

HOUSE BILL NO. 193
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE BROWN BY REQUEST

Introduced: 3/6/91

Referred: Community & Regional Affairs, Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disposals of state land, materials, and minerals and of interests in
2 state land."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 38.05.020(b) is amended to read:

5 (b) The commissioner may

6 (1) establish reasonable procedures and adopt reasonable regulations necessary
7 to carry out this chapter and, whenever necessary, issue directives or orders to the director to
8 carry out specific functions and duties; regulations adopted by the commissioner shall be adopted
9 under the Administrative Procedure Act (AS 44.62); orders by the commissioner classifying land
10 [, ISSUED AFTER JANUARY 3, 1959,] are not required to be adopted under the Administrative
11 Procedure Act (AS 44.62);

12 (2) enter into agreements considered necessary to carry out the purposes of this
13 chapter, including agreements with federal and state agencies;

14 (3) review any order or action of the director;

1 (4) exercise the powers and do the acts necessary to carry out the provisions and
2 objectives of this chapter;

3 (5) notwithstanding the provisions of [ANY OTHER SECTION OF] this chapter
4 (A) or of a provision of AS 38.08, AS 38.09, or AS 38.35, grant an
5 extension of the time within which a payment [PAYMENTS] due on a [ANY] lease or
6 sale of state land, minerals, or materials may be made, including payment of rental and
7 royalties, on a finding that compliance with the payment requirement
8 [REQUIREMENTS] is or was prevented by reason of war, riot [RIOTS], or act [ACTS]
9 of God;

10 (B) or of a provision of AS 38.08 or AS 38.09, grant an extension of
11 the time within which a requirement of AS 38.08 or AS 38.09 must be satisfied on
12 a finding that satisfaction of the requirement is or was prevented by reason of war,
13 riot, or act of God;

14 (6) classify tracts for agricultural uses and require the prequalification, including
15 the submission of conservation plans, development plans, or other plans, schedules, or programs,
16 of persons who apply to participate in an agricultural development project under AS 38.05.057(c)
17 [AS 44.33.475];

18 (7) waive, postpone, or otherwise modify the development requirements of a
19 contract for the sale of agricultural land if

20 (A) the land is inaccessible by road; and

21 (B) transportation, marketing, and development costs render the required
22 development uneconomic.

23 * Sec. 2. AS 38.05.050 is amended to read:

24 Sec. 38.05.050. DISPOSAL OF LAND FOR PRIVATE OWNERSHIP. The
25 commissioner shall determine the land to be disposed of for private use and [. THE
26 COMMISSIONER SHALL DETERMINE] the time and place of disposal. [AN AUCTION
27 SALE, A LOTTERY SALE, OR A DISPOSAL OF LAND FOR HOMESITES SHALL BE
28 HELD IN A COMMUNITY THAT IS NEAR THE LAND TO BE SOLD OR DISPOSED OF.]

29 * Sec. 3. AS 38.05.055 is amended to read:

30 Sec. 38.05.055. AUCTION SALE PROCEDURES. Unless another method of sale is
31 required under this chapter, AS 38.07, [OR] AS 38.08, or AS 38.09, the sale of state land shall

1 be made at public auction to the highest qualified bidder as determined by the director. The
2 director may accept bids and sell state land under this section at no less than 70 percent of the
3 appraised fair market value of the land. A bidder may [MUST] appear in person at the auction
4 or [UNLESS MEDICAL REASONS, ATTENDANCE AT SCHOOL, OR MILITARY SERVICE
5 OUTSIDE THE STATE PREVENT ATTENDANCE. A BIDDER MAY] be represented at the
6 auction by an attorney or agent [AT THE AUCTION IF THE LAND OFFERED FOR
7 DISPOSAL IS COMMERCIAL, INDUSTRIAL, OR AGRICULTURAL LAND]. An aggrieved
8 bidder may appeal to the commissioner within five days after the sale for a review of the
9 director's determination. The sale shall be conducted by the director and at the time of sale the
10 successful bidder shall deposit an amount equal to five percent of the purchase price. The director
11 shall immediately issue a receipt containing a description of the land or property purchased, the
12 price bid, and the amount deposited. The receipt shall be acknowledged in writing by the bidder
13 or the bidder's representative.

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

15 (a) The commissioner may dispose of land, including land limited to use for agricultural
16 purposes, by lottery. The purchase price of land sold by lottery shall be the fair market value of
17 the land as determined by the commissioner. The commissioner may sell land by lottery for less
18 than the fair market value of the land on a determination that scarcity of land for private use in
19 the area of the land to be sold has resulted in unrealistic land values. The commissioner shall
20 consult with the assessor of a municipality before determining the purchase price for land that
21 is located in the municipality and that is to be sold under this section. The lottery shall be
22 conducted in public by the commissioner. [AN APPLICANT MAY NOT BE SELECTED TO
23 PURCHASE LAND UNLESS THE APPLICANT IS PRESENT ON THE DATE AND AT THE
24 PLACE THAT THE LOTTERY IS CONDUCTED UNLESS MEDICAL REASONS,
25 ATTENDANCE AT SCHOOL, OR MILITARY SERVICE OUTSIDE THE STATE PREVENT
26 ATTENDANCE. AN APPLICANT MAY BE REPRESENTED BY AN AGENT ON THE DAY
27 OF THE LOTTERY IF THE LAND OFFERED FOR SALE IS COMMERCIAL, INDUSTRIAL,
28 OR AGRICULTURAL LAND. ON THE DAY OF THE LOTTERY A PURCHASER
29 SELECTED BY LOT SHALL DEPOSIT AN AMOUNT EQUAL TO FIVE PERCENT OF THE
30 PURCHASE PRICE.]

31 * Sec. 5. AS 38.05.057(g) is amended to read:

1 (g) ~~The~~ [AFTER RECEIVING THE DEPOSIT REQUIRED UNDER (A) OF THIS
2 SECTION, THE] director shall [IMMEDIATELY] issue to an applicant selected under (f) of
3 this section a notification [RECEIPT] containing a description of the land or property to be
4 conveyed, the price of the land, and the terms of disposal. Within 30 days after receiving the
5 notification, the purchaser shall deposit with the director a down payment equal to five
6 percent of the purchase price [THE RECEIPT SHALL BE ACKNOWLEDGED IN WRITING
7 BY THE PURCHASER].

8 * Sec. 6. AS 38.05.057(j) is amended to read:

9 (j) The commissioner may require a participant in a lottery under (c) of this section for
10 the sale of land that is part of an agricultural development project [UNDER AS 44.33.475] to
11 submit a single application for that land and either to appear personally or to be represented
12 at the lottery by an agent. Immediately following the drawing of an applicant's name in the
13 lottery, the applicant shall be given an opportunity to select for purchase one parcel of the land
14 that is offered in the lottery. The names of alternate applicants shall be drawn after all parcels
15 have been selected. If the applicant who originally selected a parcel unequivocally rejects the
16 offer to purchase the parcel or fails to sign the contract of sale within the period of time specified
17 by the commissioner, the parcel shall be offered for sale to alternate applicants in the order in
18 which their names were drawn.

19 * Sec. 7. AS 38.05.059 is amended to read:

20 Sec. 38.05.059. LIMITATION ON PURCHASES OF AGRICULTURAL LAND. A
21 person may purchase from the state a total of not more than one parcel of land that is part of an
22 agricultural development project under AS 38.05.057(c) [AS 44.33.475] during any eight-year
23 period.

24 * Sec. 8. AS 38.09.010(g) is amended to read:

25 (g) The commissioner may limit the number of persons permitted to stake homestead
26 entries within an area designated under (a) of this section by a lottery of qualified applicants. The
27 commissioner may conduct a lottery held under this subsection in the community that is closest
28 to the area designated for homestead entry. [THE COMMISSIONER MAY REQUIRE THAT
29 EACH PARTICIPANT IN THE LOTTERY BE PRESENT UNLESS ATTENDANCE AT THE
30 LOTTERY IS PREVENTED BY

31 (1) MEDICAL REASONS, ATTENDANCE AT SCHOOL, OR MILITARY

1 SERVICE OUTSIDE THE STATE; OR

2 (2) A MANDATORY, UNAVOIDABLE EMPLOYMENT COMMITMENT

3 DETERMINED VALID BY THE COMMISSIONER BEFORE THE SALE.]