

**ALASKA STATE LEGISLATURE**  
**HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

April 28, 2022

8:03 a.m.

**MEMBERS PRESENT**

Representative Sara Hannan, Co-Chair  
Representative Calvin Schrage, Co-Chair  
Representative Josiah Patkotak, Vice Chair  
Representative Harriet Drummond  
Representative Mike Prax  
Representative Ken McCarty  
Representative Kevin McCabe

**MEMBERS ABSENT**

All members present

**OTHER LEGISLATORS PRESENT**

Representative Cathy Tilton

**COMMITTEE CALENDAR**

CS FOR SENATE BILL NO. 136 (CRA)

"An Act relating to firearms and other weapons restrictions."

- HEARD & HELD

HOUSE BILL NO. 167

"An Act relating to specie as legal tender in the state; and relating to borough and city sales and use taxes on specie."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 136

SHORT TITLE: LIMITATIONS ON FIREARMS RESTRICTIONS

SPONSOR(S): SENATOR(S) MYERS

05/05/21	(S)	READ THE FIRST TIME - REFERRALS
05/05/21	(S)	CRA, STA
05/11/21	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)
05/11/21	(S)	-- MEETING CANCELED --
05/13/21	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)

05/13/21 (S) Heard & Held  
 05/13/21 (S) MINUTE(CRA)  
 05/18/21 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)  
 05/18/21 (S) Moved CSSB 136(CRA) Out of Committee  
 05/18/21 (S) MINUTE(CRA)  
 05/19/21 (S) CRA RPT CS 2DP 1DNP SAME TITLE  
 05/19/21 (S) DP: HUGHES, MYERS  
 05/19/21 (S) DNP: GRAY-JACKSON  
 02/01/22 (S) STA AT 3:30 PM BUTROVICH 205  
 02/01/22 (S) Heard & Held  
 02/01/22 (S) MINUTE(STA)  
 02/15/22 (S) STA AT 3:30 PM BUTROVICH 205  
 02/15/22 (S) Heard & Held  
 02/15/22 (S) MINUTE(STA)  
 03/03/22 (S) STA AT 3:30 PM BUTROVICH 205  
 03/03/22 (S) Moved CSSB 136(CRA) Out of Committee  
 03/03/22 (S) MINUTE(STA)  
 03/04/22 (S) STA RPT CS(CRA) 3DP 2NR SAME TITLE  
 03/04/22 (S) DP: SHOWER, COSTELLO, HOLLAND  
 03/04/22 (S) NR: REINBOLD, KAWASAKI  
 03/16/22 (S) TRANSMITTED TO (H)  
 03/16/22 (S) VERSION: CSSB 136(CRA)  
 03/18/22 (H) READ THE FIRST TIME - REFERRALS  
 03/18/22 (H) CRA, STA  
 04/28/22 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 167

SHORT TITLE: GOLD AND SILVER SPECIE AS LEGAL TENDER  
 SPONSOR(s): REPRESENTATIVE(s) MCCABE

04/09/21 (H) READ THE FIRST TIME - REFERRALS  
 04/09/21 (H) CRA, STA, FIN  
 03/29/22 (H) CRA AT 8:00 AM BARNES 124  
 03/29/22 (H) -- MEETING CANCELED --  
 04/05/22 (H) CRA AT 8:00 AM BARNES 124  
 04/05/22 (H) -- MEETING CANCELED --  
 04/12/22 (H) CRA AT 8:00 AM BARNES 124  
 04/12/22 (H) Heard & Held  
 04/12/22 (H) MINUTE(CRA)  
 04/19/22 (H) CRA AT 8:00 AM BARNES 124  
 04/19/22 (H) Heard & Held  
 04/19/22 (H) MINUTE(CRA)  
 04/28/22 (H) CRA AT 8:00 AM BARNES 124

**WITNESS REGISTER**

SENATOR ROBERT MYERS

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented SB 136.

MICHAELLA ANDERSON, Staff  
Senator Robert Myers  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented SB 136 on behalf of Senator Myers, prime sponsor.

ANGELA STEPHL, Staff  
Representative Kevin McCabe  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 167 on behalf of Representative McCabe, prime sponsor.

#### **ACTION NARRATIVE**

[8:03:44 AM](#)

**CO-CHAIR SARA HANNAN** called the House Community and Regional Affairs Standing Committee meeting to order at 8:03 a.m. Representatives Drummond, Prax, McCarty, McCabe, Schrage, and Hannan were present at the call to order. Representative Patkotak arrived as the meeting was in progress. Also present was Representative Cathy Tilton.

#### **SB 136-LIMITATIONS ON FIREARMS RESTRICTIONS**

[8:04:42 AM](#)

**CO-CHAIR HANNAN** announced that the first order of business would be CS FOR SENATE BILL NO. 136(CRA), "An Act relating to firearms and other weapons restrictions."

[8:05:03 AM](#)

**SENATOR ROBERT MYERS**, Alaska State Legislature, as prime sponsor, reiterated that SB 136 makes sure that citizens' firearms rights are protected in the event of a disaster declaration.

[8:05:42 AM](#)

MICHAELLA ANDERSON, Staff, Senator Robert Myers, Alaska State Legislature, explained that due to disaster declarations around the country, some states mandated complete or partial closures of gun stores or firing ranges deeming them non-essential, which threatened Second Amendment rights. She explained that SB 136, companion to HB 179, prevents infringement on the constitutional right to keep and bear arms.

[8:08:14 AM](#)

MS. ANDERSON provided a brief overview of the sectional analysis on SB 136 [included in the committee packet], which read as follows [original punctuation provided]:

Section 1.

Adds new sections to Article 5 of AS 44.99.

a) Establishes that notwithstanding a disaster emergency declared under AS 26.23.020, a state or municipal agency may not impose the following:

a. Forbid the possession, use, or transfer of a firearm, a firearm accessory, ammunition, or other weapon for personal use.

b. Order the seizure or confiscation of a firearm, a firearm accessory, ammunition, or other weapon for personal use.

c. Limit the quantity or place other restrictions on the sale or service of firearms, firearm accessories, ammunition, or other weapons for personal use.

d. Unless the closure or limitation applies equally to all forms of commerce within the jurisdiction, close or limit the operating hours of the following:

i. An entity engaged in the sale or service of firearms, firearm accessories, ammunition, or other weapons for personal use, or

ii. An indoor or outdoor shooting range.

e. Suspend or revoke a permit to carry a concealed handgun issued under AS 18.65.700, except as provided in AS 18.65.735 and 18.65.740; or

f. Refuse to accept an application to carry a concealed handgun, provided the application contains the information required under AS 18.65.710.

b) Establishes that this section does not apply to the possession of a firearm, a firearm accessory, ammunition, or other weapon by a person who is prohibited from legally possessing a firearm, a

firearm accessory, ammunition, or other weapon under state law.

c) Establishes that a person may bring a civil action in superior court if the person is adversely affected by a violation of (a) of this section, and the person is the following:

a. Qualified under state law to possess a firearm, a firearm accessory, ammunition, or other weapon; or

b. A membership organization consisting of two or more individuals eligible under (1) of this subsection that is dedicated in whole or in part to the protection of the rights of persons who possess or use firearms or other weapons.

d) Notwithstanding AS 09.17.020(f) - (h), a prevailing plaintiff under (c) of this section may recover.

a. The greater amount of actual economic damages or punitive damages in the amount of three times the plaintiff's attorney fees.

b. Court costs; and

c. Attorney fees.

e) Defines "State or Municipal Agency" to include the following: University of Alaska or a department, institution, board, commission, division, council, committee, authority, public corporation, school district, regional educational attendance area, or other administrative unit of a municipality or of the executive, judicial, or legislative branch of state government, and includes employees of those entities.

Section 2. Repeals AS 44.99.500(g)(1) which is the definition of a firearm accessory.

[8:09:29 AM](#)

REPRESENTATIVE MCCARTY asked whether there are dynamics being seen elsewhere around the country with similar circumstances.

MS. ANDERSON confirmed [that dynamics were observed]; however, she did not have a list of counties or municipalities that tried to impose restrictions on Second Amendment rights.

[8:11:21 AM](#)

The committee took a brief at-ease at 8:11 a.m.

[8:11:53 AM](#)

REPRESENTATIVE MCCARTY questioned the bill's relevancy.

MS. ANDERSON responded that she would try to compile a list of examples and forward it to the committee.

REPRESENTATIVE MCCABE commented that the true impetus for the legislation started from [hurricane] Katrina when the mayor of New Orleans ordered police departments to confiscate guns. Many states have dealt with this issue since, he said.

[8:14:22 AM](#)

CO-CHAIR SCHRAGE stressed his strong support of the Second Amendment and Alaskans' right to bear arms. He sought a better understanding of the impetus for the legislation.

[8:16:57 AM](#)

SENATOR MYERS replied that the bill, as drafted, would not stop the normal legislative process in regard to firearms. The bill states that the disaster declaration power cannot be used through the executive branch to change those laws or rules. It is a limit on the "disaster power" of a governor or mayor, he said, adding that one would still need to go through the legislative process.

CO-CHAIR SCHRAGE asked whether this problem was prevalent in Alaska.

SENATOR MYERS said he had observed it in Anchorage; however, it did not go "as far" as what transpired in other states. Instead, he explained, the Municipality of Anchorage put out rules regarding what stores could stay open or not, and the end result was that larger stores were allowed to stay open whereas smaller "mom and pop" stores were often under pressure to close, which put a significant burden on these type stores. The bill would flip this burden, he said.

[8:19:46 AM](#)

CO-CHAIR HANNAN announced that SB 136 was held over.

[8:20:00 AM](#)

The committee took an at-ease from 8:20 a.m. to 8:21 a.m.

**HB 167-GOLD AND SILVER SPECIE AS LEGAL TENDER**

[8:21:31 AM](#)

CO-CHAIR HANNAN announced that the final order of business would be HOUSE BILL NO. 167, "An Act relating to specie as legal tender in the state; and relating to borough and city sales and use taxes on specie."

[8:21:41 AM](#)

REPRESENTATIVE MCCABE, as prime sponsor, presented the second hearing of HB 167. He stated that he had not received any letters of opposition, and that he was interested in hearing public testimony. He said that over the past century, currencies have had their values wiped out, and for this reason, many people hold some gold and silver; however, it may be difficult to spend a theoretical one ounce of gold on something like bread due to the merchant not having enough cash to make change. Using coin as currency will allow the ability to spend money if the merchant accepts it, while meeting constitutional requirements for the state to utilize it. Should the bill pass, the state can then build up a specie and create a State of Alaska Goldback.

[8:24:19 AM](#)

CO-CHAIR HANNAN opened public testimony on HB 167. After ascertaining that no one wished to testify, she closed public testimony.

REPRESENTATIVE MCCABE expressed appreciation for the opportunity to bring the bill forward and welcomed questions from committee members and their constituents.

[8:25:50 AM](#)

REPRESENTATIVE MCCARTY noted that specie does not have a denomination to it. He asked whether there is an online mechanism to see the value of the specie at the time of a transaction.

REPRESENTATIVE MCCABE confirmed there are a number of websites that list the price of gold. He further noted that it is typical of vendors to negotiate or "barter."

[8:27:37 AM](#)

CO-CHAIR SCHRAGE brought up the fluctuating value of assets. He shared an example of \$1,000 not having the same spending power as it once did. He asked whether one would be required to pay taxes on a Goldback that gains worth over time.

REPRESENTATIVE MCCABE gave a personal example of his gold coins through Oxford Assaying in Anchorage, Alaska, and explained that when a person buys a gold coin, there is nothing else involved; however, when the person sells a gold coin, there is paperwork involving reporting to the Internal Revenue Service (IRS).

CO-CHAIR SCHRAGE expressed concern over the ability for the "mom and pop" shops that may not have the business experience or organization to track the gold and silver purchases.

REPRESENTATIVE MCCABE reminded the committee that one of the purposes of the bill was to prevent taxation of [gold and silver] when used as legal tender. He expounded and shared an example.

[8:33:29 AM](#)

REPRESENTATIVE PRAX shared his understanding that historically, gold and silver was intended to be the medium of exchange for the entire country; however, the federal government changed course. He said it would be great if Alaska could participate in reestablishing gold and silver specie as the medium of exchange. He further commented on his region, North Pole, Alaska, having a sales tax, and explained that no one would ever open a coin shop or gold exchange because of the tax. He opined that the same goes for Juneau, Alaska.

CO-CHAIR HANNAN clarified that Juneau has had several gold coin sellers and buyers in seasonal businesses. She noted the sale of gold bullion.

REPRESENTATIVE MCCABE explained that if Goldbacks were sold as a collectible in Juneau, it would be taxable; however, not when used as a medium of exchange.

REPRESENTATIVE MCCARTY expressed concern about compensation for the devaluation and taxation of money.

[8:43:02 AM](#)

CO-CHAIR SCHRAGE asked whether this would eliminate the need to report and be taxed on capital gains. He offered his understanding that the proposed legislation would eliminate the sales tax but not the capital gains tax.

REPRESENTATIVE MCCABE confirmed that is correct.

CO-CHAIR SCHRAGE recognized that in the U.S. there is a tremendous benefit for not being on gold standard. He supported the idea of removing the sales tax; however, he said there is a lot to consider about the bill.

[8:45:18 AM](#)

CO-CHAIR HANNAN referred to the study by the House Finance Committee and asked how it was conceived.

[8:46:08 AM](#)

ANGELA STEPHL, Staff, Representative Kevin McCabe, Alaska State Legislature, on behalf of Representative McCabe, prime sponsor of HB 167, responded to Co-Chair Hannan's question and explained that Legislative Legal Services conceptualized the idea from other states and suggested that in Alaska, the legislature have control over the study, and recommended it be performed by the House Finance Committee.

CO-CHAIR HANNAN pointed out that the House Finance Committee is a singular committee on one side of a bipartisan structure. She shared her understanding that typically, external research contracts were handled by the [Legislative Council].

MS. STEPHL said that could be changed. She reiterated that it was a suggestion by Legislative Legal Services.

[8:47:12 AM](#)

REPRESENTATIVE MCCABE stated that it was not the intention to exclude the Senate Finance Committee. He suggested that an amendment could be created to list both the Senate and House Finance Committees or some sort of joint committee.

[HB 167 was held over.]

[8:49:54 AM](#)

## **ADJOURNMENT**

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at [8:50] a.m.