

Introduced: 2/13/79  
Referred: Resources

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 223 am

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 homestead entry; and providing  
7 for an effective date."

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

9 \* Section 1. AS 38.05.325 is repealed and re-enacted to read:

10 Sec. 38.05.325. HOMESTEAD ENTRY. (a) The commissioner, in  
11 accordance with the criteria set out in AS 38.04.035, shall authorize  
12 homestead entry on state land classified for that purpose or for other  
13 disposal purposes under AS 38.05.300. The amount of land to be avail-  
14 able for homestead entry is to be determined by the director on an  
15 annual basis and reported to the legislature as part of the annual  
16 state land availability program required by AS 38.04.020. Parcels may  
17 not be over 40 acres, except that parcels of agricultural land may be  
18 larger.

19 (b) The commissioner shall accept applications during a simul-  
20 taneous application period of 60 consecutive days following each  
21 notice period under AS 38.05.345. The commissioner shall make home-  
22 stead application forms available to the public at least 30 days  
23 before each application period. Homestead entry land for which no  
24 applications are received during the simultaneous filing period remains  
25 available over the counter until an application is received or the  
26 land is withdrawn by the commissioner. Applications must be accompanied  
27 by a fee of \$25. An applicant may apply for any number of parcels, but  
28 may submit only one application per parcel. Once entry by an applicant  
29 upon a parcel is approved, he is not eligible to apply for or receive

1 another parcel under this section. To be eligible for homestead entry,  
2 an applicant must:

3 (1) be at least 18 years of age,

4 (2) have maintained a permanent and principal place of  
5 residence in Alaska for at least 24 months before application,

6 (3) have received no other entry under this program.

7 (c) After the end of each application period, the commissioner  
8 shall determine the eligibility of each applicant according to the  
9 criteria set out in (b) of this section. If there is more than one  
10 eligible applicant applied for a particular parcel, the commissioner  
11 shall award the parcel by lottery. The commissioner shall then send  
12 each successful applicant a contract of sale including provisions  
13 consistent with this section. Failure of the applicant to execute and  
14 return the contract within 30 days of receipt together with the payment  
15 required in (d)(2) of this section voids and terminates the application.  
16 Upon execution of the contract by the commissioner, the applicant's  
17 entry upon the homestead parcel is approved.

18 (d) A contract of sale for homestead land must provide for payment  
19 as follows:

20 (1) The purchase price of homestead land may not be less  
21 than the appraised or, in the case of unsurveyed land, the estimated  
22 fair market value of the land. In no case may the price of homestead  
23 land be less than \$200 per acre for full fee title or \$50 per acre for  
24 agricultural rights only. These minimum prices must be adjusted  
25 according to the Anchorage Consumer Price Index but must be fixed  
26 before each application period.

27 (2) A first payment of not less than 10 per cent of the  
28 purchase price must be made in advance of approval of entry.

29 (3) The remainder of the purchase price must be paid in not

1 more than nine annual cash payments, due on the anniversary of approval  
2 of entry, or in land discounts under AS 38.05.058, or in improvement  
3 credits under AS 38.05.059, according to regulations adopted by the  
4 commissioner.

5 (4) Land discounts under AS 38.05.058 and improvement  
6 credits under AS 38.05.059 may be applied to the annual payments, but  
7 neither may be applied to any part of the annual payments which reflects  
8 survey and platting costs, road development costs, utility assessments,  
9 or other costs determined by the director to be reimbursable to the  
10 state.

11 (5) In addition to all other payments, 0.001 times the  
12 purchase price must be paid each year, until the homestead land is  
13 included within a municipality incorporated or organized under AS 29.  
14 This payment must be reduced by the amount paid in other property  
15 taxes upon the land.

16 (6) In the case of land which is unsurveyed at the time of  
17 approval of entry under this section, the contract of sale must:

18 (A) describe the land by aliquot parts or by metes and  
19 bounds and must provide that the purchaser will survey the land  
20 at his expense within three years after approval of entry, accord-  
21 ing to instructions issued by the commissioner;

22 (B) provide that the contract description of the land  
23 will be amended to conform to the survey when it is completed and  
24 approved by the commissioner; and

25 (C) provide that no improvements may be constructed on  
26 the land until the survey is completed and approved by the com-  
27 missioner.

28 (e) All net proceeds, except payments for survey and platting  
29 costs, road development costs, utility assessments, and other costs

1 determined by the director to be reimbursable to the state, must be  
2 placed in the permanent fund established under art. IX, sec. 15,  
3 Alaska Constitution.

4 \* Sec. 2. AS 38.05.058(a) is amended to read:

5 (a) The director shall grant to eligible persons a discount on  
6 the purchase price of land sold for any use other than commercial or  
7 industrial [RESIDENTIAL USE] under this chapter at the rate of five  
8 per cent of the purchase price of the land purchased for each full  
9 year that the purchaser is a resident of the state. A discount granted  
10 under this section may not exceed 50 per cent of the total purchase  
11 price of the land or a value of \$25,000, whichever amount is less. A  
12 discount may be used by an eligible veteran to purchase land offered  
13 at a restricted sale under AS 38.05.067 [SEC. 67 OF THIS CHAPTER].

14 \* Sec. 3. AS 38.05 is amended by adding a new section to read:

15 Sec. 38.05.059. IMPROVEMENT CREDITS. The commissioner may adopt  
16 regulations authorizing the application of improvement credits to the  
17 purchase price of land disposals under this chapter.

18 \* Sec. 4. This Act takes effect immediately in accordance with AS  
19 01.10.070(c).

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