

HB

134

DATE: 5/3/91

FURTHER: Finance

DATE TURNED INTO OFFICE: _____

Resources Committee considered CS FOR HOUSE BILL NO. 134 (RESOURCES)

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

and recommended:

- replace with _____ CS _____
- or adopt _____ CS _____
- attached amendment(s)
- _____ letter of intent adopted
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

- same title
- new title
- technical title change (HB only)

ATTACHES NEW FISCAL NOTE(S):

- fiscal note(s) Dept/Date: _____
- zero fiscal note(s) _____
- appropriation-no fiscal note

APPROVES PREVIOUS:

- fiscal note(s) Dept/Date: _____
- zero fiscal note(s),
REVISOR NR 4/15/91
- Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

 Chair: Signature and Recommendation

Alaska State Legislature

House of Representatives

Rep. Ivan, Chair
Rep. Davidson
Rep. Foster
Rep. Gruenberg
Rep. M.W. Miller



P.O. Box V
State Capitol
Juneau, Alaska 99811
(907) 465-4527

Special Committee on Military & Veterans Affairs

M E M O R A N D U M

TO: Senator Lloyd Jones, Chair
Senate Resources Committee

FROM: Representative Ivan M. Ivan, Chair *Ivan*
House Special Committee on Military and Veterans Affairs

DATE: May 6, 1991

RE: House Bill 134

Please consider this request to hear CSHB 134 (Res) at your earliest possible convenience.

CSHB 134 (Res) is an act relating to the effective date of the veterans land discount applicable to state land and to land discounts allowed under that program.

The original discount for veterans on state land purchases was enacted by the legislature in 1978. Residency discounts were also made available in 1979. The residency discounts were challenged and ruled unconstitutional by the Alaska Supreme Court on April 1, 1983. As a result of the court's ruling, and based on advice from the Attorney General's office, the Commissioner of Natural Resources discontinued all discounts as of April 1, 1983.

The legislature subsequently established a new veterans land discount program which took effect on July 6, 1984. CSHB 134 (Res) would allow veterans, who were not permitted to claim the veterans discount between April 1, 1983, and July 6, 1984, to retroactively claim that discount.

Thank you for your consideration of my request. If you have any questions or need additional information, please do not hesitate to contact me or Tom Wright of my staff.

IMI:tw

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

MAY 16 1991

WALTER J. HICKEL, GOVERNOR

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FACSIMILE: (907) 586-2754

May 14, 1991

The Honorable Lloyd Jones, Chair
Senate Resources Committee
P.O. Box V
Juneau, AK 99811

Dear Senator Jones:

Subject: CSHB 134 (Res), which relates to the effective date for a state veteran's land discount program.

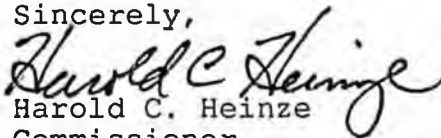
Position: The Department of Natural Resources supports this bill.

Background: In 1978, AS 38.05.058, which allowed residents a 5% discount on state land lottery purchases for each year of Alaska residency (up to 50% of the parcel purchase price), was enacted. In 1979, this law was amended to allow veterans an additional discount of up to 75% or \$37,500, whichever was less. The Kenai Peninsula Borough, under borough ordinance, offered a similar discount to purchasers of borough land. The borough program was challenged in court, and ruled unconstitutional by the Alaska Supreme Court on April 1, 1983. As a result of the court's ruling, and based on advice from the Attorney General, the Commissioner of Natural Resources determined that state land purchase discounts would be discontinued as of April 1, 1983.

The Legislature subsequently established a new veteran's land discount program that took effect on July 6, 1984. HB 134 would allow veterans who were not permitted to claim the veteran's discount between April 1, 1983 and July 6, 1984 to retroactively claim that discount.

Please let me know if you need additional information related to this bill.

Sincerely,


Harold C. Heinze
Commissioner

cc: Committee members
Bruce Kendall, Legislative Liaison, Office of the Governor
Representative Ivan
Major General Hugh L. Cox Commissioner, Department of Military
and Veterans Affairs

FISCAL NOTE

No. 2

Bill Version: CSHB 134 (RES)

(H) Publish Date: 4/17/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: 4/15/91 Department Affected: Natural Resources

Title: Veterans Land Discount BRU: Land & Water Management

Applicable to state land Component: Land & Water Management

Sponsor: House Military & Veteran Affairs

Requestor: HOUSE FINANCE COMMITTEE COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	12.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	12.0	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	12.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	12.0	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Representative Mike Navarre, Co-Chair *Mike Navarre* Phone: 465-3706
Representative Eileen MacLean, Co-Chair *Eileen MacLean* Phone: 465-3722
 Division: HOUSE FINANCE COMMITTEE Date: April 15, 1991

Approved by Commissioner: _____ Date: April 15, 1991
 Agency: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

WALTER J. HICKEL, GOVERNOR

FEB 20 1991

DEPARTMENT OF NATURAL RESOURCES

February 20, 1991

OFFICE OF THE COMMISSIONER

The Honorable Ivan Ivan, Chair
House Military and Veterans Affairs Committee
P.O. Box V
Juneau, AK 99811

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FACSIMILE: (907) 586-2754

Dear Representative Ivan:

Subject: HB 134, which relates to the effective date for a state veteran's land discount program.

Position: The Department of Natural Resources supports this bill.

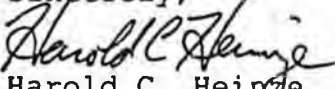
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The Legislature subsequently established a new veteran's land discount program that took effect on July 6, 1984. HB 134 would allow veterans who were not permitted to claim the veteran's discount between April 1, 1983 and July 6, 1984 to retroactively claim that discount.

Recommendations: To lessen the fiscal impact of this bill on DNR, (see attached fiscal note), we suggest establishing a time limit (60 days to 1 year) during which eligible veterans can apply to the department for the retroactive discount. Discount applicants should be required to document their eligibility for the program and provide parcel eligibility information. The department should be required to provide public notice about the program in newspapers throughout the state for a certain period of time (perhaps once a week for four consecutive weeks). We also recommend deletion of the word "apparently" from line 7 page 2 of the bill. The department ended the discount program on the advice of the Department of Law.

We look forward to working with you on this bill.

Sincerely,


Harold C. Heine
Commissioner

MAY 13 1983

Jim Lewis
POB 772423
Eagle River, AK.
99577

Dear Senator:

Your resource committee currently is considering HB 134 - a bill to provide discounts to land purchases made by veterans from the state during 1983, when the discount program temporarily lapsed.

I would like you to hear my feelings regarding HB 134.

The bill states that:

"The purpose of this act is to ensure that all veterans are treated equally ..."

and
"The effect of this act is to provide the benefit of the veterans' land discount of current law to certain veterans who did not receive a discount under the former land discount program ..."

Section C 3 of the bill then says that
"DNR shall credit, without interest, to the account of a person who qualifies for the veterans' land discount ... an amount equal to the difference between the amount of the original purchase price and an adjusted discounted price."

It seems to me that the purpose and effect of this law will not in fact accomplish its intent the way it is currently written.

After my down payment I owed the state approximately \$14,000.⁰⁰ During the last 8 years, I've paid the state of Alaska over \$13,000 in payments. My current balance is just under \$12,000. I've paid about \$11,000 interest.

My discounted purchase price would have been about \$7700, the discount amounting to \$6300 or so.

The way the bill reads now, I will be given a \$6300 credit on my balance due, with no interest.

My question is, what about the interest I paid!!

If the intention of the bill is as stated, why am I expected to have now spent \$11,000 interest that will not apply to a "retroactive" purchase price. If I am getting "treated equally" and receiving the "benefit of the veterans' land discount of current law", then where did my \$11,000 go? Am I supposed to feel that the State of Alaska, in its benevolence, now expects me to feel as grateful as all the other veterans who received a well-earned discount on their land purchases?

To be honest, I have long ago ceased to expect anything other than the lack of the government's hand, for reasons I do not have time to list here. If, in your gracious wisdom, you choose to keep my \$11,000 and say 'tough luck buddy', I will not be surprised.

Jim Lewis