

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

April 18, 2024

8:02 a.m.

**MEMBERS PRESENT**

Representative CJ McCormick, Chair  
Representative Kevin McCabe, Vice Chair  
Representative Tom McKay  
Representative Thomas Baker  
Representative Justin Ruffridge  
Representative Rebecca Himschoot  
Representative Donna Mears

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

CS FOR SENATE BILL NO. 161(CRA) AM

"An Act relating to municipal taxation of farm land and farm structures; and providing for an effective date."

- MOVED HCS CSSB 161(CRA) OUT OF COMMITTEE

HOUSE BILL NO. 134

"An Act prohibiting municipalities from levying a tax on the transfer of real property; prohibiting the state from levying a tax on the transfer of real property; and relating to municipal taxation of mobile telecommunications services."

- HEARD & HELD

HOUSE BILL NO. 30

"An Act relating to daylight saving time; and providing for an effective date."

- MOVED HB 30 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 161

SHORT TITLE: TAX EXEMPTION FOR FARM LAND/STRUCTURES

SPONSOR(S): SENATOR(S) BJORKMAN

01/16/24 (S) PREFILE RELEASED 1/8/24  
 01/16/24 (S) READ THE FIRST TIME - REFERRALS  
 01/16/24 (S) CRA  
 01/30/24 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 01/30/24 (S) Heard & Held  
 01/30/24 (S) MINUTE(CRA)  
 02/01/24 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 02/01/24 (S) Heard & Held  
 02/01/24 (S) MINUTE(CRA)  
 02/15/24 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 02/15/24 (S) <Above Item Removed from Agenda>  
 02/15/24 (S) MINUTE(CRA)  
 02/22/24 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 02/22/24 (S) -- Invited & Public Testimony --  
 02/27/24 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 02/27/24 (S) <Bill Hearing Rescheduled to 02/29/24>  
 02/29/24 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 02/29/24 (S) Moved CSSB 161(CRA) Out of Committee  
 02/29/24 (S) MINUTE(CRA)  
 03/01/24 (S) CRA RPT CS 4DP NEW TITLE  
 03/01/24 (S) DP: DUNBAR, GRAY-JACKSON, GIESSEL,  
 BJORKMAN  
  
 03/18/24 (S) TRANSMITTED TO (H)  
 03/18/24 (S) VERSION: CSSB 161(CRA) AM  
 03/18/24 (S) VERSION: CSSB 161(CRA) AM  
 03/20/24 (H) READ THE FIRST TIME - REFERRALS  
 03/20/24 (H) CRA  
 04/02/24 (H) CRA AT 8:00 AM BARNES 124  
 04/02/24 (H) Heard & Held  
 04/02/24 (H) MINUTE(CRA)  
 04/04/24 (H) CRA AT 8:00 AM DAVIS 106  
 04/04/24 (H) Heard & Held  
 04/04/24 (H) MINUTE(CRA)  
 04/11/24 (H) CRA AT 8:00 AM BARNES 124  
 04/11/24 (H) -- MEETING CANCELED --  
 04/18/24 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 134

SHORT TITLE: PROPERTY TRANSFER TAX; MUNI TELECOMM TAX  
 SPONSOR(s): REPRESENTATIVE(s) COULOMBE

03/27/23 (H) READ THE FIRST TIME - REFERRALS  
 03/27/23 (H) CRA  
 04/13/23 (H) CRA AT 8:00 AM BARNES 124  
 04/13/23 (H) Heard & Held  
 04/13/23 (H) MINUTE(CRA)  
 04/27/23 (H) CRA AT 8:00 AM BARNES 124

04/27/23 (H) Heard & Held  
04/27/23 (H) MINUTE(CRA)  
04/18/24 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 30

SHORT TITLE: OBSERVE DAYLIGHT SAVING TIME ALL YEAR  
SPONSOR(S): REPRESENTATIVE(S) ORTIZ

01/19/23 (H) PREFILE RELEASED 1/9/23  
01/19/23 (H) READ THE FIRST TIME - REFERRALS  
01/19/23 (H) CRA, STA, L&C, FIN  
03/14/23 (H) CRA AT 8:00 AM BARNES 124  
03/14/23 (H) Heard & Held  
03/14/23 (H) MINUTE(CRA)  
04/16/24 (H) CRA AT 8:00 AM BARNES 124  
04/16/24 (H) Heard & Held  
04/16/24 (H) MINUTE(CRA)  
04/18/24 (H) CRA AT 8:00 AM BARNES 124

**WITNESS REGISTER**

SENATOR JESSE BJORKMAN  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented CSSB 161(CRA) AM.

REPRESENTATIVE JULIE COULOMBE  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented HB 134.

REPRESENTATIVE DAN ORTIZ  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, answered questions related to HB 30.

TOM WILLIAMS, Financial Officer  
Ward Air  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HB 30.

JAY PEA, President  
Save Standard Time  
Phoenix, Arizona

**POSITION STATEMENT:** Testified in opposition to HB 30.

**ACTION NARRATIVE**

[8:02:46 AM](#)

**CHAIR MCCORMICK** called the House Community and Regional Affairs Standing Committee meeting to order at 8:02 a.m. Representatives McKay, Baker, Himschoot, McCabe, and McCormick were present at the call to order. Representatives Ruffridge and Mears arrived as the meeting was in progress.

The committee took an at-ease from 8:02 a.m. to 8:05 a.m.

**SB 161-TAX EXEMPTION FOR FARM LAND/STRUCTURES**

[8:06:21 AM](#)

**CHAIR MCCORMICK** announced that the first order of business would be CS FOR SENATE BILL NO. 161(CRA) am, "An Act relating to municipal taxation of farmland and farm structures; and providing for an effective date."

[8:06:42 AM](#)

**SENATOR JESSE BJORKMAN**, Alaska State Legislature, as prime sponsor, presented CSSB 161(CRA) AM. He said that the proposed legislation extends the property tax exemption for farm use land/buildings and encourages farm use buildings to be assessed at the farm rate. He said this exemption would keep that land from being developed or converted to other commercial uses. He said CSSB 161 (CRA) AM would change the standard for qualifications for someone seeking to utilize the proposed tax exemption by lowering the threshold of dollars sold needed to qualify for a tax exemption.

**CHAIR MCCORMICK** moved to adopt the proposed House committee substitute (HCS) for CSSB 161(CRA) AM, Version 33-LS0971\D, Dunmire, 4/1/24, as the working document. There being no objection, Version D was before the committee.

[8:10:29 AM](#)

**REPRESENTATIVE MEARS** moved to adopt Amendment 1 to Version D, labeled 33-LS0971\D.4, Dunmire, 4/15/24, which read:

Page 3, following line 1:  
Insert a new bill section to read:

"\* **Sec. 4.** AS 29.45.060(b) is amended to read:

(b) An owner of farm use land shall, to secure the assessment under this section, apply to the assessor on or before May 15 of each year in which the assessment is desired. The application shall be made on [UPON] forms prescribed by the state assessor for the use of the local assessor, and must include information that may reasonably be required to determine the entitlement of the applicant. If the land is leased for farm use purposes, the applicant shall furnish to the assessor a copy of lease bearing the signatures of both lessee and lessor along with the completed application. The applicant shall furnish the assessor a copy of the lease covering the period for which the exemption is requested. This subsection does not apply to a person with an interest in land that is classified by the state for agricultural use or that is restricted by the state for agricultural purposes."

Renumber the following bill sections accordingly.

CHAIR MCCORMICK objected.

[8:10:35 AM](#)

REPRESENTATIVE MEARS explained Amendment 1, saying it would allow applicants to apply to the assessor on or before May 15, rather than only being allowed to be submitted on May 15.

[8:11:07 AM](#)

SENATOR BJORKMAN said he is neutral towards Amendment 1.

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

[8:11:26 AM](#)

REPRESENTATIVE RUFFRIDGE moved to adopt Amendment 2 to Version D, labeled 33-LS0971\D.8, Dunmire, 4/17/24, which read:

Page 1, line 7:  
Delete "[EXCLUSIVELY]"  
Insert "exclusively"

Page 1, line 11:

Delete "\$1,000"  
Insert "\$2,500"  
Delete "on"  
Insert "from"

Page 1, lines 12 - 13:

Delete ", or normally sell at least \$1,000 of agricultural products produced on the land during a tax year,"

Page 2, following line 19:

Insert a new bill section to read:

"\* **Sec. 3.** AS 29.45.050 is amended by adding a new subsection to read:

(z) In the event that an owner or lessee of farm use land does not sell \$2,500 of agricultural products produced from the land during a tax year because of circumstances beyond the control of the owner or lessee, the owner may secure the exemption under (t) of this section if the farm use land qualified for the exemption under (t) of this section for the three preceding tax years. In this subsection, "circumstances beyond the control of the owner or lessee" includes crop failure or physical injury that prevents the owner or lessee from conducting farming activity."

Renumber the following bill sections accordingly.

Page 3, following line 1:

Insert a new bill section to read:

"\* **Sec. 5.** AS 29.45.060(c) is amended to read:

(c) In the event that an owner or lessee of farm use land does not sell \$2,500 of agricultural products produced from the land during a tax year because of circumstances beyond the control of the owner or lessee, the owner may secure the assessment under this section if the farm use land qualified for the assessment under this section for the three preceding tax years. In this subsection, "circumstances beyond the control of the owner or lessee" includes [OF A] crop failure or physical injury that prevents the owner or lessee from conducting farming activity [BY AN ACT OF GOD THE PREVIOUS YEAR, THE OWNER OR LESSEE MAY SUBMIT AN AFFIDAVIT AFFIRMING THAT 10 PERCENT OF GROSS INCOME FOR THE PAST THREE YEARS WAS FROM FARMING]."

Renumber the following bill sections accordingly.

Page 3, line 20:

Delete "\$1,000"

Insert "\$2,500"

Page 3, line 21:

Delete "on"

Insert "from"

Page 3, lines 21 - 22:

Delete ", or normally sells at least \$1,000 of agricultural products produced on the land during a tax year,"

Page 3, line 23:

Delete "the owner or lessee of the land"

Page 4, line 2:

Delete all material.

Renumber the following bill section accordingly.

CHAIR MCCORMICK objected for the purpose of discussion.

[8:11:31 AM](#)

REPRESENTATIVE RUFFRIDGE explained Amendment 2, saying it would allow a municipality to partially or wholly exempt land or structures that are exclusively used for farming activity and raise the amount dollars sold to qualify for the exemption from \$1,000 to \$2,500. He said if the ordinance were adopted by a municipality, there would be a slight shift in the amount of tax exemption that potentially would be passed on to other property owners. He added that the exemption on page 2, line 19 of the amendment is meant to qualify an option to have the exemption if there were an event that would cause the person who qualified for the exemption not to be able to farm or sell.

[8:13:48 AM](#)

REPRESENTATIVE RUFFRIDGE asked for the sponsor's position on Amendment 2.

[8:13:57 AM](#)

SENATOR BJORKMAN said he supports Amendment 2 because it takes into account public testimony that was heard in a previous bill hearing to clarify vague language surrounding sales and added that the raised dollar amount from \$1,000 to \$2,500 helps to ease concerns from municipalities that people might abuse the exemption. He said the amendment would return an optional portion in the exclusive use provision of the proposed legislation, making it easier for assessors to have control over how tax exemptions are distributed.

CHAIR MCCORMICK removed his objection. There being no further objection, Amendment 2 was adopted.

[8:15:47 AM](#)

REPRESENTATIVE RUFFRIDGE said he would not be offering Amendment 3.

[8:16:09 AM](#)

The committee took an at-ease from 8:16 a.m. to 8:17 a.m.

[8:17:32 AM](#)

REPRESENTATIVE MEARS thanked the bill sponsor for bringing the issue forward. She said she is apprehensive about the legislature making decisions on behalf of municipalities but recognizes the larger goal at hand with the proposed legislation.

[8:18:15 AM](#)

REPRESENTATIVE MCCABE moved to report HCS CSSB 161, Version 33-LS0971\D, Dunmire, 4/1/24, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE MCCABE objected.

[8:18:36 AM](#)

A roll call vote was taken. Representatives Mears, McKay, Baker, Ruffridge, and McCormick voted in favor of reporting HCS CSSB 161, as amended, from committee. Representatives McCabe and Himschoot voted against it. Therefore, HCS CSSB 161(CRA), was reported out of the House Community and Regional Affairs Standing Committee by a vote of 5-2.

[8:19:15 AM](#)

The committee took an at-ease from 8:19 a.m. to 8:23 a.m.

[8:23:24 AM](#)

CHAIR MCCORMICK thanked Senator Bjorkman for presenting to the committee.

**HB 134-PROPERTY TRANSFER TAX; MUNI TELECOMM TAX**

[8:23:34 AM](#)

CHAIR MCCORMICK announced that the next order of business would be HOUSE BILL NO. 134, "An Act prohibiting municipalities from levying a tax on the transfer of real property; prohibiting the state from levying a tax on the transfer of real property; and relating to municipal taxation of mobile telecommunications services."

[8:23:55 AM](#)

REPRESENTATIVE JULIE COULOMBE, Alaska State Legislature, as prime sponsor, presented HB 134. She said that HB 134 would prohibit municipalities and state government from imposing tax transfers on the buying or selling of a home. She said tax rates have been increasing across the country in the past few years, which has led to higher transfer taxes having a ripple effect on home ownership in Alaska.

[8:25:20 AM](#)

CHAIR MCCORMICK moved to adopt the proposed committee substitute (CS) for HB 134, Version 33-LS0618\S, Dunmire, 4/16/24, as the working document. There being no objection, Version S was before the committee.

[8:26:01 AM](#)

CHAIR MCCORMICK announced that HB 134 was held over.

**HB 30-OBSERVE DAYLIGHT SAVING TIME ALL YEAR**

[8:26:18 AM](#)

CHAIR MCCORMICK announced that the final order of business would be HOUSE BILL NO. 30, "An Act relating to daylight saving time; and providing for an effective date."

[8:26:39 AM](#)

REPRESENTATIVE DAN ORTIZ, Alaska State Legislature, as prime sponsor, gave an overview of HB 30. He addressed an unanswered question Representative McCabe had asked at the previous committee hearing, noting where daylight saving time (DST) is observed in other countries and stating that in New York there are seven bills related to this topic. He reminded the committee that if Alaska were to adopt standard time, it would put Alaska on a two-hour difference from western states.

[8:29:58 AM](#)

CHAIR MCCORMICK opened public testimony on HB 30.

[8:30:25 AM](#)

TOM WILLIAMS, Financial Officer, Ward Air, testified in support of HB 30. He discussed the benefits of adopting DST year-round. He said that while total daylight time wouldn't change, it would only change the time for four months in the year, avoid inflicting economic damage to the visitor industry in Alaska, avoid reducing outdoor recreational opportunities during the spring and fall, add an hour of daylight after school hours during the winter, reduce the time zone difference between Alaska and the east coast financial markets to three hours instead of four during the winter, and provide an economic benefit with the later daylight hours during the winter months. He said the significant impact HB 30 would have on the economy and the general health of the public far outweighs the benefit of eliminating the twice per year time change that has been law for decades. He urged the committee to pass HB 30 with "do pass" recommendations.

[8:33:22 AM](#)

REPRESENTATIVE HIMSCHOOT asked how DST is beneficial for tourists.

MR. WILLIAMS explained that during the summertime there is a lot of light hours in the evening, providing ample time for recreational opportunities during that time. He said in the winter, certain flight operations could provide better service

to those who want to leave later in the morning and return later in the evening.

[8:35:05 AM](#)

JAY PEA, President, Save Standard Time, testified in opposition to HB 30. He said Save Standard Time would prefer to make standard time permanent, as having permanent DST extend into winter is not desirable. He gave a list of possible effects of permanent DST, saying it would force earlier waking times, significantly increase car accidents and depression rates, all of which he said create an unnecessary risk to public safety. He said that based on a number of studies, standard time is more closely reflective of the sun and comes with numerous health and social benefits. He named several states and countries which have adopted permanent standard time and gave evidence of how that positively impacted the health and well-being of the people of those places. He argued that permanent DST would not lower crime rates, but actually increase crime rates per a study by the European Union considering permanent standard time.

[8:39:20 AM](#)

REPRESENTATIVE HIMSCHOOT asked whether any studies on the effects of DST have taken Alaska into account specifically.

MR. PEA said none were specific to Alaska, but Russia tried permanent DST for three years before reversing that decision and going to permanent standard time after determining that DST was the cause of a significant increase in car crashes and depression.

REPRESENTATIVE HIMSCHOOT asked where she could find the Russian study Mr. Pea had mentioned.

MR. PEA cited Boris Enkov's 2016 study titled "Seven Year Survey of Sleep Timing in Russian Children in Adolescence" and offered to email studies to the committee.

[8:40:57 AM](#)

REPRESENTATIVE MEARS said she appreciated any research or science specifically related to Alaska, because the impacts of such a decision would not be uniform across the state due to its size.

[8:42:10 AM](#)

CHAIR MCCORMICK, after ascertaining there was no one else who wished to testify, closed public testimony on HB 30.

[8:42:15 AM](#)

The committee took an at-ease from 8:42 a.m. to 8:43 a.m.

[8:43:17 AM](#)

REPRESENTATIVE MCCABE moved to report HB 30 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE MCCABE objected.

[8:43:40 AM](#)

REPRESENTATIVE RUFFRIDGE said he is okay with allowing the bill to pass, but he is not convinced that DST is the appropriate time for the entire state of Alaska. He said that the citizens who live here should be prioritized, not tourists or operators within those industries. He expressed his "deep reservations and concerns" related to DST but said he would remain a "yes" vote.

REPRESENTATIVE MCCABE said he was in favor of keeping standard time if we were to eliminate the current twice per year time switch. He cited a decade worth of information related to fatigue risk management studies in the airline pilot industry and said it would be a mistake for Alaska to adopt permanent DST.

REPRESENTATIVE HIMSCHOOT said she doesn't have a firm sense of which time system is better than the other, she just wants to choose one or the other.

REPRESENTATIVE BAKER commented that he is okay with moving HB 30 out of committee but is apprehensive about uniform DST because of the potential for harm to northern communities that receive very little light in the winter.

CHAIR MCCORMICK said he is in agreement with his colleagues and acknowledged that the twice per year time change needs to be eliminated.

[8:48:12 AM](#)

REPRESENTATIVE MCCABE removed his objection.

[8:48:23 AM](#)

REPRESENTATIVE MEARS objected for the purpose of discussion.

REPRESENTATIVE MEARS said she got the sense from the discussion that standard time is the correct way to move forward and asked whether changes should be made to HB 30 before moving it out of committee.

REPRESENTATIVE MCCORMICK reminded committee members that an amendment deadline for HB 30 had passed.

REPRESENTATIVE MEARS removed her objection. There being no further objection, HB 30 was reported from the House Community and Regional Affairs Standing Committee.

[8:49:36 AM](#)

The committee took an at-ease from 8:49 a.m. to 8:50 a.m.

[8:50:19 AM](#)

The committee took a brief at-ease at 8:50 a.m.

[8:50:46 AM](#)

CHAIR MCCORMICK clarified that HB 30 had been reported out of committee.

[8:51:09 AM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 8:51 a.m.