

HOUSE FINANCE COMMITTEE

May 2, 2023

1:35 p.m.

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CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:35 p.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Co-Chair  
Representative Neal Foster, Co-Chair  
Representative DeLena Johnson, Co-Chair  
Representative Julie Coulombe  
Representative Mike Cronk  
Representative Alyse Galvin  
Representative Sara Hannan  
Representative Andy Josephson  
Representative Dan Ortiz  
Representative Will Stapp  
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Representative Kevin McCabe, Sponsor; Buddy Whitt, Chief of Staff, Representative Kevin McCabe; Ryan McKee, Staff, Representative George Rauscher; Kris Curtis, Legislative Auditor, Alaska Division of Legislative Audit.

PRESENT VIA TELECONFERENCE

Pam Leary, Director, Treasury Division, Department of Revenue; Robert Pearson, State/Federal Programs Manager, Department of Community and Regional Affairs; George Hightower, Self, Wasilla; Hans Zigmend, Director, Division of Finance, Department of Administration; Cori Mills, Deputy Attorney General, Department of Law; Ashlee Adoko, Office of Project Management and Permits, Department of Natural Resources; Charlie Lean, Last Acting Chair, Citizens Advisory Council, Nome; Louis Cusack, Executive Director, Safari Club International Alaska Chapter, Alaska, Chugach; Richard Bishop, Self, Fairbanks; Benjamin Mallott, Vice President, Alaska Federation of Natives, Anchorage.

SUMMARY

HB 3 GOLD AND SILVER SPECIE AS LEGAL TENDER

HB 3 was HEARD and HELD in committee for further consideration.

HB 83 CITIZEN ADVISORY COMM ON FEDERAL AREAS

HB 83 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda.

#hb3

HOUSE BILL NO. 3

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

[1:37:01 PM](#)

REPRESENTATIVE KEVIN MCCABE, SPONSOR, provided a brief recap of the legislation. He read from a prepared statement:

The purpose of HB 3 was to recognize Alaska's constitutional duty, power and right under Section 10, Article I, of the United States Constitution, and the Tenth Amendment of the United States Constitution to make gold and silver legal tender in the payment of debt. The legislation would secure the rights of citizens of this state under the Ninth and Tenth Amendments of the United States Constitution to tender gold and silver in the payment of a debt should the merchant or payee agree to accept it. The bill took the first step in protecting specie from the borough city use or exchange tax. He added that 12 other states adopted laws to accept gold and silver coins as legal tender. As of 2022, 42 states had removed some or all taxes from the purchase of gold and silver. The bill would preserve, protect, and promote the state and its economic security, safety, health, and welfare of the people of this state; and protect the state and its citizens in the acquisition and

possession of gold and silver and their use as legal tender in the payment of debt.

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Co-Chair Foster asked for a review of the sectional analysis.

BUDDY WHITT, CHIEF OF STAFF, REPRESENTATIVE KEVIN MCCABE, reviewed the sectional analysis (copy on file):

Section 1 amends A.S. 29.45.650(a) to include a new subsection (l) outlined under Section 2 below.

Section 2 amends AS 29.45.650 to add a new subsection to protect "specie" from a borough sales or use tax on the sale or exchange of specie.

Section 3 amends AS 29.45.700(a) to include a new subsection (h) outlined under Section 4 below.

Section 4 amends AS 29.45.700 to add a new subsection to protect "specie" from a city sales or use tax on the sale or exchange of specie.

Section 5 amends AS 44.12 to add Article 5. Legal Tender which defines "legal tender" in the state to include gold and silver tender including "specie." This section also states that person is not required to accept gold or silver specie as tender and defines "specie" and "legal tender."

Section 5 is further amended by adding a new section to read: "The House Finance committee shall study the possibility of establishing additional forms of legal tender for the payment of debts, including public charges, taxes, and other money owed to the state. If the committee determines that additional forms of tender are practical and beneficial, the committee shall prepare legislation establishing an additional form of legal tender for introduction."

Section 6. Section 4, ch. 100, SLA 2002, as repealed and reenacted by sec. 9, ch. 117, SLA 2003 and sec. 2, ch 30, SLA 2005 is repealed, reenacted, and amended to read as outlined in Section 1 above.

Mr. Whitt noted Section 5 regarding the House Finance Committee making the determination regarding additional forms of legal tender and informed the committee that the sponsor was agreeable to amending the provision.

Representative Galvin shared that she had taken some time to read up on the constitution. She pondered what implementation of HB 3 would look like. She wondered if passage of the bill would send a message to Alaskans that they could pull their gold bars out of storage and pay for debt in that way. Representative McCabe responded in the negative. The tender would have to be in the form of a coin with a stamp stating its purity and value in ounces. If a merchant accepted the specie, the merchant and buyer would come to an agreement on the value of the coin and the merchant would provide change in whatever method of his or her choosing (specie or money). He stressed that the transaction was "purely voluntary." Representative Galvin asked for verification that the exchange between an Alaskan and any vendor was voluntary. Representative McCabe responded in the affirmative. Representative Galvin cited page 2, line 21 of the bill as follows:

"The House Finance Committee shall study the possibility of establishing additional forms of legal tender for the payment of debts..."

Representative Galvin did not know it was within the scope of the Finance Committee and questioned how that would work. Representative McCabe replied that Representative Hannan had brought the issue up the previous year. He recently spoke with Co-Chair Foster's office about changing the committee to the Legislative Budget and Audit Committee (LBA). He explained that the provision left the door open for the legislature to further consider the issue.

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In response to a question by, Representative Galvin, Representative McCabe answered that the transaction was not on paper, it was actually a gold coin called "specie." It was not a gold certificate; the specie was stamped by weight based on a troy ounce. Representative Galvin questioned whether whatever was exchanged or agreed upon, may be worth something else the next day because gold was a commodity. She understood there were things like inflation, but it was not exactly the same with specie, there was some

risk. She asked what the sponsor would say if gold was used one day, and its value tanked the next day. There might be merchants that fault the state for legalizing the tender and putting them at risk.

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Representative McCabe related a historical story about using a "gold eagle" worth \$20 as currency. He reported that today a gold eagle was worth \$2,200 and believed that gold had tracked with the rest of commodities, but money had not because of inflation. He thought that gold held a higher value and was not subject to inflation like the dollar.

Representative Hannan observed that the bill protected gold and silver specie. She wondered what the differentiation was from just using a gold nugget. Representative McCabe responded that the gold had to be coined as money in order to be recognized by the bill. He ascertained that what she had described was bartering. Representative Hannan asked who was backing the currency. She remarked that the state was not backing the specie. She asked if it was a private currency exchanged between two people. She was trying to determine how it was a currency versus a private agreement between two people over a valued asset. Representative McCabe answered that it needed no backing because it was gold. He furthered that each certificate had a serial number and believed that it was safer than dollars in terms of counterfeiting.

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Representative Cronk asked if the sponsor had reached out to communities about sales tax loss. Representative McCabe answered in the affirmative. He had discussed the issue with the Alaska Municipal League (AML) who thought it could cost communities \$5 million in taxes. He deduced that a \$5 million loss at the lowest tax rate of 3 percent would equate to selling \$167 million in specie per year. He noted another statement by AML that calculated a loss of \$3000 in tax revenue in Wasilla. He spoke to the municipality who informed Representative McCabe that there was only one gold and silver buyer licensed in Wasilla who only purchased gold but did not sell it. He indicated that Juneau had informed him that they tracked sales tax by vendor in broader categories and did not know what impact the bill

would have. He shared data from Arkansas with a population of over 3 million with a tax rate between 6.5 percent and 11.5 percent. Arkansas had lost \$255,000 in sales tax due to its bill legalizing specie. The state of Tennessee lost \$117,000 and Maine had lost \$27,000 in sales taxes. He believed the benefit of the bill outweighed the losses.

Co-Chair Foster asked why stores could not continue to charge sales tax and keep track, similar to regular currency. Representative McCabe answered that if a person used specie to buy something, the sales tax on the purchase would still apply. However, there would be no sales tax on the transaction when exchanging a gold specie for money. The one exception would be on collectible coins or dollars, which were taxed when purchased.

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Representative Tomaszewski asked what the value of 1 troy ounce would be. Representative McCabe stated the biggest coin he had seen was valued at \$50 and weighed one-fiftieth of a troy ounce.

Co-Chair Foster moved to the fiscal note discussion.

PAM LEARY, DIRECTOR, TREASURY DIVISION, DEPARTMENT OF REVENUE (via teleconference), relayed that the department did not have a fiscal note. She did not have additional comments on the bill.

Representative Galvin referenced Representative McCabe's statement that another department might study other forms of tender instead of the House Finance Committee. She assumed the Department of Revenue (DOR) was not part of the bill, but if that were the case, she asked if it would take some resources to carry out the study. Representative McCabe answered that they had decided a better entity to address the issue was the Legislative Budget and Audit Committee. Representative Galvin asked for verification LB&A would implement the bill and determine the costs. Representative McCabe answered in the affirmative.

Representative Hannan asked how the department felt about the bill.

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Ms. Leary answered that the department was neutral on the current version of the bill. She had testified in a previous committee [House State Affairs Committee] on Section 5 that authorized a study that included the state accepting payment in gold or another legal tender. She informed the committee that the state did not have any expertise in precious metal within the treasury. She discovered that there were not many if any states accepting specie as a payment for taxes. She indicated that if the state accepted gold, it would be difficult to value the gold and the state would bear the risk of the valuation. She understood that there were ways of establishing usage outside of the treasury, but it was not something the department could currently handle.

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ROBERT PEARSON, STATE/FEDERAL PROGRAMS MANAGER, DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS (via teleconference), spoke to the Department of Commerce, Community and Economic Development's zero fiscal note FN2 (CED). The bill would not impact the Department of Commerce, Community and Economic Development's (DCCED) operations.

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Co-Chair Foster OPENED public testimony.

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GEORGE HIGHTOWER, SELF, WASILLA (via teleconference), spoke in support of the bill. He shared that he was 66 years old and recalled when people carried gold and silver coins in everyone's pockets. He referenced Article 1 and Article 2 of the United States (US) Constitution naming gold and silver as legal tender in the payment of debt. He recalled as a child in the early 60s paying for goods and receiving change in silver quarters and dimes and half dollars coined by the US Mint. He offered that today the same quarter coined by the U.S. Mint would purchase more than one gallon of gas today because the silver quarter would now be worth \$5.00. He believed that proved the stability of using of silver and gold as the foundation of the monetary system. He thought that it spoke to the question of taxation and inflation. The value of silver and gold had kept up and surpassed inflation over time. He spoke to the effects of inflation on the dollar. He believed that money was lost

through inflation by not utilizing gold and silver as money. He believed that the bill was "reestablishing" something that was already proven to be a "sound" system. He added that other nations were also moving back to accepting gold and silver as money.

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Co-Chair Foster CLOSED public testimony.

Representative Hannan stated that the Alaska Municipal League had answered some questions that were included in the bill packet (copy on file). She asked about capital gains taxes and noted that AML stated specie was still subject to capital gains taxes. She asked for the sponsor's thoughts on the topic. She asked about the problem the sponsor was aiming to solve through the bill. Representative McCabe responded in the affirmative and stated that specie was still subject to capital gains tax, and it was a federal requirement. He shared that a constituent brought the idea of the bill to him who wanted to store gold specie instead of saving cash. He discovered that it was possible to pay taxes in Texas with gold. Representative Hannan stated it was her understanding that four states had gold specie: Utah, Nevada, Wyoming, and New Hampshire. She wondered why Alaska needed its own specie if others existed. Representative McCabe answered that the state did not need to produce its own specie since other state's specie would be valid. He thought it would be amazing if Alaska produced its own with images of Denali and other Alaskan symbols. He added that specie could be currently purchased but it could not be used in cities that had sales tax unless tax was paid on the specie.

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Representative Stapp thanked the sponsor for bringing the bill forward. He favored the state to producing its own specie.

Co-Chair Foster asked the Department of Administration to review its fiscal note.

HANS ZIGMEND, DIRECTOR, DIVISION OF FINANCE, DEPARTMENT OF ADMINISTRATION (via teleconference), reviewed the department's zero fiscal note. He voiced that there would be minimal impact on the Division of Finance and the State

of Alaska's accounting system, which could be absorbed with existing resources.

Co-Chair Foster set an amendment deadline of Friday, May 5 at 5:00 p.m.

Representative McCabe appreciated the committee hearing the bill.

HB 3 was HEARD and HELD in committee for further consideration.

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RECONVENED

#hb83

HOUSE BILL NO. 83

"An Act reestablishing the Citizens' Advisory Commission on Federal Management Areas in Alaska; and providing for an effective date."

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RYAN MCKEE, STAFF, REPRESENTATIVE GEORGE RAUSCHER, provided a brief recap of the bill. He read excerpts from the sponsor statement:

The Citizens' Advisory Commission on Federal Areas (CACFA) was first established in 1981, shortly after Congress passed the Alaska National Interest Lands Conservation Act (ANILCA)—comprehensive legislation governing all federal public lands in the state. Under the balanced compromise Congress crafted in ANILCA, 104+ million acres (on top of the ~100 million acres already set aside) were set-aside in permanent federal ownership as conservation system units (e.g., parks, preserves, wildlife refuges, wilderness areas) while at the same time enabling Alaskan's to maintain their traditions, accommodate the social and economic needs of the state, provide a range of land-use and land access rights, safeguard opportunities for responsible resource development, and facilitate continued improvements in

transportation and utility infrastructure. The provisions of ANILCA plus those of the Alaska Statehood Act and the Alaska Native Claims Settlement Act (ANCSA) mean that most Alaskans are regulated under a unique and extremely complex regulatory web. For the decades that CACFA operated, it was an independent and impartial source of information and center for advocacy on Statehood, ANCSA, and ANILCA issues that impact all Alaskans. CACFA helps Alaskans navigate complex regulations and works with federal agencies to ensure Congressional intent is implemented with respect to Alaska's interests. Among many things, the Commission holds hearings to collect public comment on decisions that affect them; disseminates information about historical and new regulations to the public, the Executive branch, and the Legislature; monitors the Federal Register and regularly submits written comment in response to actions that affect Alaska; and helps Alaskans navigate federal permitting processes. While the State's ANILCA program and CACFA both monitor federal actions, CACFA is the only entity that represents the views of Alaskan citizens concerning federal land management plans within the state.

The last state audit conducted in 2020 concluded that "there is a continuing public need for the commission."

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Co-Chair Foster asked to hear from the legislative auditor.

KRIS CURTIS, LEGISLATIVE AUDITOR, ALASKA DIVISION OF LEGISLATIVE AUDIT, reviewed the findings of the legislative audit [A Sunset Review of the Department of Natural Resources, Citizens' Advisory Commission on Federal Areas (CACFA) April 8, 2020, Audit Control Number 10-20121-20] (copy on file) conducted in 2020. She relayed that the commission operated effectively and did not significantly duplicate the efforts of other state entities. The audit also concluded that there is a continuing public need for the commission. The audit had recommended the legislature extend the commission's termination date eight years. No recommendations had been made for improvements and the audit found that the commission and its staff were highly productive and impactful. She pointed to page 21 of the

audit that contained the commissioner of the Department of Natural Resources (DNR) response in full support of the eight year extension.

Representative Hannan related that CACFA was last housed in DNR in the Division of Mining Land and Water and had two positions: a natural resource manager and a natural resource specialist. The new DNR fiscal note housed CACFA in the department's Office of Project Management and Permitting (OPMP). She asked whether the prior two positions were able to address public issues. Ms. Curtis responded that the structure that had been in place was extremely effective.

Co-Chair Foster asked for a review of the fiscal notes.

CORI MILLS, DEPUTY ATTORNEY GENERAL, DEPARTMENT OF LAW (via teleconference), reviewed the department's new fiscal impact fiscal note that included one position. She explained that in the past, a full time attorney position had been dedicated to supporting the commission due to the additional workload it generated for the department. Currently, it was determined that an additional position would be warranted again due to the department's high workloads. The position would be funded through the Department of Law (DOL) as it was previously.

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Representative Josephson asked whether reinstating CACFA was redundant of things like statehood defense efforts promoted by the administration and the PAD Unit under DNR. Ms. Mills deferred to DNR to answer from a policy perspective and to the sponsor for comment. She shared that looking back historically at the work DOL accomplished for CACFA, it consisted of research and legal review DNR was not providing. Representative Josephson stated that the sponsor referred to "the diversity of users and uses of federal land." He asked whether Ms. Mills had any recollection of non-consumptive users being represented by CACFA. Ms. Mills answered that her knowledge on the issue was not that specific. She deferred to DNR. Representative Josephson asked when DOL had been involved, he assumed it was when the state was in an adversarial role to federal policy. He asked if CACFA had ever asked the federal government for more regulations. Ms. Mills answered that she did not recall comments being submitted or issues

related to more regulation. She remembered that the issues revolved around tracking federal regulations and "asserting when the interest of Alaskans came into play."

Representative Tomaszewski asked what happened to the attorney that previously worked on the commission's issues. Ms. Mills answered that the department had experienced budget cuts over several years, therefore it was a matter of attrition over time. She did not see any capacity within the existing Natural Resources section that could absorb the extra work. The budget cuts and attrition left the section unable to take the extra workload on with existing positions. Representative Tomaszewski surmised that the position was defunded.

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Co-Chair Foster asked DNR to review its fiscal note.

ASHLEE ADOKO, OFFICE OF PROJECT MANAGEMENT AND PERMITS, DEPARTMENT OF NATURAL RESOURCES (via teleconference), explained the new DNR fiscal impact fiscal note. She relayed that the fiscal not included one position that would be necessary to carry out the needs of the program. The source of the funds was Undesignated General Funds (UGF). In addition, some funding was necessary for travel, services, and supplies. Representative Tomaszewski recounted that the commission had sunset in 2021 and asked what happened to the prior position. Ms. Adoko responded that there had been a prior position in DNR according to the audit report. She was uncertain what happened to the employee in the position, but it did not exist any longer.

Co-Chair Foster asked if the position was an executive director position. Ms. Adoko answered in the affirmative. Co-Chair Foster noted that the position was very specialized and required the candidate know a lot about the history of ANILCA and other very technical information. He deduced that there were not a lot of candidates with the specific type of knowledge required. He asked if there would be problems trying to fill the position. Ms. Adoko confirmed it was a highly specialized area. The department would reach out to known experts and work closely to build up the knowledge.

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Representative Hannan reiterated that when the commission was operating, CACFA was last housed in DNR in the Division of Mining Land and Water and utilized two positions: a natural resource manager and a natural resource specialist. She observed that the new fiscal note relocated the commission to OPMP with one employee designated as a Large Project Coordinator. The prior positions were described as specialists in federal permitting of large complex development projects. She asked why DNR was choosing to restructure and place the position under OPMP with a large project coordinator. Ms. Adoko replied that she would need to verify and follow-up. She understood that the position had been formerly under OPMP, and the department currently had a number of staff with the large project coordinator title. She added that they served various functions including coordinating the state's review and comments on federal actions and regulations. The role varied in terms of duties. She would provide follow-up information. Representative Hannan was supportive of the need, but the description from statute and concerned citizens suggested that the position warranted different support duties other than those carried out by a large project manager. She deduced that a specialist that dealt with a variety of agencies on a regular basis was needed. She observed that the statute was not changing. She wanted to ensure that DNR was not missing the mark.

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Ms. Adoko stated her understanding that it had been housed under OPMP. She reiterated that large project coordinators served varying roles and any federal action that needed to be coordinated required a number of individuals with different areas of expertise. She indicated that other staff along with the large project coordinator were involved in the process.

Co-Chair Edgmon recalled that the commission was reinstated in 2007 and sunset in 2015 or 2016. The fiscal note in 2015 or 2016 was around \$180,000 and there had not been an additional position under the Department of Law. He noted that the DNR position was housed differently. He wondered if the mission of the commission had changed.

Ms. Mills explained that the department had looked back at the work that had been previously done for the commission. She was unsure of the specific years. She was not

anticipating more work than what had occurred under the commission in the past, but it was an addition to the current workload. She reiterated that DOL previously had an attorney dedicated to the commission. She recalled three attorneys helping with the commission at one point. The fiscal note was based on recent experience.

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Co-Chair Edgmon was confident of his memory that the most recent iteration of the commission did not have a DOL attorney. He would do the research on his own.

Co-Chair Foster commented that he had the same recollection.

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Co-Chair Foster OPENED public testimony.

CHARLIE LEAN, LAST ACTING CHAIR, CITIZENS ADVISORY COUNCIL, NOME (via teleconference), shared that he was the last acting chair of CACFA. The commission had been a 12 person board with six members appointed by the governor, three members appointed by the Speaker of the House and three members appointed by the President of the Senate. He indicated that the prior executive director would help Alaskan citizens with permitting issues with the federal government. The commissioners would review and comment on materials regarding projects and issues from various federal agencies submitted as land claims. The commissioners would hear public comments on primarily federal and some state land policies. The commissioners had a varying mix of expertise and would review the director's work. He recalled that DOL had a part time lawyer devoted to the commission. He found the position very helpful, and the person was different from year to year. The attorney had conducted work on land use issues at the commission's request. He related that the commission worked on several major projects in consultation with experts in the field.

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[Secretary Note: Some of Mr. Lean's final comments were garbled and inaudible.]

Mr. Lean stated that he had bandwidth problems in Nome. He informed the committee that there was an electronic library of all the 20 years' worth of work by the commission. He felt that the commission provided a lasting service to the state.

Co-Chair Foster liked the ability to have the commission work on issues where the public may want to use old historic trails that may not be able to be used today when going into a national park in regard to public land. One concern that he shared was about the commission working on public access to private land: tribal land or native corporation land. He asked if there had been any efforts by the commission to work on access or force access by the public on private lands. Mr. Lean answered that in the commission's view they worked on access to public lands that sometimes accessed across private lands. He recalled particular issues regarding the Iditarod Trail in the Susitna area, forest service land in Southeast crossing corporation land denying public access. He recounted issues concerning RS 2477 routes that were transferred at statehood but retracted by the Park Service, navigable waters, and many other issues. He noted that trails and access routes often crossed multiple land users and a balance had to be struck.

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LOUIS CUSACK, EXECUTIVE DIRECTOR, SAFARI CLUB INTERNATIONAL (SCI) ALASKA CHAPTER, ALASKA, CHUGACH (via teleconference), supported the legislation. He stated that it was a key legislative priority for SCI. The commission had protected peoples' traditional use on federal public land. He offered that when a federal agency told hunters they could not access federal land CACFA helped them understand the closure or could file an appeal and inform the Alaska congressional delegation. He exemplified that ANILCA allowed residents to make a living trapping using new or existing cabins, but for over 20 years it was prohibited. When CACFA was informed of the situation, the executive director elevated the issue to the congressional delegation and trappers were permitted to use cabins again. He reported that after CACFA was disbanded, the agency created many hurtles and no cabin permits were issued for a decade. In addition, several years ago a federal agency began restricting access to areas without any basis and federal land managers were requiring permits for a fee,

disregarding the regulatory process authorized under ANILCA. He believed that without CACFA the federal agencies were expanding their authority to restrict use in other areas. He asked for support of the bill and the reinstatement of CACFA.

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RICHARD BISHOP, SELF, FAIRBANKS (via teleconference), shared information about his work background related to ANILCA. He strongly supported HB 83. He reported that he had followed CACFA's work and testified on issues before the commission. He believed that the commission was "diligent."

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BENJAMIN MALLOTT, VICE PRESIDENT, ALASKA FEDERATION OF NATIVES (AFN), ANCHORAGE (via teleconference), spoke in opposition to the bill. He reviewed information about AFN. He shared that AFN was governed by a 38-member board of directors who serve as tribal, corporate, and regional non-profit leaders in Alaska. AFN membership included 209 federally recognized tribes, 185 village corporations, 9 regional corporations, and 12 regional nonprofit and tribal consortiums that contract and compact to run federal and state programs. He communicated that after researching HB 83 and past efforts of the commission, AFN decided to oppose the legislation because many of their prior positions were in opposition to AFN priorities. One example was CACFA's support of the State of Alaska to assert title to RS 2477 right-of-ways (ROW) throughout the state, including Alaska Native Corporation (ANC) lands. The federation passed an AFN Resolution 22-14 opposing additional right-of-ways taken by the state for RS 2477, which CACFA had supported. In addition, CACFA had supported other positions that were antithetical to supporting the property rights of Alaska Native people.

Co-Chair Foster shared AFN's concerns regarding creating access over tribal land. He cited old historical native trails or RS 2477s that CACFA was charged to open up access to that were deeded over to the Alaska Native Corporations, which became private lands. He would not want public access through the back yard of his house, and he would share the same concern if it was tribal or Native corporation land. He asked if an amendment changed the bill and stated that

the commission would not pursue public access over private land whether it changed AFN's position.

Mr. Mallott responded that he could not answer the question at the time. He mentioned that the organization sent a letter regarding the bill (copy on file) and recommended the governor and legislature convene a meeting of the major stakeholders to discuss the history and experiences we have had with the act and formulate priorities for further action and dialogue. He indicated that the previous membership of CACFA lacked a strong advocate for native communities. He offered to bring an amendment back to the federation for consideration. Co-Chair Foster informed Mr. Mallott that he would set an amendment deadline and would reach out to him regarding drafting an amendment that would be "more workable" for AFN.

Co-Chair Foster CLOSED public testimony.

Co-Chair Edgmon stated the commission was comprised of 12 members: 6 appointed by the governor, 6 appointed by the Speaker of the House, and 6 appointed by the President of the Senate. He noted the \$10,000 increment for travel in the DNR fiscal note. He wondered whether the meetings would take place via Zoom or some other virtual means. He deduced that \$10,000 was for the executive director to travel around the state. He thought it seemed an insignificant amount regarding the cost of travel especially in bush Alaska. He asked for comment from the sponsor.

Mr. McKee deferred to the maker of the fiscal note. He would follow up with additional information.

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Ms. Adoko agreed with Co-Chair Edgmon's deductions and shared that the travel cost was anticipated to support the executive director. The hope was that the commission could do most things virtually. She had done her best to approximate travel costs. Co-Chair Edgmon stated that he was no student of ANILCA or ANCSA and believed that an individual had to be immersed in it to understand it. He thought it seemed that it necessitated a more active board other than meeting virtually. He commented that there was a lot going on with the RS 2477 issue, etc. He emphasized that if CACFA was going to be reconstituted it should be done sufficiently. He compared the cost of an additional

DOL attorney versus the amount for travel for the commission. He felt that they should be more "empowered". In addition, he disclosed that the number of individuals that understood ANILCA were dwindling and there might be only a handful remaining. He stressed the complexity of ANILCA. He suggested DNR consider increasing the fiscal note amount.

Representative Hannan found the 2007 fiscal note for CACFA that included a travel budget of \$30,000 for 12 commission members for one annual meeting in Fairbanks, Anchorage, and in Juneau to ensure people across the state had an opportunity to interact with the board. She could not imagine that travel was cheaper today. She ascertained that the current fiscal note would not reconstitute the board to include community outreach and engagement that helped with the success of the program.

Representative Josephson asked Representative Hannan if the fiscal note had referred to the position in DOL. Representative Hannan replied in the negative and added that she only had the DNR fiscal note. She was looking specifically at commission prior staffing.

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Co-Chair Foster referred to AFN's letter from Julie Kitka, President of AFN. He noted that it requested two things, he read the following:

- 1) Suggest the Governor convene the major stakeholders to discuss the history and experiences we have had with the act and formulate priorities for further action and dialogue, and
- 2) request the Alaska Congressional Delegation to reauthorize the Alaska Land Use Council and obtain an appropriation for expert staffing.

Co-Chair Foster voiced that he was very sensitive to the issues around granting access to private land. However, he was supportive of the public having access to public land. He mentioned the Bering Strait Landbridge National Park. He would love to see individuals be able to visit Serpentine without having to fly in.

Co-Chair Foster set an amendment deadline of Friday, May 5 at 5:00 p.m.

HB 83 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

3:19:32 PM

The meeting was adjourned at 3:19 p.m.