

Original sponsors: Chatterton, Malone,  
and Phillips

Offered: 4/24/79

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 66 am S

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 AS 29.18.204 is repealed and re-enacted to read: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 munici-  
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 munici-  
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. INCREASED ENTITLEMENTS FOR MUNICIPALITIES. (a)

25 The general grant land entitlements of each municipality having an  
26 entitlement under AS 29.18.201 - 29.18.203 shall be increased by one-  
27 half acre for each acre of municipal land conveyed for private owner-  
28 ship for residential or commercial purposes after July 1, 1979.

29 (b) The increased land entitlement to be provided to a municipal-

1 ity under (a) of this section vests as a property right and becomes  
2 effective on the day following receipt by the director of the division  
3 of lands, Department of Natural Resources of a copy of an ordinance  
4 which provides for the sale of municipal land for residential or  
5 commercial purposes. The increased entitlement shall be fulfilled as  
6 provided in AS 29.18.205.

7 (c) An ordinance adopted to comply with (b) of this section shall  
8 provide that

9 (1) not later than one year after the effective date of the  
10 ordinance suitable municipal land shall be offered for sale for residen-  
11 tial and commercial purposes by the municipality in parcels not larger  
12 than five acres, except that parcels may be larger than five acres if  
13 necessary to conform to physical conditions or to increase opportuni-  
14 ties for residential or commercial use;

15 (2) a purchaser of land sold under the ordinance shall  
16 be a resident of the state who is eligible to purchase state land  
17 under AS 38.08, but the ordinance may not require a purchaser to reside  
18 in the municipality before he may purchase the land for private use for  
19 residential or commercial purposes.

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

21 (a) Service areas to provide special services within a borough may  
22 be established, operated, altered or abolished by the assembly by ordi-  
23 nance. Special services include services not provided on an areawide  
24 basis within the borough or the borough area outside cities or a higher  
25 or different level of service than that provided on an areawide basis or  
26 in the borough area outside cities. In a first class borough the  
27 assembly may exercise within a service area any power granted a first  
28 class city by general law. Except as provided in (f) of this section, a  
29 ; IN A] second class borough may [AN] exercise [OF] the powers granted

1 a first class city by general law but the exercise of the powers must be  
2 approved by a majority of the qualified voters residing within the ser-  
3 vice area and voting on the question at a regular or special election.

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

5 (f) A second class borough may establish by ordinance a service  
6 area for the development of vacant, unappropriated and unreserved land  
7 owned by the municipality. A second class borough may establish a  
8 service area with the concurrence of the commissioner of natural re-  
9 sources, for the development of vacant, unappropriated and unreserved  
10 land in the borough that is owned by the state and classified for dis-  
11 posal to individuals. A second class borough may provide those services  
12 in a service area established under this subsection necessary to develop  
13 state or municipal land as required by AS 40.15.200. Exercise of the  
14 powers authorized by this subsection shall be by ordinance. Approval by  
15 the qualified voters residing in the service area is not required for  
16 the establishment of a service area under this subsection.

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

18 Sec. 38.04.020. TIMING AND AMOUNT. (a) Not later than January 1,  
19 1980 the commissioner shall establish the land disposal bank which shall  
20 contain not less than 500,000 acres of state land which is classified  
21 for disposal for private ownership under AS 38.05, AS 38.07, and  
22 AS 38.08. Each year the commissioner shall make available for private  
23 ownership state land contained in the land disposal bank which is suit-  
24 able for a variety of uses. If the land disposal bank contains less  
25 than 500,000 acres of land which is classified for disposal for private  
26 ownership, the commissioner shall classify state land for private owner-  
27 ship until at least 500,000 acres are so classified.

28 (b) The commissioner shall annually submit to the governor three  
29 alternative financing requests for the disposal of state land in the

1 land disposal bank. The alternative requests for each fiscal year shall  
2 be submitted with the budget submitted to the legislature by the gover-  
3 nor. The alternate requests must specify the amount of land to be  
4 offered for private ownership under each alternative, the location of  
5 the land, and the disposal program under which the land will be offered.  
6 The alternatives submitted shall include

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

9 (2) an estimate of the appropriations required to finance the  
10 disposal of one-half the land identified for disposal during the fiscal  
11 year; and

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

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

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

21 Sec. 38.05.053. SALE OF REMOTE PARCELS. (a) The commissioner may  
22 designate an area of land for the sale of remote parcels for residential  
23 or recreational use. An area designated by the commissioner under this  
24 section must be without road access and may be offered to the public  
25 without interior subdivision of the land in the area designated. The  
26 commissioner shall determine the number of parcels to be offered in each  
27 area designated under this section.

28 (b) A person may apply under the procedures set out in AS 38.05.-  
29 057 to purchase a remote parcel in an area of state land designated by

1 the commissioner under (a) of this section. The commissioner shall  
2 grant a right of entry to each person who is selected to purchase a  
3 remote parcel. The right of entry must

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

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

7 (c) The commissioner shall adopt parcel selection procedures for  
8 each area designated under (a) of this section. The parcel selection  
9 procedures adopted may include

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

11 (2) parcel dimensions, configuration, orientation and other  
12 parcel design requirements;

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

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

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

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

23 Sec. 38.05.054. PUBLIC OFFERING STATEMENT; SUBDIVIDED LAND. (a)  
24 The commissioner shall publish a public offering statement which must  
25 disclose fully and accurately the physical characteristics of subdivided  
26 state land offered for disposal under this chapter and shall make known  
27 to prospective purchasers all unusual and material circumstances or  
28 features affecting the subdivided land. The public offering statement  
29 shall be in a form prescribed by regulations adopted by the department

1 and shall include

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

4 (2) the significant terms of restrictions, including zoning  
5 and other regulations affecting the subdivided land and each parcel, and  
6 a statement of all existing taxes and existing or proposed special taxes  
7 or assessments which affect the subdivided land;

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

9 (4) information concerning improvements, including streets,  
10 water supply, drainage control systems, irrigation systems, sewage  
11 disposal facilities and customary utilities, and the responsibility for  
12 construction and maintenance of existing and proposed improvements; and

13 (5) additional information necessary to assure full and fair  
14 disclosure to prospective purchasers.

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

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

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

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

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

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

29 (2) pay a nonrefundable application fee of not more than \$25

1           [\$10] for each application; and

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

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

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

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

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

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

10                      (3) notice of the application period and the date of the  
11           lottery shall be given in accordance with AS 38.05.345(e) [AS 38.05.-  
12           345(b)]; and

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

14                      (f) If only one application for a parcel is received, the director  
15           shall sell the parcel to the applicant who applied for the parcel if the  
16           applicant is qualified to purchase the land. If more than one applica-  
17           tion is received for a parcel, or if more applications are received for  
18           a right of entry to select a remote parcel offered under AS 38.05.053  
19           than the number of remote parcels authorized, the commissioner shall  
20           select the applicant who is entitled to purchase the land by lottery.  
21           If the commissioner does not receive an application for a parcel or if a  
22           purchaser fails to sign a contract of sale or to pay the deposit re-  
23           quired by (a) of this section, the parcel remains available for sale  
24           until withdrawn by the commissioner.

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

26                      (a) The director shall grant to eligible persons a discount on the  
27           purchase price of land sold [FOR RESIDENTIAL USE] under this chapter at  
28           the rate of five per cent of the purchase price of the land purchased  
29           for each full year that the purchaser is a resident of the state. A

1 discount granted under this section may not exceed 50 per cent of the  
2 total purchase price of the land or a value of \$50,000 [\$25,000], which-  
3 ever amount is less. A discount may be used by an eligible veteran to  
4 purchase land offered at a restricted sale under AS 38.05.067.

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

6 Sec. 38.05.059. IMPROVEMENT CREDITS. (a) The commissioner shall  
7 grant improvement credits against the purchase price of homestead land  
8 sold under AS 38.05.325. An improvement credit granted under this  
9 section may not exceed 50 per cent of the total purchase price or  
10 \$50,000, whichever amount is less. An improvement credit may be used by  
11 an eligible veteran to purchase land offered at a restricted sale under  
12 AS 38.05.067.

13 (b) Improvement credits may be granted for the following expenses  
14 or improvements:

- 15 (1) surveys, mapping and platting;
- 16 (2) access roads and street assessments;
- 17 (3) amounts paid for assessments for capital improvements  
18 constructed by a municipality or a public utility;
- 19 (4) power, telephone and fuel storage facilities;
- 20 (5) water supply and waste disposal facilities;
- 21 (6) buildings and structures;
- 22 (7) clearing and grubbing;
- 23 (8) irrigation, drainage and soil conservation facilities;

24 and

- 25 (9) fencing.

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

1           Sec. 38.05.098. SENIOR CITIZENS EXEMPTION. (a) The real property  
2 occupied as a permanent place of abode by a resident 65 years of age or  
3 over and leased by that resident from the state in accordance with  
4 AS 38.05.070 - 38.05.105 is exempt from the payment of an annual lease  
5 rent. Only one exemption may be granted for the same property, and, if  
6 two or more persons are eligible for an exemption for the same property,  
7 the parties shall decide between or among themselves which shall receive  
8 the benefit of the exemption. An exemption may not be granted for a  
9 portion of the lease which is used by the leaseholder for a purpose  
10 other than his permanent place of abode.

11           (b) An exemption may not be granted under this section unless a  
12 written application for the exemption on a form provided by the commis-  
13 sioner is submitted. The leaseholder must submit the application not  
14 later than 60 days before the anniversary date of the lease, and shall  
15 file a separate application for each lease year for which the exemption  
16 is sought. If an application is submitted within the required time and  
17 is approved by the commissioner, he shall allow a rental exemption for  
18 the lease year commencing on the anniversary date. The commissioner may  
19 at any time require proof in the form he considers necessary of the  
20 right to an exemption claimed under this section.

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

22           Sec. 38.05.325. HOMESTEAD LAND. (a) The commissioner shall sell  
23 state land classified as recreational, residential or agricultural  
24 homestead land.

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

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

29           (d) The commissioner shall accept applications to select homestead

1 land during an application period of one calendar month. The applica-  
2 tion period must begin on the first day of each February, May, August,  
3 and November. The commissioner shall make homestead application forms  
4 available to the public at least 30 days before each application period.  
5 Homestead land for which no application is received during the applica-  
6 tion period remains available for selection under this section until an  
7 application is received or the land is withdrawn by the commissioner.  
8 The commissioner shall withdraw from public selection and reclassify for  
9 an appropriate use homestead land for which no application is received  
10 within three years after the date that the homestead land is offered for  
11 sale.

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

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

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

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

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

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

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

1 (6) have personally inspected the homestead land applied for;  
2 and

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

5 (g) After each application period, the commissioner shall deter-  
6 mine the eligibility of each applicant according to the criteria set out  
7 in (f) of this section. If more than one eligible applicant applies for  
8 the same homestead tract, the commissioner shall award the tract by  
9 lottery. The commissioner shall send each successful applicant a con-  
10 tract of sale which includes provisions consistent with this section.  
11 The applicant shall sign and return the contract with the payment re-  
12 quired by (i)(1) of this section not later than 60 days after the con-  
13 tract is received. After execution of the contract by the commissioner,  
14 the entry of the applicant upon the homestead parcel is approved. The  
15 application of an applicant who fails to return the contract and make  
16 the first payment within the time specified in this section is void and  
17 shall be cancelled by the director.

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

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

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

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

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

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

1 (C) in improvement credits under AS 38.05.059.

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

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

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

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

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

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

1 disposal.

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

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

10 (1) a description of the land sufficient for identification  
11 by the public;

12 (2) the date of the beginning of the application period; and

13 (3) a statement that a purchaser of the land offered is  
14 responsible for the construction of access roads and capital improve-  
15 ments that may be required by an authority having land use planning  
16 jurisdiction.

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

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

22 Sec. 38.08.020. PUBLIC NOTICE [OFFERING OF LAND FOR HOMESITE  
23 ENTRY]. The director shall publish notice of the availability of the  
24 land in the same manner as provided in AS 38.05.345 [FOR AT LEAST THREE  
25 CONSECUTIVE WEEKS THROUGH THE ELECTRONIC MEDIA AND IN AT LEAST THREE  
26 NEWSPAPERS OF GENERAL CIRCULATION IN THE STATE, AT LEAST ONE OF WHICH,  
27 IF POSSIBLE, SHALL BE A NEWSPAPER OF GENERAL CIRCULATION IN THE VICINITY  
28 OF THE AVAILABLE LAND].

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

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

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

3 (2) submit proof acceptable to the commissioner that

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

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

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

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

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

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

15 Sec. 38.08.040. SELECTION OF PERSON TO RECEIVE PATENT. (a) The  
16 commissioner shall grant a patent to a person who applies for a homesite  
17 and who is qualified under AS 38.08.030. If the number of qualified  
18 persons who submit applications for homesites exceeds the number of  
19 available homesites offered, or if several qualified persons apply for  
20 the same homesite, the commissioner shall grant a patent to the person  
21 who submits proof acceptable to the commissioner of the longest resi-  
22 dency in the state.

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

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

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

29 (2) that the grantee of the patent shall erect a permanent,

1 habitable dwelling on the homesite which meets all applicable state and  
2 local regulations before five years after the conveyance of the patent.

3 (b) If a grantee fails to comply with the conditions of a homesite  
4 patent, the grantee shall forfeit title to the homesite land. The  
5 commissioner shall request the attorney general to bring an action to  
6 eject the grantee from the homesite land and to declare the right of  
7 reentry of the state.

8 (c) The commissioner may waive a failure to erect a habitable  
9 dwelling in accordance with a condition of a homesite patent if he  
10 determines that the grantee has substantially completed the erection of  
11 a habitable dwelling and that progress toward completion is being made  
12 at the expiration of the time required.

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

14 Sec. 38.08.065. SURVEY AND PLATTING COSTS. The grantee of a  
15 homesite patent shall reimburse the state for the cost of survey and  
16 platting of the homesite. The commissioner may adopt regulations which  
17 allow a grantee of a homesite patent to pay in monthly, quarterly or  
18 annual installments the cost of survey and platting required by this  
19 chapter.

20 \* Sec. 27. AS 29.18.205(c), (e), and (g) - (i), 29.18.207(a) and (b),  
21 29.18.213(1), and AS 38.08.050 and 38.08.100 are repealed.

22 \* Sec. 28. This Act takes effect immediately in accordance with AS 01.-  
23 10.070(c).

24

25

26

27

28

29