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Member of the National League of Cities and the National Association of Counties

February 16, 2026

Representative McCabe  
Alaska State Capitol  
120 5<sup>th</sup> Street, Room 13  
Juneau, AK 99801

Dear Representative McCabe,

On behalf of Alaska's 165 cities and boroughs, the Alaska Municipal League appreciates the effort that has gone into HB1. We want to thank the bill sponsor for engaging in the concerns raised by local governments throughout the committee process.

We appreciate the amendment clarifying that local governments are not required to accept gold or silver specie in payment of taxes or other obligations. That change addressed a significant operational and legal concern for our members, and we are grateful for your responsiveness.

We applaud the opt-out language that ensures the decision to accept specie as legal tender is left up to public entities. This reflects an acknowledgement that one size does not fit all and allows municipalities to choose what is best for themselves.

That said, the bill continues to preempt the collection of local sales tax on gold and silver specie, which raises concerns for municipal fiscal authority and local revenue policy. From our perspective, decisions about what is taxed locally — particularly in home rule communities — are best left to local governments and their voters.

Our position is best described as qualified non-opposition: while we cannot endorse the legislation, we also do not intend to stand in its way should the Legislature decide to proceed. Again, we appreciate the work that's gone into this bill, where we've been able to make progress, and ultimately the hope that this will make a material difference in the lives of Alaskans.

Thank you again for your engagement and for the constructive dialogue on this issue. We look forward to continuing to work with you on matters affecting Alaska's local governments.

Sincerely,

Nils Andreassen  
Executive Director