

HB

342

<TARGET><BILL>HB 342</BILL><SUBJECT>HB
342</SUBJECT><COMM>HL&C30</COMM></TARGET>



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

OFFICE OF THE COMMISSIONER

P.O. Box 110800
Juneau, AK 99811-0800
Main: 907.465.2500
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MEMORANDUM

TO: Representative Sam Kito, Chair
House Labor and Commerce Committee

DATE: Monday, February 12, 2018

FROM: Mike Navarre, Commissioner *MN*

RE: Hearing request for HB 342

Please accept this request to schedule HB 342 – Land Sales Practices Act for consideration by the House Labor and Commerce Committee.

This legislation removes reference to the obsolete uniform state law withdrawn in 2012 by the National Conference of Commissioners of Uniform State Laws. It repeals filing requirements going forward, while maintaining filing requirements on sales made before the effective date.

If you have any questions regarding this hearing request, please feel free to contact Micaela Fowler at 465-2503.

Enclosures

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Governor Bill Walker
STATE OF ALASKA

February 8, 2018

The Honorable Bryce Edgmon
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Edgmon:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill that would amend and repeal registration filing provisions of the Uniform Land Sales Practices Act.

The Uniform Land Sales Practices Act requires that a person may not offer or dispose of certain subdivided land in Alaska unless the person is registered and offers a public offering statement to the purchaser. The current law provides that the Department of Commerce, Community and Economic Development implement the Act through regulation. The Department has authority to accept registrations for the sale of subdivided land, but no registration filings have been received since before 2000. Further, the National Conference of Commissioners on Uniform State Laws reports that this Act was withdrawn as obsolete in 2012.

While the bill would remove the filing and registration requirements, which are unnecessary and burdensome, it would retain the laws that impose criminal penalties for fraudulent or prohibited practices. Therefore, it would still be unlawful for a person, in connection with the sale of land, to attempt to defraud the purchaser, or to make an untrue statement of material fact, or otherwise engage in an act to operate as a fraud or deceive the person. Any action for a fraudulent sale of private land would be a private one, and not overseen by a state agency. However, to the extent offers, dispositions, or sales were made before the effective date of the Act, those offers, dispositions, or sales would be governed by the law in existence at the time.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink that reads "Bill Walker".

Bill Walker
Governor

Enclosure



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HB 342 ver A: Land Sales Practices Act
Sectional Analysis

Section 1: Amends consumer protection provisions to include penalty for willful violations of AS 34.55.008 Prohibitions on dispositions of interests in subdivided land.

Section 2: Amends consumer protection provisions to add an offeror's liability for violations of AS 34.55.008.

Section 3: Amends short title and removes reference to a uniform state law made obsolete in 2012.

Section 4: Repeals the filing requirements established under the obsolete uniform state law.

Section 5: Creates new transitional provisions that maintain regulations adopted prior to the effective date and allow for the department to enforce or repeal. Maintains provisions of the existing statute to file with the department for any offer, sale, or purchase of subdivided land made prior to the effective date.

Section 6: Changes chapter heading to "Land Sales Practices Act" by removing reference to uniform state law.

Section 7: Provides for an immediate effective date.

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	HB 342
Fiscal Note Number:	1
(H) Publish Date:	2/9/2018

Identifier: DCCED-DBS-01-25-18
 Title: LAND SALES PRACTICES
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Rules

Department: Department of Commerce, Community and
Economic Development
 Appropriation: Banking and Securities
 Allocation: Banking and Securities
 OMB Component Number: 2808

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2019 Request	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES	FY 2019	FY 2019					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**
 If yes, by what date are the regulations to be adopted, amended or repealed? **12/31/18**

Why this fiscal note differs from previous version/comments:

Not applicable, initial version

Prepared By:	Barbara Reid, Acting Director	Phone:	(907)465-2570
Division:	Banking and Securities	Date:	01/25/2018 05:58 PM
Approved By:	Catherine Reardon, Director	Date:	01/25/18
Agency:	Division of Administrative Services, DCCED		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION**Analysis**

The bill updates existing state law on the sale or disposition of interest in subdivided land. The bill removes the filing requirements established under an obsolete uniform state law which the National Conference of Commissioners of Uniform State Laws withdrew in 2012. Consumer protections are maintained by keeping penalties for willful violations and fraudulent and prohibited practices.

The department has not received a filing under the statutes repealed in section 4 of this bill since 2000 and anticipates no impact on businesses, individuals, or the general public under this bill. The regulatory burden to file is removed from the offeror, and the department will have minimal time savings resulting from maintaining and updating the database, public information website pages, and filing forms.

Regulations will be amended to recognize changes made to the act. These regulations will be included in planned regulations packages.

The Division of Banking and Securities does not anticipate fiscal impact from this legislation.