

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 am

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) sell [DISPOSE OF] lands by lottery [COMPETITIVE BID] for
11 less than their appraised value when, in his judgment, past scarcity of
12 land suitable for private ownership in any particular area has resulted
13 in unrealistic land values;

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

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

1 form approved by the attorney general shall be signed by the purchaser
2 and, after approval of the commissioner, the contract shall also be
3 signed by the director on behalf of the state.

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

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

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

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

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

1 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
2 070(c).

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