

Introduced: 2/4/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY BEIRNE AND BETTISWORTH

2 HOUSE BILL NO. 2

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. AS 38.04 is amended by adding new sections to read:

10 ARTICLE 3A. DISPOSAL PROCEDURES.

11 Sec. 38.04.080. LEASE OF LAND IN LAND DISPOSAL BANK. (a) A
12 person who is qualified under AS 38.04.085 may apply to the director to
13 lease not to exceed 40 acres of state land in the land disposal bank.
14 A person may go on land classified in the land disposal bank to inspect
15 it and shall stake the land before applying for it. A person shall
16 apply for the land in person. The application may not be made by an
17 agent or attorney.

18 (b) The director shall issue the lease if he determines that

19 (1) the land applied for under (a) of this section is state
20 land in the land disposal bank; and

21 (2) there are no valid existing rights to the land applied
22 for.

23 Sec. 38.04.085. QUALIFICATION OF APPLICANT AND BIDDERS. A person
24 shall, at the time of application under AS 38.04.080 or at the time of
25 making a bid under AS 38.04.105,

26 (1) have attained the age of 18;

27 (2) submit proof required by regulation that he is a resident
28 of the state; and

29 (3) certify that he has not leased land in the land disposal

1 bank or land classified as a remote parcel within five years immediately
2 preceding the date of the application or the bid.

3 Sec. 38.04.090. RENTAL. A lessee of land under AS 38.04.080
4 shall make an annual rental payment of \$10 for each acre or portion of
5 an acre in the lease.

6 Sec. 38.04.095. TERM. The term of a lease under AS 38.04.080 is
7 five years. The lease may be renewed for a second five-year term.

8 Sec. 38.04.100. PURCHASE BY LESSEE. (a) A lessee of land under
9 AS 38.04.080 may purchase the land if, before the expiration of the
10 lease or of a renewal of the lease, the lessee

- 11 (1) erects a habitable dwelling on the leased land;
12 (2) causes a survey acceptable to the director to be made
13 of the leased land.

14 (b) The purchase price of land sold under this section shall be
15 its fair market value. The valuation date for determining the fair
16 market value of land sold under this section is the date that the lease
17 was first executed by the lessee who purchases the land.

18 (c) A lessee purchasing land under this section may receive the
19 benefits of AS 38.05.058.

20 Sec. 38.04.105. AUCTION SALE. (a) A lessee may request the
21 director to conduct a public auction sale of the land after the pre-
22 preparation of a survey of the leased land acceptable to the director but
23 before a habitable dwelling is erected on the land.

24 (b) The sale shall be held at a reasonable time after the request
25 for the sale by the lessee but in no case later than 45 days after the
26 request is filed with the director.

27 (c) The sale shall be conducted by the director. The sale shall
28 be made to the highest qualified bidder. At the time of the sale, the
29 highest qualified bidder shall deposit an amount equal to one-tenth of

1 the amount bid. The director shall immediately issue a receipt con-
2 taining a description of the land purchased, the amount bid, and the
3 terms of the sale. A contract of sale on a form approved by the attor-
4 ney general shall be signed by the highest qualified bidder, and, after
5 approval by the commissioner, the contract shall be signed by the
6 director on behalf of the state.

7 (d) If the highest qualified bidder at the sale is not the lessee
8 who requested the sale, it is a condition of the sale that the highest
9 qualified bidder reimburse the lessee who requested the sale for the
10 reasonable costs of the survey paid by the lessee which are approved by
11 the director. Reimbursement shall be made within 30 days of the date
12 of the sale.

13 (e) The commissioner, on recommendation of the director, shall
14 determine the terms of the sale which shall be consistent with AS 38.-
15 05.065(a) and (c). The highest qualified bidder under this section may
16 receive the benefits of AS 38.05.058.

17 (f) The director shall fix the time of sale and the manner of
18 giving notice of the sale. The sale shall take place at the time and
19 location specified in the notice of sale and within the recording dis-
20 trict where the leased land is located or in an adjacent recording
21 district.

22 (g) The minimum acceptable bid under this section is \$1,000. The
23 director may lower the amount of the minimum bid to the fair market
24 value of the land if he determines that the fair market value of the
25 land is less than \$1,000.