

Introduced: 3/7/80
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 946

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disposal of state land."

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

8 * Section 1. AS 29.18.204(c) is amended to read:

9 (c) Land may be selected by a municipality to satisfy a general
10 grant land entitlement under AS 29.18.201 and 29.18.202 at any time
11 before October 1, 1980. However, if a portion of the general grant
12 land entitlement cannot be satisfied before October 1, 1980, because a
13 municipality has selected land which the director has determined must be
14 retained in state ownership, the municipality may, before January 1,
15 1981, select other vacant, unappropriated and unreserved land to satisfy
16 its entitlement.

17 * Sec. 2. AS 29.33.160(c) is amended to read:

18 (c) If a municipality has adopted a subdivision ordinance which
19 requires the construction of improvements by the developer of a subdivi-
20 sion before persons may reside in the subdivision or which requires the
21 submission of a preliminary or sketch subdivision plat during the plat-
22 ting procedure, the commissioner of natural resources shall, not later
23 than 60 days before filing a final subdivision plat which contains land
24 to be disposed of to individuals under AS 38.05 or AS 38.08, file with
25 the platting authority of the municipality a preliminary subdivision
26 plat and the plans and specifications for the construction of the im-
27 provements required by the subdivision ordinance [WITH THE PLATTING
28 AUTHORITY OF THE MUNICIPALITY].

29 * Sec. 3. AS 38.04.020(a) is amended to read:

1 Sec. 38.04.020. LAND DISPOSAL BANK. (a) The commissioner shall
2 establish a land disposal bank which contains state land that is avail-
3 able for disposal for private ownership. The [BY JULY 1, 1979, THE]
4 land disposal bank shall contain [AT LEAST 250,000 ACRES OF] state land
5 which is available for

- 6 (1) use as remote cabin sites under AS 38.05.079;
- 7 (2) disposal for recreational and residential use;
- 8 (3) disposal for commercial use; [AND]
- 9 (4) disposal for industrial use; and
- 10 (5) disposal for agricultural use.

11 * Sec. 4. AS 38.04.020(d) is amended to read:

12 (d) [DURING THE FISCAL YEAR ENDING JUNE 30, 1981, AND DURING EACH
13 FISCAL YEAR THEREAFTER, THE COMMISSIONER SHALL MAKE AVAILABLE FOR PRI-
14 VATE OWNERSHIP AT LEAST 100,000 ACRES OF STATE LAND CONTAINED IN THE
15 LAND DISPOSAL BANK WHICH IS SUITABLE FOR A VARIETY OF USES.] If, after
16 January 1, 1981, the land disposal bank contains less than 500,000 acres
17 of land which is available for the purposes listed in (a)(1) - (5) [(4)]
18 of this section, the commissioner shall classify state land located out-
19 side municipalities until at least 500,000 acres are available for those
20 purposes.

21 * Sec. 5. AS 38.04.040 is amended to read:

22 Sec. 38.04.040. AVAILABILITY OF [SCHOOL LAND AND] UNIVERSITY LAND.
23 University [SCHOOL LAND AND UNIVERSITY] land may be made available at
24 fair market value for private use under the purposes of this chapter;
25 however, any action to do so shall be in accordance with statutes per-
26 taining to these lands and the authority of [THE BOARD OF EDUCATION AND]
27 the Board of Regents of the University of Alaska.

28 * Sec. 6. AS 38.05.047(e) is amended to read:

29 (e) If the land is suitable for residential use, the department

1 shall survey and subdivide the land in a survey district established
2 under (c) of this section into parcels which may not exceed five acres.
3 However, a parcel may exceed five acres if a municipal ordinance or a
4 regulation adopted by the Department of Environmental Conservation re-
5 quires larger parcels for water pollution control purposes. The com-
6 missioner shall give priority to surveying those survey districts which
7 contain land that is in the vicinity of existing access roads, public
8 water supply or sewage disposal systems [MAY BE DEVELOPED IMMEDIATELY
9 FOR RESIDENTIAL USE AT THE LEAST COST TO THE STATE AND POTENTIAL PUR-
10 CHASERS]. The commissioner shall issue a written finding which de-
11 scribes land in a survey district which he determines is not suitable
12 for residential use. The written finding shall include the reasons for
13 the commissioner's determination and shall be kept on file in the office
14 of the commissioner and in the district office of the department located
15 nearest to the municipality in which the land is located.

16 * Sec. 7. AS 38.05.047(f)(1) is amended to read:

17 (1) 80 percent of the parcels in a survey district for sale
18 under the procedures for a lottery sale specified in AS 38.05.057 and
19 38.05.065(b) (lotteries) or under the procedures for sale by auction
20 under AS 38.05.055;

21 * Sec. 8. AS 38.05.050 is repealed and re-enacted to read:

22 Sec. 38.05.050. DETERMINATIONS BEFORE DISPOSAL OF LAND FOR PRIVATE
23 OWNERSHIP. The commissioner, upon recommendation of the director, shall
24 determine the land to be sold. The director shall determine the time
25 and place of sale and the manner of giving notice of the sale. An
26 auction sale, a lottery sale, or a disposal of land for homesites under
27 AS 38.08 must be held in the city

28 (1) that is closest to the land to be sold or disposed of;
29 and

1 (2) in which regular sessions of the superior court are held.

2 * Sec. 9. AS 38.05.055 is amended to read:

3 Sec. 38.05.055. AUCTION SALE PROCEDURES. Except as provided in
4 AS 38.05.057, 38.05.315(d), and AS 38.08, the sale of state land shall
5 be made at public auction to the highest qualified bidder as determined
6 by the director. Bidders must be present at the auction. An aggrieved
7 bidder may appeal to the commissioner within five days after the sale
8 for a review of the director's determination. The sale shall be con-
9 ducted by the director or his representative, and at the time of sale
10 the successful bidder shall deposit an amount equal to five percent
11 [ONE-TENTH] of the purchase price, or if the purchaser elects to use
12 land discounts granted under AS 38.05.058, five percent of the dis-
13 counted purchase price. The director or his representative shall im-
14 mediately issue a receipt containing a description of the land or pro-
15 perty purchased, the price bid, and the terms of sale, which receipt
16 shall be acknowledged in writing by the bidder. A contract of sale on a
17 form approved by the attorney general shall be signed by the purchaser
18 and, after approval of the commissioner, the contract shall also be
19 signed by the director on behalf of the state.

20 * Sec. 10. AS 38.05.057(a) is amended to read:

21 (a) The commissioner may dispose of land, including land limited
22 to use for agricultural purposes, by lottery. The purchase price of
23 land sold by lottery shall be the fair market value of the land as
24 determined by the commissioner [BUT MAY NOT BE LESS THAN \$400 PER ACRE,
25 OR, IF THE LAND IS LIMITED TO USE FOR AGRICULTURAL PURPOSES, THE PUR-
26 CHASE PRICE MAY NOT BE LESS THAN \$100 PER ACRE]. The commissioner may
27 sell land by lottery for less than the fair market value of the land if
28 he determines that scarcity of land for private use in the area of the
29 land to be sold has resulted in unrealistic land values. Before the

1 commissioner determines the purchase price for land which is located in
2 a municipality and which is to be sold under this section, he shall
3 consult with the assessor of the municipality. The lottery shall be
4 conducted in public by the commissioner or his representative and an ap-
5 plicant may not be selected to purchase land unless he is present on the
6 date and at the place that the lottery is conducted. A [, AND AT THE
7 TIME OF SIGNING A CONTRACT OF SALE A] purchaser selected by lot shall
8 deposit on the day of the lottery an amount equal to five percent of the
9 purchase price, or if the purchaser elects to use land discounts granted
10 under AS 38.05.058, five percent of the discounted [DISCOUNT] purchase
11 price.

12 * Sec. 11. AS 38.05 is amended by adding a new section to read:

13 Sec. 38.05.059. FARM IMPROVEMENT CREDIT. (a) A person who con-
14 tracts to purchase the agricultural development rights to state land may
15 receive credit against the installment payments due under the contract
16 for constructing an improvement listed in (b) of this section. A credit
17 under this section may be allowed only if a plan for the construction of
18 the improvement is approved by the commissioner or his designee and by
19 the municipality having planning, platting and zoning jurisdiction over
20 the land. A credit granted under this section may not exceed 90 percent
21 of the total purchase price of the agricultural development rights.

22 (b) The commissioner shall allow credit under this section for the
23 following improvements with the limitations set out after each:

24 (1) clearing, draining and breaking undeveloped agricultural
25 land -- \$80 per acre;

26 (2) fences -- \$500 per mile;

27 (3) permanent family dwelling -- \$10 per square foot, not to
28 exceed \$5,000;

29 (4) storage and livestock buildings -- \$4 per square foot,

1 not to exceed \$10,000;

2 (5) buildings in which agricultural products are processed
3 for human consumption -- \$8 per square foot, not to exceed \$10,000;

4 (6) waste disposal system -- \$20 per animal unit, not to
5 exceed \$10,000;

6 (7) water well which produces potable water -- \$8 per foot,
7 not to exceed \$1,000;

8 (8) irrigation well which produces a minimum of 300 gallons
9 per minute -- \$15 per foot, not to exceed \$3,000; and

10 (9) access road with a 20-foot crown and drainage -- \$1,500
11 per mile, not to exceed \$3,000.

12 (c) The director may allow a credit for an improvement not listed
13 in (b) of this section which is constructed on or adjacent to the agri-
14 cultural land if he determines that the improvement is necessary for the
15 development of the land for agricultural purposes.

16 (d) The commissioner may adopt regulations under the Administra-
17 tive Procedure Act (AS 44.62) which are necessary to accomplish the
18 purpose of this section.

19 (e) In this section "animal unit" means the waste produced by one
20 cow or its equivalent during a 24-hour period. For the purpose of this
21 definition, one cow is the equivalent of one horse, or five sheep, goats
22 or swine.

23 * Sec. 12. AS 38.05.065(b) is amended to read:

24 (b) The contract of sale for land sold under this chapter [THE
25 PROCEDURES SPECIFIED IN AS 38.05.057 (LOTTERY DISPOSALS)] shall require
26 the remainder of the purchase price to be paid in monthly, quarterly, or
27 annual installments over a period of not more than 20 years. Install-
28 ment payments plus interest shall be set on the level-payment basis.
29 The interest rate to be charged on installment payments is the pre-

1 vailing rate for real estate mortgage loans made by the federal land
2 bank for the farm credit district for Alaska at the time the contract is
3 signed.

4 * Sec. 13. AS 38.05.065(c) is amended to read:

5 (c) The director shall, for contracts under [(a) OR] (b) of this
6 section, set for each sale the period for the payment of installments
7 and the total purchase price plus interest. The director, with the
8 consent of the commissioner, may also include in contracts under this
9 section conditions, limitations and terms which he considers necessary
10 and proper to protect the interest of the state. Violations of any
11 provision of this chapter or the terms of the contract of sale subject
12 the purchaser to appropriate administrative and legal action, including
13 but not limited to specific performance, foreclosure, ejectment, or
14 other legal remedies in accordance with applicable state law.

15 * Sec. 14. AS 38.05.077(a) is amended to read:

16 (a) The commissioner shall, under the procedures required by
17 AS 38.05.300 and 38.05.305, classify state land which is suitable for
18 disposal as remote parcels. The commissioner shall designate remote
19 parcel selection areas consisting of land classified under this section.
20 The [COMMISSIONER SHALL SET THE] number of remote parcels that may be
21 selected in each remote parcel selection area may not exceed 40 parcels
22 in each township in the parcel selection area. A remote parcel may not
23 exceed 40 acres. The commissioner shall determine for each remote
24 parcel selection area, the amount of land in each remote parcel that may
25 be used for residential purposes. Land which may be used for residen-
26 tial purposes in a remote parcel may not be less than two acres and may
27 not exceed five acres.

28 * Sec. 15. AS 38.05.078(c) is amended to read:

29 (c) A lessee of a remote parcel may purchase land in a remote

1 parcel under the terms specified in AS 38.05.065(b). The purchase price
2 of land sold under this section shall be its fair market value as deter-
3 mined by the commissioner less the rent paid by the lessee under the
4 remote parcel lease agreement before the date of purchase. The valua-
5 tion date for determining the fair market value of land sold under this
6 section is the date that the remote parcel lease was first executed by
7 the lessee who purchases the land [PLAT OF SURVEY IS APPROVED BY THE
8 COMMISSIONER].

9 * Sec. 16. AS 38.05.065(a) is repealed.
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