

Original sponsors: Hayes, Akers,
Bennett, et al

Offered: 5/4/77
Referred: Rules

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 477

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the sale of state land; and pro-
7 viding for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 38.05.035(b)(4) is amended to read:

10 (4) dispose of lands by lottery [COMPETITIVE BID] for less
11 than their appraised value when, in his judgment, past scarcity of land
12 in any particular area has resulted in unrealistic land values;

13 * Sec. 2. AS 38.05.055 is amended to read:

14 Sec. 38.05.055. SALE PROCEDURES. (a) Except as provided in sec.
15 315(d) of this chapter and at the discretion of the director, the sale
16 shall be made by lottery or at public auction to the highest qualified
17 bidder as determined by the director. If a lottery is used, the land
18 shall be sold at its fair market value unless the disposal is conducted
19 under the provisions of sec. 35(b)(4) of this chapter. An aggrieved
20 potential purchaser or bidder may appeal to the commissioner within five
21 days after the sale for a review of the director's determination. The
22 sale shall be conducted by the director or his representative, and at
23 the time of sale the purchaser [SUCCESSFUL BIDDER] shall deposit an
24 amount equal to five per cent [ONE-TENTH] of the purchase price. The
25 director or his representative shall immediately issue a receipt con-
26 taining a description of the land or property purchased, the price
27 of the land [BID,] and the terms of sale, which receipt shall be acknow-
28 ledged in writing by the purchaser [BIDDER]. A contract of sale on a
29 form approved by the attorney general shall be signed by the purchaser

1 and, after approval of the commissioner, the contract shall also be
2 signed by the director on behalf of the state.

3 (b) To qualify for participation in a sale of land by lottery
4 under (a) of this section, a potential purchaser shall

5 (1) at the time of application have attained the age of 18;

6 (2) submit proof acceptable to the commissioner that he has
7 been a resident of the state for not less than three years immediately
8 preceding the date his application was submitted.

9 * Sec. 3. AS 38.05.065 is amended to read:

10 Sec. 38.05.065. TERMS OF CONTRACT OF SALE. The contract of sale
11 shall require the remainder of the purchase price to be paid over a
12 period of not more than 20 years, to be set for each sale by the direc-
13 tor. Installment payments plus interest must be set on the level-
14 payment basis. The interest rate to be charged on installment payments
15 is the prevailing rate on similar land transactions at the time the
16 contract is signed, as determined by the director, but in no case may it
17 be below five per cent per year or above the current usury rate as set
18 by AS 45.45.010(b) and (d) [IN ANNUAL INSTALLMENTS OF NOT LESS THAN 10
19 PER CENT OF THE PURCHASE PRICE, WITH INTEREST AT THE RATE OF NOT LESS
20 THAN FIVE PER CENT A YEAR]. The director, with the consent of the
21 commissioner, may also impose conditions, limitations and terms which he
22 considers necessary and proper to protect the interest of the state.
23 Violations of any provision of this chapter or the terms of the contract
24 of sale subject the purchaser to appropriate administrative and legal
25 action, including but not limited to specific performance, foreclosure,
26 ejectment, or other legal remedies in accordance with applicable state
27 law [LEGAL ACTION, INCLUDING A FORECLOSURE ACTION IN ACCORDANCE WITH
28 APPLICABLE STATE LAW].

29 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-

1 070(c).

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

#