

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

May 16, 2022

6:07 p.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

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."

- MOVED CSHB 97 (MLV) OUT OF COMMITTEE

HOUSE JOINT RESOLUTION NO. 32

Encouraging the United States Congress to establish hiring goals for apprentices and veteran apprentices.

- MOVED CSHJR 32 (MLV) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

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
03/02/21	(H)	Heard & Held

03/02/21 (H) MINUTE (MLV)
05/16/22 (H) MLV AT 3:00 PM GRUENBERG 120

BILL: HJR 32

SHORT TITLE: HIRING OF APPRENTICES/VETERANS

SPONSOR(s): NELSON

02/16/22 (H) READ THE FIRST TIME - REFERRALS
02/16/22 (H) MLV
03/15/22 (H) MLV AT 1:00 PM GRUENBERG 120
03/15/22 (H) Heard & Held
03/15/22 (H) MINUTE (MLV)
04/09/22 (H) DISCHARGE FROM COMMITTEE FAILED Y17 N20
E1 A2
05/16/22 (H) MLV AT 3:00 PM GRUENBERG 120

WITNESS REGISTER

BRIAN FECHTER, Deputy Commissioner
Office of the Commissioner
Department of Revenue
Anchorage, Alaska

POSITION STATEMENT: Introduced HB 97 on behalf of the House Rules Standing Committee, by request of the governor.

CRISTY COLLES, Chief of Operations
Division of Mining, Land, and Water
Department of Natural Resources
Anchorage, Alaska

POSITION STATEMENT: Provided information and answered questions during the hearing on HB 97.

ACTION NARRATIVE

[6:07:32 PM](#)

CHAIR CHRIS TUCK called the House Special Committee on Military and Veterans' Affairs meeting to order at 6:07 p.m. Representatives Tarr, Claman, Story, and Tuck were present at the call to order. Representatives Nelson, Shaw, and Rauscher arrived as the meeting was in progress.

HB 97-LAND VOUCHERS; PFDS

[6:08:19 PM](#)

CHAIR TUCK announced that the first 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."

[6:09:08 PM](#)

BRIAN FECHTER, Deputy Commissioner, Office of the Commissioner, Department of Revenue, on behalf of the House Rules Standing Committee, by request of the governor, introduced HB 97. He said the bill would establish a program similar to PickClickGive, where electronic permanent fund dividend (PFD) applicants can choose to receive a land voucher in lieu of a cash PFD; the voucher would be in the amount of twice the statutory PFD.

[6:09:41 PM](#)

REPRESENTATIVE STORY, concerning the land vouchers, expressed concern regarding the services available in state lands. She questioned whether the lands would be accessible.

[6:11:11 PM](#)

CRISTY COLLES, Chief of Operations, Division of Mining, Land, and Water, Department of Natural Resources, answered that the state owns a variety of lands available which could be used. She explained that the lands would not necessarily have services, such as sewers; however, some lands would have road access and could have utilities installed. She said that a person would be able to buy land via an online auction process, and through this process, the person could review the details.

MS. COLLES, in response to a follow-up question, answered that the department puts out a land auction annually in June. She explained that individuals can review the land parcels online through the department's website. She said that the fair market value of the land is determined via an appraisal, and this establishes a minimum bid. The individual with the highest bid is determined to be the winner of the auction. She stated that in October, the department announces the winners, and individuals can win up to two parcels. Using a land parcel valued at \$70,000 as an example, she explained that, per the proposed legislation, if the winner has PFD vouchers, the person

could deduct the value of the voucher from the final price and then have a contract for the remaining amount. Further, she said, the contract could be for up to 20 years. In response to a follow-up question, she stated that every year the department puts out 200 parcels on the auction website. She explained that land not sold via auction can be sold "over the counter," without a bidding process. She further explained that usually half of the parcels up for auction are sold, and there are around 100 winners.

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CHAIR TUCK explained that, per the proposed legislation, an individual would not be able to receive a land voucher if the individual has a garnishment; however, once the garnishment is paid, if [PFD money] is left over, this can be put toward a land voucher. He said an issue which has arisen from this is, using child support as an example, a person could get around making the payment by collecting the land vouchers and selling them.

MR. FECHTER stated that if the individual has outstanding garnishments, then the PFD would be garnished up to the cash value of the PFD. He said the voucher itself can also be garnished; however, this would be problematic.

CHAIR TUCK offered the understanding that the garnishment would come first, then what is left over could go to a land voucher. He posed that, if a person has outstanding bills which cannot garnish a PFD, the person will still qualify for a land voucher.

MR. FECHTER answered, "You've captured it accurately."

CHAIR TUCK questioned whether this issue could be addressed, so in this situation the person would not be able to use the PFD's full cash value.

MR. FECHTER responded that the committee would need to make this decision. In response to a follow-up question, he said a section of the proposed bill does address garnishments.

[6:20:28 PM](#)

The committee took an at-ease from 6:20 p.m. to 6:22 p.m.

[6:22:05 PM](#)

CHAIR TUCK informed members that the discussion is on how the bill could be amended so a PFD recipient could use a portion of the PFD to receive a land voucher. He pointed out that Section 8 discusses garnishment and the amount left over. He questioned the limits in the proposed bill which would disqualify someone from using a portion of the PFD for a voucher.

MR. FECHTER directed attention to Section 5 of the bill. The section addresses individuals that want to receive a land voucher instead of a monetary PFD. He suggested that the language could be amended to read similar to the language used for other programs, like the PFD raffle, where the amount would be in \$100 increments up to the full amount of the PFD.

CHAIR TUCK offered his understanding that Section 5 addresses any amount remaining as a result of individual deductions, like PickClickGive, for example.

MR. FECHTER answered that is correct, and that such deductions are like the ones for the PFD raffle and the 529 college savings plan.

[6:24:25 PM](#)

The committee took an at-ease from 6:24 p.m. to 6:26 p.m.

[6:26:04 PM](#)

CHAIR TUCK announced HB 97 was held over.

HJR 32-HIRING OF APPRENTICES/VETERANS

[6:26:26 PM](#)

CHAIR TUCK announced that the next order of business would be HOUSE JOINT RESOLUTION NO. 32, "Encouraging the United States Congress to establish hiring goals for apprentices and veteran apprentices."

[6:27:25 PM](#)

REPRESENTATIVE TARR moved to adopt the proposed committee substitute (CS) for HJR 32, Version 32-LS1381\B, Klein, 5/16/22 as a working document. There being no objection, Version B was before the committee.

[6:27:51 PM](#)

REPRESENTATIVE NELSON, as prime sponsor, offered an overview of HJR 32. He said the resolution encourages the U.S. Congress to pass legislation requiring operators of U.S. Department of Defense construction projects to establish goals which would employ veterans, who are in a qualified apprenticeship or post-secondary program, as no less than 10 percent of the workforce.

[6:28:50 PM](#)

CHAIR TUCK commended the bill sponsor.

[6:29:21 PM](#)

REPRESENTATIVE RAUSCHER read from page 2, line 14 of the proposed legislation, which states, "Department of Defense indicates that \$10,900,000,000 will be spent on military construction that will require thousands of workers". He asked what percentage of this would be in Alaska.

REPRESENTATIVE NELSON responded that the \$10.9 billion figure for military construction was part of the appropriation for fiscal year 2022. He said he is unsure if in-depth information has been released on how much is going to projects in Alaska.

[6:30:36 PM](#)

CHAIR TUCK expressed the opinion that \$100 million to \$200 million could be coming to the state.

REPRESENTATIVE RAUSCHER requested that the number be made available before the bill goes to the next committee of referral.

CHAIR TUCK clarified that the figures he provided are estimates, and Alaska Associate General Contractors has the number.

[6:31:27 PM](#)

REPRESENTATIVE TARR shared that she received notices of support regarding HJR 32. She expressed the hope for a good outcome with the proposed bill.

[6:32:27 PM](#)

CHAIR TUCK added that the Alaska Helmets to Hardhats program sought to recruit those that were leaving military service and

going into apprenticeship programs. He said that he served on the Alaska Electrical Apprenticeship Board for 15 years, and former military members were some of the best applicants to the program.

[6:33:24 PM](#)

REPRESENTATIVE TARR moved to report CS for HJR 32, Version 32-LS1381\B, Klein, 5/16/22, out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, CSHJR 32(MLV) was reported out of the House Special Committee on Military and Veterans' Affairs.

[6:33:53 PM](#)

ADJOURNMENT

The House Special Committee on Military and Veterans' Affairs was recessed at 6:34 p.m. to the call of the chair.

[The meeting reconvened at 7:19 p.m.]

[7:19:21 PM](#)

CHAIR TUCK called the House Special Committee on Military and Veterans' Affairs meeting back to order at 7:19 p.m. Present at the call back to order were Representatives Story, Nelson, Claman, and Tuck.

HB 97-LAND VOUCHERS; PFDS

[7:20:04 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."

[7:20:37 PM](#)

REPRESENTATIVE CLAMAN moved to adopt Amendment 1 to HB 97, labeled 32-GH1612\A.1, Radford, 5/16/22, which read as follows:

Page 7, line 6:
Delete "2022"
Insert "2023"

[7:20:43 PM](#)

CHAIR TUCK objected for the purpose of discussion.

REPRESENTATIVE CLAMAN noted that Amendment 1 would change the effective date from 2022 to 2023.

CHAIR TUCK removed his objection. There being no further objection, Amendment 1 was adopted.

[7:21:06 PM](#)

REPRESENTATIVE CLAMAN, instead of moving Conceptual Amendment 1, moved a formal recommendation that the next committee of referral adopt Conceptual Amendment 1.

CHAIR TUCK concurred. There being no objections to the recommendation, it was announced that the recommendation would accompany HB 97.

[7:21:44 PM](#)

REPRESENTATIVE CLAMAN moved to report HB 97, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 97 (MLV) was reported out of the House Special Committee on Military and Veterans' Affairs.

[7:23:19 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Military and Veterans' Affairs meeting was adjourned at 7:23 p.m.