

Original sponsors: Chatterton, Malone,  
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Offered: 4/24/79

1 IN THE HOUSE BY THE RULES COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 66  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the management and disposal of  
7 state land; and providing for an effective date."

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

9 \* Section 1. AS 29.18.204 is repealed and re-enacted to read:

10 Sec. 29.18.204. STATUS OF ENTITLEMENTS. (a) After July 1, 1978,  
11 general grant land entitlements provided in AS 29.18.201 and 29.18.202  
12 are vested property rights which must be fulfilled as provided in  
13 AS 29.18.205 or 29.18.208.

14 (b) General grant land entitlements provided by AS 29.18.203 are  
15 property rights which vest on the date of incorporation of the municipi-  
16 pality. The entitlement must be fulfilled as provided in AS 29.18.205.

17 (c) Land may be selected by a municipality to satisfy a general  
18 grant land entitlement under AS 29.18.201 at any time before October 1,  
19 1979.

20 (d) Land may be selected by a municipality to satisfy a general  
21 grant land entitlement under AS 29.18.202 and 29.18.203 at any time  
22 before one year after the director certifies that entitlement to the  
23 municipality.

24 (e) The time limitations for exercising a vested general grant  
25 land entitlement under this section do not apply to

26 (1) the portion of an entitlement which cannot be satisfied  
27 by that date because of a shortage of vacant, unappropriated, unreserved  
28 land;

29 (2) payments for land deficiency under AS 29.18.208;

1 (3) the portion of an entitlement which cannot be satisfied  
2 because the land selected by a municipality has been selected by a party  
3 entitled to select land owned by the United States or the state; or

4 (4) the portion of an entitlement which cannot be satisfied  
5 because the land selected by the municipality is not tentatively  
6 approved for patent to the state.

7 (f) A portion of an entitlement which cannot be satisfied before  
8 the date established by (c) or (d) of this section for a reason stated  
9 in (e)(1), (3) or (4) of this section may be exercised at any time  
10 before the date which is two years after the expiration of the state's  
11 right to make selections under section 6(a) or (b) of the Alaska  
12 Statehood Act (P.L. 85-508) or two years after the date of incorporation  
13 of the municipality, whichever is later.

14 \* Sec. 2. AS 29.18.205(f) is amended to read:

15 (f) The director shall issue [EACH SELECTION SHALL BE APPROVED OR  
16 DISAPPROVED FOR PATENT BY THE DIRECTOR UNDER (g) OF THIS SECTION WITHIN  
17 NINE MONTHS OF ITS SELECTION BY A MUNICIPALITY, AND] a patent [SHALL BE  
18 ISSUED] to the municipality for land selected in satisfaction of a  
19 general grant land entitlement vested under AS 29.18.201 - 29.18.203  
20 within three months after approval by the director of a plat of survey.

21 \* Sec. 3. AS 29.18.208(a)(1) is amended to read:

22 (1) providing payment to the boroughs and unified municipali-  
23 ties designated in AS 29.18.201 for a deficiency of land physically  
24 suitable for residential, commercial or industrial purposes [THE PUR-  
25 POSES DESCRIBED IN AS 29.18.205(g)(1)]; or

26 \* Sec. 4. AS 29.18.208(b) is amended to read:

27 (b) A municipality shall receive payment for its land deficiency  
28 from the account established in (a) of this section. A municipality is  
29 eligible to receive payment for land deficiency if, after July 1, 1980,

1 the amount of land selected by a municipality which is physically suit-  
2 able for residential, commercial or industrial purposes [THE PURPOSES  
3 DESCRIBED IN AS 29.18.205(g)(1) FOR WHICH APPROVAL HAS BEEN GIVEN BY THE  
4 DIRECTOR UNDER AS 29.18.205(g) WITHIN ONE YEAR OF SELECTION] amounts to  
5 less than one-third acre per capita. Any entitlement under AS 29.18.201  
6 which is less than one-third acre per capita will, for the purposes of  
7 this subsection, be considered a land deficiency. An unselected remain-  
8 ing entitlement will, for the purpose of deficiency payment under this  
9 subsection, be considered as land physically suitable for residential,  
10 commercial or industrial purposes [THE PURPOSES DESCRIBED IN AS 29.18.-  
11 205(g)(1)]. A municipality eligible under this subsection is entitled  
12 to receive a payment for land deficiency equal to \$1,000 per acre for a  
13 number of acres equal to the difference between one-third of the popula-  
14 tion of the municipality less the number of acres physically suitable  
15 for residential, commercial or industrial purposes [THE PURPOSES DES-  
16 CRIBED IN AS 29.18.205(g)(1) FOR] which has been selected by the municipi-  
17 pality [APPROVAL HAS BEEN GIVEN BY THE DIRECTOR UNDER AS 29.18.205(g)].  
18 For the purpose of this subsection, the population of the municipality  
19 shall be the population determined in accordance with AS 29.18.206(f).  
20 No payment may be made to a municipality under this subsection in excess  
21 of \$9,000,000.

22 \* Sec. 5. AS 29.18 is amended by adding a new section to read:

23 ARTICLE 3B. LAND ENTITLEMENTS FOR PRIVATE OWNERSHIP.

24 Sec. 29.18.215. IN LIEU ENTITLEMENTS FOR CERTAIN BOROUGHES AND  
25 UNIFIED MUNICIPALITIES. (a) The general grant land entitlement of each  
26 of the municipalities listed in this section is the amount set out  
27 opposite each:

- 28 (1) Municipality of Anchorage -- 50,000 acres;  
29 (2) City and Borough of Juneau -- 25,000 acres;

- 1 (3) City and Borough of Sitka -- 15,000 acres;
- 2 (4) Bristol Bay Borough -- 3,500 acres;
- 3 (5) Fairbanks North Star Borough -- 200,000 acres;
- 4 (6) Haines Borough -- 3,500 acres;
- 5 (7) Kenai Peninsula Borough -- 200,000 acres;
- 6 (8) Ketchikan Gateway Borough -- 15,000 acres;
- 7 (9) Kodiak Island Borough -- 65,000 acres;
- 8 (10) Matanuska-Susitna Borough -- 800,000 acres;
- 9 (11) North Slope Borough -- 92,000 acres.

10 (b) A municipality listed in (a) of this section may elect an  
11 entitlement under this section instead of the entitlement in AS 29.18.-  
12 201. Election of an entitlement under this section shall be made by the  
13 municipality not later than October 1, 1979, by written notice delivered  
14 to the director of the division of lands in the Department of Natural  
15 Resources.

16 (c) The entitlement of a municipality listed in (a) of this sec-  
17 tion which elects the land entitlement under this section vests as a  
18 property right instead of the property right vested by AS 29.18.204 and  
19 becomes effective on the day following receipt by the director of

20 (1) a copy of the ordinance described in (d) of this section  
21 providing for the disposition of the municipal land to private ownership  
22 for residential or commercial purposes;

23 (2) a notice from the municipality that, in accordance with  
24 the provisions of the ordinance adopted under (1) of this subsection,  
25 not less than 80 per cent of the amount by which the entitlement under  
26 (a) of this section exceeds the entitlement under AS 29.18.201 is irrev-  
27 ocably committed to disposal to private ownership for residential or  
28 commercial purposes.

29 (d) Adoption of an ordinance by a unified municipality or borough

1 under this subsection is a prerequisite to conveyance of title to all or  
2 any portion of an entitlement under this section by the director of the  
3 division of lands in the Department of Natural Resources under AS 29.-  
4 18.207. An ordinance adopted under this subsection must provide that

5 (1) disposal of land suitable for residential and commercial  
6 purposes received under this section which is irrevocably committed to  
7 private ownership shall be offered for sale for residential and commer-  
8 cial purposes by the municipality in parcels not larger than five acres,  
9 except that parcels may be larger than five acres if necessary to con-  
10 form to physical conditions or to increase opportunity for residential  
11 or commercial use;

12 (2) not less than 10 per cent of the acreage received under  
13 this section which is irrevocably committed to private ownership shall  
14 be offered for sale before October 1, 1980;

15 (3) not less than five per cent of the acreage received under  
16 this section which is irrevocably committed to private ownership shall  
17 be offered for sale before October 1 of each year thereafter; and

18 (4) a purchaser of land offered for sale by the municipality  
19 under an ordinance required by this section shall be a resident of the  
20 state who is eligible to purchase state land under AS 38.05, but the  
21 ordinance may not require a purchaser to reside in the municipality  
22 before he may purchase land for private use.

23 (e) To provide for the sale of land under (d)(2) and (d)(3) of  
24 this section, the assembly shall adopt by ordinance, or by amendment of  
25 the ordinance adopted under (d) of this section, a schedule indicating  
26 the amount and location of acreage expected to be received under this  
27 section and indicating the portion of the acreage received by the muni-  
28 cipality which is irrevocably committed to private ownership and the  
29 anticipated date or dates, terms and conditions of the sale of the land.

1 The assembly shall include in the schedule its determination of the  
2 manner in which the provisions for the scheduled sale fulfill the obli-  
3 gations of the municipality under (d) of this section. The schedule  
4 shall also set out the balance of unsold acreage required to satisfy the  
5 obligations under (d) of this section.

6 \* Sec. 6. AS 29.63.090(a) is amended to read:

7 (a) Service areas to provide special services within a borough may  
8 be established, operated, altered or abolished by the assembly by ordi-  
9 nance. Special services include services not provided on an areawide  
10 basis within the borough or the borough area outside cities or a higher  
11 or different level of service than that provided on an areawide basis or  
12 in the borough area outside cities. In a first class borough the  
13 assembly may exercise within a service area any power granted a first  
14 class city by general law. Except as provided in (f) of this section, a  
15 [; IN A] second class borough may [AN] exercise [OF] the powers granted  
16 a first class city by general law but the exercise of the powers must be  
17 approved by a majority of the qualified voters residing within the ser-  
18 vice area and voting on the question at a regular or special election.

19 \* Sec. 7. AS 29.63.090 is amended by adding a new subsection to read:

20 (f) A second class borough may establish by ordinance a service  
21 area for the development of vacant, unappropriated and unreserved land  
22 owned by the municipality. A second class borough may establish a  
23 service area with the concurrence of the commissioner of natural re-  
24 sources, for the development of vacant, unappropriated and unreserved  
25 land in the borough that is owned by the state and classified for dis-  
26 posal to individuals. A second class borough may provide those services  
27 in a service area established under this subsection necessary to develop  
28 state or municipal land as required by AS 40.15.200. Exercise of the  
29 powers authorized by this subsection shall be by ordinance. Approval by

1 the qualified voters residing in the service area is not required for  
2 the establishment of a service area under this subsection.

3 \* Sec. 8. AS 38.04.020 is repealed and re-enacted to read:

4 Sec. 38.04.020. TIMING AND AMOUNT. (a) Not later than January 1,  
5 1980 the commissioner shall establish the land disposal bank which shall  
6 contain not less than 500,000 acres of state land which is classified  
7 for disposal for private ownership under AS 38.05, AS 38.07, and  
8 AS 38.08. Each year the commissioner shall make available for private  
9 ownership state land contained in the land disposal bank which is suit-  
10 able for a variety of uses. If the land disposal bank contains less  
11 than 500,000 acres of land which is classified for disposal for private  
12 ownership, the commissioner shall classify state land for private owner-  
13 ship until at least 500,000 acres are so classified.

14 (b) The commissioner shall annually submit to the governor three  
15 alternative financing requests for the disposal of state land in the  
16 land disposal bank. The alternative requests for each fiscal year shall  
17 be submitted with the budget submitted to the legislature by the gover-  
18 nor. The alternate requests must specify the amount of land to be  
19 offered for private ownership under each alternative, the location of  
20 the land, and the disposal program under which the land will be offered.  
21 The alternatives submitted shall include

22 (1) an estimate of the appropriations required to finance the  
23 disposal of the land identified for disposal during the fiscal year;

24 (2) an estimate of the appropriations required to finance the  
25 disposal of one-half the land identified for disposal during the fiscal  
26 year; and

27 (3) an estimate of the appropriations required to finance the  
28 disposal of 50 per cent more land than identified for disposal during  
29 the fiscal year.

1 (c) A person or a municipality may nominate state land for classi-  
2 fication for private ownership. The commissioner shall hold public  
3 hearings to take nominations and shall issue a written finding if he  
4 determines that the land nominated will not be classified for public  
5 ownership.

6 \* Sec. 9. AS 38.05 is amended by adding new sections to read:

7 Sec. 38.05.053. SALE OF REMOTE PARCELS. (a) The commissioner may  
8 designate an area of land for the sale of remote parcels for residential  
9 or recreational use. An area designated by the commissioner under this  
10 section must be without road access and may be offered to the public  
11 without interior subdivision of the land in the area designated. The  
12 commissioner shall determine the number of parcels to be offered in each  
13 area designated under this section.

14 (b) A person may apply under the procedures set out in AS 38.05.-  
15 057 to purchase a remote parcel in an area of state land designated by  
16 the commissioner under (a) of this section. The commissioner shall  
17 grant a right of entry to each person who is selected to purchase a  
18 remote parcel. The right of entry must

19 (1) grant an exclusive right to enter the area to survey or  
20 to stake a remote parcel which may not exceed five acres; and

21 (2) specify the period during which entry is granted.

22 (c) The commissioner shall adopt parcel selection procedures for  
23 each area designated under (a) of this section. The parcel selection  
24 procedures adopted may include

25 (1) minimum distance between parcels in the area;

26 (2) parcel dimensions, configuration, orientation and other  
27 parcel design requirements;

28 (3) a description of land within the area that may not be  
29 included in a parcel;

1 (4) a requirement that landmarks, monuments, or other points  
2 be used as points of reference for the measurement of distances within  
3 an area; and

4 (5) .specifications for the type of stakes to use to mark the  
5 corners of a parcel.

6 (d) A remote parcel of state land offered for recreational or  
7 residential use shall be purchased under the terms of sale required for  
8 lottery sales under AS 38.05.065(b).

9 Sec. 38.05.054. PUBLIC OFFERING STATEMENT; SUBDIVIDED LAND. (a)  
10 The commissioner shall publish a public offering statement which must  
11 disclose fully and accurately the physical characteristics of subdivided  
12 state land offered for disposal under this chapter and shall make known  
13 to prospective purchasers all unusual and material circumstances or  
14 features affecting the subdivided land. The public offering statement  
15 shall be in a form prescribed by regulations adopted by the department  
16 and shall include

17 (1) a general description of the subdivided land stating the  
18 total number of lots, parcels, units, or interests in the offering;

19 (2) the significant terms of restrictions, including zoning  
20 and other regulations affecting the subdivided land and each parcel, and  
21 a statement of all existing taxes and existing or proposed special taxes  
22 or assessments which affect the subdivided land;

23 (3) a statement of the use for which the land is offered;

24 (4) information concerning improvements, including streets,  
25 water supply, drainage control systems, irrigation systems, sewage  
26 disposal facilities and customary utilities, and the responsibility for  
27 construction and maintenance of existing and proposed improvements; and

28 (5) additional information necessary to assure full and fair  
29 disclosure to prospective purchasers.

1 (b) The department may alter or amend the public offering state-  
2 ment in order to assure full and fair disclosure to prospective pur-  
3 chasers, and a change in the plan of disposition or development of the  
4 subdivision may not be made without making an appropriate amendment of  
5 the public offering statement.

6 \* Sec. 10. AS 38.05.057(b)(2) is amended to read:

7 (2) submit proof, as required by regulation, that he has been  
8 a resident of the state for not less than one year [THREE YEARS] immedi-  
9 ately preceding the date his application was submitted; and

10 \* Sec. 11. AS 38.05.057(d) is amended to read:

11 (d) To apply for participation in a lottery under this section an  
12 applicant shall

13 (1) certify that he is qualified under the applicable pro-  
14 visions of this section; [AND]

15 (2) pay a nonrefundable application fee of not more than \$25  
16 [\$10] for each application; and

17 (3) describe the land or interest in land which the applicant  
18 desires to purchase.

19 \* Sec. 12. AS 38.05.057(e)(1) is amended to read:

20 (1) the application period may not be less than 45 [30] days;

21 \* Sec. 13. AS 38.05.057(e)(2) is amended to read:

22 (2) no application may be accepted less than 30 [15] days  
23 before each lottery;

24 \* Sec. 14. AS 38.05.057(e)(3) is amended to read:

25 (3) notice of the application period and the date of the  
26 lottery shall be given in accordance with AS 38.05.345(e) [AS 38.05.-  
27 345(b)]; and

28 \* Sec. 15. AS 38.05.057(f) is repealed and re-enacted to read:

29 (f) If only one application for a parcel is received, the director

1 shall sell the parcel to the applicant who applied for the parcel if the  
2 applicant is qualified to purchase the land. If more than one applica-  
3 tion is received for a parcel, or if more applications are received for  
4 a right of entry to select a remote parcel offered under AS 38.05.053  
5 than the number of remote parcels authorized, the commissioner shall  
6 select the applicant who is entitled to purchase the land by lottery.  
7 If the commissioner does not receive an application for a parcel or if a  
8 purchaser fails to sign a contract of sale or to pay the deposit re-  
9 quired by (a) of this section, the parcel remains available for sale  
10 until withdrawn by the commissioner.

11 \* Sec. 16. AS 38.05.058(a) is amended to read:

12 (a) The director shall grant to eligible persons a discount on the  
13 purchase price of land sold [FOR RESIDENTIAL USE] under this chapter at  
14 the rate of five per cent of the purchase price of the land purchased  
15 for each full year that the purchaser is a resident of the state. A  
16 discount granted under this section may not exceed 50 per cent of the  
17 total purchase price of the land or a value of \$50,000 [\$25,000], which-  
18 ever amount is less. A discount may be used by an eligible veteran to  
19 purchase land offered at a restricted sale under AS 38.05.067.

20 \* Sec. 17. AS 38.05 is amended by adding new sections to read:

21 Sec. 38.05.059. IMPROVEMENT CREDITS. (a) The commissioner shall  
22 grant improvement credits against the purchase price of homestead land  
23 sold under AS 38.05.325. An improvement credit granted under this  
24 section may not exceed 50 per cent of the total purchase price or  
25 \$50,000, whichever amount is less. An improvement credit may be used by  
26 an eligible veteran to purchase land offered at a restricted sale under  
27 AS 38.05.067.

28 (b) Improvement credits may be granted for the following expenses  
29 or improvements:

- 1 (1) surveys, mapping and platting;
- 2 (2) access roads and street assessments;
- 3 (3) amounts paid for assessments for capital improvements
- 4 constructed by a municipality or a public utility;
- 5 (4) power, telephone and fuel storage facilities;
- 6 (5) water supply and waste disposal facilities;
- 7 (6) buildings and structures;
- 8 (7) clearing and grubbing;
- 9 (8) irrigation, drainage and soil conservation facilities;
- 10 and
- 11 (9) fencing.

12 (c) Credit for an improvement may not exceed the fair market value  
13 added to the land after the completion of the improvement. Fair market  
14 value of the improved land shall be determined in accordance with the  
15 appraisal procedure in AS 38.05.085.

16 Sec. 38.05.098. SENIOR CITIZENS EXEMPTION. (a) The real property  
17 occupied as a permanent place of abode by a resident 65 years of age or  
18 over and leased by that resident from the state in accordance with  
19 AS 38.05.070 - 38.05.105 is exempt from the payment of an annual lease  
20 rent. Only one exemption may be granted for the same property, and, if  
21 two or more persons are eligible for an exemption for the same property,  
22 the parties shall decide between or among themselves which shall receive  
23 the benefit of the exemption. An exemption may not be granted for a  
24 portion of the lease which is used by the leaseholder for a purpose  
25 other than his permanent place of abode.

26 (b) An exemption may not be granted under this section unless a  
27 written application for the exemption on a form provided by the commis-  
28 sioner is submitted. The leaseholder must submit the application not  
29 later than 60 days before the anniversary date of the lease, and shall

1 file a separate application for each lease year for which the exemption  
2 is sought. If an application is submitted within the required time and  
3 is approved by the commissioner, he shall allow a rental exemption for  
4 the lease year commencing on the anniversary date. The commissioner may  
5 at any time require proof in the form he considers necessary of the  
6 right to an exemption claimed under this section.

7 (c) The legislature may annually appropriate from the general fund  
8 to a trust fund the amount necessary to reimburse the trust fund for  
9 revenue lost to it by the operation of (a) of this section.

10 \* Sec. 18. AS 38.05.325 is repealed and re-enacted to read:

11 Sec. 38.05.325. HOMESTEAD LAND. (a) The commissioner shall sell  
12 state land classified as recreational, residential or agricultural  
13 homestead land.

14 (b) Tracts of residential or agricultural homestead land may not  
15 exceed one-sixteenth of a rectangular section.

16 (c) Tracts of agricultural homestead land may not exceed one-  
17 quarter of a rectangular section.

18 (d) The commissioner shall accept applications to select homestead  
19 land during an application period of one calendar month. The applica-  
20 tion period must begin on the first day of each February, May, August,  
21 and November. The commissioner shall make homestead application forms  
22 available to the public at least 30 days before each application period.  
23 Homestead land for which no application is received during the applica-  
24 tion period remains available for selection under this section until an  
25 application is received or the land is withdrawn by the commissioner.  
26 The commissioner shall withdraw from public selection and reclassify for  
27 an appropriate use homestead land for which no application is received  
28 within three years after the date that the homestead land is offered for  
29 sale.

1 (e) An application to select homestead land must be accompanied by  
2 a fee of \$25. An eligible person may apply for any number of homestead  
3 tracts, but may submit only one application per tract. After an appli-  
4 cation to purchase a tract is approved, the person who submitted the  
5 application may not apply for or receive another tract of homestead land  
6 under this section.

7 (f) To be eligible to purchase homestead land, a person shall

8 (1) be at least 18 years of age;

9 (2) have been physically present in the state for the 12-  
10 month period immediately before the date the application was submitted,  
11 except for brief intervals, military service, attendance at an educa-  
12 tional or training institution, or for absence for good cause;

13 (3) maintain a permanent place of residence in the state;

14 (4) not have claimed residence in any other state for any  
15 purpose during the 12-month period immediately before the date of his  
16 application;

17 (5) show by all attending circumstances that his intent is to  
18 make Alaska his continuous place of residence;

19 (6) have personally inspected the homestead land applied for;  
20 and

21 (7) certify under the penalty of perjury that he has not  
22 previously received homestead land under this section.

23 (g) After each application period, the commissioner shall deter-  
24 mine the eligibility of each applicant according to the criteria set out  
25 in (f) of this section. If more than one eligible applicant applies for  
26 the same homestead tract, the commissioner shall award the tract by  
27 lottery. The commissioner shall send each successful applicant a con-  
28 tract of sale which includes provisions consistent with this section.  
29 The applicant shall sign and return the contract with the payment re-

1 quired by (i)(1) of this section not later than 60 days after the con-  
2 tract is received. After execution of the contract by the commissioner,  
3 the entry of the applicant upon the homestead parcel is approved. The  
4 application of an applicant who fails to return the contract and make  
5 the first payment within the time specified in this section is void and  
6 shall be cancelled by the director.

7 (h) The purchase price of recreational or residential homestead  
8 land may not be less than \$400 per acre. The purchase price of agricul-  
9 tural homestead land may not be less than \$100 per acre.

10 (i) A contract of sale for homestead land must contain the follow-  
11 ing terms:

12 (1) that a first payment of not less than five per cent of  
13 the purchase price shall be made at the time the contract of sale is  
14 signed by the purchaser; and

15 (2) that the remainder of the purchase price shall be paid

16 (A) in not more than 19 annual cash payments due on the  
17 anniversary of the date of sale, or

18 (B) in land discounts under AS 38.05.058, or

19 (C) in improvement credits under AS 38.05.059.

20 (j) In addition to the terms required by (i) of this section, a  
21 contract for the sale of homestead land which is unsurveyed at the time  
22 of sale under this section must

23 (1) describe the land by aliquot parts or by metes and bounds  
24 and must provide that the purchaser will survey the land at his expense  
25 not later than three years after the date of sale of the land, according  
26 to instructions issued by the commissioner;

27 (2) provide that the contract description of the land will be  
28 amended to conform to the survey when it is completed and approved by  
29 the commissioner; and

1 (3) provide that no improvements may be constructed on the  
2 land until the survey is completed and approved by the commissioner.

3 \* Sec. 19. AS 38.05.345(b) is amended to read:

4 (b) Notice shall be published once a week for four [THREE] con-  
5 secutive weeks preceding the time of sale by public auction stated in  
6 the notice, in newspapers [AT LEAST ONE NEWSPAPER] of general circula-  
7 tion in the state and by the electronic media covering the region of the  
8 state in which the land is located [VICINITY IN WHICH THE LAND, PROPERTY  
9 OR INTEREST IN IT IS TO BE SOLD, LEASED OR DISPOSED OF]. If [WHERE]  
10 there is no newspaper of general circulation in the vicinity of the land  
11 offered for disposal, notices shall be posted not later than four weeks  
12 before the public auction is to be held in three public places near the  
13 land to be sold, leased or otherwise disposed of. The public auction  
14 [SALE, LEASE OR DISPOSAL OF LANDS] shall be held not less than 45 [30]  
15 days after publication of the first notice and not more than five weeks  
16 following the last appearance of the published notice. The notice shall  
17 contain a description of the land and interest to be sold, leased or  
18 disposed of and the time, place, and general terms of the sale, lease or  
19 disposal.

20 \* Sec. 20. AS 38.05.345 is amended by adding new subsections to read:

21 (e) The director shall publish a public notice of each sale of  
22 state land offered for residential use under AS 38.05.057 in newspapers  
23 of general circulation in the state and by the electronic media covering  
24 the region of the state in which the land is located. The notice shall  
25 be published once each week for four consecutive weeks before the begin-  
26 ning date of an application period and once each week during the appli-  
27 cation period. The notice shall contain

28 (1) a description of the land sufficient for identification  
29 by the public;

- 1 (2) the date of the beginning of the application period; and  
2 (3) a statement that a purchaser of the land offered is  
3 responsible for the construction of access roads and capital improve-  
4 ments that may be required by an authority having land use planning  
5 jurisdiction.

6 (f) If there is no newspaper of general circulation in the general  
7 vicinity of land offered for disposal, notices required by (e) of this  
8 section shall be posted not later than four weeks before the land is  
9 offered in three public places near the land.

10 \* Sec. 21. AS 38.08.020 is amended to read:

11 Sec. 38.08.020. PUBLIC NOTICE [OFFERING OF LAND FOR HOMESITE  
12 ENTRY]. The director shall publish notice of the availability of the  
13 land in the same manner as provided in AS 38.05.345 [FOR AT LEAST THREE  
14 CONSECUTIVE WEEKS THROUGH THE ELECTRONIC MEDIA AND IN AT LEAST THREE  
15 NEWSPAPERS OF GENERAL CIRCULATION IN THE STATE, AT LEAST ONE OF WHICH,  
16 IF POSSIBLE, SHALL BE A NEWSPAPER OF GENERAL CIRCULATION IN THE VICINITY  
17 OF THE AVAILABLE LAND].

18 \* Sec. 22. AS 38.08.030(a) is repealed and re-enacted to read:

19 (a) To qualify for a homesite an applicant shall

20 (1) be 18 years of age at the time of application; and

21 (2) submit proof acceptable to the commissioner that

22 (A) he is a resident of the state at the time of appli-  
23 cation;

24 (B) he has been a resident of the state for not less  
25 than one year immediately before the date his application was  
26 submitted; and

27 (C) he has not received patent or an entry permit to  
28 homesite land under this chapter before the date his application  
29 was submitted.

1 \* Sec. 23. AS 38.08.030(b) is amended to read:

2 (b) Fees for filing an application may not exceed \$25 [\$10].

3 \* Sec. 24. AS 38.08.040 is repealed and re-enacted to read:

4 Sec. 38.08.040. SELECTION OF PERSON TO RECEIVE PATENT. (a) The  
5 commissioner shall grant a patent to a person who applies for a homesite  
6 and who is qualified under AS 38.08.030. If the number of qualified  
7 persons who submit applications for homesites exceeds the number of  
8 available homesites offered, or if several qualified persons apply for  
9 the same homesite, the commissioner shall grant a patent to the person  
10 who submits proof acceptable to the commissioner of the longest resi-  
11 dency in the state.

12 \* Sec. 25. AS 38.08.060 is repealed and re-enacted to read:

13 Sec. 38.08.060. CONDITIONS ON GRANT OF PATENT. (a) A patent to  
14 homesite land must contain the following conditions:

15 (1) that the grantee of the patent shall occupy the homesite  
16 for a cumulative total of 35 months within the five-year period immedi-  
17 ately after conveyance of the patent; and

18 (2) that the grantee of the patent shall erect a permanent,  
19 habitable dwelling on the homesite which meets all applicable state and  
20 local regulations before five years after the conveyance of the patent.

21 (b) If a grantee fails to comply with the conditions of a homesite  
22 patent, the grantee shall forfeit title to the homesite land. The  
23 commissioner shall request the attorney general to bring an action to  
24 eject the grantee from the homesite land and to declare the right of  
25 reentry of the state.

26 (c) The commissioner may waive a failure to erect a habitable  
27 dwelling in accordance with a condition of a homesite patent if he  
28 determines that the grantee has substantially completed the erection of  
29 a habitable dwelling and that progress toward completion is being made

1 at the expiration of the time required.

2 \* Sec. 26. AS 38.08 is amended by adding a new section to read:

3 Sec. 38.08.065. SURVEY AND PLATTING COSTS. The grantee of a  
4 homesite patent shall reimburse the state for the cost of survey and  
5 platting of the homesite. The commissioner may adopt regulations which  
6 allow a grantee of a homesite patent to pay in monthly, quarterly or  
7 annual installments the cost of survey and platting required by this  
8 chapter.

9 \* Sec. 27. AS 38.08.050 and AS 38.08.100 are repealed.

10 \* Sec. 28. This Act takes effect immediately in accordance with AS 01.-  
11 10.070(c).

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