

April 11, 2013

Senator Mike Dunleavy
Alaska State Capitol, Room 510
Juneau, Alaska 99801

Dear Senator Dunleavy:

I am writing to you as a follow-up to our letter from April 9th, 2013 regarding SB 90. Mike Barnhill from the State Department of Administration called us to explain that the \$100 million dollars noted in the bill is not a cap on total expenditures for the bill, but the money required by the SOA to pay claims at from the start of the program. We apologize for any confusion that our erroneous interpretation of this clause may have caused and ask that this single bullet point from our original letter be removed from consideration.

We applaud the DOA for taking the time to call us and Mike in particular for his time in providing us with the opportunity for a very thoughtful discussion. We value our role in helping Alaskans make better decisions and as unbiased analysts and we do not enjoy when we misinterpret complex items.

Paradoxically, we find it interesting that our own confusion about this single point may underscore our real argument that this bill provides intriguing possibilities but requires more time for fruitful discussions to produce a superior product.

Thank you again for your time in considering this letter and our comments. Good luck with the remaining days of the session.

Sincerely,



Jonathan King
Principal and Senior Economist

CC: Patrick Burden, President, Northern Economics, Inc.
Marcus Hartley, Vice-President, Northern Economics, Inc.