

**ALASKA STATE LEGISLATURE**  
**HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS**

March 2, 2021

1:00 p.m.

**MEMBERS PRESENT**

Representative Chris Tuck, Chair  
Representative Andi Story  
Representative Geran Tarr  
Representative Matt Claman  
Representative George Rauscher  
Representative David Nelson  
Representative Laddie Shaw

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 34

"An Act naming the Vietnam Helicopter Pilots' Memorial Bridge."

- HEARD & HELD

HOUSE BILL NO. 97

"An Act relating to the veterans' land purchase discount; establishing state land vouchers; relating to the permanent fund dividend; relating to the duties of the Department of Revenue; authorizing the Department of Natural Resources to accept state land vouchers; relating to eligibility for public assistance; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 34

SHORT TITLE: NAMING VIETNAM HELI. PILOTS' MEM. BRIDGE

SPONSOR(S): REPRESENTATIVE(S) SHAW

02/18/21	(H)	PREFILE RELEASED 1/8/21
02/18/21	(H)	READ THE FIRST TIME - REFERRALS
02/18/21	(H)	MLV, STA
02/19/21	(H)	FIN REPLACES STA REFERRAL

02/19/21 (H) BILL REPRINTED  
03/02/21 (H) MLV AT 1:00 PM GRUENBERG 120

BILL: HB 97

SHORT TITLE: LAND VOUCHERS; PFDS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/18/21 (H) READ THE FIRST TIME - REFERRALS  
02/18/21 (H) MLV, RES, FIN  
03/02/21 (H) MLV AT 1:00 PM GRUENBERG 120

#### **WITNESS REGISTER**

JOSHUA WALTON, Staff  
Representative Laddie Shaw  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 34 on behalf of Representative Shaw, prime sponsor.

LYNN KILE, President  
Vietnam Helicopter Pilots Association  
Eagle River, Alaska

**POSITION STATEMENT:** Testified in support of HB 34.

MIKE BARNHILL, Deputy Commissioner  
Office of the Commissioner  
Department of Revenue  
Juneau, Alaska

**POSITION STATEMENT:** Presented a PowerPoint, provided information and answered committee questions on HB 97.

MARTY PARSONS, Director  
Division of Mining Land and Water  
Department of Natural Resources  
Anchorage, Alaska

**POSITION STATEMENT:** Provided information and answered committee questions on HB 97.

ANNA MACKINNON, Acting Director  
Permanent Fund Dividend Division  
Department of Revenue  
Anchorage, Alaska

**POSITION STATEMENT:** Provided information and answered committee questions on HB 97.

VERDIE BOWEN, Director of Veterans Affairs

Office of Veterans Affairs  
Department of Military and Veterans Affairs  
Anchorage, Alaska

**POSITION STATEMENT:** Provided information and answered committee questions on HB 97.

**ACTION NARRATIVE**

[1:00:41 PM](#)

**CHAIR CHRIS TUCK** called the House Special Committee on Military and Veterans' Affairs meeting to order at 1:00 p.m. Representatives Story, Claman, Rauscher, Nelson, Shaw, and Tuck were present at the call to order. Representative Tarr arrived as the meeting was in progress.

CHAIR TUCK welcomed the committee and invited the committee members to introduce themselves and their military affiliations.

**HB 34-NAMING VIETNAM HELI. PILOTS' MEM. BRIDGE**

[1:05:32 PM](#)

CHAIR TUCK announced that the first order of business would be HOUSE BILL NO. 34, "An Act naming the Vietnam Helicopter Pilots' Memorial Bridge."

[1:05:50 PM](#)

REPRESENTATIVE SHAW, as prime sponsor, introduced HB 34. He said the bill was originally conceived by Representative Tilton, and he thanked her for allowing him to introduce it.

REPRESENTATIVE SHAW shared his experience as an airman, passing around a 51-year-old picture of a Huey helicopter that was evacuating two wounded soldiers. He then read, as a salute to the pilots, a radio transmission between helicopters Ghost Rider 172 and 174. Ghost Rider 172 was hit 20 times deep within enemy territory; it made a forced landing, causing aircraft damage and wounding crew members. Ghost Rider 174 had an engine failure and crashed eight miles south of Ghost Rider 172, resulting in a total loss. Over 12,000 U.S. Military helicopters spent 7.5 million hours flying over Vietnam, flying two million missions. Representative Shaw said 42 percent of the helicopters serving in Vietnam were destroyed by enemy fire, bad weather, mechanical snafus, and other "bad hands" routinely dealt by war. A total of 2,000 pilots and over 2,700 crew were killed.

[1:09:15 PM](#)

REPRESENTATIVE SHAW then described memorial structures at Arlington National Cemetery, including a monument measuring 22 inches high, 21 inches deep, and 32 inches wide, which was placed at Section 35 along Memorial Drive, not far from the Tomb of the Unknown Soldier. He expressed his gratitude, as a Vietnam veteran, to the helicopter pilots for their courage and selflessness. He said that it's been 51 years and he still carries the anguish; he said that we need to remember the courage and selflessness of those who made the ultimate sacrifice.

[1:10:52 PM](#)

CHAIR TUCK asked for further description of the elements of the photograph.

REPRESENTATIVE SHAW described the September 1970 operation, stressing the sacrifice of the pilots, their ages, and their wounds. He talked about Roger Banfield, one of the evacuated, who was put into an induced coma for eight days, and he spoke of being able to hear the Huey rotor blade cutting through the air, knowing it was being piloted by a 19-year-old who had only 100 hours of flight training before going to war.

[1:12:47 PM](#)

JOSHUA WALTON, Staff, Representative Laddie Shaw, Alaska State Legislature, presented HB 34 on behalf of Representative Shaw, prime sponsor. He described the location of the bridges in relation to the Alaska Veterans' Memorial; bridges 1124 and 1189 spanning the Matanuska River at mile 30.4 of the Glenn Highway. Included in the packet are photos of the bridges taken from Google Maps, an academic article highlighting the role of helicopters in the Vietnam War, and contemporary articles highlighting the pilots' heroism and the challenges of recognition post-conflict. He noted that this bill has the support of the Vietnam Helicopter Pilots Association Alaska Chapter and that the president of the chapter is testifying.

[1:15:20 PM](#)

REPRESENTATIVE RAUSCHER inquired whether there would be testimony addressing how bridges are named.

MR. WALTON replied that bridges are named in statute and require legislation.

REPRESENTATIVE RAUSCHER asked how the bridge is currently denoted.

MR. WALTON Bridges replied that they are denoted by an identifying number; these bridges are numbers 1124 and 1189.

REPRESENTATIVE RAUSCHER asked whether the Department of Transportation & Public Facilities (DOTPF) understands that.

MR. WALTON replied yes, and he confirmed that there is no name on the bridge.

[1:17:06 PM](#)

REPRESENTATIVE NELSON thanked Representative Shaw for his service and dedicated thoughts.

[1:17:45 PM](#)

REPRESENTATIVE CLAMAN asked for geographic clarity.

MR. WALTON, confirmed that when heading north from Anchorage to the Matanuska-Susitna ("Mat-Su") Valley, the bridges in question are less than a mile after the Knik River Bridge.

[1:18:39 PM](#)

REPRESENTATIVE STORY expressed her appreciation to Representative Shaw and inquired how community members would know that the process of naming the bridge is occurring and the significance of it.

MR. WALTON replied that there are no plans to announce the naming but there will be a sign that the community will see. He noted that there would be a \$6,000 fiscal note specifically for the sign.

REPRESENTATIVE STORY asked for confirmation that there would be no public comment.

CHAIR TUCK noted that there will be invited testimony today, and public testimony later.

[1:20:21 PM](#)

CHAIR TUCK announced the next presenter, but due to technical difficulties, the telephonic connection was lost.

[1:20:50 PM](#)

The committee took an at-ease from 1:21 p.m. to 1:23 p.m.

[1:23:05 PM](#)

CHAIR TUCK announced HB 34 would be held until later in the meeting.

**HB 97-LAND VOUCHERS; PFDS**

[1:23:23 PM](#)

CHAIR TUCK announced that the next order of business would be HOUSE BILL NO. 97, "An Act relating to the veterans' land purchase discount; establishing state land vouchers; relating to the permanent fund dividend; relating to the duties of the Department of Revenue; authorizing the Department of Natural Resources to accept state land vouchers; relating to eligibility for public assistance; and providing for an effective date."

CHAIR TUCK announced that HB 97 would be set aside for later in the meeting.

**HB 34-NAMING VIETNAM HELI. PILOTS' MEM. BRIDGE**

[1:24:12 PM](#)

CHAIR TUCK announced that the next order of business would be a return to HOUSE BILL NO. 34, "An Act naming the Vietnam Helicopter Pilots' Memorial Bridge."

CHAIR TUCK explained that the lost connection with the aforementioned testifier had been reestablished.

[1:24:25 PM](#)

LYNN KILE, President, Vietnam Helicopter Pilots Association, began by affirming his support for HB 34 and that he is a Vietnam veteran. He described the Vietnam Helicopter Pilots Association as an all-inclusive, all-service group that includes pilots and crew members, currently with 80 members. There are approximately 300 pilots currently in Alaska. He then stressed

that Alaska is a heavy aviation state with a high number of Vietnam veteran pilots. This is a historic opportunity to honor those who have dedicated their skills to Alaska and the rest of the United States.

[1:27:19 PM](#)

CHAIR TUCK announced that HB 34 would be held over.

[1:27:43 PM](#)

CHAIR TUCK announced that the final order of business would be a return to HOUSE BILL NO. 97, "An Act relating to the veterans' land purchase discount; establishing state land vouchers; relating to the permanent fund dividend; relating to the duties of the Department of Revenue; authorizing the Department of Natural Resources to accept state land vouchers; relating to eligibility for public assistance; and providing for an effective date."

[1:29:33 PM](#)

The committee took a brief at-ease at 1:29 to address a technical issue.

[1:29:51 PM](#)

MIKE BARNHILL, Deputy Commissioner, Office of the Commissioner, Department of Revenue, presented a PowerPoint on HB 97 [hard copy included in the committee packet] He stated that this proposed legislation would provide an option for permanent fund dividend (PFD) recipients to forgo a cash PFD in exchange for a land voucher with a face value two times the value of the statutory formula of the PFD, regardless of what the legislature appropriates as the cash value. He described the historic precedent for using land vouchers beginning with compensation for Revolutionary War veterans, and referenced a book by David McCullough called "The Pioneers" for more historical context. He said the overall goal of the bill is to get more state land into the hands of Alaskans.

[1:33:06 PM](#)

DEPUTY COMMISSIONER BARNHILL specified that these vouchers can't be used to buy Mental Health Trust land, and children will be prohibited from participating. Vouchers can't be used for rent

or fees, only purchase, and the electronic PFD application must be used to opt for land vouchers. Eligibility must be determined prior to the issuance of the PFD for logistics reasons. Vouchers are transferable and don't expire; the DOR will track any transfers. Garnishment such as for child support will be handled the same way as cash PFDs.

[1:36:24 PM](#)

REPRESENTATIVE RAUSCHER noted that there were three zero fiscal notes and asked how the program would operate without any cost added to the state.

DEPUTY COMMISSIONER BARNHILL replied that the Department of Revenue (DOR) does have a relatively small positive fiscal note that covers the programming costs incurred to modify the PFD system to accommodate the voucher program. On a go-forward basis the cost of issuing the vouchers is relatively de minimis. If this program becomes popular it may cost more, but at the outset the program isn't expected to be expensive to administer.

REPRESENTATIVE RAUSCHER asked for confirmation that, in this initial year, the cost would be just for the software to initiate the program and there would be no cost to the state after the first year.

DEPUTY COMMISSIONER BARNHILL answered, "No sir, not at the scale that we anticipate."

[1:38:01 PM](#)

REPRESENTATIVE CLAMAN, regarding the garnishment process, referred to a formula of a \$2300 dividend that would yield a land voucher for \$4,600. He then asked - if the dividend in cash is only \$1,000 and the \$1,000 is garnished - whether the land voucher would still have a value of \$3,600.

DEPUTY COMMISSIONER BARNHILL replied, "That's exactly correct."

REPRESENTATIVE CLAMAN asked whether this would create an incentive for people - who know they're going to have their dividends garnished - to apply for land vouchers, knowing that they're behind on whatever is causing their dividend to be garnished, and they get this \$3,600 value windfall instead of losing the \$1,000.

DEPUTY COMMISSIONER BARNHILL replied that he can't speak to the incentives or motivation for taking advantage of a program, but the result that Representative Claman described is accurate. He added that the department believes that the paper [land] voucher is still subject to garnishment or attachment. He stated, "The difficulty in having [the] Child Support Division do that attachment is: all you're then doing is giving someone a piece of paper instead of cash."

REPRESENTATIVE CLAMAN, using the \$4,600 example, asked how much land a husband and wife, using both of their vouchers totaling \$9,200, could acquire.

DEPUTY COMMISSIONER BARNHILL deferred to Mr. Parsons for that question.

[1:41:10 PM](#)

MARTY PARSONS, Director, Division of Mining Land and Water, Department of Natural Resources (DNR) averages about \$3,000 per acre on land sales statewide and normally offers five-acre parcels. Using two PFD land vouchers, a couple would get about two-thirds of a five-acre parcel of land paid for by the voucher.

[1:41:55 PM](#)

REPRESENTATIVE NELSON asked for confirmation that residents must apply electronically.

DEPUTY COMMISSIONER BARNHILL confirmed that's correct.

REPRESENTATIVE NELSON asked, considering there's a substantial number of residents who fill out their PFD application on paper, whether there is a reason for the requirement to file online.

DEPUTY COMMISSIONER BARNHILL replied that the department has made an ongoing effort to channel as many Alaskans as possible into the electronic application process; the electronic restriction is also true for the Pick-Click-Give program. Every year the number of paper applications declines substantially, and he believes the department is now at a historic low in terms of the number of paper applications it receives. He then referred to Anna MacKinnon for expansion on this.

[1:43:26 PM](#)

ANNA MACKINNON, Acting Director, Permanent Fund Dividend Division, Department of Revenue, confirmed Deputy Commissioner Barnhill's assessment of the number of paper applications and noted that 90 percent of Alaskans filed their PFD applications online last season. She offered to provide specifics if necessary.

[1:44:02 PM](#)

CHAIR TUCK asked what the main reasons are for people not filing electronically.

MS. MACKINNON answered that they are doing outreach and survey on that question but that she has been told by the leadership team at the Permanent Fund Dividend Division that the group is heavily influenced by age, and by rural areas having latency issues with being able to access the Internet. Most paper applications are from the senior population.

[1:45:12 PM](#)

REPRESENTATIVE STORY asked for a sense of the location of the land available for purchase through the program, and what services are provided with the land.

MR. PARSONS replied that the state runs several different land disposal programs; subdivision programs from Southeast to Western to Central Alaska, with land sales all over the state. Those lands that do not sell as part of the land sale program go into an "over-the-counter" sale, where anyone can buy them directly online. They also have a remote cabin staking program, wherein a person can lease a parcel of up to 20 acres in a remote area with the first three years' getting appraisals and surveys done and then convert it to a land sale contract. The land disposals are statewide, and amenities and infrastructure in place depend on the borough.

REPRESENTATIVE STORY followed up asking for a sense of where in the Juneau area the lands are available.

MR. PARSONS answered that the department has not had many land sales in the Southeast area due to its entitlement as the Tongass National Forest. There have been sales of land in Tenakee Springs, Pelican, Prince of Wales Island, and some of the older subdivisions near Mendenhall Glacier which were originally state land sale programs.

[1:48:32 PM](#)

DEPUTY COMMISSIONER BARNHILL said that under HB 97, when someone opts for a land voucher on their PFD application the cash from PFDs not paid will lapse to the general fund. The final point is that this bill would require the Department of Health and Social Services (DHSS) administrator to consider the voucher as income or resources in determining eligibility for benefits programs. He noted that there is a DHSS representative available for questions on this point.

[1:49:46 PM](#)

REPRESENTATIVE STORY asked how it is possible to have no [positive] fiscal note if cash were to be transferred from the Permanent Fund Dividend.

DEPUTY COMMISSIONER BARNHILL responded that Representative Story has a good point, and the department may be amending the fiscal note; however, it would be indeterminate since the department does not know how many people would be electing the land voucher in lieu of the cash dividend.

[1:51:21 PM](#)

MR. PARSONS noted that Alaska has the only constitution in the country that has a specific section for natural resources for the purpose of developing and settling the land to the maximum use consent with the public interest; the proposed bill is one of the ways to fulfill that constitutional obligation. There is no other state that has less land in private, individual hands than Alaska, with Alaskan residents holding about .5 percent of Alaskan land, whereas the federal government will retain about 60 percent of the land mass in Alaska "once our entitlement has been completed" [under the 1959 Alaska Statehood Act]. HB 97 would provide an asset of which Alaska has a large inventory, and reduces the strain on the state treasury by using land as a form of currency. Survey respondents indicated that cash/cost was a significant reason for not already participating in the land sale program, so this voucher program provides residents with the opportunity to participate. Private ownership of the land helps not only settle the land, but also to increase the tax base.

[1:53:54 PM](#)

CHAIR TUCK asked if a group of people (excluding children) could pool vouchers.

DEPUTY COMMISSIONER BARNHILL responded that anyone could pool or sell their vouchers.

[1:54:35 PM](#)

REPRESENTATIVE CLAMAN noted that under the current proposal the cash dividend would lapse into the General fund to be appropriated as the legislature sees fit; he then asked whether the department has a perspective on amending the proposal so that the cash would divert to the Permanent Fund principal instead.

DEPUTY COMMISSIONER BARNHILL answered that the logic in having it lapse to the General fund is that the state is providing some additional value through the land voucher program, and the General fund should be compensated for that. The lapse is functionally that compensation.

REPRESENTATIVE CLAMAN questioned whether - if part of the goal is to grow the size of the Permanent Fund principal - it would be an incentive for those who wanted to help grow the principal, since they could get a land voucher and also divert the cash value back to the principal.

DEPUTY COMMISSIONER BARNHILL noted that Representative Claman has made a fair point and to the extent that people want to participate in essentially turning dollars back to the permanent fund to grow the principal, it's ultimately a policy call where best to place those lapsing dollars. The intention here is simply to compensate the General fund for the subsidy that's built into the sale of land, but it would be possible to put the money into the permanent fund.

[1:57:09 PM](#)

DEPUTY COMMISSIONER BARNHILL referred to page four of the hard copy of the presentation, a cash flow based on a hypothetical participation level of 40,000 applicants opting for the land voucher approach, out of 640,000 PFD applicants. The PFD would be \$600 million cash disbursements, \$40 million would lapse to the general fund, and the face value of the land vouchers would be 40,000 applicants times \$4,600 totaling \$184 million. Assuming \$300 million in land was sold, with \$184 million in vouchers and \$116 million in cash, when adding the \$40 million

in lapsing cash plus the \$116 million in cash sales, it's a total of \$156 million to the general fund. He stressed throughout that this is purely a hypothetical scenario.

[1:59:22 PM](#)

DEPUTY COMMISSIONER concluded with a mockup of what the actual voucher would look like, with a unique serial number and transfer information.

[1:59:51 PM](#)

CHAIR TUCK asked if whether, under the proposed legislation, it would be possible for someone to receive a land voucher prorated for half of the PFD.

DEPUTY COMMISSIONER BARNHILL answered that HB 97 would not provide for the ability to split a PFD between land voucher and cash for situations in which the applicant is not under garnishment.

CHAIR TUCK asserted, "All-or-nothing unless you're being garnished."

DEPUTY COMMISSIONER BARNHILL confirmed that is correct.

[2:00:48 PM](#)

REPRESENTATIVE CLAMAN, seeking clarification on the garnishment process, offered a hypothetical scenario in which he owes \$5,000 to different creditors and his PFD is garnished every year. He asked, if he applied for his PFD and chose to convert it to the land voucher, whether he would get the \$4,600 land voucher and the creditors could garnish the dividend based on the \$1,000 cash value and get the full amount.

DEPUTY COMMISSIONER BARNHILL restated the hypothetical and explained that the \$1,000 cash value would go toward the garnishments, and the person would have a land voucher certificate that would be reduced by \$1,000 in value. The creditors owed the remaining \$4,000 would have the usual legal tools to pursue the resident for the remaining \$4,000. He stressed that the DOR is not managing or administering the latter piece.

[2:02:50 PM](#)

REPRESENTATIVE CLAMAN, following up with the same hypothetical, proffered that the original \$5,000 garnishment is now down to \$4,000 and, assuming the debt still exists, next year the same amount of \$1,000 could be garnished and he could still receive the land voucher value of \$3,600.

DEPUTY COMMISSIONER BARNHILL replied that is correct, and he pointed out that the creditor has a net result of \$1,000 whether or not the resident elected for the land voucher or the cash PFD.

REPRESENTATIVE CLAMAN remarked that this could be way to game the system by accumulating land vouchers or reselling a land voucher on a secondary market.

DEPUTY COMMISSIONER BARNHILL noted that it is an interesting question but remarked that it's not yet known if a secondary market will emerge. He noted that a land voucher program would provide security for people who are being garnished, in that there's additional value. He said that the DOR isn't administering that portion, but there are still legal tools and rights for cash and real assets. He used the example of a noncustodial parent who is accumulating land vouchers, freeing up hypothetical cash for garnishment.

[2:06:47 PM](#)

CHAIR TUCK noted for the record that Representative Tarr had joined the meeting five minutes prior.

[2:06:53 PM](#)

CHAIR TUCK noted that many people would like to buy land but don't have the financial means; he hypothesized that if he were delinquent in his bills, he would have a better chance of getting land if he took the land voucher along with the garnishment process instead of taking a cash PFD and using it to pay debts. This could incentivize people to not pay their bills and still get land.

DEPUTY COMMISSIONER BARNHILL clarified that what the Governor is trying to do is get land into the hands of Alaskans who are having difficulty achieving self-sufficiency. Access to land and real property means being able to build a house or a business; the state has a land bank and residents can put it to productive use.

2:09:30 PM

CHAIR TUCK said that while he appreciates the intent of HB 97, he questions how the administration came up with the idea of "allowing people who have garnished PFDs to still get a land voucher, but those who can only afford a portion of the PFD cannot get a land voucher." In response to a request for clarification, he asked Deputy Commissioner asked how the administration came up with the idea of allowing people with garnished PFDs to still get a land voucher. He asked Deputy Commissioner Barnhill to confirm his understanding that under HB 97, someone whose PFD is garnished can still get a land voucher and offset the garnishment of the cash value toward the full value of the land voucher.

DEPUTY COMMISSIONER BARNHILL confirmed that is correct.

CHAIR TUCK surmised that someone receiving a \$1000 dividend but wants to withhold \$500 to get caught up on bills, would not be allowed to purchase a land voucher with the remaining \$500. He questioned why the land voucher could be prorated for those who are under garnishment but not for those who are not.

DEPUTY COMMISSIONER BARNHILL indicated that the department would take that under advisement and stressed that the issue is the ease of administration.

CHAIR TUCK asked if it would be easier to specify that if anyone isn't eligible to receive their full PFD for any reason, then the individual wouldn't be eligible for a land voucher?

DEPUTY COMMISSIONER BARNHILL replied that potentially that would be easier, but questions whether it meets the policy objectives. He said he is not sure that restricting the land voucher from anyone who has their PFD garnished is the policy direction in which the departments wants to go. However, he said Chair Tuck's idea potentially expands the number of participants in the program, so it's worth consideration.

2:12:16 PM

REPRESENTATIVE TARR asked what the benefit beyond the constitutional objectives is. Presuming that this program works, the result may be that many Alaskans have property that is remote and not accessible by road, unlikely to be developed, and would carry no state property tax, only local. She posited that if the program is not well thought-out, then it could be

disruptive to future development plans that might make more sense for the area. She said that this program doesn't seem to have a purpose.

DEPUTY COMMISSIONER BARNHILL explained that in history of land voucher programs the [federal] government has never specified a use for the property; individuals can decide for themselves how best to use the property. The history of the country shows that once people own land, they will put it to productive use.

[2:15:32 PM](#)

REPRESENTATIVE TARR responded:

So it's this administration's belief that there's a large number of Alaskans out there that have a lot of money and they're standing by ready to develop a property in any number of ways if only they had \$4,600 to get access to it? That seems laughable. Just for my property it would be more than \$4,600 to get just like the smallest amount of supplies to the site for building.

Representative Tarr added that in 2021, \$4,600 doesn't go very far.

DEPUTY COMMISSIONER BARNHILL explained that earlier in the hearing Mr. Parsons had discussed the average cost of a parcel of land and is available for questions.

[2:16:31 PM](#)

MR. PARSONS noted land sales in accessible areas along the Glenn Highway and the Tok area, as well as remote sites. The money in this program would be to offset the cost of the parcel itself, not necessarily transportation or needed development of the parcel.

[2:17:22 PM](#)

REPRESENTATIVE TARR said while there may not be a resolution to the question, Mr. Parsons had made her point; if \$4,600 is what's holding someone back from land ownership, then there won't be development potential. She noted that it's not fair to give false expectations about the possibilities with this legislation.

[2:18:25 PM](#)

REPRESENTATIVE CLAMAN asked to return to the question of a secondary market and mentioned Bitcoin as an example of a security that doesn't have a certificate. Someone who has the resources to buy vouchers on the secondary market at less than face value could feasibly acquire land at a substantial discount. He noted that there are many potential consequences it doesn't seem the department has thought through; he asked for an example of some of the potential consequences of a secondary market for land vouchers that the department has analyzed.

DEPUTY COMMISSIONER BARNHILL replied that it's impossible to predict whether a secondary market will emerge and what could happen in terms of fluctuating value; if one does emerge and people were able to take advantage, it still means that people have more money in their pocket to pay their obligations.

[2:21:49 PM](#)

VERDIE BOWEN, Director of Veterans Affairs, Office of Veterans Affairs, Department of Military and Veterans Affairs, noted that he can see how this would benefit veterans in that they could receive the land voucher and still be eligible for the [25] percent discount available to veterans on the actual purchase. The Native Veteran Land Allotment through the federal government has lands located throughout the state with much more land available than for over-the-counter sales.

[2:22:58 PM](#)

CHAIR TUCK asked about the "Native Veteran Land Allotment" and whether the land vouchers provided under HB 97 would be applicable to purchases of that specific land.

MR. BOWEN replied that the federal program is a different issue.

[2:23:42 PM](#)

CHAIR TUCK announced that HB 97 would be held over.

[2:25:09 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Military and Veterans Affairs Committee meeting was adjourned at 2:25 p.m.