

Introduced: 2/16/82
Referred: Resources, Judiciary
and Finance

1 IN THE HOUSE

BY RANDOLPH

2 HOUSE BILL NO. 873

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH 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 38.04.020(g)(2)(B) is amended to read:

9 (B) at least 30 [10] percent of the parcels shall be
10 disposed of as homesites under AS 38.08; and

11 * Sec. 2. AS 38.04.020 is amended by adding new subsections to read:

12 (l) Interest may not be charged on a disposal from the land dis-
13 posal bank.

14 (m) A person receiving land from the land disposal bank may not be
15 required to connect into existing water or sewer connections available
16 to the land.

17 (n) A municipality may not be required to provide public services
18 to land from the land disposal bank if the municipality is not providing
19 the services to areas immediately adjacent to that land.

20 * Sec. 3. AS 38.05.035(b)(4) is amended to read:

21 (4) sell lands by lottery for less than their appraised value
22 or for less than the percent of fair market value required from sale of
23 land by this chapter or by AS 38.04 when, in his judgment, past scarcity
24 of land suitable for private ownership in any particular area has re-
25 sulted in unrealistic land values;

26 * Sec. 4. AS 38.05.057(a) is amended to read:

27 (a) The commissioner may dispose of land, including land limited
28 to use for agricultural purposes, by lottery. The purchase price of
29 land sold by lottery may not exceed 75 percent of appraised [SHALL BE

1 THE] fair market value of the land as determined by the commissioner.
2 [THE COMMISSIONER MAY SELL LAND BY LOTTERY FOR LESS THAN THE FAIR MARKET
3 VALUE OF THE LAND IF HE DETERMINES THAT SCARCITY OF LAND FOR PRIVATE USE
4 IN THE AREA OF THE LAND TO BE SOLD HAS RESULTED IN UNREALISTIC LAND
5 VALUES. BEFORE THE COMMISSIONER DETERMINES THE PURCHASE PRICE FOR LAND
6 WHICH IS LOCATED IN A MUNICIPALITY AND WHICH IS TO BE SOLD UNDER THIS
7 SECTION, HE SHALL CONSULT WITH THE ASSESSOR OF THE MUNICIPALITY.] The
8 lottery shall be conducted in public by the commissioner or his repre-
9 sentative. An applicant may not be selected to purchase land unless he
10 is present on the date and at the place that the lottery is conducted
11 unless medical reasons, attendance at school, or military service outside
12 the state prevent attendance. An applicant may be represented by an
13 agent on the day of the lottery if the land offered for sale is com-
14 mercial, industrial, or agricultural land. On the day of the lottery a
15 purchaser selected by lot shall deposit an amount equal to five percent
16 of the purchase price, or if the purchaser elects to use land discounts
17 granted under AS 38.05.058, five percent of the purchase price after
18 deduction of the discount.

19 * Sec. 5. AS 38.05.057(f) is amended to read:

20 (f) If only one application for a parcel is received, the commis-
21 sioner shall offer the parcel to the applicant who applied for the
22 parcel if the applicant is qualified to participate in the lottery.
23 The purchase price of land sold under this subsection may not exceed
24 50 percent of the fair market value of the land. If more than one
25 application is received for a parcel, or if more applications are re-
26 ceived for the right to select a remote parcel offered under AS 38.05.-
27 077 than the number of remote parcels authorized, the commissioner shall
28 select the applicant who is entitled to receive a conveyance of the land
29 by lottery. If the commissioner does not receive an application for a

1 parcel of state land or if a purchaser fails to sign a lease agreement
2 or contract of sale, the parcel shall be offered to the first eligible
3 person to apply for the parcel. If the parcel was designated as a
4 homesite and offered to the public under AS 38.05.047(f), the parcel
5 shall be disposed of under the terms required by AS 38.08.

6 * Sec. 6. AS 38.05.065 is amended to read:

7 Sec. 38.05.065. TERMS OF CONTRACT OF SALE. (a) The contract of
8 sale for land sold at public auction under AS 38.05.055 shall require
9 the remainder of the purchase price to be paid in monthly, quarterly or
10 annual installments over a period of 20 years, without [WITH] interest
11 [AT THE PREVAILING RATE FOR REAL ESTATE MORTGAGE LOANS MADE BY THE
12 FEDERAL LAND BANK FOR THE FARM CREDIT DISTRICT FOR ALASKA AT THE TIME
13 THE CONTRACT IS SIGNED]. Installment payments without [PLUS] interest
14 shall be set on the level-payment basis.

15 (b) The contract of sale for land sold under AS 38.05.057 and
16 under AS 38.05.078 shall require the remainder of the purchase price to
17 be paid in monthly, quarterly, or annual installments over a period of
18 not more than 20 years. Installment payments without [PLUS] interest
19 shall be set on the level-payment basis. [THE INTEREST RATE TO BE
20 CHARGED ON INSTALLMENT PAYMENTS IS THE PREVAILING RATE FOR REAL ESTATE
21 MORTGAGE LOANS MADE BY THE FEDERAL LAND BANK FOR THE FARM CREDIT DISTRICT
22 FOR ALASKA AT THE TIME THE CONTRACT IS SIGNED.]

23 (c) The director shall, for contracts under (a) or (b) of this
24 section, set for each sale the period for the payment of installments
25 and the total purchase price without [PLUS] interest. The director,
26 with the consent of the commissioner, may also include in contracts
27 under this section conditions, limitations and terms which he considers
28 necessary and proper to protect the interest of the state. Violations
29 of any provision of this chapter or the terms of the contract of sale

1 subject the purchaser to appropriate administrative and legal action,
2 including but not limited to specific performance, foreclosure, edject-
3 ment, or other legal remedies in accordance with applicable state law.

4 * Sec. 7. AS 38.08.010(b) is amended to read:

5 (b) At least 50 percent of all land [LAND] classified as homesite
6 entry land shall be divided into parcels at least 10 acres in size [NOT
7 EXCEEDING FIVE ACRES] in reasonably compact form, with boundaries con-
8 forming as nearly as practicable to natural geologic and topographic
9 features; the remaining 50 percent of land classified as homesite entry
10 land shall be divided into parcels not exceeding five acres in size. A
11 [HOWEVER A] parcel may exceed 10 [FIVE] acres if the director determines
12 that the larger parcel is necessary to

13 (1) comply with local zoning ordinances; or
14 (2) permit the design of a subdivision because of topo-
15 graphical features, soil conditions, on-site sewage disposal require-
16 ments, or water drainage or supply considerations unique to the sub-
17 division.

18 * Sec. 8. AS 38.08.010 is amended by adding a new subsection to read:

19 (c) Land classified as homesite entry land remains open to entry
20 as a homesite until it is disposed of under this chapter.
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