LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

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M E M O R A N D U M

January 22, 2016

SUBJECT: Sectional Summary HB 274 (Work Order No. 29-LS0234\E)

TO: Representative Cathy Muñoz

Attn: Crystal Koeneman

FROM: Alpheus Bullard 148

Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that this sectional summary should not be considered an authoritative interpretation of the bill -- the bill itself is the best statement of its contents.

<u>Section 1.</u> Removes a reference in AS 38.05.030(c) to AS 38.05.090 which is repealed in sec. 13 of the bill.

<u>Section 2.</u> Adds two new subsections to AS 38.05.070. The first subsection permits the Department of Natural Resources (department) to extend certain existing land leases if it is in the best interest of the state and necessary while the department considers applications. The second subsection provides that the extensions are not subject to AS 38.05.035(e) and it requires public notice of a lease extension under the section.

Section 3. Applies existing notice standards to state land exchanges.

<u>Section 4.</u> Clarifies that in AS 38.05 the terms "state land" and "land" include shoreland and tideland.

<u>Section 5.</u> Amends AS 38.50.010 to add two new requirements: when the director disposes of state land or an interest in state land the disposal must be in the best interest of the state and the director must provide notice under AS 38.05.945.

<u>Section 6.</u> Adds three new subsections to AS 38.50.010 that establish procedures for the exchange of state land or an interest in state land and requires legislative review of exchanges valued at \$5,000,000 or more.

<u>Section 7.</u> Removes a requirement that the director, when negotiating a land exchange involving more than one party, "consider only the land and other consideration which the state would convey and receive if the exchange were executed."

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<u>Section 8.</u> Removes an existing limitation, permitting the director to exchange or receive land or the mineral rights in the land separately, if the conveyance is authorized by the Constitution of the State of Alaska and applicable federal law.

<u>Section 9.</u> Amends AS 38.50.070 to provide that, unless waived, the appropriate state agency will continue to administer valid existing rights in land, or interests in land, conveyed under AS 38.50 and that revenue derived from existing rights in the land, or an interest in land, will continue to accrue to the state until the land is conveyed under AS 38.50.150.

<u>Section 10.</u> Changes the requirement that the director hold three public hearings concerning the exchange of land valued at more than \$5,000,000 to a requirement that the director hold at least one public meeting.

<u>Section 11.</u> Conforms AS 38.50.140 to changes made in secs. 6 and 13 (repeal of AS 38.50.020). Makes de minimus editorial changes.

<u>Section 12.</u> Clarifies that in AS 38.50, the terms "state land" and "land" include shoreland and tideland.

<u>Section 13.</u> Repeals AS 38.50.020, 38.50.040, 38.50.080(b), 38.50.090, 38.50.100, 38.50.110, 38.50.120(b), and 38.50.130.

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