

Stuart Relay

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**From:** Daniel Diaz [REDACTED]  
**Sent:** Monday, May 12, 2025 10:45 PM  
**To:** House State Affairs  
**Cc:** Rep. Ashley Carrick; Rep. Andi Story; Rep. Rebecca Himschoot; Rep. Ky Holland; Rep. Sarah Vance; Rep. Kevin McCabe; Rep. Elexie Moore; Angela Steph; Larry Hilton  
**Subject:** HB1 – Consumer Protections and Legal Clarification Through Legal Tender Recognition  
  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Madam Chair Carrick and Members of the House State Affairs Committee,

Thank you for the opportunity to testify as an expert witness during Thursday's hearing on **House Bill 1 (HB1)**. I appreciated the thoughtful questions and respectful engagement from the committee.

I'm writing to follow up specifically on **Madam Chair's question regarding consumer protections**, and to clarify how HB1 addresses real gaps in the current legal and financial framework.

### **Current Status: Barter Classification & Legal Ambiguity**



Under existing Alaska law, precious metals like gold and silver are legally classified as **personal property**, not as legal tender. As a result, transactions involving these metals are treated as **barter exchanges**, which are defined in statute (e.g., AS §16.05.940(5)) as non-monetary trade of goods.


While legally permissible, this classification creates substantial **consumer vulnerability**:

- **Contractual Ambiguity** – Transactions involving personal property like gold and silver may lack legal enforceability under standard commercial code principles due to their non-currency status.
- **Tax Complexity** – Barter transactions often trigger unintended tax consequences or reporting burdens, leading to potential confusion or liability for ordinary citizens.
- **Limited Legal Recourse** – Consumers may face difficulty in resolving disputes or securing protections because the underlying medium of exchange is not legally recognized as "money."

### **HB1: Legal Tender Recognition as Consumer Protection**

By **elevating gold and silver to legal tender**, HB1 corrects these issues and extends full legal protections to Alaskans who choose to save or transact in these historic forms of value. Specifically, HB1 would:

-  **Clarify Enforceability** – Contracts involving gold or silver would fall under standard financial and commercial protections, ensuring consistency in enforcement.
-  **Simplify Tax Treatment** – Legal tender status would move these transactions out of barter classification, streamlining tax compliance and shielding consumers from accidental exposure to liability.

-  **Expand Legal Remedies** – Consumers would gain access to the same rights and dispute resolution mechanisms afforded to users of any recognized currency under state law.

## In Closing

HB1 is both a **constitutional correction** and a **consumer protection reform**. By recognizing gold and silver as legal tender, Alaska would remove legal ambiguity, reinforce the rights of its citizens, and ensure that those who choose to engage in sound monetary practices can do so with full confidence under the law.

I thank you again for your service and for your careful consideration of this bill. Please don't hesitate to reach out if the committee would benefit from additional clarification or supporting materials.

Respectfully,

Daniel Diaz  
Executive Director  
Citizens for Sound Money



## Stuart Relay

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**From:** thesteeles01 [REDACTED]  
**Sent:** Thursday, May 8, 2025 4:12 PM  
**To:** House State Affairs

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Pass HB1

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