

Offered: 2/4/87
Referred: Resources and Finance

5-0098B

Original sponsor: Faiks

1 IN THE SENATE BY THE JUDICIARY COMMITTEE
2 CS FOR SENATE BILL NO. 16 (Judiciary)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to the disposition of unclaimed real
7 property interests."

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

9 * Section 1. AS 13.16.381 is amended to read:

10 Sec. 13.16.381. DISPOSITION OF UNCLAIMED ESTATE BY PERSONAL
11 REPRESENTATIVE. When there is no taker of an intestate estate, or if
12 an heir, devisee, or claimant cannot be found and the missing person
13 has no conservator, the personal representative shall handle the
14 (1) unclaimed personal property of the estate in accordance
15 with AS 34.45.280 - 34.45.780; and
16 (2) unclaimed real property of the estate in accordance
17 with AS 38.95 [AS 38.05].

18 * Sec. 2. AS 38.05.945(a) is amended to read:

19 (a) This section establishes the requirements for notice given
20 by the department for the following actions:
21 (1) classification or reclassification of state land under
22 AS 38.05.300 and the closing of land to mineral leasing or entry under
23 AS 38.05.185;
24 (2) zoning of land under applicable law;
25 (3) a decision under AS 38.05.035(e) regarding the sale,
26 lease, or disposal of an interest in state land or resources; [AND]
27 (4) a competitive disposal of an interest in state land or
28 resources after final decision under AS 38.05.035(e); and
29 (5) proposed transfer of escheated real property by the

1 department under AS 38.95.230.

2 * Sec. 3. AS 38.05.945 (e) is amended to read:

3 (e) Except for (a)(5) of this section, the [THE] provisions of
4 this section do not apply to a lease issued under AS 38.05.205.

5 * Sec. 4. AS 38.05.945(f) is amended to read:

6 (f) Except for (a)(5) of this section, the [THE] provisions of
7 this section do not apply to a production license issued under AS
8 38.05.207.

9 * Sec. 5. AS 38.95.230 is repealed and reenacted to read:

10 Sec. 38.95.230. TRANSFER OF ESCHEATED REAL PROPERTY BY DEPART-
11 MENT. Within 90 days after a judgment of escheat under AS 38.95.220
12 and after notice has been given as required under AS 38.05.945, the
13 department shall sell, lease, exchange, or otherwise transfer the
14 escheated real property unless the department issues a written finding
15 that the sale, lease, exchange, or other transfer is not in the best
16 interest of the state.

17 * Sec. 6. AS 38.95.240 is repealed and reenacted to read:

18 Sec. 38.95.240. CLAIMS TO ESCHEATED REAL PROPERTY. (a) Within
19 seven years after a judgment of escheat under AS 38.95.220, a person
20 who is not a party to the escheat proceeding may bring an action in
21 the superior court to prove the person's claim to the real property.
22 If the plaintiff establishes the claim and that the plaintiff had no
23 knowledge of the prior escheat proceeding, the court shall award the
24 plaintiff

25 (1) the property if the state still owns the property; or

26 (2) an amount equal to the

27 (A) net proceeds from the sale of the real property
28 under AS 38.95.230;

29 (B) the appraised fair market value of the property

1 less the expenses of appraisal, if the property has been trans-
2 ferred other than by sale or lease.

3 (b) A person who is awarded property under (a) of this section
4 is not entitled to the rents, profits, interest, or dividends that
5 accrue to the state during the state's possession of the property.

6 (c) The time limitation of seven years does not apply to a minor
7 or an incapacitated person, but the person must bring an action to
8 prove the person's claim to the real property within one year after
9 the person reaches the age of eighteen years or the incapacity ceases.
10 In this subsection, "incapacitated person" has the meaning given in
11 AS 13.26.005.

12 (d) This section does not prevent the state from transferring
13 escheated real property to a person who provides proof satisfactory to
14 the department that the person is the owner of the real property, if

15 (1) the department determines the transfer to be appropri-
16 ate; and

17 (2) the transfer occurs within seven years after the judg-
18 ment of escheat under AS 38.95.220.

19 * Sec. 7. AS 38.95.250 is repealed and reenacted to read:

20 Sec. 38.95.250. PROCEEDS OF SALE. The department shall deposit
21 the net proceeds from the sale of real property in an escheated real
22 property trust account. The department shall maintain the proceeds in
23 the account for a period of at least seven years after the date of the
24 judgment of escheat. The department may use money in the trust ac-
25 count to pay claims made under AS 38.95.240.

26 * Sec. 8. AS 38.95.270 is amended to read:

27 Sec. 38.95.270. DEFINITIONS. In AS 38.95.200 - 38.95.270[,]

28 (1) "department" means the Department of Natural Resources;

29 (2) "net proceeds" means the proceeds from a sale under

1 AS 38.95.230 after deduction of the costs of the sale, including
2 attorney fees and publication costs;

3 (3) "real property" includes an interest in real property.

4 * Sec. 9. This Act applies to real property that is the subject of an
5 escheat proceeding begun on or after the effective date of this Act.