

Offered: 5/3/90
Referred: Finance

6-0152E

Original sponsor(s): SEN. FAIRS

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 22 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND 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 38.05.945(a) is amended to read:

10 (a) This section establishes the requirements for notice given
11 by the department for the following actions:

12 (1) classification or reclassification of state land under
13 AS 38.05.300 and the closing of land to mineral leasing or entry under
14 AS 38.05.185;

15 (2) zoning of land under applicable law;

16 (3) a decision under AS 38.05.035(e) regarding the sale,
17 lease, or disposal of an interest in state land or resources;

18 (4) a competitive disposal of an interest in state land or
19 resources after final decision under AS 38.05.035(e);

20 (5) a public hearing under AS 38.05.856(b);

21 (6) a preliminary finding under AS 38.05.035(e) and 38.05.-
22 855(c) concerning sites for aquatic farms and related hatcheries;

23 (7) a proposed sale of escheated real property by the
24 department under AS 38.95.230.

25 * Sec. 2. AS 38.05.945(f) is repealed and reenacted to read:

26 (f) The provisions of this section do not apply to a lease
27 issued under AS 38.05.205 or to a production license issued under
28 AS 38.05.207, unless the lease or license is the subject of a sale
29 under (a)(7) of this section.

1 * Sec. 3. AS 38.95.230 is repealed and reenacted to read:

2 Sec. 38.95.230. DISPOSAL OF ESCHEATED REAL PROPERTY BY DEPART-
3 MENT. Within 90 days after a judgment of escheat under AS 38.95.220
4 and after notice has been given as required under AS 38.05.945, the
5 department shall sell the escheated real property unless the depart-
6 ment (1) issues a written finding that the designation of the property
7 as an historic site under AS 41.35 would be in the best interest of
8 the state; and (2) requests the Historic Sites Advisory Committee to
9 determine if the property should be designated an historic site. If
10 the committee decides not to recommend the designation or if the
11 governor decides not to make the designation, the department shall
12 make arrangements to sell the property as soon as possible after
13 receiving notice of the decision.

14 * Sec. 4. AS 38.95.240 is repealed and reenacted to read:

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

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

23 (2) an amount equal to the net proceeds from the sale of
24 the real property under AS 38.95.230.

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

28 (c) The time limitation of seven years does not apply to a minor
29 or an incapacitated person, but the person must bring an action to

1 prove the person's claim to the real property within one year after
2 the person reaches the age of eighteen years or the incapacity ceases.
3 In this subsection, "incapacitated person" has the meaning given in
4 AS 13.26.005.

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

8 (1) the department determines the transfer to be appropri-
9 ate; and

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

12 * Sec. 5. AS 38.95.250 is repealed and reenacted to read:

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

19 * Sec. 6. AS 38.95.270 is amended to read:

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

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

22 (2) "net proceeds" means the proceeds from a sale under
23 AS 38.95.230 after deduction of the costs of the sale, including
24 attorney fees and publication costs;

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

26 * Sec. 7. AS 38.05.945(g) is repealed.

27 * Sec. 8. This Act does not apply to real property that has escheated
28 to the state before the effective date of this Act.