

Introduced: 4/3/79  
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 437

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the sale of certain state land  
7 subject to competitive leases; and providing for an  
8 effective date."

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

10 \* Section 1. SALE OF LEASED LAND. (a) The director of the division of  
11 lands, Department of Natural Resources, shall sell to a lessee land leased to  
12 that lessee under a lease which was converted to an amended lease under sec.  
13 12, ch. 138, SLA 1977 as amended by sec. 21, ch. 182, SLA 1978. The purchase  
14 price of the land offered under this section shall be the cost incurred by  
15 the Department of Natural Resources for administering the sale of the land  
16 plus an amount equal to the fair market value of the land used to establish  
17 the annual rent for the lease after the date of conversion under the  
18 provisions of sec. 12, ch. 138, SLA 1977 as amended by sec. 21, ch. 182, SLA  
19 1978.

20 (b) Not later than October 1, 1979, the director of the division of  
21 lands shall send to the lessee an offer to sell the leased land along with an  
22 installment payment contract which has been approved by the attorney general.  
23 A lessee may purchase land leased by him if, before October 1, 1980, the  
24 lessee

25 (1) pays to the director of the division of lands an amount equal  
26 to five per cent of the purchase price; and

27 (2) signs and returns the installment payment contract to the  
28 director of the division of lands.

29 (c) The terms of an installment payment contract offered to a lessee

1 shall be as follows:

2 (1) the lessee shall pay installment payments monthly, quarterly,  
3 or annually for a term not to exceed 20 years;

4 (2) the lessee shall pay installment payments set by the director  
5 according to the level-payment basis;

6 (3) the lessee shall pay interest at eight per cent a year on the  
7 unpaid principal balance; and

8 (4) the lessee may accelerate payment of the indebtedness without  
9 penalty.

10 (d) Land leased by a lessee who fails to accept the offer of the direc-  
11 tor of the division of lands before the time specified in (b) of this section  
12 shall be offered for sale to the public after expiration of the lease.

13 (e) This section does not apply to leased state land which is tideland,  
14 submerged land or grazing land, or state land leased under AS 38.35 or  
15 AS 38.05.315.

16 \* Sec. 2. This Act takes effect July 1, 1979.  
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