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Bullard  
4/11/17

**CS FOR HOUSE BILL NO. 183( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**THIRTIETH LEGISLATURE - FIRST SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): REPRESENTATIVES TALERICO, Stutes, Reinbold, Chenault**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act allowing individuals eligible for permanent fund dividends to assign the**  
2 **individuals' permanent fund dividends to the Department of Natural Resources to**  
3 **finance the purchase of parcels of state land; and requiring the Department of Revenue**  
4 **to confirm the eligibility of an individual to receive a dividend for the purpose of**  
5 **financing the purchase of state land."**

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 **\* Section 1.** AS 38.05 is amended by adding a new section to read:

8 **Sec. 38.05.062. Land sale payment by permanent fund dividend. (a)**

9 Notwithstanding AS 38.05.065, an individual qualified under AS 38.05.055 or  
10 38.05.057, respectively, and this section, may finance the purchase of state land sold  
11 by auction sale or sealed bid under AS 38.05.055 or by lottery under AS 38.05.057 by  
12 assigning the individual's future permanent fund dividends to the department in the  
13 manner provided in this section.

(b) An individual who assigns the individual's permanent fund dividends to the department under this section to finance the purchase of a parcel of land is entitled to a discount of 10 percent on the purchase price. To be eligible for a discount under this subsection, an individual shall assign the individual's future permanent fund dividends to pay for the parcel in full. A discount under this subsection is in addition to any other discounts provided under this chapter.

(c) To finance the purchase of a parcel of state land under this section, an individual must be 18 years of age or older and be eligible for a permanent fund dividend under AS 43.23.005. The commissioner shall confirm with the Department of Revenue an individual's eligibility to receive a permanent fund dividend.

(d) Notwithstanding the deposit requirements of AS 38.05.055 and 38.05.057(a), an individual financing the purchase of a parcel of land under this section shall assign a minimum of \$800 from the individual's permanent fund dividend as the deposit. If an individual assigns less than \$800 of the individual's permanent fund dividend to the department, the individual shall pay the additional amount necessary for the individual's deposit to equal \$800.

(e) The department shall adopt regulations that establish a procedure for purchase of state land under this section that is consistent with the following:

(1) as soon as possible after a sale is made, the director shall issue a contract of sale that describes the land purchased, the price, the amount deposited, and any balance due to the state;

(2) to the extent practicable, the department shall use the contracting procedures under AS 38.05.065 for a contract issued under this section;

(3) an individual who assigns the individual's future permanent fund dividends to satisfy any balance due to the state is not released from the obligation to pay the remainder of the purchase price if the individual becomes ineligible for a permanent fund dividend or has claims or assignments on the individual's permanent fund dividend under AS 43.23.065 - 43.23.068, 43.23.072, or 43.23.085;

(5) an individual who purchases a parcel of land under this section may pay the remainder of the purchase price at any time after the sale, but the individual shall pay the entire balance of the purchase price by assignment of permanent fund

dividends or in installment payments within a period of 20 years;

(6) in a year in which the amount of the permanent fund dividend under AS 43.23.025 is less than the sum of \$800 and the administrative fee assessed under AS 43.23.071, an individual who has assigned the individual's permanent fund dividend to the department shall pay the department the difference between \$800 and the dividend amount;

(7) the department may not charge an individual interest on the balance due to the state on a parcel purchased under this section.

(f) The department shall adopt a procedure for an individual to apply for a refund of money that the individual deposited with or assigned to the department under AS 43.23.071 less any administrative fees assessed under AS 43.23.071.

\* **Sec. 2.** AS 38.05.067(d) is amended to read:

(d) This section does not apply to the sale of state land

(1) under AS 38.05.057, AS 38.08, or AS 38.09; or

(2) financed under AS 38.05.062.

\* **Sec. 3.** AS 38.05.940(a) is amended to read:

(a) An eligible veteran is entitled to a discount of

(1) 10 percent on the purchase price of a parcel of land financed under AS 38.05.062; or

(2) except for land financed under AS 38.05.062, 25 percent on the purchase price of state land sold under this title and classified under AS 38.05.005 - 38.05.270 for a use other than commercial or industrial use.

\* **Sec. 4.** AS 43.23.055 is amended to read:

**Sec. 43.23.055. Duties of the department.** The department shall

(1) annually pay permanent fund dividends from the dividend fund;

(2) subject to AS 43.23.011 and [PARAGRAPH] (8) of this section, adopt regulations under AS 44.62 (Administrative Procedure Act) that establish procedures and time limits for claiming a permanent fund dividend; the department shall determine the number of eligible applicants by October 1 of the year for which the dividend is declared and pay the dividends by December 31 of that year;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act)

1 that establish procedures and time limits for an individual upon emancipation or upon  
2 reaching majority to apply for permanent fund dividends not received during minority  
3 because the parent, guardian, or other authorized representative did not apply on  
4 behalf of the individual;

5 (4) assist residents of the state, particularly in rural areas, who because  
6 of language, disability, or inaccessibility to public transportation need assistance to  
7 establish eligibility and to apply for permanent fund dividends;

8 (5) use a list of individuals ineligible for a dividend under  
9 AS 43.23.005(d) provided annually by the Department of Corrections and the  
10 Department of Public Safety to determine the number and identity of those  
11 individuals;

12 (6) adopt regulations that are necessary to implement AS 43.23.005(d);

13 (7) adopt regulations that establish procedures for the parent, guardian,  
14 or other authorized representative of a disabled individual to apply for prior year  
15 permanent fund dividends not received by the disabled individual because no  
16 application was submitted on behalf of the individual;

17 (8) adopt regulations that establish procedures for an individual to  
18 apply to have a dividend disbursement under AS 37.25.050(a)(2) reissued if it is not  
19 collected within two years after the date of its issuance; however, the department may  
20 not establish a time limit within which an application to have a disbursement reissued  
21 must be filed;

22 (9) provide any information, upon request, contained in permanent  
23 fund dividend records to the child support services agency created in AS 25.27.010, or  
24 the child support enforcement agency of another state, for child support purposes  
25 authorized under law; if the information is contained in an electronic data base, the  
26 department shall provide the requesting agency with either

27 (A) access to the data base; or

28 (B) a copy of the information in the data base and a statement  
29 certifying its contents;

30 (10) establish a fraud investigation unit for the purpose of assisting the

31 (A) Department of Law in the prosecution of individuals who

1 apply for or obtain a permanent fund dividend in violation of a provision in  
2 AS 11, by detecting and investigating those crimes; and

3 (B) commissioner to detect and investigate the claiming or  
4 paying of permanent fund dividends that should not have been claimed by or  
5 paid to an individual and to impose the penalties and enforcement provisions  
6 under AS 43.23.035;

7 **(11) upon request of the commissioner of natural resources,**  
8 **confirm under AS 38.05.062(c) that an individual has received, or is eligible to**  
9 **receive, a permanent fund dividend.**

10 \* **Sec. 5.** AS 43.23 is amended by adding a new section to read:

11 **Sec. 43.23.061. Assignment of dividend to purchase state land.**

12 Notwithstanding AS 43.23.069, the department shall prepare the electronic permanent  
13 fund dividend application to allow an applicant who files electronically to direct that  
14 all or part of the applicant's dividend payment, less an administrative fee assessed  
15 under AS 43.23.071, be assigned to the Department of Natural Resources to be used  
16 toward the purchase of state land financed by the applicant under AS 38.05.062. The  
17 electronic dividend application form must include notice that an administrative fee  
18 will be deducted from the applicant's dividend payment if the applicant directs that the  
19 applicant's dividend payment be used toward the purchase of state land financed by  
20 the applicant under AS 38.05.062.