

Introduced: 2/21/63
Referred: State Affairs
and Commerce

RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 99

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to preference rights for
7 forest service permittees; and providing for
8 an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 38.05 is amended by adding two new sections
11 to read:

12 Sec. 38.05.068. FOREST SERVICE PERMITTEES SALES PREFER-
13 ENCE. (a) Before offering to the public any land which is
14 subject to a valid existing United States Forest Service
15 permit in effect in a state selected area at the time the
16 area was patented to the state, or which is subject to a
17 lease issued pursuant to sec. 87 of this chapter, the direc-
18 tor shall offer the land for sale to the permittee or his
19 successor in title, if he can be found, at not less than its
20 fair appraised market value before offering to the general
21 public.

22 (b) When not in conflict with this section, other pro-
23 visions of secs 45--67 of this chapter apply to sales under
24 this section.

25 Sec. 38.05.087. FOREST SERVICE PERMITTEES LEASING
26 PREFERENCE. (a) Before offering to the public any land for
27 lease which is subject to a valid existing United States
28 Forest Service permit in effect in a state selected area at
29 the time the area was patented to the state, the director

1 shall offer the land for leasing to the permittee at not less
2 than its fair appraisal market value before offering to the
3 general public.

4 (b) When not in conflict with this section, other pro-
5 visions of secs. 70--105 of this chapter apply to leases under
6 this section.

7 * Sec. 2. AS 38.05.075 is amended as follows:

8 Sec. 38.05.075. LEASING PROCEDURES. The leasing shall
9 be made at public auction to the highest qualified bidder as
10 determined by the director. An aggrieved bidder may appeal
11 to the commissioner within five days for a review of the
12 director's determination. When a valid existing federal
13 grazing lease [OR UNITED STATES FOREST SERVICE TERM SPECIAL
14 USE PERMIT] is cancelled to allow state selection of the area
15 under lease [OR PERMIT], the lessee [OR PERMITTEE] of the
16 lands has the preference right to lease the lands without
17 competitive bidding upon terms as favorable to the lessee as
18 those contained in the cancelled federal lease [OR PERMIT].
19 The leasing shall be conducted by the director, or his repre-
20 sentative, and the successful bidder shall deposit the first
21 year's rental, or such portion of it as the commissioner
22 requires, in cash or by certified check, cashier's check, or
23 money order, in accordance with his bid. The director or his
24 representative shall immediately issue a receipt containing a
25 description of the land or interest leased, the price bid and
26 terms of the lease. The receipt shall be acknowledged in
27 writing by the bidder. A lease, on a form approved by the
28 attorney general, shall be signed by the lessee and, upon
29 approval by the commissioner, shall be signed by the director.

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* Sec. 3. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.