

CS FOR HOUSE BILL NO. 134 (RESOURCES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered: 3/15/91
Referred: Finance

Sponsor(s): HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the effective date of the veterans' land discount applicable to state
2 land and to land discounts allowed under that program; and providing for an effective
3 date."

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

5 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

6 (1) AS 38.05.058, enacted by sec. 6, ch. 181, SLA 1978, established a land discount
7 program. The state's land discount program authorized a progressively reduced purchase price for state
8 land acquired for residential use based on the applicant's number of years of residence in the state. The
9 program established a maximum discount on the purchase price of the land that an applicant might claim.

10 (2) In 1979, the state's land discount program authorized by AS 38.05.058 was amended
11 by secs. 23 - 25, ch. 85, SLA 1979, to increase the maximum discount that an applicant who was a
12 qualified veteran could claim under that program.

13 (3) In *Gilman v. Martin*, 662 P.2d 120 (Alaska 1983), the Alaska Supreme Court
14 considered the granting of a land discount by a municipal ordinance based on the applicant's length of

1 residence. Applying the conclusion reached in *Zobel v. Williams*, 457 U.S. 55, 102 S.Ct. 2309,
2 72 L.Ed.2d 672 (1982), the court determined that the municipal ordinance establishing a land discount
3 program was unconstitutional as a violation of the equal protection clauses of the United States and
4 Alaska Constitutions. The decision, published April 1, 1983, did not involve the examination of the
5 analogous state land discount statute, AS 38.05.058.

6 (4) Following publication of the opinion, the Department of Natural Resources, acting
7 on advice from the Department of Law, determined that the state's residential land discount provisions
8 of AS 38.05.058, including the veterans' land discount provision, would no longer be implemented.

9 (5) The First Session of the Thirteenth Alaska State Legislature substantially revised state
10 laws that were based on residency and residence requirements. In sec. 19, ch. 67, SLA 1983, the
11 legislature eliminated the land discount program, repealing AS 38.05.058 effective July 16, 1983.

12 (6) The Second Session of the Thirteenth Alaska State Legislature established the current
13 veterans' land discount benefit, AS 38.05.940, by sec. 48, ch. 152, SLA 1984. The provision took effect
14 July 6, 1984.

15 (7) Taken together, the court opinion, administrative decision of the Department of
16 Natural Resources, and legislative revision of the veterans' land discount left certain veterans without
17 the opportunity to claim a land discount benefit provided by state law.

18 (b) The purpose of this Act is to ensure that all veterans are treated equally and that the veterans
19 who purchased land from the state after March 31, 1983, and before July 6, 1984, are not denied the
20 veterans' discount that was available to all other veterans purchasing land from the state. Granting this
21 retroactive discount serves the public purpose of making clear to those who contemplate joining the
22 nation's armed forces in the future that the state will honor their sacrifice on behalf of the nation and
23 grant benefits to them in the same manner that it has granted benefits to other veterans.

24 (c) The effect of this Act is to provide the benefit of the veterans' land discount of current law
25 to certain veterans who did not receive a discount under the former land discount program due to the
26 administrative decision of the Department of Natural Resources based on the decision in *Gilman v.*
27 *Martin*. The provision is particularly intended to apply to veterans who had submitted applications
28 claiming the veterans' land discount of former law, including but not limited to persons who were unable
29 to claim the benefit of the veterans' land discount on land offered for sale at the June 4, 1983, lottery
30 sale.

31 * Sec. 2. AS 38.05.940, as enacted by sec. 48, ch. 152, SLA 1984, is retroactive to April 1, 1983.

1 * Sec. 3. APPLICABILITY. (a) This Act applies only to persons who qualified for the veterans'
2 land discount of AS 38.05.940, enacted by sec. 48, ch. 152, SLA 1984, and made retroactive to April 1,
3 1983, by sec. 2 of this Act, and who, after March 31, 1983, and before July 6, 1984, purchased from
4 the state land for which the discount may apply.

5 (b) For land that a person purchased from the state after March 31, 1983, and before July 6,
6 1984, to which the veterans' land discount of AS 38.05.940, enacted by sec. 48, ch. 152, SLA 1984, and
7 made retroactive to April 1, 1983, by sec. 2 of this Act, applies, a person may not claim both the benefit
8 of the maximum land discount authorized to veterans by the provisions of former AS 38.05.058, enacted
9 by secs. 23 - 25, ch. 85, SLA 1979, and the benefit of the veterans' land discount of AS 38.05.940.

10 (c) The Department of Natural Resources shall credit, without interest, to the account of a person
11 who qualifies for the veterans' land discount under sec. 2 of this Act an amount equal to the difference
12 between the amount of the original purchase price of the land and an amount equal to that purchase price
13 with application of the discount authorized by AS 38.05.940. If the amount of the credit exceeds the
14 person's remaining payment obligation to the state, or if the person does not have a remaining payment
15 obligation to the state, the Department of Natural Resources shall pay, without interest, to the person the
16 amount in excess of the person's remaining payment obligation.

17 (d) The veterans' land discount authorized by the retroactive application of AS 38.05.940,
18 authorized by sec. 2 of this Act, applies to land transferred to the University of Alaska. As to the
19 application of the discount to this land,

20 (1) the University of Alaska shall provide the credit authorized by (c) of this section to
21 persons who qualify for it; and

22 (2) the commissioner of natural resources shall reimburse the University of Alaska for
23 the total amount of all credits allowed for persons under (1) of this subsection.

24 (e) The provisions of this Act do not apply to a person who

25 (1) obtained land using a veterans' land discount under former AS 38.05.058 or under
26 AS 38.05.940 whether the person obtained the discount directly or by assignment;

27 (2) obtained land for which the discount authorized by this Act may apply if the person
28 has relinquished the land or the land has been the subject of default or foreclosure; or

29 (3) obtains land by assignment.

30 * Sec. 4. IMPLEMENTATION OF THIS ACT. (a) The commissioner of natural resources shall
31 publish, at least once a week for at least four successive weeks in newspapers of general circulation

1 within the state, a notice of the availability of the veterans' land discount authorized by sec. 2 of this
2 Act.

3 (b) A person who at the time of purchase of state land was eligible for the veterans' land
4 discount authorized by sec. 2 of this Act

5 (1) shall apply to the Department of Natural Resources for the discount;

6 (2) may not obtain the veterans' land discount authorized by sec. 2 of this Act unless the
7 person submits a complete application for the veterans' land discount not later than one year after the
8 effective date of this Act.

9 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).