

NFIB

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ALASKA

January 31, 2018

House Finance Committee
State Capitol Building
Juneau, Alaska 99801-1182

RE: House Bill 142

Dear Members of the House Finance Committee:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our opposition to House Bill 142. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

House Bill 142 would increase the unemployment benefit and, consequently, the tax on small Alaskan businesses. It further provides future increases would be moved outside the legislative process.

As you are aware, Alaska is in a recession that is slowing businesses in Alaska, making it more difficult to remain in business, let alone, expand business. Thus it is not a time to add additional taxes to struggling businesses. In the past, there has been restructuring of the program to minimize the potential increase in the tax rate. There are no such changes included in this proposal.

We strongly oppose the Section 2 as it cedes any future increases to a regulatory formula rather than being considered by the legislature. Allowing programs to grow without legislative review is poor public policy. Further, it prevents a discussion of the wisdom of the status of the economy and how it is affected by such changes.

Sincerely yours,



Dennis L. DeWitt
Alaska State Director

Cc: NFIB/AK Leadership Council