

Introduced: 4/7/77
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 445

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to leasing of state land; and providing
7 for an effective date."

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

9 * Section 1. WAIVER OF RENTAL READJUSTMENT. (a) If a lease from the
10 state is subject to periodic rental adjustments under AS 38.05.105, and the
11 leased land is used for business purposes, the director of the division of
12 lands shall, upon application by the lessee, waive all or part of the periodic
13 rental adjustment in cases where he finds that the adjustment causes substan-
14 tial hardship. In determining whether substantial hardship exists the direc-
15 tor shall consider

16 (1) the length of time the lease has been in effect;

17 (2) the pattern of rental adjustments during the time the lease
18 has been in effect;

19 (3) whether the rental adjustment would have the effect of making
20 the business conducted on the leased land unlikely to earn a reasonable rate
21 of return;

22 (4) whether the income from the business conducted on the leased
23 land constitutes a substantial portion of the total income of the lessee.

24 (b) A waiver granted under this Act shall be effective from the date of
25 the last adjustment until June 30, 1978 and applies to the additional rent
26 which would otherwise be due under that adjustment.

27 * Sec. 2. This Act expires June 30, 1978.

28 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
29 070(c).

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