

Introduced: 4/27/83  
Referred: Resources  
and Finance

1 IN THE SENATE

BY KERTTULA

2

SENATE BILL NO. 280

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to discounts for land; and providing  
7 for an effective date."

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

9 \* Section 1. AS 38.05.055 is amended to read:

10 Sec. 38.05.055. AUCTION SALE PROCEDURES. Unless another method  
11 of sale is required under AS 38.05, under AS 38.07, or under AS 38.08,  
12 the sale of state land shall be made at public auction to the highest  
13 qualified bidder as determined by the director. A bidder must appear  
14 in person at the auction unless medical reasons, attendance at school,  
15 or military service outside the state prevent attendance. A bidder  
16 may be represented by an attorney or agent at the auction if the land  
17 offered for disposal is commercial, industrial, or agricultural land.  
18 An aggrieved bidder may appeal to the commissioner within five days  
19 after the sale for a review of the director's determination. The sale  
20 shall be conducted by the director [OR HIS REPRESENTATIVE,] and at the  
21 time of sale the successful bidder shall deposit an amount equal to  
22 five percent of the purchase price [, OR IF THE PURCHASER ELECTS TO  
23 USE LAND DISCOUNTS GRANTED UNDER AS 38.05.058, FIVE PERCENT OF THE  
24 AMOUNT BID AFTER DEDUCTION OF THE DISCOUNT]. The director [OR HIS  
25 REPRESENTATIVE] shall immediately issue a receipt containing a de-  
26 scription of the land or property purchased, the price bid, the amount  
27 deposited, and the amount of any discount allowed. The receipt shall  
28 be acknowledged in writing by the bidder.

29 \* Sec. 2. AS 38.05.057(a) is amended to read:

1 (a) The commissioner may dispose of land, including land limited  
2 to use for agricultural purposes, by lottery. The purchase price of  
3 land sold by lottery shall be the fair market value of the land as  
4 determined by the commissioner. The commissioner may sell land by  
5 lottery for less than the fair market value of the land on a deter-  
6 mination [IF HE DETERMINES] that scarcity of land for private use in  
7 the area of the land to be sold has resulted in unrealistic land  
8 values. The commissioner shall consult with the assessor of a munic-  
9 ipality before determining the purchase price for land that is located  
10 in the municipality and that is to be sold under this section. [BE-  
11 FORE THE COMMISSIONER DETERMINES THE PURCHASE PRICE FOR LAND WHICH IS  
12 LOCATED IN A MUNICIPALITY AND WHICH IS TO BE SOLD UNDER THIS SECTION,  
13 HE SHALL CONSULT WITH THE ASSESSOR OF THE MUNICIPALITY.] The lottery  
14 shall be conducted in public by the commissioner [OR HIS REPRESENTA-  
15 TIVE]. An applicant may not be selected to purchase land unless the  
16 applicant [HE] is present on the date and at the place that the lot-  
17 tery is conducted unless medical reasons, attendance at school, or  
18 military service outside the state prevent attendance. An applicant  
19 may be represented by an agent on the day of the lottery if the land  
20 offered for sale is commercial, industrial, or agricultural land. On  
21 the day of the lottery a purchaser selected by lot shall deposit an  
22 amount equal to five percent of the purchase price [, OR IF THE PUR-  
23 CHASER ELECTS TO USE LAND DISCOUNTS GRANTED UNDER AS 38.05.058, FIVE  
24 PERCENT OF THE PURCHASE PRICE AFTER DEDUCTION OF THE DISCOUNT.]

25 \* Sec. 3. AS 38.05.057(b) is amended to read:

26 (b) To qualify to participate in a lottery under (a) of this  
27 section, an applicant [A POTENTIAL PURCHASER] shall  
28 (1) at the time of application have attained the age of 18;  
29 (2) submit proof, as required by regulation, that the

1        applicant [HE] has been a resident of the state for not less than one  
2        year immediately preceding the date the [HIS] application was sub-  
3        mitted; and

4                    (3) certify that the applicant [HE] has not purchased land  
5        at a sale by lottery in the state within eight years immediately  
6        preceding the sale date.

7        \* Sec. 4. AS 38.05.058(a) is repealed and reenacted to read:

8                    (a) The commissioner shall grant an eligible person discounts on  
9        the purchase price of land sold under this chapter which is not class-  
10        ified for commercial or industrial use. To be eligible for a discount  
11        of 50 percent on each payment established by the commissioner, a  
12        person must be a resident of the state for the year preceding the  
13        payment. The portion of an annual payment that exceeds 10 percent of  
14        the purchase price of the land is eligible for discount only under (g)  
15        of this section. Discounts granted under this section may not exceed  
16        50 percent of the total purchase price of the land or \$25,000, which-  
17        ever amount is less, except that discounts granted to an eligible  
18        veteran under this section may not exceed 75 percent of the total  
19        purchase price of the land or \$37,500, whichever amount is less.  
20        Discounts may be used by an eligible veteran to purchase land offered  
21        at a restricted sale under AS 38.05.067.

22        \* Sec. 5. AS 38.05.058(b) is amended to read:

23                    (b) To be eligible for [A] discounted payments [PURCHASE PRICE]  
24        under (a) of this section, a person shall

25                    (1) have been physically present in the state for the  
26        12-month period before the date payment is due for the year [SALE],  
27        except for brief intervals, military service, attendance at an educa-  
28        tional or training institution or for absence for good cause;

29                    (2) maintain a place of residence in the state;

1 [(3) BE REGISTERED TO VOTE IN THE STATE;]

2 (4) not have claimed residence in any other state for any  
3 purpose during the 12-month period immediately before the date payment  
4 is due for the year [SALE];

5 (5) show by all attending circumstance an intent to main-  
6 tain residence in the state [THAT HIS INTENT IS TO MAKE ALASKA HIS  
7 CONTINUOUS RESIDENCE]; and

8 (6) have attained the age of 18 at the date of sale.

9 \* Sec. 6. AS 38.05.058(c) is amended to read:

10 (c) A person seeking to establish and maintain eligibility for  
11 discounts [A DISCOUNT] under this section shall present proof meeting  
12 the criteria set out in (b) of this section to the director. A person  
13 who submits information to the director under this section knowing it  
14 to be false is guilty of a felony and, upon conviction, is punishable  
15 by imprisonment for not more than five years, or by a fine of not more  
16 than \$50,000, or by both.

17 \* Sec. 7. AS 38.05.058(d) is amended to read:

18 (d) A person is entitled to discounts on not more than one  
19 [DISCOUNT ON THE] purchase [PRICE] of land under this section in a  
20 [HIS] lifetime. Discounts [A DISCOUNT] granted under this section may  
21 be applied only to the acquisition of surface rights to state land.  
22 Discounts [A DISCOUNT] may not be applied to costs such as survey  
23 costs, road development costs, utility assessments, or other costs as  
24 determined by the director which are reimbursable to the state. In  
25 all cases, a cash down payment of at least five percent of the [DIS-  
26 COUNTED] purchase price of the land shall be made at the time of sale.

27 \* Sec. 8. AS 38.05.058 is amended by adding a new subsection to read:

28 (g) A purchaser may apply to the commissioner for a discount on  
29 the portion of an annual payment that exceeds 10 percent of the pur-

1        chase price of the land upon request by the purchaser within 11 years  
2        after the purchase. The commissioner shall grant the discount if the  
3        payment would have been eligible for the discount had it been made in  
4        amounts and at times that would have met the requirements of (a) of  
5        this section.

6        \* Sec. 9. This Act takes effect immediately in accordance with AS 01.-  
7        10.070(c).