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# SENATE FINANCE COMMITTEE REPORT

DATE: 5/3/90

FURTHER: \_\_\_\_\_

DATE TURNED INTO OFFICE: \_\_\_\_\_

The Finance Committee considered

SB 22

Disposition of unclaimed real property interests

and recommended:

replace with \_\_\_\_\_ CS \_\_\_\_\_  same title  
 or adopt \_\_\_\_\_ CS \_\_\_\_\_  new title  
 attached amendment(s)  technical  
 \_\_\_\_\_ letter of intent adopted  title change  
(HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

*No action taken by SFC.  
The bill died in committee.*

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

appropriation-no fiscal note

SIGNING DO PASS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

OTHER RECOMMENDATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. \_\_\_\_\_

2. \_\_\_\_\_

Co-Chairs: Signatures and Recommendations

SENATE COMMITTEE REPORT

6-0152E/3

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE 3-2-89  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER

FINANCE

\*\*FISCAL NOTE(S) MUST BE ATTACHED  
IN ACCORDANCE WITH AS 24.08.035  
1/9/89

DATE TURNED INTO OFFICE 5-3-90

Mr. President:

RESOURCES

Committee considered SB 22

disposition of unclaimed real property interests

and recommended: as it be

replace with CS SB 22 (Res)  same title

attached amendment(s) and and report it back as follows  new title

\_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

FISCAL NOTE(S) attached  zero  
 appropriation no FN attached

fiscal impact CS & SB  
 Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

2 [Signature]  
2 [Signature]  
2 [Signature]  
2 [Signature]  
2 [Signature]

[Signature] No Rec

[Signature]  
Chairman signature and recommendation

Committee backup attached

Original sponsor(s): SEN. FAIKS

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.  
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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.

1 IN THE SENATE

BY FAIKS

2 SENATE BILL NO. 22

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH 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;

27 (4) a competitive disposal of an interest in state land or  
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2 855(c) concerning sites for aquatic farms and related hatcheries;

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4 department under AS 38.95.230.

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6 (f) The provisions of this section do not apply to a lease  
7 issued under AS 38.05.205 or to a production license issued under  
8 AS 38.05.207, unless the lease or license is the subject of a sale  
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10 \* Sec. 4. AS 38.95.230 is repealed and reenacted to read:

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

23 \* Sec. 5. AS 38.95.240 is repealed and reenacted to read:

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

1 plaintiff

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

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

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

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

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

17 (1) the department determines the transfer to be appropri-  
18 ate; and

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

21 \* Sec. 6. AS 38.95.250 is repealed and reenacted to read:

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

28 \* Sec. 7. AS 38.95.270 is amended to read:

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

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

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3 AS 38.95.230 after deduction of the costs of the sale, including  
4 attorney fees and publication costs;

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

6 \* Sec. 8. AS 38.05.945(g) is repealed.

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

STATE OF ALASKA  
1989 LEGISLATIVE SESSION

BILL VERSION 5 SB 22 (Reg)  
PUBLISH DATE: 5/3/90

FISCAL NOTE

REQUEST:

Revision Date: 7-Mar-89 Agency Affected: Natural Resources  
Title: SB 22, An act relating to the BRU: Land and Water Management  
disposition of unclaimed property interests  
Sponsor: Senator Faiks Components: Land & Water Mgt  
Requestor: Senate Resource Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		46.0	46.0	46.0	46.0	46.0
TRAVEL		4.0	4.0	4.0	4.0	4.0
CONTRACTUAL		34.0	34.0	34.0	34.0	34.0
SUPPLIES		2.0	2.0	2.0	2.0	2.0
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	86.0	86.0	86.0	86.0	86.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		86.0	86.0	86.0	86.0	86.0
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	86.0	86.0	86.0	86.0	86.0

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Larry Ostrovsky Phone: 465-2400  
Division: Commissioner's Office Date: 7-Mar-89  
Approved by Commissioner: Lennie Gorsuch Date: 7-Mar-89  
Agency: Department of Natural Resources 3/mcg/90

Distribution (by preparer) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Position Title <b>Natural Resource Officer II</b>		No. of Positions <b>1</b>	Range/Step <b>16A</b>	Org. Unit <b>GGU</b>
Time Status <b>PFT</b>	Staff Months <b>12</b>	Location <b>Anchorage</b>		Election District
<b>Justification</b>				
Pursuing information furnished by department personnel, other state and federal agencies and members of the public. Sufficient background info must be gathered to present the potential escheat to the Attorney General's office for a judgement. Includes presenting escheats to state attorneys with a request for Superior Court judgement. Gathering any additional background information they need and recommending decisions on contested escheats. Giving the Regional offices sufficient information and notice so that processors can make best interest findings, appraisals and approved disposals. Also involves ensuring that money from escheated lands finds its way to the department's escheated real property trust account. Drafting written decisions with appeal rights for those undiscovered individuals who choose to pursue an administrative claim instead of a court claim to escheated land. Includes background support for state attorneys to support obtaining a judgement of escheat and most important the judgement itself.				
Contractual monies include the costs for appraisals, public notice and inspection of the site.				
<b>Type of Expenditure</b>		<b>Amount</b>		
<b>1</b>	<b>2</b>	<b>3</b>		
Salary	46.0			
Benefits				
Premium Pay				
Other				
<b>Total Personal Services</b>		<b>46.0</b>		
Travel		4.0		
Contractual		34.0		
Commodities		2.0		
Equipment				
Other				
<b>Total Cost</b>		<b>86.0</b>		
<b>Funding Source for Total Cost</b>				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	86.0		
I-A Receipts	1006			
CIP Receipts	1001			
Other				

**Request For  
New Position**

Agency Natural Resources  
 BRU Land and Water Management  
 Component \_\_\_\_\_

**FY 90**

Page 2 of 2  
 Revised Date 3/7/89

STATE OF ALASKA  
1989 LEGISLATIVE SESSION

BILL VERSION: SB 22

PUBLISH DATE: 5/3/90

FISCAL NOTE

REQUEST:

Revision Date: 7-Mar-89  
Title: SB 22, An act relating to the disposition of unclaimed property interests  
Sponsor: Senator Faiks  
Requestor: Senate Resource Committee

Agency Affected: Natural Resources  
BRU: Land and Water Management

Components: Land & Water Mgt

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		46.0	46.0	46.0	46.0	46.0
TRAVEL		4.0	4.0	4.0	4.0	4.0
CONTRACTUAL		34.0	34.0	34.0	34.0	34.0
SUPPLIES		2.0	2.0	2.0	2.0	2.0
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	86.0	86.0	86.0	86.0	86.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		86.0	86.0	86.0	86.0	86.0
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	86.0	86.0	86.0	86.0	86.0

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Larry Ostrovsky Phone: 465-2400  
Division: Commissioner's Office Date: 7-Mar-89

Approved by Commissioner: Lennie Gorsuch Date: 7-Mar-89  
Agency: Department of Natural Resources

Distribution (by preparer) :  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

Position Title <b>Natural Resource Officer II</b>		No. of Positions <b>1</b>	Range/Step <b>16A</b>	Barg. Unit <b>GGU</b>
Time Status <b>PFT</b>	Staff Months <b>12</b>	Location <b>Anchorage</b>		Election District
<b>Justification</b>				
Pursuing information furnished by department personnel, other state and federal agencies and members of the public. Sufficient background info must be gathered to present the potential escheat to the Attorney General's office for a judgement. Includes presenting escheats to state attorneys with a request for Superior Court judgement. Gathering any additional background information they need and recommending decisions on contested escheats. Giving the Regional offices sufficient information and notice so that processors can make best interest findings, appraisals and approved disposals. Also involves ensuring that money from escheated lands finds its way to the department's escheated real property trust account. Drafting written decisions with appeal rights for those undiscovered individuals who choose to pursue an administrative claim instead of a court claim to escheated land. Includes background support for state attorneys to support obtaining a judgement of escheat and most important the judgement itself.				
Contractural monies include the costs for appraisals, public notice and inspection of the site.				
<b>Type of Expenditure</b>		<b>Amount</b>		
<b>1</b>	<b>2</b>	<b>3</b>		
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<b>Total Personal Services</b>	<b>46.0</b>			
Travel		4.0		
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Commodities		2.0		
Equipment				
Other				
<b>Total Cost</b>		<b>86.0</b>		
<b>Funding Source for Total Cost</b>				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	86.0		
I-A Receipts	1006			
CIP Receipts	1061			
Other				

**Request For  
New Position**

Agency Natural Resources  
 BRU Land and Water Management  
 Component \_\_\_\_\_

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 Revised Date 3/7/89

**FY 90**