



## Fact Sheet: Public and Charitable Use Conveyances of State Land

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A preference right is a right to obtain title to state land without providing the same opportunity to all Alaskans. The Department of Natural Resources (DNR) is prevented from making private, non-competitive, or negotiated land sales, except under preference right statutes. DNR has separate statutory preference right provisions that either allow or mandate the state to give individuals or groups priority in purchasing state land. Some statutes contain provisions that mandate the preference right grant to qualified applicants; others are discretionary. This fact sheet addresses preference rights for public and charitable use conveyances under the authority of Alaska Statute (AS) AS 38.05.810. Other statutes, e.g., AS 38.05.035(b)(2), AS 38.05.035(b)(3), AS 38.05.035(b)(5), AS 38.05.035(b)(7), AS 38.05.035(f), AS 38.05.068, AS 38.05.102, and AS 38.05.870, are the subject of separate fact sheets and are additional authorities for a preference right.

DNR has the authority to convey state land for public and charitable use. The authorities for public and charitable land sales are AS 38.05.810(a) and AS 38.05.810(e).

- AS 38.05.810(a)(1) – sale of state land to a state or federal agency or political subdivision.
- AS 38.05.810(a)(2) – sale of coal deposits to a qualified public utility.
- AS 38.05.810(a)(3) – sale of state land to a tax-exempt non-profit corporation, association, club, or society organized and operated for the management of a cemetery or public waste or other public facility.
- AS 38.05.810(a)(4) – sale of land within a state subdivision to that subdivision's non-profit, tax-exempt homeowner's association.
- AS 38.05.810(e) – sale of state land to a licensed public utility or licensed common carrier.

### Who qualifies for a public and charitable use conveyance?

State or federal agencies or political subdivisions, government agencies; licensed public utility or common carrier; or tax-exempt nonprofit corporations, associations, clubs or societies that are required to serve a public purpose and are in the public interest may qualify for a public and charitable conveyance.

### How do I apply?

You can obtain information and submit a public and charitable use conveyance application to the Department of Natural Resources, Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS), whose address is provided below. You are required to submit:

- A public and charitable use application;
- An agreement to bear costs;
- An environmental risk questionnaire;
- A development plan; and
- A non-refundable application fee.

### What costs are associated with a public and charitable use conveyance?

Applicants who wish to purchase state land under one of the public and charitable use statutes must meet specific financial obligations to successfully complete the purchase. These requirements, set forth in statute and regulation, are described below:

- Application fee that is non-refundable and non-transferable.
- Survey costs, if required, include survey instructions, plat review, cost of survey, and any fees charged by the local platting authority.
- Fair Market Value appraisal, if required.
- Purchase Price.

**What is a development plan?**

A development plan is a written statement (narrative) and a sketch or blueprint drawing describing the proposed use and development of state land. The information in a development plan is needed to provide a complete review of the application and the proposed use and development.

**What happens after I apply?**

A preference right conveyance of state land is a lengthy process with several steps. Once an application is received and deemed complete, the DMLW Realty Services Section conducts title research. LCS distributes your application to agency review participants for a review period and the opportunity to submit comments. Then, a Preliminary Decision is written, which includes responses to agency comments. As required by AS 38.05.945, a minimum 30-day public notice is conducted to allow the public to submit written comments on the Preliminary Decision. After the public notice period ends, a Final Finding and Decision is issued, which includes responses to any public comments received during the public notice period. When the Final Finding and Decision is issued, there is a 20-day appeal period during which the applicant and those who submitted written comments during the public notice period may appeal the decision. If no appeal is received, the Final Finding and Decision becomes effective on the 31st day after issuance. After the Final Finding and Decision becomes effective, the applicant must submit the required deliverables, such as a survey and appraisal, before entering into a land sale contract, financing the sale with the department, or paying off the parcel and being issued a patent. The patent may include a reversionary clause.

**What is a reversionary clause?**

Under AS 38.05.810(g), the state shall retain a reversionary interest in property sold under AS 38.05.810(a)(1)-(4) and AS 38.05.810(e) such that title reverts to the state if the land is not used for a valid public or charitable use. The commissioner of DNR may waive the reversionary interest if a waiver is found to be in the public interest.

**For additional information contact:**

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Division of Mining, Land and Water  
Land Conveyance Section  
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