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1 IN THE SENATE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR CS FOR SENATE BILL NO. 159

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

9 * Section 1. REDESIGNATION AND DISPOSAL OF MENTAL HEALTH LAND. (a) Land
10 granted to the state under the Mental Health Enabling Act of 1956, 70 Stat.
11 709, and patented to or approved for patent to the state on July 1, 1978 and
12 land designated as mental health land which was received in exchange for land
13 granted under that federal land grant is redesignated as general grant land
14 and shall be managed consistent with applicable provisions of law.

15 (b) Redesignation of mental health land in (a) of this section does not
16 affect the validity of a deed, contract for sale, lease, easement, right-of-
17 way, permit, mineral lease disposal, or a reservation for public use of that
18 land by statute, in effect before July 1, 1978 or land management actions
19 including use classifications under AS 38.05.300, and interagency land manage-
20 ment assignments of that land made by the Department of Natural Resources
21 before July 1, 1978.

22 * Sec. 2. REDESIGNATION AND DISPOSAL OF SCHOOL LAND. (a) Land granted
23 to the state in sections 16 and 36 in each township surveyed before January 3,
24 1959 under the Act of March 4, 1915, 48 U.S.C. 353, and patented to or
25 approved for patent to the state on July 1, 1978 and land designated as
26 school land which was received in exchange for land granted under that
27 federal land grant and land granted to the state as lieu or indemnity land is
28 redesignated as general grant land and shall be managed consistent with
29 applicable provisions of law.

1 (b) The redesignation of school land in (a) of this section does not
2 affect the validity of a deed, contract for sale, lease, easement, right-of-
3 way, permit, mineral lease disposal, or a reservation for public use of that
4 land by statute, in effect before July 1, 1978 or land management actions
5 including use classifications under AS 38.05.300, and interagency land manage-
6 ment assignments of that land made by the Department of Natural Resources
7 before July 1, 1978.

8 * Sec. 3. REDESIGNATION AND DISPOSAL OF UNIVERSITY LAND. (a) Land
9 granted to the state under 38 Stat. 1214, as amended, 48 U.S.C. 353, and the
10 Act of January 21, 1929, 48 U.S.C. 354(a) which is held in the name of the
11 University of Alaska on July 1, 1978 and land designated as university land
12 which was received in exchange for land granted under those federal land
13 grants is redesignated as general grant land and shall be managed consistent
14 with applicable provisions of law.

15 (b) The redesignation of university land in (a) of this section does
16 not affect the validity of a deed, contract for sale, lease, easement, right-
17 of-way, permit, mineral lease disposal, or a reservation for public use of
18 that land by statute, in effect before July 1, 1978 or land management
19 actions including use classifications under AS 38.05.300, and interagency
20 land management assignments of that land made by the Department of Natural
21 Resources before July 1, 1978.

22 (c) Land in Section 6, Township 1 South, Range 1 West, Section 31,
23 Township 1 North, Range 1 West, Section 1, Township 1 South, Range 2 West,
24 and Section 36, Township 1 North, Range 2 West, Fairbanks Meridian granted
25 under the Act of March 4, 1915, 48 U.S.C. 353, and all land used or occupied
26 by the university and its associated facilities, community colleges, or sub-
27 ordinate campuses on or before July 1, 1978 shall be held in the name of the
28 University of Alaska and shall be reserved and dedicated to use for the
29 University of Alaska and title to that land shall be held by the university.

1 * Sec. 4. AS 37 is amended by adding a new chapter to read:

2 CHAPTER 14. TRUST FUNDS.

3 ARTICLE 1. MENTAL HEALTH FUND.

4 Sec. 37.14.010. MENTAL HEALTH FUND ESTABLISHED. (a) There is
5 established as a separate fund the mental health fund.

6 (b) The principal of the fund established in (a) of this section
7 consists of sums transferred under sec. 50 of this chapter.

8 (c) The income of the fund established in (a) of this section
9 consists of the interest and dividends earned from investments of the
10 principal of that fund under sec. 170 of this chapter.

11 Sec. 37.14.020. MENTAL HEALTH FUND ADVISORY BOARD CREATED. (a)
12 There is created in the Department of Revenue the Mental Health Fund
13 Advisory Board composed of the director of the division of mental
14 health, the chairman of the Mental Health Advisory Council, and the
15 commissioner of the Department of Revenue.

16 (b) The board created in (a) of this section shall elect a chair-
17 man from the membership of that board. Members serve without compensa-
18 tion but are entitled to per diem and travel expenses authorized by law
19 for other boards.

20 Sec. 37.14.030. POWERS AND DUTIES OF BOARD. The board created in
21 sec. 20 of this chapter has the following powers and duties:

22 (1) to hold regular meetings and special meetings considered
23 necessary;

24 (2) to have prepared an annual accounting of the total prin-
25 cipal and income of the fund established in sec. 10 of this chapter; and

26 (3) to prepare long-range investment plans for the fund
27 established in sec. 10 of this chapter.

28 Sec. 37.14.040. FUND UTILIZATION. The principal of the fund
29 established in sec. 10 of this chapter shall be retained in that fund

1 for investment as specified in sec. 170 of this chapter. The income of
2 the fund may not be appropriated for a purpose other than the support of
3 the state mental health program.

4 Sec. 37.14.050. CONTRIBUTIONS. During each fiscal year, subject
5 to legislative appropriation of sufficient funds, the commissioner of
6 the Department of Revenue shall transfer to the fund established in sec.
7 10 of this chapter a sum equal to one and one-half per cent of the total
8 revenue derived from the management of state land, including amounts
9 paid to the state as proceeds of sale or annual rent of surface rights,
10 mineral lease rentals, royalties, royalty sale proceeds, and federal
11 mineral revenue-sharing payments or bonuses.

12 ARTICLE 2. UNIVERSITY FUND.

13 Sec. 37.14.060. UNIVERSITY FUND ESTABLISHED. (a) There is
14 established as a separate fund the university fund.

15 (b) The principal of the fund established in (a) of this section
16 consists of

17 (1) the balance of the trust fund established in AS 14.40.400
18 on July 1, 1978; and

19 (2) sums transferred under sec. 100 of this chapter.

20 (c) The income of the fund established in (a) of this section
21 consists of the interest and dividends earned from investments of the
22 principal of that fund under sec. 170 of this chapter.

23 Sec. 37.14.070. UNIVERSITY FUND ADVISORY BOARD CREATED. (a)
24 There is created in the Department of Revenue the University Fund
25 Advisory Board composed of two members appointed by the Board of Regents
26 of the University of Alaska from the membership of the Board of Regents,
27 and the commissioner of the Department of Revenue.

28 (b) The board created in (a) of this section shall elect a chair-
29 man from the membership of that board. Members serve without compensa-

1 tion but are entitled to per diem and travel expenses authorized by law
2 for other boards.

3 Sec. 37.14.080. POWERS AND DUTIES OF BOARD. The board created in
4 sec. 70 of this chapter has the following powers and duties:

5 (1) to hold regular meetings and special meetings considered
6 necessary;

7 (2) to have prepared an annual accounting of the total prin-
8 cipal and income of the fund established in sec. 60 of this chapter; and

9 (3) to prepare long-range investment plans for the fund
10 established in sec. 60 of this chapter.

11 Sec. 37.14.090. FUND UTILIZATION. (a) The principal of the fund
12 established in sec. 60 of this chapter shall be retained in the fund for
13 investment as specified in sec. 170 of this chapter.

14 (b) The income from the fund established in sec. 60 of this chap-
15 ter may not be appropriated for a purpose other than the support of
16 programs of the University of Alaska.

17 (c) No part of the principal and income of the fund established in
18 sec. 60 of this chapter may be used for the support of a sectarian or
19 denominational college or school.

20 Sec. 37.14.100. CONTRIBUTIONS. During each fiscal year the com-
21 missioner of the Department of Revenue shall transfer to the fund
22 created in sec. 60 of this chapter a sum equal to one-half of one per
23 cent of the total receipts derived from the management of state land,
24 including amounts paid to the state as proceeds of sale or annual rent
25 of surface rights, mineral lease rentals, royalties, royalty sale pro-
26 ceeds, and federal mineral revenue-sharing payments or bonuses.

27 ARTICLE 3. PUBLIC SCHOOL FUND.

28 Sec. 37.14.110. PUBLIC SCHOOL FUND ESTABLISHED. (a) There is
29 established as a separate fund the public school fund.

1 (b) The principal of the fund established in (a) of this section
2 consists of

3 (1) the balance of the public school permanent fund on
4 July 1, 1978; and

5 (2) sums transferred under sec. 150 of this chapter.

6 (c) The income of the fund created in (a) of this section consists
7 of the interest and dividends earned from investments of the principal
8 of that fund under sec. 170 of this chapter.

9 Sec. 37.14.120. PUBLIC SCHOOL FUND ADVISORY BOARD CREATED. (a)
10 There is created in the Department of Revenue the Public School Fund
11 Advisory Board composed of the commissioner of the Department of Edu-
12 cation, three members elected by the Board of Education from among its
13 membership and the commissioner of the Department of Revenue.

14 (b) The board created in (a) of this section shall elect a chair-
15 man from the membership of the board. Members serve without compensa-
16 tion but are entitled to per diem and travel expenses authorized by law
17 for other boards.

18 Sec. 37.14.130. POWERS AND DUTIES OF BOARD. The board created in
19 sec. 120 of this chapter has the following powers and duties:

20 (1) to hold regular meetings and special meetings considered
21 necessary;

22 (2) to have prepared an annual accounting of the principal
23 and income of the fund established in sec. 110 of this chapter; and

24 (3) to prepare long-range investment plans for the fund
25 established in sec. 110 of this chapter.

26 Sec. 37.14.140. FUND UTILIZATION. The principal of the fund
27 established in sec. 110 of this chapter shall be retained in the fund
28 for investment as specified in sec. 170 of this chapter. The income of
29 the fund may not be appropriated for a purpose other than for the sup-

1 port of public education programs.

2 Sec. 37.14.150. CONTRIBUTIONS. During each fiscal year the com-
3 missioner of the Department of Revenue shall transfer to the fund
4 created in sec. 110 of this chapter a sum equal to one-half of one per
5 cent of the total receipts derived from the management of state land,
6 including amounts paid to the state as proceeds of sale or annual rent
7 of surface rights, mineral lease rentals, royalties, royalty sale pro-
8 ceeds, and federal mineral revenue-sharing payments or bonuses.

9 ARTICLE 4. CUSTODY AND INVESTMENT OF TRUST FUNDS.

10 Sec. 37.14.160. DUTIES OF COMMISSIONER OF REVENUE. The commis-
11 sioner of revenue is the treasurer of the funds created in secs. 10, 60,
12 and 110 of this chapter and shall

13 (1) act as official custodian of the cash and securities
14 belonging to those funds and provide adequate safe deposit facilities
15 for each of them;

16 (2) receive cash belonging to those funds;

17 (3) collect the principal on securities acquired for each
18 fund established under secs. 10, 60, and 110 of this chapter and credit
19 each fund accordingly;

20 (4) collect interest and dividends earned on investments of
21 the funds established under secs. 10, 60, and 110 of this chapter and
22 credit the income reserve account of each fund accordingly;

23 (5) invest and reinvest the principal of each fund in accor-
24 dance with sec. 170 of this chapter.

25 Sec. 37.14.170. INVESTMENTS. (a) The commissioner of revenue,
26 with the approval of each advisory board created in secs. 20, 70, and
27 120 of this chapter, may invest the principal of the funds created in
28 secs. 10, 60, and 110 of this chapter in the same manner as specified
29 for the investment of surplus pension funds under AS 39.35.110.

1 (b) The commissioner of revenue may

2 (1) invest and reinvest the principal of the funds;

3 (2) sell, exchange, convey, transfer, or otherwise dispose of
4 of investments of the funds by private contract or at public auction;

5 (3) vote upon a stock, bond, or other security; give a
6 general or special proxy or power of attorney with or without power of
7 substitution; exercise a conversion privilege, subscription right, or
8 other option and make payments incidental to it; consent to or partici-
9 pate in a corporate reorganization or other change affecting corporate
10 securities, delegate discretionary power, pay an assessment or charge in
11 connection with the delegation; and generally exercise any of the powers
12 of an owner with respect to stocks, bonds, securities, or other invest-
13 ments held in the funds;

14 (4) make, execute, acknowledge, and deliver documents of
15 transfer and conveyance and instruments necessary or appropriate to
16 carry out the powers granted;

17 (5) register investments held in a fund in the name of the
18 board having the power to approve investments for a fund;

19 (6) do all acts whether or not expressly authorized which are
20 considered proper for the protection of the investments held in the
21 funds.

22 * Sec. 5. AS 38.05.030(c) is amended to read:

23 (c) In addition to the requirements specified in AS 38.50.090, the
24 agencies referred to in [(a) AND] (b) of this section and other state
25 agencies with authority to acquire or dispose of land shall give written
26 notification of the fact of acquisition, lease or exchange to the divi-
27 sion of lands within three months after the date that they make the
28 acquisition, lease or exchange.

29 * Sec. 6. AS 38.05.030(d) is amended to read:

1 (d) Real property acquired by, and under the management of, the
2 agencies referred to in [(a) AND] (b) of this section, which is no
3 longer needed for its intended use, shall be returned to the jurisdic-
4 tion of the division of lands, except that the Department of Highways
5 may dispose of real property acquired by it under AS 19.05.040(2) and AS
6 19.05.080 - 19.05.120.

7 * Sec. 7. AS 38.05.035(b) is amended by adding a new paragraph to read:

8 (6) dispose of land which is held in the name of the Univer-
9 sity of Alaska except land granted under the Act of March 4, 1915, 48
10 U.S.C. 353 which is reserved as the site of the University of Alaska
11 and all land used or occupied by the university and its associated
12 facilities, community colleges, or subordinate campuses.

13 * Sec. 8. AS 38.05.085(b) is repealed and re-enacted to read:

14 (b) When it becomes necessary to determine the fair market value
15 of property as required by (a) of this section, the director shall have
16 the property appraised by a qualified appraiser. If the lessee dis-
17 agrees with the appraisal obtained by the director, he may appoint a
18 qualified appraiser to make an appraisal of the property in question.
19 If the two appraisers agree upon the fair market value, the determina-
20 tion is binding on the parties. In the event the two appraisers are
21 unable to agree, they shall appoint a third qualified appraiser who
22 shall then make his appraisal of the property in question. When the
23 third appraisal is completed, the two of the three appraisals which are
24 nearest each other in their determination of the fair market value shall
25 be averaged and the resultant sum shall be the fair market value of the
26 property in question and absolutely binding on the parties. All costs
27 incurred in making the appraisals provided for in this subsection shall
28 be borne by the state and the lessee equally.

29 * Sec. 9. AS 38.05.085(g) is amended by adding a new paragraph to read:

1 (3) "qualified appraiser" means a senior member of the
2 American Institute of Real Estate Appraisers, the Society of Real Estate
3 Appraisers, a person meeting the requirements for certification as an
4 appraiser II by the division of personnel, Department of Administration,
5 or a person qualified according to regulations adopted by the commis-
6 sioner under the Administrative Procedure Act (AS 44.62).

7 * Sec. 10. AS 38.05.095 is amended to read:

8 Sec. 38.05.095. SUBLEASES. (a) Except as provided in (b) of this
9 section, a [A] lessee may sublease or assign the land or portion of it
10 upon which he has a lease if, after application to the director, the
11 director issues a permit. The director may issue a permit if he finds
12 that it is in the best interests of the state to do so.

13 (b) A nonprofit organization that is exempted from paying rent on
14 state land under sec. 97 of this chapter may not sublease or assign the
15 land or a portion of it on which it has a lease.

16 * Sec. 11. AS 38.05 is amended by adding a new section to read:

17 Sec. 38.05.097. EXEMPTION FROM RENTAL PAYMENTS ON LAND LEASED BY
18 NONPROFIT ORGANIZATIONS. (a) A nonprofit organization using state land
19 leased by it under secs. 70 - 105 of this chapter for a youth encampment
20 or similar recreational purpose is exempt from lease rental payments on
21 that land. The nonprofit organization shall meet all other terms and
22 conditions of the lease specified under secs. 70 - 105 of this chapter.

23 (b) In this section, "nonprofit organization" means nonprofit
24 corporations, associations, clubs, or societies organized and operated
25 exclusively for charitable, religious, scientific, or educational pur-
26 poses or for the promotion of social welfare and which has received an
27 exemption from the payment of federal income tax.

28 (c) A nonprofit organization which satisfies the requirements of
29 this section that is using land under a lease in effect before July 1,

1 1978 may convert its lease to a new lease with terms exempting it from
2 the payment of rent by submitting a written request to the director.

3 * Sec. 12. AS 38.05.105(b)(1) is amended to read:

4 (1) subject to the provisions of (c) of this section, changes
5 in property value due to governmental actions, including zoning re-
6 classifications, shall be included; and

7 * Sec. 13. AS 38.05.105 is amended by adding a new subsection to read:

8 (c) Changes or adjustments of annual rent on land under lease and
9 used for single-family residential purposes in an area zoned for com-
10 mercial or other nonresidential uses shall be based on an adjusted fair
11 market value determined by reference to the actual use of the property
12 and not by reference to the other uses permissible under the zoning
13 ordinance.

14 * Sec. 14. AS 38.05.310 is amended to read:

15 Sec. 38.05.310. [NOTICE AND] APPRAISAL. No land may be sold or
16 leased, or a renewal lease issued [WITHOUT PUBLIC NOTICE], except in the
17 case of an oil or gas or mineral lease, unless it has been appraised
18 within 120 [90] days before the date fixed for the sale or lease. When
19 land is offered at public sale but is not sold and is available at
20 private sale, no reappraisal is required unless the director considers
21 that a change in value of the lands may have occurred. A grazing lease
22 may be granted to a lessee of federal grazing lands without prior
23 appraisal, if his federal lease was cancelled to allow the state to
24 select the lands under lease. No land may be sold or leased for less
25 than the approved, appraised market value, except as provided in secs.
26 315 and 320 of this chapter, [AND] secs. 75 - 85 and sec. 97 of this
27 chapter.

28 * Sec. 15. AS 38.05.340 is amended to read:

29 Sec. 38.05.340. ASSIGNMENT. (a) Except as provided in (b) of

1 this section, all [ALL] contracts of purchase or lease of lands or in-
2 terest in lands may be [ARE], on the affirmative approval of the direc-
3 tor, assigned or subleased [ASSIGNABLE] in whole or in part in writing
4 by the contract holder or lessee, and the assignee or sublessee is
5 subject to the provisions of laws and regulations applicable to the
6 contract or lease.

7 (b) A nonprofit organization that is exempted from paying rent on
8 state land under sec. 97 of this chapter may not assign or sublease the
9 land or a portion of it on which it has a lease.

10 * Sec. 16. AS 38.35.140(a) is amended to read:

11 (a) The lease price for a right-of-way lease shall be the annual
12 fair market rental of the state lands included in the right-of-way based
13 on the appraised fair market value of the land. The lease price is
14 payable annually in advance on or before the anniversary of the lease.
15 The appraised fair market rental value shall be adjusted at five-year
16 intervals and charges or adjustments shall be based on a reappraised
17 annual rental value [PERIODICALLY UNDER THE PROVISIONS OF AS 38.05.105].
18 Rental may not be charged for any land acquired by the lessee under sec.
19 130(b) of this chapter and conveyed without cost to the state.

20 * Sec. 17. AS 38.50.040 is amended to read:

21 Sec. 38.50.040. LAND SUBJECT TO EXCHANGE. Except as otherwise
22 provided in this chapter, the director is authorized to convey for
23 purposes of exchange any state land or interest in land regardless of
24 the authority under which the land or interest was obtained by the
25 state. The conveyance of university land [AND SCHOOL LAND] shall be
26 approved in the manner prescribed in AS 38.05.030 [, AND THE CONVEYANCE
27 OF MENTAL HEALTH LAND SHALL BE APPROVED BY A BOARD COMPOSED OF THE
28 DIRECTOR OF THE DIVISION OF MENTAL HEALTH, THE CHAIRMAN OF THE MENTAL
29 HEALTH ADVISORY COUNCIL, AND THE COMMISSIONER OF REVENUE].

1 * Sec. 18. AS 38.50.040 is amended to read:

2 Sec. 38.50.040. LAND SUBJECT TO EXCHANGE. Except as otherwise
3 provided in this chapter, the director is authorized to convey for
4 purposes of exchange any state land or interest in land regardless of
5 the authority under which the land or interest was obtained by the
6 state. [THE CONVEYANCE OF UNIVERSITY LAND AND SCHOOL LAND SHALL BE
7 APPROVED IN THE MANNER PRESCRIBED IN AS 38.05.030, AND THE CONVEYANCE OF
8 MENTAL HEALTH LAND SHALL BE APPROVED BY A BOARD COMPOSED OF THE DIRECTOR
9 OF THE DIVISION OF MENTAL HEALTH, THE CHAIRMAN OF THE MENTAL HEALTH
10 ADVISORY COUNCIL, AND THE COMMISSIONER OF REVENUE.]

11 * Sec. 19. AS 14.40.280 is amended to read:

12 Sec. 14.40.280. ENDOWMENTS AND DONATIONS. All monetary gifts,
13 bequests or endowments which are made to the university for the purpose
14 of the separate [TRUST] fund created under AS 37.14.110 [SEC. 400 OF
15 THIS CHAPTER] shall be transferred to the Department of Revenue. The
16 Department of Revenue shall manage that money in accordance with AS 37.-
17 14.060 - 37.14.100 [SEC. 400 OF THIS CHAPTER]. Title to and control or
18 possession of land, personal property, and all money other than that
19 transferred to the Department of Revenue, which is devised, bequeathed
20 or given to the university shall be taken by the university in its
21 corporate capacity acting by and through the regents or an authorized
22 agent, and shall be entered in the perpetual inventory of the univer-
23 sity.

24 * Sec. 20. The following laws are repealed: AS 14.40.350, 14.40.360,
25 14.40.400; AS 34.10.010 - 34.10.160, 34.10.180 - 34.10.240; AS 38.05.030(a)
26 and (e), 38.05.032, 38.05.035(a)(8) and (13), 38.05.365(8), (14) and (20);
27 and AS 38.50.110(a)(6).

28 * Sec. 21. Sec. 12, ch. 138, SLA 1977 is amended to read:

29 Sec. 12. CONVERSION OF LEASES. The provisions of secs. 9 - 11 of

1 this Act are applicable to state leases which are in existence on or
2 before the effective date of this Act if a lessee under a lease elects,
3 in writing, to be bound by this Act. When a lessee elects to be bound
4 by the provisions of this Act, the state shall enter into an amended [A
5 NEW] lease with the lessee for a term equal to the remaining period of
6 the original lease which is being converted, and [TERMINATED] that
7 amended lease shall be [IS] consistent with the provisions of this Act
8 but shall not otherwise alter the terms of the original lease. However,
9 for purposes of determining the annual rent by the state, the fair
10 market value of the property which is used to establish the fixed base
11 annual rent for the initial period of the lease may not exceed the fair
12 market value as it was last appraised on or before January 1, 1975,
13 brought forward to the date of the first day of the quarter following
14 the date of a request for conversion [JANUARY 1, 1976,] at the rate of
15 10 per cent a year, or, if the lease was entered into after January 1,
16 1975, [ON THE BASIS OF] the fair market value used to establish the
17 annual rent for the initial period of the new lease is the fair market
18 value of the last appraisal brought forward to the date of conversion at
19 the rate of 10 per cent per year [AT THE TIME THE LEASE WAS ENTERED
20 INTO].

21 * Sec. 22. A request for conversion permitted under sec. 12 of ch. 138,
22 SLA 1977, given before the effective date of this Act remains in effect.

23 * Sec. 23. Chapter 144, SLA 1961 is amended by adding new sections to
24 read:

25 Sec. 4. The director of the division of lands of the Department of
26 Natural Resources is empowered and directed to offer, by noncompetitive
27 sale, to Alyeska Ski Corporation, an Alaska corporation or to a sub-
28 lessee, under the lease provided for in sec. 1 of this chapter, the
29 following described real property or any portion of it lying in the

1 vicinity of Girdwood, in the Anchorage Recording District: Beginning at
2 a point vicinity of Girdwood, in the Anchorage Recording District:
3 Beginning at a point being the southwest corner, Cor. #4, of U.S. Survey
4 3569, thence West 20 chs., North 60 chs., East 65 1/2 chs. m/l to the
5 Chugach National Forest boundary line, thence South 60 chs. along the
6 Chugach National Forest boundary line, thence West 5 1/2 chs. m/l, to
7 the southeast corner, Cor. #3, of U.S. Survey 3569, thence North 40 chs.
8 along the east boundary of U.S. Survey 3569 to the northeast corner of
9 the survey, Cor. #2, thence West 40 chs. along northern boundary of U.S.
10 Survey 3569 to the northwest corner of the survey, Cor. #1, thence South
11 40 chs. along western border of U.S. Survey 3569 to point of beginning,
12 containing approximately 233 acres.

13 Sec. 5. The sale price of land offered under sec. 4 of this chap-
14 ter shall be the fair market value of the land on July 1, 1978 which
15 shall be determined in the same manner as specified for the determina-
16 tion of adjusted market value for leased land in AS 38.05.105(b).

17 * Sec. 24. ELECTION BY BOARD OF REGENTS. The Board of Regents shall hold
18 a special meeting not later than September 1, 1978 to determine whether it is
19 in the best interests of the University of Alaska to relinquish the authority
20 to approve of the management and disposal of university land by the Depart-
21 ment of Natural Resources, and to accept the benefits of the university fund
22 established in AS 37.14.060 - 37.14.100 contained in sec. 4 of this Act. The
23 Act of approval or disapproval shall be recorded by resolution of the Board
24 of Regents. A majority of the whole board shall determine whether the matter
25 under consideration is approved or disapproved.

26 * Sec. 25. The Department of Natural Resources may not initiate any fore-
27 closure action under AS 34.10 after the effective date of this section.

28 * Sec. 26. A right of repurchase created by former AS 34.10.220 and
29 existing on the effective date of this section may be exercised only if it is

1 exercised under that statute within three years following the effective date
2 of this section. The division of lands shall publish notice of the expira-
3 tion of all such repurchase rights in the manner provided by AS 38.05.345
4 before January 1, 1979 and again before January 1, 1980 and before January 1,
5 1981.

6 * Sec. 27. Sections 3, 5 - 7, 18, 19, and AS 37.14.060 - 37.14.100 con-
7 tained in sec. 4 of this Act, and the repeal of AS 14.40.350, 14.40.360,
8 14.40.400; AS 38.05.030(a) and 38.05.365(20) contained in sec. 20 of this
9 Act, take effect on the date that the Board of Regents votes to approve the
10 matters under consideration as provided in sec. 24 of this Act.

11 * Sec. 28. Sections 1, 2, 8 - 16, and AS 37.14.010 - 37.14.050 and 37.14.-
12 110 - 37.14.170 contained in sec. 4 of this Act, and the repeal of AS 38.05.-
13 030(e), 38.05.032, 38.05.035(a)(13), 38.05.365(8) and (14) contained in sec.
14 20 of this Act take effect July 1, 1978.

15 * Sec. 29. Section 17 of this Act takes effect on the date that the Board
16 of Regents votes to disapprove the matters under consideration as provided in
17 sec. 25 of this Act.

18 * Sec. 30. Sections 22 and 24 - 26 of this Act and the repeal of AS
19 34.10.010 - 34.10.160, 34.10.180 - 34.10.240 and AS 38.05.035(a)(8) con-
20 tained in sec. 20 of this Act take effect immediately in accordance with AS
21 01.10.070(c).

22 * Sec. 31. Section 21 of this Act takes effect immediately in accordance
23 with AS 01.10.070(c) and is retroactive to September 21, 1977.

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