

HB

529

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 529
 Title: Veterans' discount on state land disposals
 Sponsor: Uehling et al
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Natural Resources
 Program Category Affected: NRMEC
 BRU, Program or Subprogram(s) Affected: Land and Water Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE		-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon Barton Phone: 465-2400
 Division: Commissioner's Office Date: 3-2-84

Approved by Commissioner: Alvin D. Arnold, Director Date: 3-2-84
 Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CHAIRMAN
HOUSE SPECIAL COMMITTEE
ON STATE LOANS

VICE-CHAIRMAN
HOUSE RESOURCES COMMITTEE
HOUSE LABOR AND COMMERCE COMMITTEE

MEMBER
JOINT OIL & GAS COMMITTEE
HOUSE FINANCE SUBCOMMITTEE ON
ADMINISTRATION, REVENUE
AND THE GOVERNOR'S OFFICE

Alaska State Legislature



House of Representatives

Representative
RICK UEHLING

ANCHORAGE
DISTRICT 12-SEAT A
1634 JUNEAU DRIVE
ANCHORAGE, ALASKA 99501
(907) 274-4256

POUCHV
JUNEAU, ALASKA 99811
(907) 465-4921

M E M O R A N D U M

DATE: 29 February 1984
TO: Representative Ringstad *R.R.*
FROM: Representative Rick Uehling
SUBJECT: HB 529

You requested that I provide you with a synopsis of HB 529.

This bill creates a 25 percent discount for veterans, where none now exists, on the purchase price of state lands disposed of under land disposal programs that are not for commercial or industrial uses.

The discount only applies to the acquisition of surface rights to state land and may not be applied to survey costs, road costs, and utility assessments.

The discount also can be applied to the purchase of land from a sale restricted to veterans under AS 28.05.067.

In the Senate SB 324 has been incorporated into SB 375, the omnibus land bill for the Title 38 rewrite.

FEB 29 1984

STATE OF ALASKA
THE LEGISLATURE
LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

MEMORANDUM

February 29, 1984

SUBJECT: Sectional analysis of HB 529

TO: Representative Rick Uehling

FROM: Edward H. Hein *EHH*
Legislative Counsel

Section 1 reestablishes a discount on the price of state land purchased by a veteran. Former AS 38.05.058, which was repealed in 1983, provided for a discount of 75 percent or \$37,500, whichever was less. This bill provides a 25 percent discount. To be eligible a veteran must be at least 18 years of age, must have been a state resident for at least one year, must have served in the armed forces for at least 90 days, and must have received a discharge under honorable conditions. A veteran is entitled to only one discount. The discount may be applied to a purchase of surface rights to land, but not to survey costs, road development costs, utility assessments, or other costs specified by the commissioner of natural resources. The discount may be applied to land purchased in a sale restricted to veterans in accordance with AS 38.05.067.

Section 2 provides for an immediate effective date.

EHH:ojb
J4/021

State Land Programs*

LAND PROGRAM	TYPE OF LAND OFFERED	INTEREST GAINED	SIZE OF PARCEL	APPLICANT REQUIREMENTS AGR. AK. RESIDENCY	METHOD OF DETERMINING WINNER	PRICE TO PURCHASER	TERMS	ON-SITE REQUIREMENTS FOR TITLE	MISCELLANEOUS PROVISIONS	FREQUENCY OF PARTICIPATION	OVER THE COUNTER
Lottery	1) Subdivisions 2) Small ag parcels 3) Odd lots	1) Fee title to subdivisions 2) Title to ag interest only 3) Fee title to odd lots	Any	18 1 year	Drawing	Appraised value	Five percent down, maximum 20-year payoff	Complete farm development plan on ag parcels, if required	Purchaser of ag parcels receives ag interest only.	One per eight years (may also purchase one parcel in major ag project every eight years)	Applies to remaining parcels
Homestead	Subdivisions	Entry permit/ fee title	Generally five acres or less	18 1 year	Drawing	Purchaser reimburses state for surveying, plotting, and administrative costs	Payments for surveying and platting costs may be contracted for up to 20 years	Construct dwelling within five years, occupy land 35 months within seven years	Entry permits are non assignable.	One in a lifetime per household	Applies to remaining parcels
Remote Parcel	Unsurveyed acreage	Lease/fee title	Maximum 40 acres	18 1 year	1) Unlimited entry by area; first-come, first-served basis 2) Limited Entry areas; Drawing	Lease: \$10 per acre per year Purchaser: Appraised value as of date of lease	Five percent down, maximum 20-year payoff	Stake corners, brush property lines; survey parcel	Lease cannot be assigned, conveyed, or otherwise transferred. Land may not be sold, leased, conveyed, or subdivided for 10 years from date of sale contract. Program will be discontinued as of July 1, 1984.	One per eight years	1) Unlimited entry areas; Not applicable 2) Limited entry areas; Applies to remaining entry authorizations
Homestead	Unsurveyed acreage	Entry permit/ fee title	1 to 50 acres of non-ag land or up to 160 acres of ag land	18 1 year	Drawing or Open staking	1) Prove up: \$5 per acre entry fee, surveying, plotting, and improvement costs 2) Purchaser: \$5 per acre entry fee, surveying and plotting costs, appraised value as of date of entry permit	1) Prove up: Not applicable 2) Purchaser: Five percent down, maximum 20-year payoff	1) Prove up: Stake corners, brush property lines within 90 days, survey parcel within 2 years, construct dwelling within three years, occupy 25 months within five years. Also clear and prepare for cultivation 25 percent of ag land 2) Purchaser: Stake corners, brush property lines within 90 days, survey parcel within 2 years. Also clear and prep for cultivation 25 percent of ag land	1) Prove up: There are restrictions on the sale, lease, conveyance, and subdivision of land for five years after payment. 2) Purchase: There are restrictions on the sale, lease, and conveyance of land for five years after payment, and on the subdivision of land for 10 years after payment.	One in a lifetime per person	When available
Agricultural Development Project	Ag parcels in large scale projects	Title to ag interest only	Any	18 Residency of up to one year may or may not be required	1) Drawing or 2) High bid at public auction	1) Appraised value or 2) High bid (minimum bid appraised value)	Five percent down, maximum 20-year payoff	File an approved conservation plan, complete farm development plan	Ag. development project sales are not regularly scheduled, as they are funded directly by the legislature. Purchaser receives ag. interest only.	One per eight years (may also purchase one parcel in future program every eight years)	Applies to remaining parcels
Auction	Any	Fee title	Any	18 None	High bid at public auction	High bid (minimum bid: appraised value)	Five percent down, maximum 20-year payoff	May be some on site requirements		One parcel per auction	Applies to remaining parcels
Lease	Any	Temporary use	Any	18 None	1) High bid at public auction 2) May be negotiated for up to 5 years and \$250 per year rent at fair value	Lease rate: 1) High bid or 2) Percentage of appraised value	Lease available up to 55 years	Not applicable	Development plan for commercial/ industrial use may be required.	One parcel per auction	Applies to remaining parcels
Land use Permit	Any	Temporary use	Not applicable	18 None	By application	User fees required for some activities	All permits, except for grazing purposes, are issued for up to one-year periods, and may be renewed upon application. Grazing permits may be issued for periods up to five years.	Not applicable	Permits are non-transferable. Permanent structures are prohibited. Permits are required for all uses other than generally permitted activities. Permits may be revoked by the state.	Not applicable	Not applicable
Remote Cable Permit	Any	Temporary use	Not applicable	18 None	By application	Rent \$100 per year	Permits available for 25 years	Not applicable	Assignable by original permit holder	Not applicable	Not applicable



* This chart contains general requirements only. It does not list all conditions or exceptions. For detailed information about the department's programs, please contact one of these offices.

Southcentral District Office
Frontier Building, 10th Floor
3601 C Street
Pouch 7 005
Anchorage, Alaska 99510
(907) 276-2655

Mat-Su Area Office
Century Plaza, Suite 202
Mile 5 Knik Road
Pouch 4008
Wasilla, Alaska 99687
(907) 376-4595

Northcentral District Office
4426 Airport Way
Fairbanks, Alaska 99701
(907) 479-2243

Southeastern District Office
Marine View Apartments, Room 407
230 S. Franklin Street
Juneau, Alaska 99801
(907) 463-3100

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

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ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon Barton Phone: 465-2400
 Division: Commissioner's Office Date: 3-2-84

Approved by Commissioner: William D. Amundson, Deputy Date: 3-2-84
 Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):

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12/1/83

CTO - 310 Lisa Good Vehl. Sub 3
Ringstad Busl

- 016 - Margo Knuth - AG's etc - some problems
- Equal protection clause - AK Const: no case
Law
- Some / must establish reason
- Already have preference - 1st option on
sale of lands
- Article 8, Sec. 17 - equal treatment of laws
and regulations -
- Not clearly unconst.
- 049 - Lisa - Unconstitutional??
- Not clearly - possibly 10% chance
Supreme Ct. would hold unconst.
? why? Establish correlation between
vet's sacrifice and discount.
- 083 Cowd - What difference - past discounts up to
50% Δ Knuth - provision repealed in
anticipation it would be found unconst. -
re: Kenai Peninsula
- 104 Bussell - Why only 10%, when Perm. Fund
investment wd. be 90% chance. Δ Knuth
diff. const. provisions - can't give
distinct answer.
- 127 Rep Vehleng moved w/c HB 529 out indiv recs.
Subcom. announcement
- 135 Mtg adj. 3²⁰

Wayne Mundy
P.O. Box A-34
Chugiak, AK 99567

Representative Randy Phillips
ALASKA State Legislature
Pouch V (MS 3100)
Juneau, ALASKA 99811

February 9, 1984

Dear Sir:

I have recently been informed of HB 529 which apparently proposes giving veterans who are residents of Alaska a discount on land purchases. Since I am a veteran I wish to support such legislation. However, I wish to point out an inequity in the general application of land discounts. In June 1983 I received a parcel of land through the State land disposal lottery. This lottery was the first not to have the land discount available because of an attorney's opinion that the statute was not valid. Therefore, the participants in the disposal program from May 1983, to date have not received any discount. If HB 529 passes, it will be six years before this class of people can qualify for another lottery and use the discount.

I strongly recommend the bill be modified to allow the land discount to be applied retro active so I and others may claim the discount which has been denied. I do not want to be a "land baron" and have found my piece of state land on Lake Louis. It is expensive without the discount, but it is the parcel I wanted. I am making monthly payments of over \$250 for 20 years. If I could have received the ~~previous~~ discount under the previous program my monthly payment would be approximately \$100.00, much more affordable.

Please consider this a request for equity. Also consider these comments as the bill rewriting Title 38 is being considered. If you have any questions please let me know. I wish to be informed if this bill is open for public hearing and notified of time and place. I appreciate your assistance in this matter.

Sincerely,
Wayne Perry