

Original sponsor: Paiks

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 248 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act relating to state land sale contracts."
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
8 * Section 1. AS 38.05.065(a) is amended to read:
9 (a) The contract of sale for land sold at public auction under
10 AS 38.05.055 shall require the remainder of the purchase price to be
11 paid in monthly, quarterly, or annual installments over a period of 20
12 years, with interest at a [THE PREVAILING] rate that is equivalent to
13 the cost of funds for real estate mortgage loans made by the [FEDERAL
14 LAND BANK FOR THE FARM CREDIT DISTRICT FOR] Alaska Housing Finance
15 Corporation under AS 18.56.098(g) at the time the contract is signed.
16 Installment payments plus interest shall be set on the level-payment
17 basis.
18 * Sec. 2. AS 38.05.065(b) is amended to read:
19 (b) The contract of sale for land sold under AS 38.05.057 and
20 under AS 38.05.078 shall require the remainder of the purchase price
21 to be paid in monthly, quarterly, or annual installments over a period
22 of not more than 20 years. Installment payments plus interest shall
23 be set on the level-payment basis. The interest rate to be charged on
24 installment payments is a [THE PREVAILING] rate that is equivalent to
25 the cost of funds for real estate mortgage loans made by the [FEDERAL
26 LAND BANK FOR THE FARM CREDIT DISTRICT FOR] Alaska Housing Finance
27 Corporation under AS 18.56.098(g) at the time the contract is signed.
28 * Sec. 3. A purchaser holding a land sale contract entered into under
29 AS 38.05.065(a) or (b) before the effective date of this Act may refinance

1 the contract on payment of a refinancing fee of \$250. The interest rate
2 charged on the balance due after refinancing shall be the rate charged by
3 the Department of Natural Resources at the time the refinancing fee was re-
4 ceived. A purchaser may not refinance a contract under this section more
5 than once.

6 * Sec. 4. The provisions of sec. 3 of this Act do not apply to con-
7 tracts for the sale of mental health trust land or university trust land.