

Original sponsor: Kerttula

Offered: 5/5/82  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 525 (Finance)

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 sale and lease of state land."

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

8 \* Section 1. AS 38.05.057(c) is amended to read:

9 (c) The commissioner may adopt regulations under the Administra-  
10 tive Procedure Act (AS 44.62) which specify qualifications for lottery  
11 participants in addition to [DIFFERENT FROM] those specified in (b) of  
12 this section if

13 (1) an interest in land limited to agricultural purposes is  
14 to be sold under (a) of this section;

15 (2) the sale is a part of a program to develop agricultural  
16 land as a renewable resource of the state; and

17 (3) the regulations include residency, skill, experience, and  
18 financial requirements necessary to qualify persons who are competent  
19 and financially able to develop the land as a successful agricultural  
20 enterprise.

21 \* Sec. 2. AS 38.05 is amended by adding a new section to read:

22 Sec. 38.05.061. SALE FOR LESS THAN MARKET VALUE. If a bid is not  
23 received for or in excess of the advertised appraised market value at a  
24 public sale by auction of land, the director shall immediately solicit  
25 bids for less than the advertised appraised market value. The notice  
26 for the public sale by auction shall state that bids for less than  
27 advertised appraised market value will be solicited and may be accepted  
28 at the public sale by auction if a bid for or in excess of appraised  
29 market value is not received. Subject to AS 38.05.060, a bid received

1 for less than the advertised appraised market value under this section  
2 may be rejected only if the director makes a public determination that

3 (1) there was substantial difficulty in establishing fair  
4 market value for the land;

5 (2) there was a substantial lack of competitive offers for or  
6 public interest in the land; or

7 (3) the revenue needs of the state require a rejection of the  
8 bids at the sale.

9 \* Sec. 3. AS 38.05.065(b) is amended to read:

10 (b) The contract of sale for land sold under AS 38.05.057 and  
11 under AS 38.05.078 shall require the remainder of the purchase price  
12 to be paid in monthly, quarterly, or annual installments over a period  
13 of not more than 20 years. Installment payments plus interest shall  
14 be set on the level-payment basis. The interest rate to be charged  
15 on installment payments is the prevailing rate for real estate mortgage  
16 loans made by the federal land bank for the farm credit district for  
17 Alaska at the time the contract is signed or nine percent, whichever  
18 is less.

19 \* Sec. 4. AS 38.05.310(a) is amended to read:

20 (a) Land [NO LAND] may not be sold or leased and [, OR] a renewal  
21 lease may not be issued, except in the case of an oil or gas or mineral  
22 lease, unless it has been appraised within one year [120 DAYS] before  
23 the date fixed for the sale or lease. When land is offered at public  
24 sale by auction but is not sold and is available at private sale, a [NO]  
25 reappraisal is not required unless the director considers that a change  
26 in value of the land [LANDS] may have occurred. A grazing lease may be  
27 granted to a lessee of federal grazing land [LANDS] without prior apprai-  
28 sal, if his federal lease was cancelled to allow the state to select the  
29 land [LANDS] under lease. Land [NO LAND] may not be sold or leased for

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less than the approved, appraised market value, except as provided in AS 38.05.315, 38.05.320, 38.05.075 - 38.05.080, [38.05.057, 38.05.075 - 38.05.085 AND] 38.05.097, or 38.05.061.

\* Sec. 5. The amendment to AS 38.05.065(b) made in sec. 3 of this Act applies to land contracts issued after the effective date of this Act.