

Original sponsor: Rules/Governor

Offered: 4/26/79
Referred: Rules

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

HOUSE CS FOR SENATE BILL NO. 223

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

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

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

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* Section 1. AS 29.33.150 is amended by adding a new subsection to read:

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(b) The regulations adopted under (a) of this section apply to
subdivision plats of state land filed for approval with the platting
board, except that the platting board may not require the state to
construct access roads or capital improvements on state land included in
the subdivision plat before approval of the plat.

* Sec. 2. AS 29.33.160 is amended by adding a new subsection to read:

(c) If a municipality has adopted a subdivision ordinance which
requires the submission of preliminary or sketch subdivision plats
during the platting procedure, the platting board of the municipality
shall approve or conditionally approve a preliminary or sketch subdivi-
sion plat submitted by the state which contains land to be disposed of
for residential use under AS 38.05 or AS 38.08, not later than 60 days
after the preliminary or sketch subdivision plat is filed with the
platting board of the municipality.

* Sec. 3. AS 29.63.090(a) is amended to read:

(a) Service areas to provide special services within a borough may
be established, operated, altered or abolished by the assembly by ordi-
nance. Special services include services not provided on an areawide
basis within the borough or the borough area outside cities or a higher
or different level of service than that provided on an areawide basis or

1 in the borough area outside cities. In a first class borough the
2 assembly may exercise within a service area any power granted a first
3 class city by general law. Except as provided in (f) of this section, a
4 [; IN A] second class borough may [AN] exercise [OF] the powers granted
5 a first class city by general law but the exercise of the powers must be
6 approved by a majority of the qualified voters residing within the ser-
7 vice area and voting on the question at a regular or special election.

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

9 (f) A second class borough may establish a service area by ordi-
10 nance which may include only vacant, unappropriated and unreserved land
11 owned by the municipality. A second class borough may establish a
12 service area, with the concurrence of the commissioner of natural re-
13 sources, which may include only vacant, unappropriated and unreserved
14 land owned by the state and classified for disposal to individuals. A
15 second class borough may provide those services in a service area estab-
16 lished under this subsection necessary to develop state or municipal
17 land as required by AS 40.15.200. Exercise of the powers authorized by
18 this subsection shall be by ordinance.

19 * Sec. 5. AS 37.10.065(a) is amended to read:

20 (a) The Alaska Permanent Fund consists of 25 per cent of the
21 proceeds from the sale of state land, all mineral lease rentals, royalti-
22 ties, royalty sale proceeds, federal mineral revenue sharing payments
23 and bonuses received by the state. The commissioner of revenue shall
24 deposit in the Alaska Permanent Fund 25 per cent of the receipts from
25 these sources at least once each month. The commissioner of revenue
26 shall invest the money in the Alaska Permanent Fund in income-producing
27 investments of the following types:

28 (1) obligations of, or obligations insured or guaranteed by,
29 the United States or agencies or instrumentalities of the United States;

1 (2) obligations secured by reserves paid in by the United
2 States or agencies or instrumentalities of the United States or obliga-
3 tions of corporations in which the United States is a shareholder or
4 member;

5 (3) certificates of deposits issued by United States domestic
6 banks which are members of the Federal Deposit Insurance Corporation and
7 secured as to the payment of principal and interest in accordance with
8 Alaska law;

9 (4) corporate investment-grade securities;

10 (5) bankers' acceptance drawn on and accepted by United
11 States banks which each have a combined capital and surplus aggregating
12 at least \$100,000,000;

13 (6) repurchase agreements, the securities underlying the
14 agreements being any of the items in (1) - (5) of this subsection;

15 (7) deposits of federally insured savings and loan associa-
16 tions not to exceed 10 per cent of each savings and loan association's
17 deposits exclusive of federal, state, and municipal deposits;

18 (8) fixed-term certificates of debentures of federally in-
19 sured credit unions not to exceed 10 per cent of each credit union's
20 shares.

21 * Sec. 6. AS 38.05.045 is amended to read:

22 Sec. 38.05.045. GENERALLY. All lands owned in fee by the state or
23 to which the state may become entitled, excepting tide, submerged or
24 shorelands, and timber or grazing lands, may be sold as provided in
25 AS 38.05.045 - 38.05.069 and AS 38.08. However, this section does not
26 prevent the disposition of lands as provided in AS 38.05.300 - 38.05.-
27 348.

28 * Sec. 7. AS 38.05 is amended by adding new sections to art. 2 to read:

29 Sec. 38.05.047. CLASSIFICATION AND SALE OF STATE LAND IN MUNICI-

1 PALITIES. (a) Notwithstanding the provisions of AS 38.04, before
2 September 1, 1980, the commissioner shall classify all state land in a
3 municipality which he determines is best suited for

4 (1) designation by the legislature as a state park, recrea-
5 tion area, game refuge or sanctuary, or a fish and game critical habitat
6 area;

7 (2) designation by the governor as a state monument or his-
8 toric site under the authority granted by AS 41.35.030;

9 (3) designation by the commissioner of natural resources and
10 the commissioner of transportation and public facilities as wilderness
11 trails and campsites under the authority granted by AS 41.20.080 and as
12 roadside rests and recreational beaches under the authority granted in
13 AS 41.20.050;

14 (4) designation by the commissioner as trails and footpaths
15 which may be granted to a municipality or managed in cooperation with a
16 municipality as a part of the program established in AS 41.20.355 -
17 41.20.375; and

18 (5) management by the state after July 1, 1980, for the
19 following purposes:

20 (A) sale of remote parcels to individuals under AS 38.-
21 05.053;

22 (B) use by individuals as remote cabin sites under
23 AS 38.05.078;

24 (C) disposal for agricultural use;

25 (D) disposal for commercial use;

26 (E) harvest of timber in commercial quantities;

27 (F) use by individuals for livestock grazing under a
28 permit program;

29 (G) establishment of greenbelts along public roads

- 1 and highways;
- 2 (H) disposal for industrial use;
- 3 (I) extraction of materials;
- 4 (J) extraction of minerals, including oil and gas;
- 5 (K) retention in state ownership for public recreation
- 6 use;
- 7 (L) protection of watershed land;
- 8 (M) protection of wildlife habitat;
- 9 (N) easements for public utility facilities and pipe-
- 10 lines for the transportation of oil and gas; and
- 11 (O) construction of airstrips and transportation facili-
- 12 ties.

13 (b) Notwithstanding the provisions of AS 38.04, state land in a

14 municipality which has not been classified for one or more of the pur-

15 poses specified in (a)(1) - (5) of this section before September 1,

16 1980, or which has not been nominated for selection or selected by a

17 municipality to satisfy a general grant land entitlement under AS 29.18.-

18 201 - 29.18.203 before September 1, 1980, is available for disposal

19 under (f) of this section.

20 (c) Before September 1, 1979, the commissioner shall identify

21 state land in a municipality which may be suitable for classification

22 for the purposes set out in (a)(1) - (5) of this section. State land in

23 a municipality which is not identified for a purpose listed in (a)(1) -

24 (5) of this section or which has not been nominated for selection or

25 selected by a municipality to satisfy a general grant land entitlement

26 under AS 29.18.201 - 29.18.203 before September 1, 1979, is available

27 for sale to individuals as provided in (f) of this section. After

28 September 1, 1979, the commissioner shall divide all state land in a

29 municipality that is not identified for a purpose set out in (a)(1) -

1 (5) of this section into survey districts with boundaries that conform
2 to natural geologic and topographic features and shall make the land
3 available for disposal to individuals as required by (f) of this section.

4 (d) All state land in a municipality which is selected by the
5 state under section 6(a) or (b) of the Alaska Statehood Act (P.L. 85-508)
6 and tentatively approved for patent to the state after the effective
7 date of this section shall be classified by the commissioner in accor-
8 dance with (a) of this section not later than two years after the land
9 is tentatively approved for patent to the state. All state land which
10 is nominated for selection by a municipality to satisfy a general grant
11 land entitlement under AS 29.18.201 - 29.18.203 shall be classified in
12 accordance with (a) of this section not later than two years after the
13 commissioner either disapproves the municipality's selection of the
14 land, or releases the land from consideration for selection by the
15 municipality. State land in a municipality which is not classified
16 before the time required by this section is available for disposal under
17 (f) of this section.

18 (e) If the land is suitable for residential use, the department
19 shall survey and subdivide the land in a survey district established
20 under (c) of this section into parcels which may not exceed five acres.
21 The commissioner shall give priority to surveying those survey districts
22 which contain land that may be developed immediately for residential use
23 at the least cost to the state and potential purchasers. The commis-
24 sioner shall issue a written finding which describes land in a survey
25 district which he determines is not suitable for residential use. The
26 written finding shall include the reasons for the commissioner's deter-
27 mination and shall be kept on file in the office of the commissioner and
28 in the district office of the department located nearest to the munic-
29 ipality in which the land is located.

1 (f) After a subdivision plat developed under (e) of this section
2 is recorded, the commissioner shall offer

3 (1) 80 per cent of the parcels in a survey district for sale
4 under the procedures specified in AS 38.05.057 and 38.05.065(b) (lottery
5 sales);

6 (2) 10 per cent of the parcels in a survey district for
7 homesites under AS 38.08; and

8 (3) an additional 10 per cent of the parcels in a survey
9 district for homesites under AS 38.08, except that notwithstanding
10 AS 38.08.040(b) parcels offered under this paragraph may be the subject
11 of a lottery sale under the procedures specified in AS 38.05.057 if more
12 than one eligible person applies for the same homesite.

13 Sec. 38.05.053. CLASSIFICATION AND SALE OF REMOTE PARCELS. (a)
14 The commissioner shall, under the procedures required by AS 38.05.300
15 and 38.05.305, classify state land which is suitable for sale as remote
16 parcels. The commissioner shall designate areas of land classified
17 under this section in which he shall set the number of remote parcels
18 that may be sold in the area.

19 (b) The commissioner shall prescribe parcel selection procedures
20 for each area designated under (a) of this section. The parcel selec-
21 tion procedures prescribed by the commissioner may include

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

23 (2) parcel dimensions, configuration, orientation and other
24 parcel design requirements;

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

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

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

3 (c) A person may apply under the procedures set out in AS 38.05.-
4 057 (lottery sales) to purchase a remote parcel in an area of state land
5 designated by the commissioner under (a) of this section. Each person
6 who is entitled to select a remote parcel may enter the area for which
7 he applied to survey or to stake a remote parcel which may not exceed 40
8 acres. The commissioner shall allow each person to select a remote
9 parcel in the same order that his name was drawn by lottery.

10 (d) A remote parcel of state land shall be offered for sale under
11 the terms required for lottery sales under AS 38.05.065(b).

12 (e) A purchaser or his heirs or assigns may not subdivide a remote
13 parcel before 10 years after the plat of survey is approved by the
14 authority having platting powers as prescribed in AS 40.15.

15 Sec. 38.05.078. REMOTE CABIN PERMIT. (a) For a fee of \$100 a
16 year, the commissioner may issue a permit for the construction of a
17 cabin on remote state land. The commissioner shall establish regula-
18 tions which specify the application procedures for and the terms and
19 conditions of a remote cabin permit. A permit may not be for a term of
20 less than 25 years, and may be assigned by the original permittee during
21 the term of the permit.

22 (b) A remote cabin permit may be terminated by the commissioner
23 before the expiration of the term of the permit if a permittee fails to
24 use the land under permit in the manner required by the terms of the
25 permit. After termination of a remote cabin permit, improvements or
26 personal property on the land subject to the permit shall be managed in
27 the same manner as required by AS 38.05.090.

28 (c) If land subject to a remote cabin permit is offered for sale
29 or long-term lease, the commissioner shall first offer to sell or lease

1 the land to the permittee or his assigns. The land shall be sold for
2 its fair market value.

3 * Sec. 8. AS 38.05.055 is amended to read:

4 Sec. 38.05.055. SALE PROCEDURES. Except as provided in AS 38.05.-
5 053, 38.05.057, [AND] 38.05.315(d), and AS 38.08, the sale of state land
6 shall be made at public auction to the highest qualified bidder as
7 determined by the director. An aggrieved bidder may appeal to the
8 commissioner within five days after the sale for a review of the direc-
9 tor's determination. The sale shall be conducted by the director or his
10 representative, and at the time of sale the successful bidder shall
11 deposit an amount equal to one-tenth of the purchase price. The direc-
12 tor or his representative shall immediately issue a receipt containing a
13 description of the land or property purchased, the price bid, and the
14 terms of sale, which receipt shall be acknowledged in writing by the
15 bidder. A contract of sale on a form approved by the attorney general
16 shall be signed by the purchaser and, after approval of the commissioner
17 the contract shall also be signed by the director on behalf of the
18 state.

19 * Sec. 9. AS 38.05.057(a) is amended to read:

20 (a) The commissioner [DIRECTOR] may sell land, including land
21 limited to use for agricultural purposes, by lottery. The purchase
22 price of surveyed land sold by lottery shall be the fair market value as
23 determined by the commissioner. However, the commissioner may sell
24 land by lottery for less than the fair market value of the land if he
25 determines that scarcity of land for private use in the area of the land
26 to be sold has resulted in unrealistic land values. Before the commis-
27 sioner determines the purchase price for land which is located in a
28 municipality and which is to be sold under this section, he shall con-
29 sult with the board of equalization of the municipality. The purchase

1 price of unsurveyed land sold by lottery may not be less than \$250 per
2 acre, or, if the land may be used only for agricultural purposes, the
3 purchase price for the land may not be less than \$50 per acre [MAY NOT
4 BE LESS THAN THE FAIR MARKET VALUE OF THAT LAND UNLESS THE SALE IS
5 CONDUCTED UNDER THE PROVISIONS OF AS 38.05.035(b)(4)]. The lottery
6 shall be conducted in public by the commissioner [DIRECTOR] or his
7 representative, and at the time of signing a contract of sale a pur-
8 chaser selected by lot shall deposit [WITH THE PERSON CONDUCTING THE
9 LOTTERY] an amount equal to five per cent of the purchase price, or if
10 the purchaser elects to use land discounts granted under AS 38.05.058,
11 five per cent of the discount purchase price.

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

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

16 * Sec. 11. AS 38.05.057(d)(2) is amended to read:

17 (2) pay a nonrefundable application fee of not more than \$25
18 [\$10] for each application.

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)(3) is amended to read:

22 (3) notice of the application period and the date of the
23 lottery shall be given in accordance with AS 38.05.345(e) [AS 38.05.-
24 345(b)]; and

25 * Sec. 14. AS 38.05.057(f) is repealed and re-enacted to read:

26 (f) If only one application for a parcel is received, the commis-
27 sioner shall sell the parcel to the applicant who applied for the parcel
28 if the applicant is qualified to purchase the land. If more than one
29 application is received for a parcel, or if more applications are re-

1 ceived for the right to select a remote parcel offered under AS 38.05.-
2 053 than the number of remote parcels authorized, the commissioner shall
3 select the applicant who is entitled to purchase the land by lottery.
4 If the commissioner does not receive an application for a parcel of
5 state land or if a purchaser fails to sign a contract of sale or to pay
6 the deposit required by (a) of this section, the parcel shall be sold to
7 the first eligible person to apply to purchase the parcel under the
8 terms required by AS 38.05.065(b), or, if the parcel was designated as a
9 homesite and offered to the public under AS 38.05.047(f), the parcel
10 shall be disposed of under the terms required by AS 38.08.

11 * Sec. 15. 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 which is classified for any use other than
14 commercial or industrial [FOR RESIDENTIAL USE] under this chapter at the
15 rate of five per cent of the purchase price of the land purchased for
16 each full year that the purchaser is a resident of the state after the
17 first full year of residency. A discount granted under this section may
18 not exceed 50 per cent of the total purchase price of the land or a
19 value of \$25,000, whichever amount is less, except that an eligible
20 veteran is entitled to receive a discount under this section which may
21 not exceed 75 per cent of the total purchase price of the land or
22 \$37,500, whichever amount is less. A discount may be used by an
23 eligible veteran to purchase land offered at a restricted sale under
24 AS 38.05.067.

25 * Sec. 16. AS 38.05.058 is amended by adding a new subsection to read:

26 (f) In this section, "eligible veteran" means a person who satis-
27 fies the eligibility requirements of (b) of this section and the eligi-
28 bility requirements set out in AS 26.15.130 for the veterans' loan
29 program.

1 * Sec. 17. AS 38.05.058(d) is amended to read:

2 (d) A person is entitled to not more than one discount on the
3 purchase price of land under this section in his lifetime. A discount
4 granted under this section may be applied only to the acquisition of
5 surface rights to state land. A discount may not be applied to costs
6 such as survey costs, road development costs, utility assessments, or
7 other costs as determined by the director which are reimbursable to the
8 state. In all cases, a cash down payment of at least five per cent of
9 the discounted purchase price of the land shall be made at the time of
10 sale [ACQUISITION].

11 * Sec. 18. AS 38.05.065(a) is amended to read:

12 (a) The contract of sale for land sold at public auction shall
13 require the remainder of the purchase price to be paid in monthly,
14 quarterly or annual installments over a period of 10 years, with inter-
15 est at the prevailing rate for real estate mortgage loans made by the
16 federal land bank for the farm credit district for Alaska at the time the
17 contract is signed [OF NOT LESS THAN FIVE PER CENT A YEAR]. Installment
18 payments plus interest shall be set on the level-payment basis.

19 * Sec. 19. AS 38.05.065(b) is amended to read:

20 (b) The contract of sale for land sold under the procedures speci-
21 fied in AS 38.05.057 (lottery sales) [BY LOTTERY] shall require the
22 remainder of the purchase price to be paid in monthly, quarterly, or
23 annual installments over a period of not more than 20 years. Install-
24 ment payments plus interest shall be set on the level-payment basis.
25 The interest rate to be charged on installment payments is the pre-
26 vailing rate for real estate mortgage loans made by the federal land
27 bank for the farm credit district for Alaska [ON SIMILAR LAND TRANSAC-
28 TIONS,] at the time the contract is signed [, AS DETERMINED BY THE
29 DIRECTOR, BUT IN NO CASE MAY IT BE BELOW FIVE PER CENT A YEAR OR ABOVE

1 THE CURRENT USURY RATE AS SET BY AS 45.45.010(b) AND (d)].

2 * Sec. 20. AS 38.05.065 is amended by adding a new subsection to read:

3 (d) In addition to the terms required by (a) - (c) of this sec-
4 tion, a contract of sale for state land which is unsurveyed before the
5 date of the sale must

6 (1) describe the land by aliquot parts or by metes and bounds
7 using cardinal directions and must provide that the purchaser will
8 survey the land at his expense not later than five years after the land
9 is offered for sale, according to instructions issued by the commis-
10 sioner; and

11 (2) provide that the contract description of the land will be
12 amended to conform to the survey after the survey plat is approved by
13 the authority having jurisdiction as prescribed by AS 40.15.

14 * Sec. 21. AS 38.05.067(a) is amended to read:

15 (a) Except as provided in (e) of this section, before [BEFORE]
16 offering to the general public any unoccupied residential lands, the
17 director shall offer the land at a restricted sale at which only veterans
18 may buy.

19 * Sec. 22. AS 38.05.067 is amended by adding a new subsection to read:

20 (e) This section does not apply to the sale of state land under
21 AS 38.05.047(f) and 38.05.053.

22 * Sec. 23. AS 38.05.300 is amended to read:

23 Sec. 38.05.300. CLASSIFICATION OF LANDS. (a) The commissioner
24 [DIRECTOR] shall classify [MAKE A PRELIMINARY CLASSIFICATION] for surface
25 use [OF ALL] lands in areas where he considers it necessary and proper
26 [FOR FUTURE DEVELOPMENT. THE CLASSIFICATION, TOGETHER WITH A LAND USE
27 PLAN, SHALL BE TRANSMITTED TO THE COMMISSIONER FOR HIS APPROVAL, MODIFI-
28 CATION, OR REJECTION]. This section does not prevent reclassification
29 of lands where the public interest warrants reclassification, nor does

1 it preclude multiple purpose use of lands whenever different uses are
2 compatible. No state land, water, or land and water area shall, except
3 by act of the state legislature, be closed to multiple purpose use, if
4 the area involved contains more than 640 acres.

5 * Sec. 24. AS 38.05.300 is amended by adding a new subsection to read:

6 (b) Not later than February 1 of each year, the commissioner shall
7 submit a report to each house of the legislature which describes and
8 shows the location of all classifications of state land made under (a)
9 of this section during the preceding year.

10 * Sec. 25. AS 38.05.310 is amended to read:

11 Sec. 38.05.310. APPRAISAL. (a) No land may be sold or leased, or
12 a renewal lease issued, except in the case of an oil or gas or mineral
13 lease, unless it has been appraised within 120 days before the date
14 fixed for the sale or lease. When land is offered at public sale but is
15 not sold and is available at private sale, no reappraisal is required
16 unless the director considers that a change in value of the lands may
17 have occurred. A grazing lease may be granted to a lessee of federal
18 grazing lands without prior appraisal, if his federal lease was can-
19 celled to allow the state to select the lands under lease. No land may
20 be sold or leased for less than the approved, appraised market value,
21 except as provided in AS 38.05.315, [AND] 38.05.320, 38.05.057, 38.05.-
22 075 - 38.05.085 and 38.05.097.

23 * Sec. 26. AS 38.05.310 is amended by adding a new subsection to read:

24 (b) Appraisals required by this section may be made by employees
25 of the department who are qualified to determine the value of land under
26 standards set by the commissioner.

27 * Sec. 27. AS 38.05.345(b) is amended to read:

28 (b) Notice shall be published once a week for four [THREE] con-
29 secutive weeks preceding the time of disposal [SALE] stated in the

1 notice, in newspapers [AT LEAST ONE NEWSPAPER] of general circulation in
2 the state and by the electronic media covering the region of the state in
3 which the land is located [VICINITY IN WHICH THE LAND, PROPERTY OR
4 INTEREST IN IT IS TO BE SOLD, LEASED OR DISPOSED OF]. If [WHERE] there
5 is no newspaper of general circulation in the vicinity of the land
6 offered for disposal, notices shall be posted not later than four weeks
7 before the public auction is to be held in three public places near the
8 land to be sold or [,] leased [OR OTHERWISE DISPOSED OF]. The public
9 auction [SALE, LEASE OR DISPOSAL OF LANDS] shall be held not less than
10 45 [30] days after publication of the first notice and not more than
11 five weeks following the last appearance of the published notice. [THE
12 NOTICE SHALL CONTAIN A DESCRIPTION OF THE LAND AND INTEREST TO BE SOLD,
13 LEASED OR DISPOSED OF AND THE TIME, PLACE, AND GENERAL TERMS OF THE
14 SALE, LEASE OR DISPOSAL.]

15 * Sec. 28. AS 38.05.345 is amended by adding new subsections to read:

16 (e) The director shall publish a public notice of each sale of
17 state land offered for disposal under the procedures specified in AS 38.-
18 05.057 and AS 38.08 in newspapers of general circulation in the state
19 and by the electronic media covering the region of the state in which
20 the land is located. The notice shall be published once each week for
21 four consecutive weeks before the beginning date of an application
22 period.

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

27 (g) A notice under this section shall contain

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

1 (2) the date of the auction or the beginning of the applica-
2 tion period;

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

7 (4) the location and address of places where the public may
8 obtain information concerning the land offered for disposal.

9 * Sec. 29. AS 38.08.020 is amended to read:

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

17 * Sec. 30. AS 38.08.030(a) is repealed and re-enacted to read:

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

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

20 (2) submit proof acceptable to the commissioner that

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

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

26 (C) he has not received patent to homesite land under
27 this chapter before the date his application was submitted.

28 * Sec. 31. AS 38.08.030(b) is amended to read:

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

1 * Sec. 32. AS 38.08.040 is repealed and re-enacted to read:

2 Sec. 38.08.040. SELECTION OF PERSON TO RECEIVE PATENT. (a) The
3 commissioner shall grant a patent to a person who applies for a homesite
4 and who is qualified under AS 38.08.030. Except as provided in AS 38.-
5 05.047(e)(3), if the number of qualified persons who submit applications
6 for homesites exceeds the number of available homesites offered, or if
7 several qualified persons apply for the same homesite, the commissioner
8 shall grant a patent to the homesite to the person who submits proof
9 acceptable to the commissioner of the longest residency in the state.

10 * Sec. 33. AS 38.08.060 is repealed and re-enacted to read:

11 Sec. 38.08.060. GRANT OF PATENT. (a) A patent to homesite land
12 must contain the following conditions:

13 (1) the grantee of the patent shall occupy the homesite for a
14 cumulative total of 35 months within the five-year period immediately
15 after conveyance of the patent or, if the grantee is a veteran, he shall
16 occupy the homesite for a cumulative total of 21 months within the
17 five-year period immediately after conveyance of the patent; and

18 (2) the grantee of the patent shall erect a permanent, habit-
19 able dwelling on the homesite which meets all applicable state and local
20 regulations before five years after the grant 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. 34. 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 survey and platting of
5 the homesite. The commissioner may adopt regulations which allow a
6 grantee of a homesite patent to pay in monthly, quarterly or annual
7 installments the cost of survey and platting required by this chapter.

8 * Sec. 35. AS 38.08.120 is amended by adding a new paragraph to read:

9 (4) "veteran" means a person who satisfies the eligibility
10 requirements of AS 38.08.030(a) and the eligibility requirements set out
11 in AS 26.15.130 for the veterans' loan program.

12 * Sec. 36. AS 38.08.120(2) is amended to read:

13 (2) "habitable dwelling" means a single-family dwelling [OF A
14 PERMANENT NATURE], together with fixtures and facilities, including
15 sanitary facilities, required or customary in the vicinity of the home-
16 site land and does not include a mobile home unless it is placed on a
17 permanent foundation [MADE AVAILABLE FOR HOMESITE ENTRY];

18 * Sec. 37. AS 38.04.020 is repealed.

19 * Sec. 38. AS 29.33.090(d), AS 38.05.050, 38.05.325, AS 38.08.010(c),
20 38.08.050, 38.08.070, 38.08.080 and 38.08.100 are repealed.

21 * Sec. 39. Section 37 of this Act takes effect July 1, 1979.

22 * Sec. 40. Sections 1 - 36 and 38 of this Act take effect immediately in
23 accordance with AS 01.10.070(c).

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