

COMMITTEE REPORT

HOUSE

(11)

FURTHER:

3/12/82

Date: 4-3-82

Mr. Speaker:

The Committee on FINANCE has had HB 2

"An Act relating to the use and disposal of state land."

under consideration and ~~(a majority of the committee)~~ ~~(the committee)~~ reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 2 (FINANCE) same title
 new title
- and recommends individual recommendations
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Joseph [unclear] - NO REC

Adelbert [unclear] - NO REC
M. [unclear]

[Signature]
CHAIRMAN

Original sponsors: Beirne, Bettisworth
and Randolph

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 2 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

9 * Section 1. AS 38 is amended by adding a new chapter to read:

10 CHAPTER 09. HOMESTEAD ENTRY.

11 Sec. 38.09.010. HOMESTEAD ENTRY. (a) The director may designate
12 and make available for homestead entry under this chapter state land
13 available

14 (1) under AS 38.05.057; or

15 (2) under AS 38.05.077 unless the director determines that
16 the land is more suitable for recreational or residential use.

17 (b) A homestead entry made under AS 38.05.057 may not exceed 320
18 acres.

19 (c) A homestead entry made under AS 38.05.077 may not exceed 160
20 acres.

21 (d) A person who has applied for or received state land under this
22 chapter is not eligible for a loan under AS 03.10 for the habitable
23 dwelling or the clearing of the land required under AS 38.09.040.

24 Sec. 38.09.020. QUALIFICATIONS FOR HOMESTEAD ENTRY. A person is
25 qualified to apply for a homestead entry under this chapter if the
26 person is

27 (1) qualified under AS 38.05.057 to participate in the disposal
28 of land by lottery; or

29 (2) qualified under AS 38.05.077 to make an entry under the

1 remote parcel disposal procedures.

2 Sec. 38.09.030. APPLICATION FOR HOMESTEAD ENTRY. (a) A person
3 who has staked the exterior boundaries of a homestead entry under AS 38.-
4 05.077 and a person who has been selected to purchase land designated
5 for homestead entry by lottery shall apply for the homestead entry on a
6 form prepared by the department.

7 (b) The department may charge a fee for filing an application
8 under this chapter.

9 (c) A person applying for a homestead entry shall certify that he
10 has not previously leased a remote parcel from the state or applied for
11 homestead entry under this chapter within the eight years immediately
12 preceding the date of the application.

13 Sec. 38.09.040. PATENT FOR HOMESTEAD ENTRY. (a) A person who has
14 made a homestead entry under this chapter and filed an application under
15 AS 38.09.030(a) is entitled to a patent if, within seven years from the
16 date of the application, the applicant

17 (1) occupies the land for a total of 35 months;

18 (2) erects a habitable dwelling;

19 (3) clears and prepares for cultivation not less than

20 (A) one-fourth of the land entered if the land is limited
21 to agricultural use; or

22 (B) one-eighth of the land entered if the land is not
23 limited to agricultural use;

24 (4) brushes the boundaries of the homestead entry and main-
25 tains the brushed boundaries so that they are easily visible from the
26 ground;

27 (5) causes a survey of the homestead entry to be made that is
28 acceptable to the director.

29 (b) The director shall require an applicant for homestead entry

1 to submit proof necessary to establish compliance with the requirements
2 of (a) of this section. An applicant is not required to submit proof
3 under (a)(4) or (5) of this section if the land comprising the homestead
4 entry has been surveyed.

5 (c) As used in this section, "habitable dwelling"

6 (1) means a permanent dwelling of not less than 200 square
7 feet and its fixtures and facilities;

8 (2) does not include a mobile home unless it is permanently
9 attached to a permanent foundation.

10 Sec. 38.09.050. HOMESTEAD APPLICATION VOID. An application for
11 homestead entry and the interest of the applicant under the homestead
12 entry is void if the applicant fails to comply with a requirement of
13 AS 38.09.040(a). On the request of the director, the attorney general
14 shall bring an action to declare the homestead entry void and, if neces-
15 sary, to eject the homestead applicant.

16 * Sec. 2. AS 38.04.020(g)(3) is amended to read:

17 (3) Land designated agricultural, commercial, industrial, or
18 suitable for other disposal may [SHALL] be sold under AS 38.05.055 or
19 38.05.057. Land designated agricultural or suitable for disposal other
20 than as commercial or industrial may be sold under AS 38.05.077.

21 * Sec. 3. AS 38.05.057(a) is amended to read:

22 (a) The commissioner may dispose of land, including land limited
23 to use for agricultural purposes, by lottery. The purchase price of
24 land sold by lottery shall be the fair market value of the land as
25 determined by the commissioner. The commissioner may sell land by
26 lottery for less than the fair market value of the land if he determines
27 that scarcity of land for private use in the area of the land to be sold
28 has resulted in unrealistic land values. Before the commissioner deter-
29 mines the purchase price for land which is located in a municipality and

1 which is to be sold under this section, he shall consult with the
2 assessor of the municipality. The lottery shall be conducted in public
3 by the commissioner or his representative. An applicant may not be
4 selected to purchase land unless he is present on the date and at the
5 place that the lottery is conducted unless medical reasons, attendance
6 at school, or military service [OUTSIDE THE STATE] prevent attendance.
7 [AN APPLICANT MAY BE REPRESENTED BY AN AGENT ON THE DAY OF THE LOTTERY
8 IF THE LAND OFFERED FOR SALE IS COMMERCIAL, INDUSTRIAL, OR AGRICULTURAL
9 LAND.] On the day of the lottery a purchaser selected by lot shall
10 deposit an amount equal to five percent of the purchase price, or if the
11 purchaser elects to use land discounts granted under AS 38.05.058, five
12 percent of the purchase price after deduction of the discount. If the
13 land is designated for homestead entry, the applicant selected by lottery
14 for homestead entry must file an application under AS 38.09.030(a).

15 * Sec. 4. AS 38.05.077(a) is amended to read:

16 (a) The commissioner shall designate remote parcel selection areas
17 and shall dispose of remote parcels in accordance with AS 38.04.020.
18 The commissioner may set the number of remote parcels that may be
19 selected in each remote parcel selection area. A remote parcel may be
20 purchased under AS 38.05.078 or an applicant may receive a patent to a
21 remote parcel under AS 38.09. A remote parcel purchased under AS 38.05.-
22 078 may not exceed 40 acres. A remote parcel acquired under AS 38.09
23 may not exceed 160 acres.

24 * Sec. 5. AS 38.05.077(b) is amended to read:

25 (b) The commissioner may designate remote parcel selection areas
26 where staking will be restricted to aliquot parts when parcels are 40
27 acres or larger and shall prescribe parcel selection procedures for each
28 remote parcel selection area designated under (a) of this section. The
29 parcel selection procedures shall include

1 (1) the maximum size of a remote parcel that may be selected
2 in the parcel selection area;

3 (2) (repealed)

4 (3) the minimum distance between remote parcels in the parcel
5 selection area;

6 (4) parcel dimensions, configuration, orientation and other
7 parcel design requirements;

8 (5) a description of land within the area that may not be
9 included in a parcel;

10 (6) a requirement that landmarks, monuments or other points
11 be used as points of reference for the measurement of distances within
12 an area; and

13 (7) specification for the type of stakes to use to mark the
14 corners of a parcel.

15 * Sec. 6. AS 38.05.077(d) is amended to read:

16 (d) Not later than 15 days after staking the exterior boundaries
17 of a remote parcel, the person who staked the parcel shall file a sketch
18 plat with the department which shows the location of the remote parcel.
19 At the time of filing the sketch plat, the person who staked the parcel
20 shall apply to lease the land or apply for homestead entry under AS 38.-
21 09. An application [TO LEASE THE LAND] shall be on a standard form
22 prepared by the department. The annual rental payment for the first
23 year of the lease shall be submitted to the department with the applica-
24 tion. After the application to lease a remote parcel is approved, the
25 commissioner shall offer to lease the land to the person who staked the
26 remote parcel. A lease granted under this section shall contain the
27 following terms:

28 (1) a remote parcel may be leased for five years;

29 (2) a remote parcel lease may be renewed at the option of the

1 lessee for a second five-year period under the same terms as provided
2 for the first five-year period of the remote parcel lease;

3 (3) a rental payment shall be paid annually and shall be \$10
4 for each acre;

5 (4) unless the land is surveyed, the lessee shall, within one
6 year of approval of the lease application and continuously for the lease
7 period, physically delineate the boundaries of the parcel by brushing a
8 line so that they are readily visible from the ground.

9 * Sec. 7. AS 38.05.077(1)(3) is amended to read:

10 (3) certify that he has not previously leased a remote parcel
11 from the state nor made application for a homestead entry on state land
12 within eight years immediately preceding the date of staking a remote
13 parcel.

14 * Sec. 8. AS 03.10.030 is amended by adding a new subsection to read:

15 (g) A person who has received state land under AS 38.09 is not
16 eligible for a loan under this chapter for improvements to that land
17 before patent to the land has been received.

18 * Sec. 9. AS 38.05.180 is amended by adding a new subsection to read:

19 (aa) In order to achieve the purposes of (a) of this section, to
20 conduct the pre-sale analysis required by (f) of this section, and to
21 assist the department in knowledgeably managing the leasing, exploration,
22 and development of oil and gas resources underlying state land, the
23 commissioner shall require persons conducting geophysical exploration
24 for oil or gas resources or drilling a stratigraphic test well on un-
25 leased state land to provide him with access to and copies of all un-
26 interpreted exploration data acquired from these activities. The com-
27 missioner shall pay all reasonable costs of reproducing the data. The
28 commissioner shall keep all exploration data submitted to the department
29 under this subsection confidential in accordance with AS 38.05.035(a)-

1 (9)(C). All employees, agents, or contractors of the department who
2 have access to exploration data submitted under this subsection are
3 subject to AS 11.56.860. ,

4 * Sec. 10. AS 38.05.180(aa) added by sec. 9 of this Act applies only to
5 uninterpreted data acquired after the effective date of sec. 9 of this Act.

6 * Sec. 11. The purpose of secs. 11 - 14 of this Act is to provide for the
7 settlement of certain claims and litigation and to transfer legal title and
8 management of university-grant lands from the Department of Natural Resources
9 to the University of Alaska Board of Regents.

10 * Sec. 12. The commissioner of natural resources is authorized and
11 directed to convey to the University of Alaska Board of Regents all right,
12 title, and interest of the State of Alaska in and to those university-grant
13 lands identified in Appendices E and N in the document entitled "Settlement
14 Agreement Between the Department of Natural Resources, the Department of
15 Revenue, and the Department of Administration and the University of Alaska
16 and the Board of Regents, as Trustees for the University of Alaska," which
17 was submitted to the Alaska State Legislature on March 26, 1982 (the date of
18 the introduction of Senate Bill No. 875 (Twelfth Legislature)), the terms of
19 which are hereby ratified as to the duties and obligations of the state and
20 the Board of Regents of the University of Alaska.

21 * Sec. 13. AS 14.40.170(a)(4) is amended to read:

22 (4) have the care, control and management of all the real and
23 personal property of the university, including the management of those
24 university-grant lands conveyed to the University of Alaska Board of
25 Regents under sec. 12 of Committee Substitute for House Bill No. 2
26 (Finance) (Twelfth Legislature) in accordance with the purposes provided
27 for by the Act of March 4, 1915 (38 Stat. 1214), as amended, and the
28 Act of January 21, 1929 (45 Stat. 1091), as amended;

29 * Sec. 14. AS 14.40.170 is amended by adding a new paragraph to read:

1 (7) adopt rules providing for prudent trust management and
2 for adequate public notice of sales, leases, exchanges or other disposi-
3 tions of university-grant lands or interests therein.

4 * Sec. 15. Sections 1 - 8 of this Act take effect July 1, 1982.

5 * Sec. 16. Sections 9 - 14 of this Act take effect immediately in accor-
6 dance with AS 01.10.070(c).

Incorp, # 1 & 2
AMEND

Original sponsors: Beirne, Bettisworth
and Randolph

Offered: 3/12/82
Referred: Finance

1 IN THE HOUSE

FINANCE
BY THE RESOURCES COMMITTEE

2

CS FOR HOUSE BILL NO. 2 (Finance Resources)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

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A BILL

6

For an Act entitled: "An Act relating to state land; establishing a homestead
7 entry program; and providing for an effective date."

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6 form prepared by the department.

7 (b) The department may charge a fee for filing an application
8 under this chapter.

9 (c) A person applying for a homestead entry shall certify that he
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11 homestead entry under this chapter within the eight years immediately
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20 (A) one-fourth of the land entered if the land is limited
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27 that scarcity of land for private use in the area of the land to be sold
28 has resulted in unrealistic land values. Before the commissioner deter-
29 mines the purchase price for land which is located in a municipality and

1 which is to be sold under this section, he shall consult with the
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22 078 may not exceed 40 acres. A remote parcel acquired under AS 38.09
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28 remote parcel selection area designated under (a) of this section. The
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- 4 (3) the minimum distance between remote parcels in the parcel
5 selection area;
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7 parcel design requirements;
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9 included in a parcel;
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19 At the time of filing the sketch plat, the person who staked the parcel
20 shall apply to lease the land or apply for homestead entry under AS 38.-
21 09. An application [TO LEASE THE LAND] shall be on a standard form
22 prepared by the department. The annual rental payment for the first
23 year of the lease shall be submitted to the department with the applica-
24 tion. After the application to lease a remote parcel is approved, the
25 commissioner shall offer to lease the land to the person who staked the
26 remote parcel. A lease granted under this section shall contain the
27 following terms:

- 28 (1) a remote parcel may be leased for five years;
- 29 (2) a remote parcel lease may be renewed at the option of the

1 lessee for a second five-year period under the same terms as provided
2 for the first five-year period of the remote parcel lease;

3 (3) a rental payment shall be paid annually and shall be \$10
4 for each acre;

5 (4) unless the land is surveyed, the lessee shall, within one
6 year of approval of the lease application and continuously for the lease
7 period, physically delineate the boundaries of the parcel by brushing a
8 line so that they are readily visible from the ground.

9 * Sec. 7. AS 38.05.077(i)(3) is amended to read:

10 (3) certify that he has not previously leased a remote parcel
11 from the state nor made application for a homestead entry on state land
12 within eight years immediately preceding the date of staking a remote
13 parcel.

14 * Sec. 8. AS 03.10.030 is amended by adding a new subsection to read:

15 (g) A person who has received state land under AS 38.09 is not
16 eligible for a loan under this chapter for improvements to that land
17 before patent to the land has been received.

18 * Sec. 9. This Act takes effect July 1, 1982.
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HB 2

FOR AN ACT ENTITLED: "An Act relating to state lands; and providing for an effective date."

#1

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

*Section 1. AS 38.05.180 is amended by adding a new subsection to read:

(v) In order to achieve the purposes of (a) of this section, to conduct the pre-sale analysis required by (f) of this section, and to assist the department in knowledgeably managing the leasing, exploration, and development of oil and gas resources underlying state land, the commissioner shall require persons conducting geophysical exploration for oil or gas resources or drilling a stratigraphic test well on unleased state land to provide him with access to and copies of all uninterpreted exploration data acquired from these activities. The commissioner shall pay all reasonable costs of reproducing the data. The commissioner shall keep all exploration data submitted to the department under this subsection confidential in accordance with AS 38.05.035(a)(9)(c)... All employees, agents, or contractors of the department who have access to exploration data submitted under this paragraph are subject to AS 11.56.860.

*Section 2. This Act takes effect immediately in accordance with AS 01.10.070(c). This Act shall apply only to uninterpreted exploration data acquired after the effective date of this Act.

*Section 3 . "Uninterpreted exploration data" means facts and statistics which have not been analyzed or processed.

#1

Amendment to HB 2: "An Act relating to state lands; and providing for an effective date."

* Section 1. PURPOSE. The purpose of this Act is to provide for the settlement of certain claims and litigation, and to transfer legal title and management of University-grant lands from the Department of Natural Resources to the University of Alaska Board of Regents.

* Sec. 2. CONVEYANCE. The Commissioner of the Department of Natural Resources is authorized and directed to convey to the University of Alaska Board of Regents all right, title, and interest of the State of Alaska in and to those University-grant lands identified in Appendices E and N in the document entitled "Settlement Agreement Between The Department of Natural Resources, The Department of Revenue, And The Department of Administration and The University Of Alaska and The Board of Regents, As Trustees For The University of Alaska," which was submitted to the Alaska State Legislature on the date of the introduction of this bill, the terms of which are hereby ratified as to the duties and obligations of the State of Alaska and the Board of Regents of the University of Alaska, ^B ~~but subject to the appropriation of money and additional legislation to implement that agreement.~~

* Sec. 3. AS 14.40.170 is amended to read:

Sec. 14.40.170(a)(4). have the care, control and management of all the real and personal property of the university, including the management of those University-grant lands conveyed to the University of Alaska Board of Regents pursuant to section 2 of this Act in accordance with the purposes provided for by the Act of March 4, 1915 (38 Stat. 1214), as amended, and the Act of January 21, 1929 (45 Stat. 1091), as amended;

* Sec. 4. AS 14.40.170 is amended by adding a new subsection to read:

Sec. 14.40.170(a)(7). adopt reasonable rules providing for prudent trust management, and providing for adequate public notice of all sales, leases, exchanges or other dispositions of University-grant lands, or interests therein.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-070(c).

April 2, 1982

ARCO ALASKA, INC.

POSITION STATEMENT: Proposed Amendment to HB #2

Reasons for opposition to the amendment are:

1. The proposed amendment is vague as to precisely what exploration data and exploration information is required to be submitted. Because of these ambiguities the same problems which arose over the interpretation and requirements of the existing statute will also exist here. The term "exploration information" is so broad and all encompassing that parties cannot accurately assess what would be required to comply with its provisions.
2. Presently, litigation is pending before the Alaska Supreme Court to clarify the meaning of this section. Other questions as to the constitutionality of the section are also before the Supreme Court. Since the amendments are as vague and ambiguous as the present section, the same problems will continue to exist.
3. Uninterpreted exploration data is not a recognized term and could mean almost anything. For instance, "processed data" could be considered non-interpretative data. Many companies have refined their own processing techniques and required submittal of this data could be an extremely burdensome requirement.
4. The proposed amendment does not define "persons" and it is unclear who this amendment is directed at, and who will be required to submit this data or information.

5. Acquisition by the state of uninterpreted data from all companies would propagate an immense flow of information. In fact, the state would thus be burdened with more data than any single company. Since the information is worthless without interpretation, development of a sizable new bureaucracy to analyze and organize the data would be required. The emerging organization would be a bureaucracy builder's delight even though the benefits would be dubious, since even interpreted data is questionable. For example, it is very common that in a given lease sale, one company will offer for bonus bid \$80 million on a given tract while another company with a similar amount of seismic data offers \$20 million. But assume the state had estimated a \$2 million value for the tract. Surely the state would agree to take the \$80 million high bid. Conversely, if the state, with its own interpretation of data, felt that the value of a tract were \$80 million and a high bid of only \$20 million were offered - how could anyone say with certainty or logic that the value were not lower. In short, the competitive posture of companies is the best gauge of value for lease land, and the acquisition of uninterpreted data by the state - at no cost - merely leads it more deeply into expanded operations without offering a corresponding certainty of increased revenue.

6. Acquisition by the private sector of valuable information, at great cost, should not be given to the government at no cost. If the government feels it has a proprietary interest in such data, it should pay for it.

For Immediate Release
Thursday, March 11, 1982

Contact: John Manly
House Resourc
465-3715

HOMESTEADING BILL CLEARS RESOURCE COMMITTEE HURDLE

Alaska residents will soon have the opportunity to obtain land through sweat equity, if a homesteading bill approved by the House Resources Committee on Wednesday becomes law.

The bill, CSHB 2, will make available parcels of land of from 40 acres to 320 acres to homestead applicants who will be able to gain title by meeting a number of requirements similar to those under the old federal homesteading law. Homesteaders would be required to clear a certain portion of the land and prepare it for cultivation, erect a habitable dwelling, have the land surveyed, and live on it for a total of 35 months within the seven-year limit.

Representative Ken Fanning, L-Fairbanks, a co-chairman of House Resources, was one of the major proponents of the homestead revision of HB 2, originally sponsored by Rep. Mike Beirne, R-Anchorage.

"We have identified a strong desire among Alaskans for some type of sweat equity land program", Fanning, said, "and while not perfect, I think this bill will provide that alternative".

Fanning said the bill was developed with the cooperation of the Department of Natural Resources, and subcommittee chairman Rick Halford, R-Chugiak, who conducted some six subcommittee meetings to develop the language, and that they expect to administer it without complications. The homestead program

would be incorporated into existing lottery and remote parcel disposal programs.

Representative Beirne, a long-time proponent of making large volumes of land available to Alaskans, applauded the committee's passage of the bill, as a step in the right direction.

The program is designed to work in remote parcel disposals, as well as in conjunction with large block agricultural disposals, such as the Delta Project or the proposed Nenana-Totchaket Project. Homesteaders would receive fee simple title upon compliance with requirements, unless they are homesteading lands classified as agricultural, in which case their title would have an agricultural-use only covenant.

The bill also disqualifies a person from participating if he or she has leased a remote parcel or applied for a homestead under the state program in the eight years previous.

CS HB 2 introduced by Berine

Section by Section Analysis

March 9, 1982

Section 1

The bill amends existing law and sets up a new chapter in Title 38, Chapter 9 entitled Homestead Entry Program.

Sec 38.09.010 Homestead Entry

It establishes a homestead entry program and designates the director to make available state land for homesteading. It also allows the director to exclude land from homesteading if it is more suitable for recreational or residential use. It states that homestead entry land under the remote parcel program (38.05.077) may not exceed 160 acres, and land distributed for homestead entry under the existing lottery program (38.05.057) will not exceed 320 acres.

Sec 38.09.020 Establishes Qualifications for Homestead Entry

A person may qualify for homestead entry if they have qualified under the current remote parcel staking program, or lottery program.

Sec 38.09.030 Application for Homesteading

A simple form is required in addition to qualification by staking or by lottery selection to apply for the homestead entry program. This section authorizes the department to charge a fee for filing.

Sec 38.09.040 Patent for Homestead Entry

Provides that an applicant who applies for homestead entry program is entitled to a patent if, within seven years from the date of application, the following requirements are met:

1. The applicant occupies land for a total of 35 months,
2. erects a habitable dwelling, and
3. clears and prepares for cultivation not less than 1/4 of land entered if it's agricultural, and 1/8 if land is not classified as agricultural.

Sec 38.09.050 Homestead Application Void

Essentially says the applicant must fulfill all requirements as stated in 38.09.040. This Section also provides that the director shall require proof of compliance with those requirements. Defines "habitable dwelling" as a permanent dwelling of not less than 200 sq. ft. in size, and excludes mobile homes not permanently attached to a permanent foundation.

It also provides a mechanism whereby the director, when he has found that the homesteader is not in compliance and has not met the requirements of the program, may declare the application void, and may enlist the aid of the attorney general to eject the homestead applicant.

Section 2

Makes a technical amendment to AS 38.04.020(g) (3) to allow DNR to dispose of state lands under the homestead program. Currently state land available for disposal can only be disposed of under AS 38.05.055 (auction) or AS 38.05.057 (lottery). This change will allow disposal by staking of agricultural or lands other than commercial or industrial. Technically, this change should have been made at the time AS 38.05.077 was adopted.

Section 3

Makes technical amendments to AS 38.05.057(a) to allow homestead disposal of state land by lottery. Additionally, the original language is cleaned up to delete the qualifier "outside the state" on several allowable reasons for not being able to attend a lottery sale. Also, the provision that an agent may represent an applicant at a commercial, industrial, or agricultural land lottery is deleted.

Section 4

Makes technical changes to AS 38.05.077(a) to allow homestead disposal by remote parcel staking. It also distinguishes between a purchased remote parcel of up to 40 acres (under AS 38.05.078) and a homesteaded remote parcel of up to 160 acres (under AS 38.09).

Section 5

Amends AS 38.05.077(b) to enable the director to designate remote parcel areas where staking will be by aliquot parts and will be restricted to parcels larger than 40 acres in size.

Section 6

Makes technical amendments to AS 38.05.077(d) to provide for an applicant to apply for homestead entry at the time he or she files a sketch plat of the remote parcel.

Section 7

Disqualifies a person who has participated in the homestead entry program from applying again in the remote parcel program for a period of 8 years.

Section 8

Establishes an effective date of July 1, 1982 for the bill.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

MAR 26 1982

I. REQUEST

Bill/Resolution No. CSHB 2

Title An Act relating to state land; establishing a homestead entry program

Requested by Resources Committee Date 3-12-82

II. FISCAL DETAIL

Agency Affected Department of Natural Resources

Program Category Affected _____

BRU, Program, or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND			-0-			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This program can be handled with present staff for the next fiscal year.

IV. DATE March 24, 1982

PREPARED BY Jeff Haynes

AGENCY Natural Resources

PHONE 465-2400

Original: Legislative Finance
cc: Budget and Management

FOR AN ACT ENTITLED: "An Act relating to state lands; and providing for an effective date."

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

* Section 1. AS 38.05.180 is amended by adding a new subsection to read:

(v) In order to achieve the purposes of (a) of this section, to conduct the pre-sale analysis required by (f) of this section, and to assist the department in knowledgeably managing the leasing, exploration, and development of oil and gas resources underlying state land, the commissioner shall require persons conducting geophysical exploration for oil or gas resources or drilling a stratigraphic test well on unleased state land to provide him with access to and copies of all uninterpreted exploration data and exploration information acquired from these activities. The commissioner shall pay all reasonable costs of reproducing the data and information. The commissioner shall keep all exploration data and exploration information submitted to the department under this subsection confidential in accordance with AS 38.05.035(a)(9)(c). All employees, agents, or contractors of the department who have access to exploration data or exploration information submitted under this paragraph are subject to AS 11.56.860.

* Section 2. This Act takes effect immediately in accordance with AS 01.10.070(c).

Original sponsors: Beirne, Bettisworth
and Randolph

Offered: 3/12/82
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

CS FOR HOUSE BILL NO. 2 (Resources)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to state land; establishing a homestead
7 entry program; and providing for an effective date."

8

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

9

* Section 1. AS 38 is amended by adding a new chapter to read:

10

CHAPTER 09. HOMESTEAD ENTRY.

11

Sec. 38.09.010. HOMESTEAD ENTRY. (a) The director may designate

12

and make available for homestead entry under this chapter state land
13 available

14

(1) under AS 38.05.057; or

15

(2) under AS 38.05.077 unless the director determines that

16

the land is more suitable for recreational or residential use.

17

(b) A homestead entry made under AS 38.05.057 may not exceed 320

18

acres.

19

(c) A homestead entry made under AS 38.05.077 may not exceed 160

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acres.

21

(d) A person who has applied for or received state land under this

22

chapter is not eligible for a loan under AS 03.10 for the habitable

23

dwelling or the clearing of the land required under AS 38.09.040.

24

Sec. 38.09.020. QUALIFICATIONS FOR HOMESTEAD ENTRY. A person is

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qualified to apply for a homestead entry under this chapter if the

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person is

27

(1) qualified under AS 38.05.057 to participate in the dis-

28

posal of land by lottery; or

29

(2) qualified under AS 38.05.077 to make an entry under the

1 remote parcel disposal procedures.

2 Sec. 38.09.030. APPLICATION FOR HOMESTEAD ENTRY. (a) A person
3 who has staked the exterior boundaries of a homestead entry under AS 38.-
4 05.077 and a person who has been selected to purchase land designated
5 for homestead entry by lottery shall apply for the homestead entry on a
6 form prepared by the department.

7 (b) The department may charge a fee for filing an application
8 under this chapter.

9 (c) A person applying for a homestead entry shall certify that he
10 has not previously leased a remote parcel from the state or applied for
11 homestead entry under this chapter within the eight years immediately
12 preceding the date of the application.

13 Sec. 38.09.040. PATENT FOR HOMESTEAD ENTRY. (a) A person who has
14 made a homestead entry under this chapter and filed an application under
15 AS 38.09.030(a) is entitled to a patent if, within seven years from the
16 date of the application, the applicant

17 (1) occupies the land for a total of 35 months;

18 (2) erects a habitable dwelling;

19 (3) clears and prepares for cultivation not less than

20 (A) one-fourth of the land entered if the land is limited
21 to agricultural use; or

22 (F) one-eighth of the land entered if the land is not
23 limited to agricultural use;

24 (4) brushes the boundaries of the homestead entry and main-
25 tains the brushed boundaries so that they are easily visible from the
26 ground;

27 (5) causes a survey of the homestead entry to be made that is
28 acceptable to the director.

29 (b) The director shall require an applicant for homestead entry

1 to submit proof necessary to establish compliance with the requirements
2 of (a) of this section. An applicant is not required to submit proof
3 under (a)(4) or (5) of this section if the land comprising the homestead
4 entry has been surveyed.

5 (c) As used in this section, "habitable dwelling"

6 (1) means a permanent dwelling of not less than 200 square
7 feet and its fixtures and facilities;

8 (2) does not include a mobile home unless it is permanently
9 attached to a permanent foundation.

10 Sec. 38.09.050. HOMESTEAD APPLICATION VOID. An application for
11 homestead entry and the interest of the applicant under the homestead
12 entry is void if the applicant fails to comply with a requirement of
13 AS 38.09.040(a). On the request of the director, the attorney general
14 shall bring an action to declare the homestead entry void and, if neces-
15 sary, to eject the homestead applicant.

16 * Sec. 2. AS 38.04.020(g)(3) is amended to read:

17 (3) Land designated agricultural, commercial, industrial, or
18 suitable for other disposal may [SHALL] be sold under AS 38.05.055 or
19 38.05.057. Land designated agricultural or suitable for disposal other
20 than as commercial or industrial may be sold under AS 38.05.077.

21 * Sec. 3. AS 38.05.057(a) is amended to read:

22 (a) The commissioner may dispose of land, including land limited
23 to use for agricultural purposes, by lottery. The purchase price of
24 land sold by lottery shall be the fair market value of the land as
25 determined by the commissioner. The commissioner may sell land by
26 lottery for less than the fair market value of the land if he determines
27 that scarcity of land for private use in the area of the land to be sold
28 has resulted in unrealistic land values. Before the commissioner deter-
29 mines the purchase price for land which is located in a municipality and

1 which is to be sold under this section, he shall consult with the
2 assessor of the municipality. The lottery shall be conducted in public
3 by the commissioner or his representative. An applicant may not be
4 selected to purchase land unless he is present on the date and at the
5 place that the lottery is conducted unless medical reasons, attendance
6 at school, or military service [OUTSIDE THE STATE] prevent attendance.
7 [AN APPLICANT MAY BE REPRESENTED BY AN AGENT ON THE DAY OF THE LOTTERY
8 IF THE LAND OFFERED FOR SALE IS COMMERCIAL, INDUSTRIAL, OR AGRICULTURAL
9 LAND.] On the day of the lottery a purchaser selected by lot shall
10 deposit an amount equal to five percent of the purchase price, or if the
11 purchaser elects to use land discounts granted under AS 38.05.058, five
12 percent of the purchase price after deduction of the discount. If the
13 land is designated for homestead entry, the applicant selected by lottery
14 for homestead entry must file an application under AS 38.09.030(a).

15 * Sec. 4. AS 38.05.077(a) is amended to read:

16 (a) The commissioner shall designate remote parcel selection areas
17 and shall dispose of remote parcels in accordance with AS 38.04.020.
18 The commissioner may set the number of remote parcels that may be
19 selected in each remote parcel selection area. A remote parcel may be
20 purchased under AS 38.05.078 or an applicant may receive a patent to a
21 remote parcel under AS 38.09. A remote parcel purchased under AS 38.05.-
22 078 may not exceed 40 acres. A remote parcel acquired under AS 38.09
23 may not exceed 160 acres.

24 * Sec. 5. AS 38.05.077(b) is amended to read:

25 (b) The commissioner may designate remote parcel selection areas
26 where staking will be restricted to aliquot parts when parcels are 40
27 acres or larger and shall prescribe parcel selection procedures for each
28 remote parcel selection area designated under (a) of this section. The
29 parcel selection procedures shall include

1 (1) the maximum size of a remote parcel that may be selected
2 in the parcel selection area;

3 (2) (repealed)

4 (3) the minimum distance between remote parcels in the parcel
5 selection area;

6 (4) parcel dimensions, configuration, orientation and other
7 parcel design requirements;

8 (5) a description of land within the area that may not be
9 included in a parcel;

10 (6) a requirement that landmarks, monuments or other points
11 be used as points of reference for the measurement of distances within
12 an area; and

13 (7) specification for the type of stakes to use to mark the
14 corners of a parcel.

15 * Sec. 6. AS 38.05.077(d) is amended to read:

16 (d) Not later than 15 days after staking the exterior boundaries
17 of a remote parcel, the person who staked the parcel shall file a sketch
18 plat with the department which shows the location of the remote parcel.
19 At the time of filing the sketch plat, the person who staked the parcel
20 shall apply to lease the land or apply for homestead entry under AS 38.-
21 09. An application [TO LEASE THE LAND] shall be on a standard form
22 prepared by the department. The annual rental payment for the first
23 year of the lease shall be submitted to the department with the applica-
24 tion. After the application to lease a remote parcel is approved, the
25 commissioner shall offer to lease the land to the person who staked the
26 remote parcel. A lease granted under this section shall contain the
27 following terms:

28 (1) a remote parcel may be leased for five years;

29 (2) a remote parcel lease may be renewed at the option of the

1 lessee for a second five-year period under the same terms as provided
2 for the first five-year period of the remote parcel lease;

3 (3) a rental payment shall be paid annually and shall be \$10
4 for each acre;

5 (4) unless the land is surveyed, the lessee shall, within one
6 year of approval of the lease application and continuously for the lease
7 period, physically delineate the boundaries of the parcel by brushing a
8 line so that they are readily visible from the ground.

9 * Sec. 7. AS 38.05.077(1)(3) is amended to read:

10 (3) certify that he has not previously leased a remote parcel
11 from the state nor made application for a homestead entry on state land
12 within eight years immediately preceding the date of staking a remote
13 parcel.

14 * Sec. 8. AS 03.10.030 is amended by adding a new subsection to read:

15 (g) A person who has received state land under AS 38.09 is not
16 eligible for a loan under this chapter for improvements to that land
17 before patent to the land has been received.

18 * Sec. 9. This Act takes effect July 1, 1982.
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Introduced: 2/4/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY BEIRNE AND BETTISWORTH

2

HOUSE BILL NO. 2

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the use and disposal of state
7 land."

8

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

9

* Section 1. AS 38.04 is amended by adding new sections to read:

10

ARTICLE 3A. DISPOSAL PROCEDURES.

11

Sec. 38.04.080. LEASE OF LAND IN LAND DISPOSAL BANK. (a) A

12

person who is qualified under AS 38.04.085 may apply to the director to

13

lease not to exceed 40 acres of state land in the land disposal bank.

14

A person may go on land classified in the land disposal bank to inspect

15

it and shall stake the land before applying for it. A person shall

16

apply for the land in person. The application may not be made by an

17

agent or attorney.

18

(b) The director shall issue the lease if he determines that

19

(1) the land applied for under (a) of this section is state

20

land in the land disposal bank; and

21

(2) there are no valid existing rights to the land applied

22

for.

23

Sec. 38.04.085. QUALIFICATION OF APPLICANT AND BIDDERS. A person

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shall, at the time of application under AS 38.04.080 or at the time of

25

making a bid under AS 38.04.105,

26

(1) have attained the age of 18;

27

(2) submit proof required by regulation that he is a resident

28

of the state; and

29

(3) certify that he has not leased land in the land disposal

1 bank or land classified as a remote parcel within five years immediately
2 preceding the date of the application or the bid.

3 Sec. 38.04.090. RENTAL. A lessee of land under AS 38.04.080
4 shall make an annual rental payment of \$10 for each acre or portion of
5 an acre in the lease.

6 Sec. 38.04.095. TERM. The term of a lease under AS 38.04.080 is
7 five years. The lease may be renewed for a second five-year term.

8 Sec. 38.04.100. PURCHASE BY LESSEE. (a) A lessee of land under
9 AS 38.04.080 may purchase the land if, before the expiration of the
10 lease or of a renewal of the lease, the lessee

11 (1) erects a habitable dwelling on the leased land;

12 (2) causes a survey acceptable to the director to be made
13 of the leased land.

14 (b) The purchase price of land sold under this section shall be
15 its fair market value. The valuation date for determining the fair
16 market value of land sold under this section is the date that the lease
17 was first executed by the lessee who purchases the land.

18 (c) A lessee purchasing land under this section may receive the
19 benefits of AS 38.05.058.

20 Sec. 38.04.105. AUCTION SALE. (a) A lessee may request the
21 director to conduct a public auction sale of the land after the pre-
22 preparation of a survey of the leased land acceptable to the director but
23 before a habitable dwelling is erected on the land.

24 (b) The sale shall be held at a reasonable time after the request
25 for the sale by the lessee but in no case later than 45 days after the
26 request is filed with the director.

27 (c) The sale shall be conducted by the director. The sale shall
28 be made to the highest qualified bidder. At the time of the sale, the
29 highest qualified bidder shall deposit an amount equal to one-tenth of

1 the amount bid. The director shall immediately issue a receipt con-
2 taining a description of the land purchased, the amount bid, and the
3 terms of the sale. A contract of sale on a form approved by the attor-
4 ney general shall be signed by the highest qualified bidder, and, after
5 approval by the commissioner, the contract shall be signed by the
6 director on behalf of the state.

7 (d) If the highest qualified bidder at the sale is not the lessee
8 who requested the sale, it is a condition of the sale that the highest
9 qualified bidder reimburse the lessee who requested the sale for the
10 reasonable costs of the survey paid by the lessee which are approved by
11 the director. Reimbursement shall be made within 30 days of the date
12 of the sale.

13 (e) The commissioner, on recommendation of the director, shall
14 determine the terms of the sale which shall be consistent with AS 38.-
15 05.065(a) and (c). The highest qualified bidder under this section may
16 give the benefits of AS 38.05.058.

17 (f) The director shall fix the time of sale and the manner of
18 giving notice of the sale. The sale shall take place at the time and
19 location specified in the notice of sale and within the recording dis-
20 trict where the leased land is located or in an adjacent recording
21 district.

22 (g) The minimum acceptable bid under this section is \$1,000. The
23 director may lower the amount of the minimum bid to the fair market
24 value of the land if he determines that the fair market value of the
25 land is less than \$1,000.

Introduced: 2/4/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY BEIRNE AND BETTISWORTH

2 HOUSE BILL NO. 2

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the use and disposal of state
7 land."

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

9 * Section 1. AS 38.04 is amended by adding new sections to read:

10 ARTICLE 3A. DISPOSAL PROCEDURES.

11 Sec. 38.04.080. LEASE OF LAND IN LAND DISPOSAL BANK. (a) A
12 person who is qualified under AS 38.04.085 may apply to the director to
13 lease not to exceed 40 acres of state land in the land disposal bank.
14 A person may go on land classified in the land disposal bank to inspect
15 it and shall stake the land before applying for it. A person shall
16 apply for the land in person. The application may not be made by an
17 agent or attorney.

18 (b) The director shall issue the lease if he determines that
19 (1) the land applied for under (a) of this section is state
20 land in the land disposal bank; and
21 (2) there are no valid existing rights to the land applied
22 for.

23 Sec. 38.04.085. QUALIFICATION OF APPLICANT AND BIDDERS. A person
24 shall, at the time of application under AS 38.04.080 or at the time of
25 making a bid under AS 38.04.105,

26 (1) have attained the age of 18;
27 (2) submit proof required by regulation that he is a resident
28 of the state; and
29 (3) certify that he has not leased land in the land disposal

1 bank or land classified as a remote parcel within five years immediately
2 preceding the date of the application or the bid.

3 Sec. 38.04.090. RENTAL. A lessee of land under AS 38.04.080 .
4 shall make an annual rental payment of \$10 for each acre or portion of
5 an acre in the lease.

6 Sec. 38.04.095. TERM. The term of a lease under AS 38.04.080 is
7 five years. The lease may be renewed for a second five-year term.

8 Sec. 38.04.100. PURCHASE BY LESSEE. (a) A lessee of land under
9 AS 38.04.080 may purchase the land if, before the expiration of the
10 lease or of a renewal of the lease, the lessee

11 (1) erects a habitable dwelling on the leased land;

12 (2) causes a survey acceptable to the director to be made
13 of the leased land.

14 (b) The purchase price of land sold under this section shall be
15 its fair market value. The valuation date for determining the fair
16 market value of land sold under this section is the date that the lease
17 was first executed by the lessee who purchases the land.

18 (c) A lessee purchasing land under this section may receive the
19 benefits of AS 38.05.058.

20 Sec. 38.04.105. AUCTION SALE. (a) A lessee may request the
21 director to conduct a public auction sale of the land after the pre-
22 paration of a survey of the leased land acceptable to the director but
23 before a habitable dwelling is erected on the land.

24 (b) The sale shall be held at a reasonable time after the request
25 for the sale by the lessee but in no case later than 45 days after the
26 request is filed with the director.

27 (c) The sale shall be conducted by the director. The sale shall
28 be made to the highest qualified bidder. At the time of the sale the
29 highest qualified bidder shall deposit an amount equal to one-tenth of

1 amount bid. The director shall immediately issue a receipt con-
2 taining a description of the land purchased, the amount bid, and the
3 terms of the sale. A contract of sale on a form approved by the attor-
4 ney general shall be signed by the highest qualified bidder, and, after
5 approval by the commissioner, the contract shall be signed by the
6 director on behalf of the state.

7 (d) If the highest qualified bidder at the sale is not the lessee
8 who requested the sale, it is a condition of the sale that the highest
9 qualified bidder reimburse the lessee who requested the sale for the
10 reasonable costs of the survey paid by the lessee which are approved by
11 the director. Reimbursement shall be made within 30 days of the date
12 of the sale.

13 (e) The commissioner, on recommendation of the director, shall
14 determine the terms of the sale which shall be consistent with AS 38.-
15 05.065(a) and (c). The highest qualified bidder under this section may
16 receive the benefits of AS 38.05.058.

17 (f) The director shall fix the time of sale and the manner of
18 giving notice of the sale. The sale shall take place at the time and
19 location specified in the notice of sale and within the recording dis-
20 trict where the leased land is located or in an adjacent recording
21 district.

22 (g) The minimum acceptable bid under this section is \$1,000. The
23 director may lower the amount of the minimum bid to the fair market
24 value of the land if he determines that the fair market value of the
25 land is less than \$1,000.