

**A BILL**  
**FOR AN ACT ENTITLED**  
**"THE FAMILY LAND ENTITLEMENT ACT"**

**BE IT ENACTED BY THE PEOPLE OF THE STATE OF ALASKA:**

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

**CHAPTER 14. ALASKA FAMILY LAND ENTITLEMENT ACT.**

**Sec. 38.14.010. LEASE OF STATE LAND; EXEMPTION.**

(a) Notwithstanding any other provision of this title, the commissioner shall lease state land as provided in this chapter.

(b) Land may not be leased by the department under this chapter unless it is unclassified under AS 38.05.300 or, if classified, it is classified as agricultural, forest, grazing, resource management, settlement, or wildlife habitat land.

(c) Land leased by the department under this chapter is exempt from the requirements of AS 38.04 and AS 38.05. The department shall provide prior public notice as may be required under the state constitution for leases of state land.

**Sec. 38.14.020. LEASES SUBJECT TO EXISTING LEASES;**  
**COMMISSIONER MAY NOT CONVEY MINERAL OR RESOURCE RIGHTS.** (a)  
A lease of land under this chapter is subject to an existing lease entered into by the department. A lease affecting land leased by the state under this chapter is subject to renewal or extension as approved in the terms of the lease or the law under which the lease was issued.

(b) In a lease of land under this chapter, the commissioner may not convey a mineral or resource right that the state is required to maintain under a law of this state or of the United States. A lease of land under this chapter must provide for access to these mineral or resources by the state or a lessee or other designee of the state.

(c) Under regulations adopted by the department, the commissioner may reduce the acreage credit allowed under (b) of this section to compensate the state for diminution in value of the land returned to the state that is caused by the person seeking the credit.

Sec. 38.14.050. LEASE OF LAND BY PUBLIC AUCTION. (a) Within 60 days after the effective date of this Act, the department shall select one million acres of state land, approximately one percent of all state land, to be leased at public auction as provided in this section. The department shall include in the initial selection all land that the department has, before the effective date of this Act, identified for disposal and included in the land disposal bank.

(b) At least once every 90 days, until the land is disposed of, the department shall offer for lease by public auction not less than 100,000 acres of land selected under (a) of this section. Except as provided in AS 38.14.130 and 38.14.140, the land shall be in parcels of not less than 40 acres nor more than 160 acres, more or less. The term of the lease shall be 55 years. The minimum annual lease fee for a parcel shall not be less than \$40.00 per acre or \$2,500.00, whichever is greater. Upon payment in full of the first year's lease fee, and the security required by AS 38.14.190, by cash, certified check, or money order, a successful bidder at the auction shall receive a lease to the land. However, this land may not be leased or transferred to another person until a survey has been completed and recorded by a licensed surveyor.

(c) The land offered for lease under (b) of this section shall be offered based upon an aliquot parts description. The state is not required to provide a survey by a licensed surveyor.

(d) A parcel of land offered for lease at public auction under (b) of this section that is not leased at the auction may be leased after the auction for the minimum lease fee by residents for a 90 day period. After this, these lands are available for lease to all persons, resident and non-resident alike.

is not terminated by the death of the lessee. However a survey must be completed and recorded prior to any transfer.

(d) A lease of land acquired by a person in violation of AS 38.14.030 - 38.14.040 is void as if the lease had never been entered into by the state and does not give the lessee or a subsequent purchaser, sublessee, or devisee, any right to the land, the purchase of the land, or the refund of payments made under the lease.

(e) If two or more persons file for a lease on the same parcel of land under AS 38.14.060 within the first seven days after 60 days after the effective date of this Act, the department shall conduct a lottery for those filing within 30 days. The winner of the lottery shall be entitled to lease the land if the person otherwise meets the requirements of AS 38.14.030 and 38.14.040.

Sec. 38.14.070.           **RESTRICTIONS ON REMOVAL OF SURFACE RESOURCES.** (a) A person leasing land under this chapter, for the first three years immediately following the lease of the land may not remove timber, gravel, or other surface materials from the land except for

- (1) personal use on the land; or
- (2) exchanges with adjoining landowners for personal use on the adjoining

land.

(b) After three years following the lease of land under this chapter, a person may remove timber, gravel, or other surface materials for any purpose, except that if it is for a commercial purpose other than as provided in (a)(1) - (2) of this section, the person shall pay the state a royalty fee equal to 20 percent of the total proceeds received from the removal.

Sec. 38.14.080.           **SCHOOLS.** The state, a municipality, or a rural educational attendance area does not have a duty to provide on-site schools for a parcel of land leased by a person under this chapter.

Willow within which area a person may not acquire by purchase or lease under this chapter more than 40 acres of land, more or less.

Sec. 38.14.140.           **SOUTHEAST ALASKA LAND SOUTH OF 60 DEGREES NORTH LATITUDE.**   Because of the scarcity of state owned land in southeast Alaska, the department may allow leases of less than 40 acres in southeast Alaska south of 60 degrees north latitude.

Sec. 38.14.150.           **SURVEYS.**   A person who acquires land by lease under this chapter shall, within 10 years of acquiring the land, have the land surveyed by a licensed surveyor at the person's expense. The person shall provide a copy of the survey to the state without charge.

Sec. 38.14.160.           **AGRICULTURAL LAND.**   Notwithstanding AS 38.14.050 and 38.14.060, land that has been previously classified as agricultural by the department and that has been previously sold or leased as agricultural land, shall be offered to the current lessees of the land, if any, subject to the requirements of AS 38.14.030 and 38.14.040, for lease under this chapter.

Sec. 38.14.170.           **LAND SUBJECT TO EXISTING LEASES. (a)**  
Notwithstanding AS 38.14.050 and 38.14.060, land that is subject to an existing surface estate lease or subsurface or mining lease shall be offered to the current lessee of the land, if any, subject to the requirements of AS 38.14.030 and 38.14.040 for lease under this chapter.

Sec. 38.14.180.           **NO LIABILITY FOR CONTAMINATION OF SOIL OR WATER BEFORE PURCHASE OR LEASE.**   Notwithstanding any other provision of law, a person who leases land under this chapter is not liable under state law for contamination of soil or water occurring before the person's lease.

Sec. 38.14.190.           **SECURITY DEPOSIT.**   A person who leases land under this title shall at the time of the purchase or lease pay to the state a nonrefundable security deposit in the amount of \$100 for each 40 acres or less leased to ensure the

No additional State lands may be placed in Parks, game refuges, forests, sanctuaries, or other reserve categories for any reason without a vote of the people.

Sec. 38.14.260.        **TAKING OF PRIVATE PROPERTY.**        Whenever the State or local government takes private property for the public good - whether by physical possession, or re-zoning, or by other means, or any action that decreases the value of the private property, then such government must estimate the "takings" costs to establish a basis for reimbursement to the private owner.

Sec. 38.14.300.        **DEFINITIONS.**        In this chapter,

- (1) "commissioner" means the commissioner of natural resources;
- (2) "department" means the Department of Natural Resources;
- (3) "recorder" and "recording district" have the meanings given in AS 40.17.900.