who shall be the executive officer and secretary of  
15 the Board.

16 Sec. 4. TERM OF OFFICE OF THE DIRECTOR. The Director shall  
17 be appointed for a term of four years and may be removed at the  
18 pleasure of the Board for cause.

19 Sec. 5. AUTHORITY AND DUTIES OF THE BOARD.

20 (1) The Land Department shall be administered under  
21 the supervision of the Board.

22 (2) The Board shall, on such days and at such time  
23 as they may agree, hold a regular meeting during the months of  
24 January, April, July and October of each year for the conduct of  
25 its official business. Special meetings may be called by the  
26 chairman.

27 (3) The Board may establish reasonable procedures and  
28 make and promulgate reasonable rules and regulations necessary  
29 to carry on the provisions of this Act and may, whenever necessary,

1 issue directives or orders to the Director to carry out specific  
2 functions and duties. All rules and regulations promulgated by  
3 the Board shall be filed with the Department of Finance and the  
4 Attorney General, or as may be otherwise provided by law, be-  
5 fore such rules or regulations shall become effective.

6 (4) The Board may select and employ or obtain at  
7 reasonable compensation cadastral, appraisal, or other profes-  
8 sional personnel it deems are necessary for the proper oper-  
9 ations of the Department. The Board may enter into such con-  
10 tractual agreements as it deems necessary to carry out the  
11 purposes of this Act, including agreements with Federal and  
12 Territorial agencies.

13 (5) The Board shall be the certifying agent of Alaska  
14 to select, accept, and secure by any necessary action in the name  
15 of Alaska by deed, sale, gift, devise, judgment, operation of  
16 law, or any other means any lands, of whatever nature or inter-  
17 est, available to Alaska, and shall be the certifying agent of  
18 Alaska, to select, accept or secure by any necessary action in,  
19 the name of Alaska, any lands, or any title or interest thereto,  
20 available, granted, or subject to being transferred to Alaska  
21 for any purpose.

22 (6) The Board shall have jurisdiction over all Alaska  
23 lands, except those lands which are acquired by the Alaska World  
24 War II Veterans Board and the Agricultural Loan Board through  
25 foreclosure or default. To this end the Board shall possess  
26 all of the powers and perform all of the duties necessary to  
27 protect Alaska's rights and interests therein.

28 (7) The Board is hereby charged with the selection,  
29 administration and disposal of mental health lands for the

1 support of the mental health program.

2           (8) A majority of the Board shall approve all con-  
3 tracts respecting the sale, lease, or other disposal of avail-  
4 able lands, resources, property or any interests therein, and  
5 in addition to the conditions and limitations imposed by law,  
6 it may impose any additional conditions or limitations in such  
7 contracts as it determines will best serve the interests of  
8 Alaska. No contract respecting the sale, lease, or other dis-  
9 posal of available lands shall be legally binding on Alaska  
10 until a majority of the Board has formally recorded its approval  
11 in the minutes of a Board meeting. This Subsection shall not  
12 apply to the various exceptions set forth in this Act.

13           (9) The Board may delegate any of the duties, func-  
14 tions and powers to one or more of the members or to the Director  
15 to be exercised on behalf of the Board during the time it is not  
16 meeting.

17           (10) The Board shall have the authority to review any  
18 order or action of the Director, other than the execution of  
19 sale, lease or disposal contracts executed under the express or  
20 delegated authority of the Board.

21           (11) The Board may exercise all those powers and do  
22 all those acts necessary to carry out the provisions and object-  
23 ives of this Act.

24           Sec. 6. POWERS AND DUTIES OF THE DIRECTOR. The Director  
25 shall: (1) Have general charge and supervision of the Depart-  
26 ment and may exercise the powers specifically delegated to him.  
27 He may employ and fix the compensation of such assistants and  
28 employees as are necessary for the operations of the Department.  
29 He shall also be the certifying officer of the Department, and

1 may approve all lawful vouchers for disbursement of monies  
2 appropriated to the Department.

3 (2) Manage, inspect and control all Alaska lands and  
4 improvements thereon belonging to Alaska and under the juris-  
5 diction of the Department.

6 (3) Execute all laws, rules, regulations and orders  
7 as are properly promulgated by the Board and imposed upon him.

8 (4) Prescribe application procedures and practices  
9 relative to the sale, leasing or other disposing of available  
10 lands, resources, property, or any interests therein.

11 (5) Prescribe fees or service charges for any public  
12 service rendered.

13 (6) Under the conditions and limitations imposed by  
14 law and the Board, issue any deed, lease or other conveyance  
15 disposing of available lands, resources, property or any in-  
16 terests therein.

17 (7) Take all necessary action, legal or otherwise, to  
18 protect and enforce Alaska's contractual or other property rights.

19 (8) Administer the Alaska Land Registration Acts,  
20 Ch. 134, SLA 1953, and Ch. 135, SLA 1955, as amended and do all  
21 acts necessary thereunder that will insure collection of all  
22 registration fees and penalties that may arise.

23 (9) Maintain such records as the Board may deem neces-  
24 sary, administer oaths, and do all things incidental to the  
25 authority imposed.

26 (10) Account for all fees, licenses, taxes or other  
27 monies received in the administration of the Act from any source,  
28 including the sale or leasing of any land, identify their source,  
29 and promptly transmit them to the Treasurer after crediting them



1 leased, or a renewal lease issued, without public notice as  
2 provided hereafter, unless the same, except in the case of an  
3 oil or gas or mineral lease, has been appraised within ninety  
4 days prior to the date fixed for the sale or leasing, provided  
5 that when lands have been offered at public sale but were not  
6 sold and are available at private sale, no reappraisal is re-  
7 quired unless the Director deems that a change in value of the  
8 lands may have occurred. No such lands shall be sold or leased  
9 for less than the approved, appraised market value, except as  
10 provided in Section 4 of this Article.

11 Sec. 4. PUBLIC USE: PREFERENCE TO OCCUPANTS: RECOGNIZING  
12 VALUE OF IMPROVEMENTS IN COMPUTING PURCHASE PRICE.

13 (1) The lease, sale, or other disposal of any Alaska  
14 lands or resources may be made to any Alaska or Federal agency,  
15 political subdivision or non-profit organization for less than  
16 the appraised value, as may be determined by the Board to be fair  
17 and proper and in the best interests of the public, with due  
18 consideration being given to the nature (a) of the public services  
19 or function rendered by the said agency, subdivision or non-  
20 profit organization making application therefor, and (b) of the  
21 terms of the grant under which the land was acquired by Alaska.

22 (2) In the disposition in any manner of any tide lands  
23 acquired pursuant to any Federal statute hereinafter enacted which  
24 are occupied or developed for municipal or other political sub-  
25 division, business, residential, or other beneficial purposes on  
26 the effective date of this Act, the Board, notwithstanding any  
27 other provisions of this Act, shall afford a preference right to  
28 the occupant thereof or a successor in interest; or, if the Board  
29 deems it more advisable, shall dispose of said land to the

1 appropriate incorporated area to which it is adjacent. If such  
2 occupied or developed land is conveyed to an incorporated area,  
3 said incorporated area in its disposition thereof shall afford  
4 a similar preference right to the occupant of the said land.  
5 Where the said land is occupied by a person other than the owner  
6 of the improvements thereon, the owner of the improvements shall,  
7 for the purposes of this subsection, be considered the occupant  
8 of the said land. In the conveyance of said land to its occupant,  
9 the grantor or lessor may impose such terms or conditions as it  
10 deems desirable, (but in the case of sale the purchase price shall  
11 equal the appraised market value, less any value accruing from  
12 the improvements or the development by the grantee or his prede-  
13 cessor in interest or reflecting his equities.)

14 Sec. 7. DEPOSITS. The Director may require any applicant  
15 seeking the sale, lease or other disposal of lands, other than  
16 under an oil and gas or mineral lease, to deposit an amount  
17 covering the estimated cost of an appraisal, survey and necessary  
18 advertising. All deposited funds not expended shall be refunded  
19 to the applicant. In the event lands are sold or leased to other  
20 than the applicant making the deposit, the party awarded the  
21 lands shall pay the total actual cost of appraising and surveying  
22 the said lands, together with the total actual cost of advertis-  
23 ing, and the deposit shall be returned to the original applicant.

24 Sec. 8. ASSIGNMENT. All contracts of purchase or lease of  
25 lands or interests therein shall, on the affirmative approval of  
26 the Director, be assignable in whole or in part in writing by the  
27 contract holder or lessee, and the assignee shall be subject to  
28 and governed by the provisions of laws and regulations applicable  
29 to such contract or lease.

1           Sec. 9. NOTICES. All public notice of any sale, lease or  
2 disposal of lands or any interest therein, when required, shall  
3 be substantially as follows:

4           Notice shall be published once a week for three consecutive  
5 weeks next preceding the time of sale stated in the notice, in  
6 at least one newspaper of general circulation published in the  
7 vicinity in which the land, property or interest therein is to  
8 be sold, leased or otherwise disposed of. Notice shall set  
9 forth a description of the land, and interest therein to be sold,  
10 leased or otherwise disposed of and the time, place and general  
11 terms of the sale, lease or disposal.

12           Sec. 10. WASTE OR INJURY TO LAND - PENALTY. If any person  
13 shall commit waste, or trespass or other injury upon Alaska land,  
14 the person so offending shall, in addition to being civilly  
15 liable for any damages caused, upon conviction thereof be fined  
16 in any sum not exceeding one-thousand dollars (\$1,000.00).

17                           Article IV

18                                   SALE OF LANDS

19           Section 1. GENERAL. All lands, to which Alaska may hold  
20 fee title or to which Alaska may become entitled, excepting  
21 shoreland, timber or grazing lands, may be sold in the manner  
22 provided hereafter.

23                   (1) The Board shall determine those lands which shall  
24 be sold, the limitations and conditions which shall attach to  
25 the lands sold, and the terms that shall accompany the sale.

26                   (2) The date of sale and notice thereof shall be  
27 made by the Director.

28                   (3) The sale shall take place at the time and location  
29 specified in the notice of sale and within the recording precinct

1 where the designated property is located.

2       Sec. 2. SALE PROCEDURES. The sale shall be made at public  
3 auction to the highest qualified bidder as shall be determined  
4 by the Director; provided, however, an aggrieved bidder may appeal  
5 to the Board within five days after such sale for a review of  
6 the Director's determination. The sale shall be conducted by  
7 the Director or his representative, and at the time of sale the  
8 successful bidder shall deposit, in cash, or by certified check,  
9 an amount equal to one-tenth of the purchase price, whereupon  
10 the Director or his representative shall immediately issue a  
11 receipt containing a description of the land or property pur-  
12 chased, the price bid and the terms of sale, which receipt shall  
13 be acknowledged in writing by the bidder. A contract of sale on  
14 a form approved by the Attorney General shall be signed by the  
15 purchaser and following the approval of a majority of the Board,  
16 the contract shall also be signed by the Director on behalf of  
17 Alaska. Provided, however, and prior to the signing of the  
18 formal conveyance by the Director, the Board may reject any and  
19 all bids when the best interests of Alaska justify such action.  
20 Lands that have been offered at public sale but were not sold may  
21 be made available at private sale for not less than the appraised  
22 value of such lands.

23       Sec. 3 CONTRACT PROVISIONS. The contract of sale shall  
24 require the remainder of the purchase price to be paid in annual  
25 installments of not less than ten percent of the purchase price,  
26 with interest at the rate of not less than five percent per annum.  
27 The Board may also impose such conditions, limitations and terms  
28 as it deems necessary and proper to protect the interests of the  
29 Territory. Violations of any provisions of this Act or the terms

1 of the contract of sale shall subject the purchaser to appropriate  
2 legal action, including, but not limited to, a foreclosure action  
3 in accordance with applicable Alaska law.

4 Article V

5 LEASING OF LANDS OTHER THAN FOR  
6 THE EXTRACTION OF NATURAL RESOURCES

7 Section 1. GENERAL. All lands, including any tide, sub-  
8 merged or shore lands, to which Alaska holds title or to which  
9 Alaska may become entitled, may be leased, except for the ex-  
10 traction of natural resources, in the manner provided in this  
11 Article.

12 (a) The Board shall determine those lands which shall  
13 be leased and the limitations and conditions that shall attach  
14 to the lands and the terms that shall accompany the lease; pro-  
15 vided, however, if the total appraised value of the transaction  
16 is \$250.00 per annum or less the Director may negotiate a lease  
17 without advertisement for a period not to exceed five years,  
18 and, on such limitations, conditions and terms as he deems are  
19 in the best interests of Alaska.

20 (b) Leases may be issued for a period up to fifty-  
21 five years, if it appears to be in the best interests of Alaska  
22 and if approved by a majority of the Board, except that grazing  
23 leases shall not be issued for any period in excess of twenty  
24 years. Grazing leases may be subject to review as to classified  
25 use every five years and may be declared null and void if the  
26 Board determines that the land or any interest therein should  
27 be sold, leased or otherwise disposed of for any reclassified  
28 use, or it is determined that the lease is not being used for  
29 the purpose issued.

1       Sec. 2. LEASING PROCEDURES. The leasing shall be made at  
2 public auction to the highest qualified bidder as shall be de-  
3 termined by the Director; provided, however, an aggrieved bidder  
4 may appeal to the Board within five days for a review of the  
5 Director's determination. The leasing shall be conducted by  
6 the Director, or his representative, and the successful bidder  
7 shall deposit the first year's rental, or such portion thereof  
8 as the Board may require, in cash or by certified check, in  
9 accordance with his bid, whereupon the Director or his repre-  
10 sentative shall immediately issue a receipt containing a des-  
11 cription of the land or interest therein leased, the price bid  
12 and terms of the lease, which receipt shall be acknowledged in  
13 writing by the bidder. A lease, on a form approved by the  
14 Attorney General, shall be signed by the lessee and, upon a  
15 majority of the Board approving the lease, shall also be signed  
16 by the Director. Provided, however, and prior to the signing  
17 of the formal lease by the Director, the Board may reject any  
18 and all bids for leases when the best interests of Alaska  
19 justifies such action.

20       Sec. 3. LEASING PROVISIONS. The lease shall require  
21 advance payment of the annual rent or such portion thereof as  
22 the Board may require, as determined by the accepted bid. Such  
23 conditions, limitations and terms may also be imposed by the  
24 Board as it shall deem necessary and proper to protect the  
25 interests of Alaska. Violations of any provision of this Act  
26 or the terms of the lease shall subject the purchaser to appro-  
27 priate legal action, including, but not limited to, a forfeiture  
28 of the lease. Due notice of all action by the Board or Director  
29 affecting the rights of the lessee shall be given the lessee.

1       Sec. 4. REMOVAL OR REVERSION OF IMPROVEMENTS UPON TERMINA-  
2 TION OF LEASES. Improvements owned by a lessee on Alaska lands  
3 shall, within 60 days after the termination of the lease, be  
4 removed by him; provided, such removal will not cause injury or  
5 damage to the lands; and further provided, that the Board may  
6 extend the time for removing such improvements in cases where  
7 hardship is proven. The retiring lessee or permittee may, with  
8 the consent of the Board, sell his improvements to the succeeding  
9 lessee or permittee.

10       If any improvements having an appraised value in excess of  
11 \$10,000.00 as determined by the Director are not removed within  
12 the time allowed, such improvements shall upon due notice to  
13 the lessee, be sold at public sale under the direction of the  
14 Board. The proceeds of sale shall inure to the lessee who placed  
15 such improvements on the lands after paying to Alaska all rents  
16 due and owing and expenses incurred in making such sale. In  
17 case there are no other bidders at any such sales, the Board is  
18 authorized to bid, in the name of Alaska, on such improvements.  
19 The bid money shall be taken from the fund to which said lands  
20 belong and the said fund shall receive all monies or other value  
21 subsequently derived from the sale or leasing of such improve-  
22 ments. Alaska shall acquire all the rights, both legal and  
23 equitable, that any other purchaser could acquire by reason of  
24 said purchase.

25       If any improvements having an appraised value of \$10,000.00  
26 or less, as determined by the Director, are not removed within  
27 the time allowed, such improvements shall revert to and absolute  
28 title shall vest in Alaska.

29       Sec. 5. SUBLEASES. Any lessee may sublease or assign



1 respect to such cruises and appraisals to the Board, together  
2 with his recommendations with respect to (a) the timber and  
3 other materials which should be offered for sale, and (b) the  
4 terms of sale of such timber or other materials thereon.

5       Sec. 2. LIMITATIONS AND CONDITIONS OF SALE. The Board  
6 shall determine the timber and other materials which shall be  
7 sold, and the limitations and conditions that shall attach to  
8 the timber and materials sold, and the terms of sale; said  
-9 limitations, conditions and terms to include the utilization,  
10 development and maintenance of the sustained yield principle,  
11 subject to preferences among other beneficial uses; provided  
12 that timber sales not exceeding 500 M.B.M., or material sales  
13 not exceeding the appraised value of \$2,500.00, may be negotiated  
14 by the Director without advertisement and on such limitations,  
15 conditions and terms as he deems are in the best interest of  
16 Alaska; provided, further, that not more than one non-advertised,  
17 negotiated sale of timber or material shall be made to the same  
18 purchaser within a one-year period.

19       Sec. 3. DISPOSAL PROCEDURE. Timber and other materials  
20 shall be sold at public auction to the highest, qualified bidder  
21 as shall be determined by the Director; provided, however, an  
22 aggrieved bidder may appeal to the Board within five days after  
23 such sale for a review of the Director's determination. The  
24 sale shall be conducted by the Director or his representative,  
25 and at the time of sale the successful bidder shall deposit, in  
26 cash or by certified check, an amount equal to one-tenth of the  
27 purchase price, whereupon the Director or his representative  
28 shall immediately issue a receipt containing a description of  
29 the timber or materials purchased, the price bid, and the terms

1 of sale, which receipt shall be acknowledged in writing by the  
2 bidder. A contract of sale, on a form approved by the Attorney  
3 General, shall be signed by the purchaser, and following the  
4 approval of a majority of the Board, the contract shall also be  
5 signed by the Director on behalf of Alaska. The Board may impose  
6 such conditions, limitations and terms as it shall deem necessary  
7 and proper to protect the interests of Alaska. Violations of  
8 any provisions of this Act or the terms of the contract of sale  
9 shall subject the purchaser to appropriate legal action.

#### 10 Article VII

#### 11 RESERVATION OF RIGHTS TO ALASKA

12 Section 1. RESERVATION. Each and every contract for the  
13 sale, lease or grant of, and each deed to Alaska land, properties,  
14 or interest therein, made pursuant to Articles IV, V or VI herein,  
15 shall contain the following reservations: "The party of the  
16 first part, Alaska, hereby expressly saves, excepts and reserves  
17 out of the grant hereby made, unto itself, its lessees, succes-  
18 sors, and assigns forever, all oils, gases, coal, ores, minerals,  
19 fissionable materials, and fossils of every name, kind or descri-  
20 ption, and which may be in or upon said lands above described,  
21 or any part thereof, and the right to explore the same for such  
22 oils, gases, coal, ores, minerals, fissionable materials and  
23 fossils, and it also hereby expressly saves and reserves out of  
24 the grant hereby made, unto itself, its lessees, successors, and  
25 assigns forever, the right to enter by itself, its or their agents,  
26 attorneys, and servants upon said lands, or any part or parts  
27 thereof, at any and all times, for the purpose of opening, de-  
28 veloping and working mines thereon, and taking out and removing  
29 therefrom all such oils, gases, coal, ores, minerals, fissionable

1 materials and fossils, and to that end it further expressly re-  
2 serves out of the grant hereby made, unto itself, its lessees,  
3 successors, and assigns forever, the right by its or their agents,  
4 servants and attorneys at any and all times to erect, construct,  
5 maintain, and use all such buildings, machinery, roads, pipelines,  
6 powerlines, and railroads, sink such shafts, remove such soil, and  
7 to remain on said lands or any part thereof for the foregoing  
8 purpose and to occupy as much of said lands as may be necessary  
9 or convenient for such purposes hereby expressly reserving to  
10 itself, its lessees, successors, and assigns, as aforesaid,  
11 generally all rights and powers in, to, and over said land,  
12 whether herein expressed or not, reasonably necessary or conven-  
13 ient to render beneficial and efficient the complete enjoyment  
14 of the property and rights hereby expressly reserved."

15       Sec. 2 DAMAGES. No rights shall be exercised under the  
16 foregoing reservation, by Alaska, its lessees, successors or  
17 assigns, until provision has been made by Alaska, its lessee,  
18 successors or assigns, to pay to the owner of the land, upon  
19 which the rights, herein reserved to Alaska, its lessees,  
20 successors or assigns, are sought to be exercised, full payment  
21 for all damages sustained by said owner, by reason of entering  
22 upon said land: Provided that if said owner for any cause what-  
23 ever refuses or neglects to settle said damages, Alaska, its  
24 lessee, successors, assigns, or any applicant for a lease or  
25 contract from Alaska for the purpose of prospecting for valuable  
26 minerals, or option contract or lease for mining coal or lease  
27 for extracting petroleum or natural gas, shall have the right  
28 to institute such legal proceedings in a court of competent  
29 jurisdiction wherein the land is situated, as may be necessary )

1 to determine the damages which the owner of such lands may suffer.

2

### Article VIII

3

#### MINERAL LEASING

4

Section 1. GENERAL. All Alaska lands are subject to  
5 exploration, prospecting, geological survey, and the location  
6 of minerals.

7

Sec. 2. LEASING PROCEDURE. All lands, together with any  
8 tide, submerged or shore lands, to which Alaska holds title or  
9 to which Alaska may become entitled, may be obtained by permit  
10 or lease under procedures and terms and requirements recommended  
11 by the Commissioner of Mines and promulgated by the Board, for  
12 the purpose of exploration, development and extracting of  
13 minerals. Such permits or leases shall be insubstantial con-  
14 formity with the provisions of the Mineral Leasing Act of 1920,  
15 as amended (30 U.S.C. Sections 181-190, 193, 194, 201-214, 229,  
16 241, 261-263) in order that, when necessary, Alaska lands and  
17 adjacent United States Lands may be uniformly administered. Any  
18 lands may be withheld from lease application on a first-come,  
19 first-served basis, and offered only on a competitive bid basis  
20 when determined by the Board to be in the best interests of  
21 Alaska. In unproven areas the Board may offer additional in-  
22 centive and other terms in granting permits for exploration and  
23 development whenever it appears to be in the best interests of  
24 Alaska to do so.

25

### Article IX

26

#### OIL AND GAS LEASING

27

Section 1. GENERAL. All Alaska lands are subject to lease  
28 for prospecting and exploration for, and development and pro-  
29 duction of, oil and gas.

G.S. for H.R. 119  
Expressed as amended

1       Sec. 2. LEASING PROCEDURE. All lands, together with any  
2 tide, submerged or shore lands, to which Alaska holds title or  
3 to which Alaska may become entitled may be leased under rules  
4 and regulations recommended by the Commissioner of Mines and  
5 promulgated by the Board in the following manner:

6           (a) If the land to be leased is on a known or pro-  
7 ducing geologic structure, or one reasonably believed to contain  
8 such a structure, it will be offered only on a competitive bonus  
9 bid basis. The bidding shall be by sealed bids on the basis of  
10 the highest cash bonuses, with a royalty fixed by the Director  
11 with the approval of the Board at not less than twelve and one-  
12 half percentum (12-1/2%) each year, in an amount or value of  
13 the production saved, removed or sold; provided that a royalty  
14 of not less than five percentum (5%) for the first ten years  
15 will be allowed the first producer in a new area.

16           (b) If the land is considered non-competitive, a  
17 lease may be issued: (1) for a period of five years and as  
18 long thereafter as such oil and gas may be produced from the area  
19 in paying quantities; (2) require the payment of a royalty of  
20 not less than twelve and one-half percentum (12-1/2%) each year,  
21 in the amount or value of the production saved, removed or sold  
22 from the leased property; provided that a royalty of not less  
23 than five percentum (5%) for the first ten years will be allowed  
24 the first producer in a new area; (3) charge an annual rent,  
25 payable in advance, of twenty-five cents for each acre or frac-  
26 tion thereof for the first year; no rental is required for the  
27 second and third years unless a discovery of a valuable deposit  
28 of oil or gas is made within the limits of the geological struc-  
29 ture on which all or part of the leased lands are situated, in



1 under the Federal Mining Laws. Appropriation of such minerals  
2 will be in conformance with Section 47-3-1 through and including  
3 Section 47-3-92, ACLA 1949, as amended.

4 Article XI

5 MULTIPLE MINERAL DEVELOPMENT OF THE SAME TRACTS

6 Section 1. MULTIPLE USE. Disposal and use of Alaska lands  
7 as provided for in this Act shall at all times be in conformity  
8 with the provisions of Public Law 585, 84th Congress (30 U.S.C.  
9 Sections 525, 526, 527, 528 and 530).

10 Article XII

11 LAND SELECTION

12 Section 1. SELECTION PRACTICE. The selection of all grant,  
13 lieu and indemnity lands shall conform to the provisions of this  
14 Act and to the policy, orders, rules and regulations adopted by  
15 the Board. Preference of selection by the Board shall be given  
16 to the land which will provide the maximum benefits to the people  
17 of Alaska.

18 Article XIII

19 PARKS AND RECREATION AREAS

20 Section 1. PARK AND RECREATION AREAS. The Board shall  
21 establish a policy and prescribe rules and regulations whereby  
22 parks and recreation areas, including public scenic overlooks and  
23 cultural sites, shall be developed in a manner that will best  
24 serve the interests of the people of Alaska. The Board may  
25 classify certain public lands as parks, scenic overlooks, cultural  
26 sites and recreation areas; provided that the general intent of  
27 this Act is maintained.

28 Article XIV

29 MISCELLANEOUS

1 Section 1. TRANSFER, APPROPRIATIONS, RECORDS, ETC. All  
2 appropriations, records, reports, papers, documents, equipment,  
3 forms, supplies, memoranda and other public property of whatever  
4 kind held by the Department of Public Lands, created under Chapter  
5 126, SLA 1953, as amended by Chapter 183, SLA 1955, shall be  
6 turned over to the Director when and as requested.

7 Sec. 2. CONTINUING RULES, REGULATIONS, AGREEMENTS, ETC.  
8 All rules, regulations, procedures, funds, contracts and agree-  
9 ments which have been established or entered into by the Depart-  
10 ment of Lands prior to the effective date of this Act under the  
11 authority of Chapter 126, SLA 1953, as amended, are hereby con-  
12 tinued, and subject to any further amendments by the Board,  
13 except where inconsistent with the provisions of this Act.

14 Sec. 3. UNIVERSITY LAND. The Board shall have no juris-  
15 diction over University lands except when such jurisdiction has  
16 been conferred on the Board by the Board of Regents of the  
17 University of Alaska.

18 Sec. 4. TRANSITION. Until such time as a Director is  
19 appointed hereunder, the acting Land Commissioner under Chapter  
20 126, SLA 1953, as amended by Chapter 183, SLA 1955, shall perform  
21 the duties herein delegated to the Director.

22 Sec. 5. REPEALER. Chapter 126, SLA 1953, as amended by  
23 Chapter 183, SLA 1955, is hereby repealed.

24 Sec. 6. SEVERABILITY CLAUSE. If any provision of this Act,  
25 or application thereof to any person or circumstance is held  
26 invalid, the remainder of the Act and such application to other  
27 persons or circumstances shall not be affected thereby.

28 Sec. 7. An emergency is hereby declared to exist and this  
29 Act shall be in full force and effect from and after the date

1 of its passage and approval.

- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29