

11 AAC 71.090 is repealed and readopted to read:

11 AAC 71.090. Pricing for sale of materials. (a) Except as otherwise provided, the commissioner will price material for sale under AS 38.05.550 - 38.05.565 and this chapter in accordance with this section.

(b) It is in the public interest and serves a public purpose that the department convey material to a state agency or public corporation at a base price of \$0.00 per cubic yard and without retaining a reversionary interest.

(c) The commissioner will periodically establish base prices for material that represent the administrative cost to the state of conducting the sale. The base prices may vary by area to account for local conditions on administrative cost. The department will use the base prices for material sales at less than their appraised value to a government agency not addressed in (b) of this section under AS 38.05.810(a).

(d) The commissioner will periodically establish representative sales prices for material that are an estimate of the material's fair market value. Representative sales prices may vary by area to account for local conditions, but may not be less than the base prices established under (c) of this section.

(e) Notwithstanding (d) of this section, an applicant may, at the applicant's own cost, provide an appraisal acceptable to the department establishing the fair market value of the materials. The department may sell materials from the same source to any buyer at the price established by an appraisal accepted by the department under this subsection.

(f) The appraised fair market value for material sold under (e) of this section will consider operating costs unique to the material source. The sales price for material sold under (d) of this

section will, in the discretion of the commissioner, allow for adjustments for operating costs unique to the material source, including

(1) testing for and removal of contamination caused by another party's previous use of the material; or

(2) road construction that will benefit the state after the sale is concluded.

(g) Personal use of materials for purposes of AS 38.05.555 consists of use by a private individual for other than resale or barter. (Eff. 7/2/82, Register 83; am 6/21/98, Register 146; am ____/____/____, Register ____)

Authority: AS 38.05.020 AS 38.05.115 AS 38.05.555
 AS 38.05.110

11 AAC 98 is amended by adding a new section to read:

11 AAC 98.010. Public purpose. In AS 38 and 11 AAC 51.010 - 11 AAC 97.990, “public purpose” means a use or disposal of state land or resources that contributes a substantial benefit to the general public, including if the use or disposal

(1) furthers the delivery of governmental services or functions by a federal or state agency or a political subdivision;

(2) promotes the general health, safety, or welfare;

(3) facilitates access to and enjoyment of the natural resources of the state;

(4) supports private commerce or industry that contributes to the economic development of the state or any part of the state, including the creation, retention, or expansion of employment opportunities; or

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(5) is otherwise determined by the commissioner to be in the interest of the state.

(Eff. ____/____/_____, Register _____)

Authority: AS 38.05.020 AS 38.05.555 AS 38.05.810