

Offered: 2/7/86
Referred: Finance

Original sponsors: Coghill and
Kerttula

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 349 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the reorganization of private
7 debt at a Delta Project."

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

9 * Section 1. (a) The commissioner of natural resources shall, at the
10 request of an individual who holds agricultural rights to land purchased
11 from the state in a Delta Project,

12 (1) accept the relinquishment of agricultural land purchased
13 from the state in a Delta Project and credit the percentage of the debt
14 owed to the state on land purchased and land clearing loans that equals the
15 percentage of land relinquished under this section, either by acreage or by
16 value, as determined by the commissioner;

17 (2) enter into an agreement with the individual for the lease
18 for agricultural purposes only of a portion of or all of the land relin-
19 quished for a term of 20 years at the full fair market value of the land; a
20 survey under this paragraph, if required, shall be at the expense of the
21 individual.

22 (b) If an individual who has relinquished land under this section
23 applies before July 1, 1987 for a lease on all or part of the land relin-
24 quished, the lease shall provide the lessee an option to purchase the land
25 leased under sec. 1(a)(2) of this Act at full fair market value at the time
26 of purchase without reduction to reflect the remaining lease term.

27 (c) The commissioner of natural resources in consultation with the
28 Agricultural Revolving Loan Board may renegotiate with the individual loans
29 for chattels or farm improvements located on the agricultural land in a

1 Delta Project if the commissioner determines that renegotiation is neces-
2 sary to minimize financial losses to the state and that it is in the best
3 interest of the state.

4 * Sec. 2. This Act is repealed July 1, 1988.