

## Daniel George

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**From:** Aaron Miller <asmadmiller@gmail.com>  
**Sent:** Thursday, February 04, 2016 8:46 PM  
**To:** Senate State Affairs  
**Subject:** SB128

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

To; Senate State affairs Committee

From; A. D. Miller  
50868 Maranatha Ln.  
Kenai, Ak. 99611

I would like to be counted as opposing the governors proposal in SB -128. I don't trust the governor. His proposal is unnecessarily complicated. The committee needs to take the lead on this and come up with an alternative that is straight forward and easy to understand. It is a trick by slick attorneys to confuse the issues. You politicians over spent for years knowing this was going to happen.

Before anything is done with the earnings from the PF you need to cut out all the give-a-ways for the last 8 years to the special interest groups you did not say no to! Cut the state employees back, the middle management, not the snow plow drivers. Cut out all the legislative aids hired for the last 8 years. You need to cap the spending budget.

Your trying to make every Alaskan pay for your overspending by giving part of their dividend. Jay Hammond knew politicians would one day try to raid the PF, and that is what the governor is trying to do. There is a way to use part of the earnings from the PF without depleting the dividend. You also need to cap the amount of the earnings from the PF that can be taken each year for state government.

I am a small business owner and I know how to balance a budget. You politicians are horrible at running the business of this great state. You need to do what you were elected to do, and that was to spend our money wisely.

Respectfully Submitted

A. D. Miller

## Daniel George

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**From:** andree <andree@andree.us>  
**Sent:** Thursday, February 04, 2016 9:02 PM  
**To:** Sen. Bill Stoltze; Sen. Bill Wielechowski; Sen. John Coghill; Sen. Charlie Huggins  
**Cc:** Sen. Berta Gardner  
**Subject:** Andree McLeod SB 128 public testimony

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

**Categories:** Bill in Committee

Thank you for the opportunity to speak to SB 128. Please shelve this bill and stop this raid of the permanent fund because and it is rife with conflicts of interests and goes against any modicum of transparency.

This bill was crafted and hatched by the governor and who knows who else behind closed doors in secret meetings last year with a select few members of the public....while the media and other Alaskans were refused entry.

Some of these chosen people brought a whole host of conflicts of interests ...but we can't assess them because of the secret nature of these meetings.

This sort of government is undemocratic.

For instance, last week, we caught a glimpse of the secret nature of this undemocratic bill process and the people involved. Invoices of one of the governor's lobbyist, Art Hackney showed meetings between the governor, and his staff, including the Lt. gov and AG, working in concert with GCI's owner and officials, a union head, some lobbyists, the Blackrock group, a financial expert working whose CV omits some of his experience, the publisher and owner of the state's largest newspaper who has a significant conflict of interest with one of the Permanent Fund's investment managers, and many others who were not elected.

Talking points and a Leg List were created by the governor's staff and shared with these people through the governor's agent. A Plan was developed and given to Hackney by the governor's communications director and shared with these lobbyists and others. As an aside, I've put in a request for these documents since they have been taken out of the chain of custody. With my senator's assistance, they will be released and shared with the rest of the public.

We do not these unelected people dickering with the permanent fund and the method our resource revenues and dividends are distributed and calculated.

Please, do not let the governor and his shadow government raid our permanent fund for their covert purposes to continue funding a bloated and wrong-sized government in such a disproportionate and disparate manner.

Thank you for the opportunity to give my 2 cents on this bill, continue your good work and for pete's sake, no more \$400 hotel rooms for staffers who can well afford to pay for them on their own.

# KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai\_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

## WRITTEN TESTIMONY

NAME:

L.R. Baback

Registered Voter  
Kenai AK 99611

REPRESENTING:

Self

BILL # or SUBJECT:

SB 128

COMMITTEE:

SSTA

DATE: 2/4/16

I oppose SB 128. Personally I work a part-time job and in my off time I care for a loved one THAT IS ON a fixed income. We both depend upon the PFD to catch up on our accrued bills.

We have both cut our life style, our quality of life, and even the quality of the food we eat. We can't afford suits & ties, we can't afford to fly back and forth between Juneau & Anchorage, we can not afford to even put siding & gutters on our 30 yrs dwelling nor remodel even the water damaged bathroom; unlike The multi-million dollar renovation of The Anchorage LIO building and the 1/4 million dollar a month rent.

We have limited our life style, please limit "OUR" government spending. We have to balance our budget, government will live with-in their budget.

Please consider our needs.

L.R. Baback

Po box 1076

Kenai AK 99611

## Daniel George

**From:** Will Manuel <wmmanuel@hotmail.com>  
**Sent:** Thursday, February 04, 2016 9:24 PM  
**To:** Sen. Bill Stoltze; Sen. John Coghill; Sen. Charlie Huggins; Sen. Lesil McGuire; Sen. Bill Wielechowski  
**Subject:** FW: S.B. 128

### Budget Comparisons FY 2006 - FY2016 ( UGF )

Department	FY 2006 millions	FY 2006 w 20% increase (inflation) millions	FY 2016 millions	Increase % above inflation
Administration	49,259.60	59,111.52	78,410.20	33%
Commerce	8,091.20	9,709.44	27,707.30	185%
Corrections	155,704.70	186,845.64	281,178.00	50%
Education & Early Dev	830,516.10	996,619.32	1,302,321.90	31%
Environment	12,934.80	15,521.76	20,468.50	32%
Fish & Game	28,571.70	34,286.04	66,443.30	94%
Governor	19,075.00	22,890.00	23,538.90	3%
Health & Human Services	530,551.40	636,661.68	1,171,114.00	84%
Labor	13,850.60	16,620.72	26,249.60	58%
Law	31,481.10	37,777.32	53,973.30	43%
Military	9,175.80	11,010.96	17,600.50	60%
Natural resources	53,604.60	64,325.52	71,464.30	11%
Public Safety	84,988.60	101,986.32	163,274.30	60%
Revenue	12,099.20	14,519.04	29,515.20	103%
Transportation	98,905.20	118,686.24	247,963.90	109%
University	228,333.20	273,999.84	355,787.00	30%
Alaska Courts	58,817.20	70,580.64	110,402.90	56%
Legislature	41,344.00	49,612.80	73,397.90	48%

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**From:** Will Manuel <wmmanuel@hotmail.com>  
**Sent:** Thursday, February 4, 2016 9:19 PM  
**To:** Senator.Bill.Stoltze@akleg.gov; Senator.John.Coghill@akleg.gov; Senator.Charlie.Huggins@akleg.gov; Senator.Lesil.McGuire@akleg.gov; Senator.Bill.Wielechowski@akleg.gov  
**Subject:** S.B. 128

To the members of the Alaska Senate State Affairs Committee:

Please include my following statements, and those pertaining to subject matter I've made in previous correspondence, in the public hearing on Governor Bill Walker's proposed legislation SB 128: "An Act relating to the Alaska permanent fund; relating to appropriations to the dividend fund; relating to income of the Alaska permanent fund; relating to the earnings reserve account; relating to the Alaska permanent fund dividend; making conforming amendments; and providing for an effective date."

Being born in 1988 I did not witness the origin of the Permanent Fund and the Dividend (PFD) distribution program from the workings of Gov. Jay Hammond, and legislators Oral Freeman, Hugh Malone, Clark Gruening, and Clem Tillion. I have, however, spent a great deal of time in formal and informal study of these programs. The Permanent Fund is essentially a savings account to be eventually used as a renewable resource for Alaska when the revenue sources (royalties, not taxes, from the development companies) for the Fund are minimized. The corresponding Dividend program is a trade-off to recipients in lieu of our inability to rightfully own and develop our sub-surface mineral rights as a result of the Statehood Act and our State's Constitution's Article 8.

As is obvious, I write to you today in complete opposition to S.B. 128

I have seen the exponential growth of state government since 2006. In fact, I've submitted to the Governor and all members of the legislature an info graphic depicting how bloated the budget has become in previous correspondence (I will include with this email). Instead of using fiscal responsibility previous administrations and legislatures have chosen to spend the excess revenues from high oil prices and high production taxes, and continue state government over-spending like the federal government has been doing for decades. Now Governor Walker and some in the legislature want to fleece the average citizen, like me, who use the PFD checks to pay our bills or make small investments, while we have to live within our means. It's time that the state government also live within its means and stop trying to gouge the citizens of Alaska. We need to restore the scope of state government back to its essential core Constitutional functions and mission, and a good example of that would be to stop offering benefits beyond the minimal required federal Medicaid programs.

After studying the United For Liberty (UFL) state budget analysis and plan I would recommend adopting their approach of a sustainable budget of about \$3.8 billion by using the excess earnings of the Earnings Reserve of the Permanent Fund after inflation proofing and dividend distribution. The ISER Plan, with a \$4.5 billion plan would be a secondary consideration. The Sovereign Wealth Plan (SWP) which involves (along with added and increased taxes to the average citizen) sweeping the Constitutional Budget Reserve and adding it to the Earnings Reserve, and capping the PFD to use the excess to "fast track" growth of the Earnings Reserve only serves to grow government further. This plan of the Governor's not only goes against the intent of the Permanent Fund and PFD, but it puts a thumb on the citizens of Alaska.

Let's look at the facts, the numbers, and the long term. There are not enough people in Alaska to tax through income, sales/consumption, sin, or fuel taxes to make up for the continuing budget deficits. Frankly, with the additional taxes that have been proposed, I fear the administration will want to tax the rain/snowfall on private property in the manner of Governor O'Malley in Maryland next. The most logical plan is to keep cutting the costs of state government until we reach a truly self-sustainable level. Again, the UFL and ISER plans adhere to this idea, whereas the SWP is nothing more than continued "tax and spend" policy. We also have to open up our lands to more private ownership and development so that people can be financially independent without government intervention for the long term. SB 128 makes no sense fiscally.

Let's look at this from a political perspective. To the Democrats who have prided themselves on traditionally helping the poor and the fixed income seniors, SB 128 would not do this, but increase the financial load of them. To the Republicans who have prided themselves on limiting government or helping small businesses, SB 128

would not limit state government, but would allow government to continue to grow beyond its Constitutional essential core functions and missions and would restrict potential markets for small Alaskan businesses. SB 128 makes no sense politically.

In conclusion, please vote NO on SB 128. Please continue to cut state spending. Put state government on a sustainable level by living within its means, just like people and families have to do. The Permanent Fund Dividend program belongs to the people of Alaska.

Thank you for your time and consideration.

William M. Manuel, MICP, NR-P

1513 Pine Ave

Kenai, AK 99611

wmmanuel@hotmail.com

## Daniel George

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**From:** Elizabeth Hess <emathis456@gmail.com>  
**Sent:** Saturday, February 06, 2016 11:53 AM  
**To:** Sen. Bill Stoltze; Sen. John Coghill; Sen. Charlie Huggins; Sen. Lesil McGuire; Sen. Bill Wielechowski  
**Subject:** Support for Senate Bill 128

Dear Senate State Affairs Committee members,

I would like to express my support for Senate Bill 128. Restructuring the Permanent Fund and capping Permanent Fund Dividends would go a long way toward helping the state close its budget gap. Although there are probably still more areas in which state government could be cut, what Alaska needs the most now are new revenue sources.

Although it would take awhile for Alaskan citizens to adjust to a capped PFD, this change would greatly benefit the state and its residents in the long run. I strongly urge you to support this bill.

Sincerely,

Betsy Hess  
2310 Maria St., Cabin A  
Fairbanks, AK 99709

## Daniel George

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**From:** Carol Curtis <curtismom06@gmail.com>  
**Sent:** Friday, February 05, 2016 1:41 PM  
**To:** Senate State Affairs  
**Subject:** PFD

I think that you need to cut budgets elsewhere!! The permanent fund is not to be used for government but the citizens of this state! Maybe you all should take a cut in pay and benefits, you need to see the waste from our view point. You people need to curb your spending, you are out of control and need to cut back on your life styles!!



## Daniel George

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**From:** Carol Haugstad <afarmer@mtaonline.net>  
**Sent:** Friday, February 05, 2016 11:25 AM  
**To:** Senate State Affairs  
**Subject:** NO to permanent fund raid

Don't' even think of raiding the permanent fund or income tax until you cut a whole lot out of the budget and DON'T reinstate what is cut!!!

You must listen to Lora Reinbolt, she has more sense in her back pocket than any of the rest of you. Bill Stolts is another one with common sense.

## Daniel George

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**From:** C Isg <snowlilly55@yahoo.com>  
**Sent:** Thursday, February 04, 2016 6:50 PM  
**To:** Senate State Affairs  
**Subject:** Permanent Fund Protection Act

To Whom It May Concern:

IF YOU TAKE MY DIVIDEND YOU WILL BE PUTTING ME IN THE STREETS BECAUSE I WILL LOSE MY HOME !!!!!!!!!!!!!!!!!!!!!!!!!!!!!

I do not think or feel that taking monies from the dividend account is a fair or right thing to do. That monies was designated for the people and there are a lot of people who depend on it every year to survive. I personally would lose my home if it weren't for the money I get each year from the dividend. I use it to help pay the property taxes on my house as I am disabled and live on a fixed income and have no way to come up with extra money for extra bills. My house is paid in full and I have almost lost it several years in a row because of property taxes and there is no program out there to help people like me in this situation. I'm sixty years old and cannot work outside the home. The government gets billions of dollars every year to run their offices and take care of their business. If they are running out of money maybe they need to find ways to just cut back instead of taking more from the people who supplied it to them to begin with. When we have financial problems no one steps up to give us other people's money so that we will have more to spend. They could start cutting by changing how many letters a person gets from Social Services to tell them the exact same information over and over again. That's tons of papers, envelopes, stamps, ink, labor, etc.

Sincerely,  
Cheryl Isgrigg

## Daniel George

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**From:** Chris Cooper <wiskerchew@yahoo.com>  
**Sent:** Sunday, February 07, 2016 1:04 PM  
**To:** Sen. Bill Stoltze  
**Subject:** AKA Budget

Mr. Stoltze, I do not support the governors budget. There have NOT been enough cuts to it and it is not stainable in its present form. I do not support any taxes or looting of the permanent fund until this is done (with the exception of the CBR). Special interests (organized labor, GCI, ASRC, etc. are pushing this plan only because they are profiting from the high spend and want to keep it. Legislators will probably just rollover because of the campaign donations from them. We are watching and will respond with our votes.

Education should be cut because they are inefficient and not doing their jobs. AKA has the lowest graduation rate, wasted millions on state testing we're failing, and just a bad organization that demands a complete re-vamping. And why is there a phone in each classroom??? Just more \$\$\$ for GCI

You guys need to do a line by line detailed run thru and cut services and people like all private businesses are doing now. What makes government any different??? We the people will not allow any new taxes to us until this difficult but necessary process is followed accurately. And an income tax is NOT POSSIBLE as why do us working people have to support all the people being supported by the government??? Everyone should pay their fair share including tourists so SALES TAX is the only course once cuts are made.

You guys allowed this uncontrolled doubling of government so it's you job to get it back to sustainable levels. Not these token cuts Walker is pushing but deep hard cuts to allow it to survive.

I've contacted you a few times but not once ever received a response. I wonder if you re even listening...

Rgds,

Chris Cooper  
Wasilla  
(family of 5 voters)

## Daniel George

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**From:** Connie Moore <rwjmoore@aim.com>  
**Sent:** Thursday, February 04, 2016 7:52 PM  
**To:** Senate State Affairs  
**Subject:** SB 128

I support the efforts of the governor to pursue multiple avenues of income for creating a more sustainable state budget, including SB 128. Our family has resided in Alaska since February 1979. We have raised 3 children in Alaska. Our family of 5 have all received degrees from the University of Alaska, Fairbanks. We have 2 grandchildren residing in Fairbanks and they deserve a stabilized optimistic Alaska future.

Thank You,  
Connie Moore

## Daniel George

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**From:** Craig Douglas <craig6578@gmail.com>  
**Sent:** Thursday, February 04, 2016 7:48 PM  
**To:** Senate State Affairs  
**Subject:** Fwd: State Budget- State Sales Tax

Good Afternoon-

There needs to be heavy consideration for a state sales tax. If you review the Economic Impact of Alaska's Visitor Industry for 2013-2014 on DCCED's website (link below). Tourists \$1.8 billion in Alaska. A 4% sales tax is \$72,000,000 from tourism alone. We could then put back to developing our state for the better. Our residents would easily manage a 4% sales tax; true Alaskans want our state to move forward, we are tired of putting bandaged on our roads, schools, and businesses. We want to develop a future for our state.

The state spent over \$100 million on a new accounting system, IRIS, which is still not functioning properly and has caused major issues for getting vendors paid in a timely manner for state services. AKSAS and AKPAY may have been old systems for accounting and payroll management, but they worked for several years.

Many people are eager to fire state employees and cut services, because it is the easy cut, however stepping away from looking at balancing the budget, cutting state employment will lead to people leaving the state and loss of state economy. Cutting services cause cities and village to become dilapidated and again Alaskans will start leaving Alaska. I have lived through Alaska for 30 years. My family is the typical Alaskan gypsy and move where work is. My family has worked as state employees and private employees for Alaska.

The state is wanting to pay to move the village of Kivlana, we could give each resident of the village a million dollars and still not pay as much as we would to move the village. While it is not politically correct, we can move the people's and families out of the village, just as we did in King Island when the feds determined it was unsafe to stay on the island.

<https://www.commerce.alaska.gov/web/ded/DEV/TourismDevelopment/TourismResearch.aspx>

Have a nice one,  
Craig Douglas

## Daniel George

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**From:** Danny Slane <dslane3006@gmail.com>  
**Sent:** Thursday, February 04, 2016 11:10 PM  
**To:** Senate State Affairs  
**Subject:** Budget comments

Do not impose state income tax. This hurts the economy. Cut the state government, across the board. The Governor and his staff need to be working towards more reductions. The government is over staffed, cut salaries and positions. Get rid of duplicate services. Quit bowing down to the natives and subsidizing their lives. Make the Native Corporations pay more towards social services and fuel for villages. They can afford it from what I see.

Do not take from the PFD to pay for government. Reduce the size of government and leave the PFD alone!

Danny Slane  
370 Louise Lane  
Fairbanks, AK 99709

## Daniel George

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**From:** D Grace <graceinnenana@outlook.com>  
**Sent:** Sunday, February 07, 2016 3:56 PM  
**To:** Senate State Affairs  
**Subject:** Testimony on pfd garnishment

Garnishing the PFD directly effects the poor. Many of the people that I know need the perm fund just to keep them off of welfare. If they don't have perm fund they will either have to get on public assistance or they and their families will go hungry. I am completely against taking perm fund from the poor. I understand that state services need to be paid but you need to make necessary cuts, deep cuts.

I know that you want to take the pfd to pay for education but education costs are ridiculous. Here in Nenana the schools budget is over 8 million dollars and they only have 205 students this would give each student 39,000 to purchase their own private tutor, heck they could have a live in tutor for that much. Think outside the box when it come to education.

Tax the hell out of gambling, strip joints, smoking, pot, etc. it could be the sin tax. Put up a sales tax because that makes it voluntary to a certain degree. If we don't want to pay the tax then we don't buy it.

Don't touch perm fund and don't all of a sudden put an income tax on people of 25%. If you are going to institute a income tax you need to do it gradually so that people have a chance to budget and prepare. Take maybe 2% and then gradually raise it a few percent per year but cap it at 10% because not even God expects more than that. If it gets to difficult for people then they will move and then you will have less people to tax.

Cut back on big Government. All of you should take a pay cut first. Why not make every department head cut 5% of their expenses. You got to look to yourselves first before you make it harder on everyone else. If it gets too difficult then you will empty out the state. Try funding your government when half of the population moves away.

Thank you for your time,

*Darcia Grace*

*From Nenana, Alaska*

"At the end of life we will not be judged by how many diplomas we have received, how much money we have made, how many great things we have done. We will be judged by, "I was hungry, and you gave me something to eat, I was naked and you clothed me. I was homeless, and you took me in."

*Mother Teresa*





## Daniel George

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**From:** debra kirk <debrar@gci.net>  
**Sent:** Thursday, February 04, 2016 7:32 PM  
**To:** Senate State Affairs  
**Subject:** sb128

dear members of the senate state affairs committee:

i am another alaskan who has lived here forever, since the earthquake, i own property and grew up in mr stoltzs' district, having attended birchwood grade school, but now live full time in kodiak. i support the governors bill that would take a portion of the earnings of the PFD. a state income tax is also being considered so between the two there is buyin for all state residents, as well as non-residents who only work here, but still use our state services. i was here in 1984 and that was ugly, so please use a portion of our dividend to save us from a replay of those times.

-debra lathrop

## Daniel George

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**From:** Delice Calcote <aitc.dcalcote@gmail.com>  
**Sent:** Thursday, February 04, 2016 10:05 PM  
**To:** Senate State Affairs  
**Subject:** Please do not cut our PFD's.

The Permanent Fund Dividend has allowed me to help my 3 sons with their first vehicles.

I supported my ex husband thru his attendance at UAA for his Family Counseling Degree. He does not have a Student Loan to repay.

I've had dental work done with my PFD.

I was able to pay bills, celebrate Christmas and celebrate 2 birthdays in December with the assistance of the PFD.

I am thankful for what the original peoples of original title have received and do not want to see any PFD cuts.

Please do not harm and damage the peoples, the inhabitants, nor the residents of Alaska.

If there are cuts to the PFD program it should be cutting off the Military --- only those that enter from Alaska, those who plan to return to Alaska have been truthful in filling out the PFD applications. Those military that are based out of the other states are being paid for OVERSEAS DUTY and plan to return to their home states. NO, this program was not meant to be deviated to supplement the Federal governments obligations and duties to the service men and their families.

Dept of Revenue, Dept of Corrections, Dept of Health and Social Services need serious revamping and serious cuts.

I reserve and preserve all my rights.

Delice Calcote  
PO Box 248  
Sutton, Alaska

## Daniel George

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**From:** Don Fritz <halibut58@yahoo.com>  
**Sent:** Thursday, February 04, 2016 8:11 PM  
**To:** Senate State Affairs  
**Cc:** Sen. Peter Micciche; Sen. Charlie Huggins; Sen. Bill Stoltze; Sen. John Coghill; Sen. Lesil McGuire; Sen. Bill Wielechowski; Sen. Pete Kelly; Senator.Keven.Meyer@akleg.gov  
**Subject:** SB 128 testimony

Thank you for this opportunity to testify regarding SB128

I encourage you to both support and modify as appropriate Senate Bill 128, and to also seek additional cuts in government beyond those proposed by the Governor. If you can only identify 200 million dollars in additional cuts this year, I am fine with that. If you identify 1 billion dollars in additional savings I would be happy with that. If you identify more, you have my support. So far, you have identified nothing yet this session, even though many legislators pledged to be working on identifying additional cuts last spring. You have to start leading on this problem, not hiding behind the multitude of positions, many erroneous, held by your constituents.

I fault the legislature for the situation that we are currently in, including the debt and unfunded liability that we have amassed, and for the false belief that continues throughout the state that we can simply cut the budget to a point where we find our way out of this situation.

While Senator Kelly faults the reporters for failing to get the word out regarding cuts already made, I fault our legislature for failing to provide realistic feedback to their constituents regarding efforts undertaken so far, as well as for failing to communicate actions that we should take to escape this situation. While I accept that you cannot educate those unwilling to listen, many constituents are willing to accept facts once presented as such.

I am fearful when I hear the moronic suggestions of either enshrining the PFD in the constitution, or cashing it out among all current citizens and taking away this source of revenue meant to pay for government; both for our generation and for future generations. Unfortunately, some legislators seem to perpetuate this belief. I find this shameful.

The Permanent Fund belongs to the people of this State collectively, not individually. The revenue that it generates needs to be first used for the public good, not for individual entitlement or greed. My preference based on the entitlement mentality many demonstrate today would be to completely stop the issuance of PFD's and use the money for both the State Government that we need, and to further grow the fund, in hopes that a PFD could be paid to future generations that would appreciate the gift that it is rather than demand the welfare that many of us seem to view it as today.

Our legislature needs to face the fact that our collective failure to adequately save our money and to instead overspend over the last 3 decades has put us up against a wall, and you need to educate the public that the only realistic means of funding our government going forward is to utilize the earnings of the Permanent Fund. Our natural resource revenue has minimal ability to continue to pay for 90 percent of the government that we collectively demand. My belief is that the Permanent Fund was designed for this eventuality; unfortunately the PFD has clouded that position.

There is no solution to our situation without use of the Permanent Fund earnings. Dr. Scott Goldsmith and Director David Teal have provided you sage advice regarding the need to utilize the Permanent Fund. It is time for you to follow their advice and to lead your constituents into accepting the realities we face. You have an obligation to educate your constituents as well as represent them. Representing their position when you know that it is wrong is not leadership.

Thank you for your consideration of my comments!

Don Fritz

## Daniel George

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**From:** Milton Wiltse <mfwiltse@acsalaska.net>  
**Sent:** Thursday, February 04, 2016 7:49 PM  
**To:** Senate State Affairs  
**Subject:** senate bill 128

I have lived in Alaska for 42 years. I support Gov. Bill Walker's Perm Fund Endowment plan and Senate Bill 128.

Flora Wiltse

719 DePauw Dr.

Fairbanks, AK 99709



This email has been checked for viruses by Avast antivirus software.

[www.avast.com](http://www.avast.com)

## Daniel George

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**From:** Kathleen Logan <birchtre@alaska.net>  
**Sent:** Thursday, February 04, 2016 5:19 PM  
**To:** Senate State Affairs  
**Subject:** We support the governors plan to limit the permanent fund dividend.

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Sent from my iPad

## Daniel George

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**From:** Kendall Brehm <Ken@akforestproducts.com>  
**Sent:** Thursday, February 04, 2016 7:46 PM  
**To:** Senate State Affairs  
**Subject:** not change P.F.D

Hello. I have B.B.A with emphasis in Finance. There are many other ways to balance the budget and every state in this country but has no P.F.D. and they still get by. The Alaska state government and Alaska will still exist is no change to P.F.D is made.

-when poor families take a huge hit to income how will pay these families get by . expect government assistance needs to go up the number of people qualifying for Medicaid to increase.

-leave it alone and tax those that have income.

-if anything, action should be taken to keep government out of the P.F.D earnings.

-you will be voted out of office if this bill passes

many other reasons .....to many to list

Kendall Brehm

## Daniel George

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**From:** Libby Dalton <libby.dalton458@gmail.com>  
**Sent:** Thursday, February 04, 2016 10:51 PM  
**To:** Senate State Affairs  
**Subject:** Budget comments

In his election campaign Gov. Walker promised no income tax and reduction of 17 or 18% in state government. I vote no to income tax until he fulfills this promise. Originally I supported a cap on the permanent fund. But I've changed my position because the PFD is an important part of the economy. I've worked for the state for many years and I'm familiar with many state agencies. State government needs to be reduced and start doing more with less. I'm seeing big changes where I work, the Alaska Court System. Furlough days imposed, cut in employee work hours to 36 hours per week, hiring freeze and reduction of travel. This needs to happen in every branch of government, cut back and do more with less.

I wouldn't be so opposed to state income tax if I didn't get gouged so much by the IRS. My major expense is federal income tax, more than my mortgage, utilities and living expenses all put together. I don't mind paying my fair share but 28% of my income is too much. Especially to a bloated, inefficient, corrupt federal government.

No on taxes. Yes on cutting state government more!

Libby D Slane  
PO Box 70922  
Fairbanks, AK 99707

## Daniel George

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**From:** Ken,Darlene,Linda <lindab@ptialaska.net>  
**Sent:** Thursday, February 04, 2016 11:20 PM  
**To:** Senate State Affairs  
**Subject:** State budget & Permanent Fund

I think you need to keep looking for cuts, I would agree to take some permanent fund money's, But I'm afraid that if you start you will not stop and the fund will disappear and you will still want more. Then what?

I think it is time to start living within your means, just like the people of the State do, you cannot spend what you don't have.

City's are looking for money too!

They want to cap the property tax, plus add more. They also need to live within there means.

One suggestion is to add more taxes to liquor, tobacco, Marijuana, how about a toll to travel on the Glenn hwy & Seward hwy.

Cut all un-necessary spending, use video conferencing - leaving people in there local districts.

Add state sales tax, create a lottery

Sent from my iPad



## Daniel George

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**From:** Liz Chapman <akliz5@yahoo.com>  
**Sent:** Friday, February 05, 2016 11:19 AM  
**To:** Sen. Click Bishop; Rep. Mike Chenault; Rep. Matt Claman; Sen. John Coghill; Rep. Jim Colver; Sen. Mia Costello; Rep. Harriet Drummond; Sen. Mike Dunleavy; Rep. Bryce Edgmon; Sen. Dennis Egan; Sen. Johnny Ellis; Rep. Neal Foster; Rep. Les Gara; Sen. Berta Gardner; Rep. Lynn Gattis; Sen. Cathy Giessel; Rep. Max Gruenberg; Rep. David Guttenberg; Rep. Mike Hawker; Rep. Bob Herron; Sen. Lyman Hoffman; Sen. Charlie Huggins; Rep. Shelley Hughes; Rep. Craig Johnson; Rep. Andy Josephson; Rep. Scott Kawasaki; Rep. Wes Keller; Sen. Pete Kelly; Rep. Sam Kito; Rep. Jonathan Kreiss-Tomkins; Rep. Gabrielle LeDoux; Rep. Bob Lynn; Sen. Anna MacKinnon; Sen. Lesil McGuire; Sen. Kevin Meyer; Sen. Peter Micciche; Rep. Charisse Millett; Rep. Cathy Munoz; Rep. Benjamin Nageak; Rep. Mark Neuman; Rep. Kurt Olson; Sen. Donny Olson; Rep. Daniel Ortiz; Rep. Lance Pruitt; Rep. Lora Reinbold; Rep. Dan Saddler; Rep. Paul Seaton; Sen. Bert Stedman; Sen. Gary Stevens; Sen. Bill Stoltze; Rep. Louise Stutes; Rep. David Talerico; Rep. Geran Tarr; Rep. Steve Thompson; Rep. Cathy Tilton; Rep. Chris Tuck; Rep. Liz Vazquez; Sen. Bill Wielechowski; Rep. Tammie Wilson; Rep. Adam Wool  
**Subject:** PFD thought

Hello,

I am a registered voter, and a resident of Alaska for only 6 years. I know the State needs money, and if they need the PFD, then so be it.

One thing to consider, is tightening up at least one of the groups of people allowed to receive it. I know of two people who know military families who have NO intention of returning to Alaska, but because of the way their exemption is written, that if they say on their forms that they want to come back, that they can keep receiving the PFD. This means that for a family of 4 for 20 years of service, PFDs will be going to them wherever they are. And before they do get out, just change their mind to where they will really be going. Military are forced here, and forced away. Yes, some want to come, and some want to stay. But there is so much fraud going on based on this clause that it just needs to be eliminated. How many would have come in the first place if the military hadn't paid for it? If you have to fund them, then set up a savings account for when they really do move back (which is paid for by the military), and they have to remain here at least two years to receive it. Not just like the family of lots of kids that are here for 6 months, get the money, then go back.

Liz Chapman

## Daniel George

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**From:** Margo Matthews <mmatthews@gci.net>  
**Sent:** Sunday, February 07, 2016 10:25 PM  
**To:** Senate State Affairs  
**Subject:** Alaska Budget Solutions

Hello - I am sorry I was unable to attend the hearing on Friday regarding this important issue.

This year starting in May, I will have lived in Alaska for forty-one years. I have seen many changes over these years. It is critically important that the legislature deal with this issue this session. The future viability of Alaska's economy depends on it.

I fully support Governor Walker's plan to tackle Alaska's budget problems and restructure how state government is funded along with the Permanent Fund. It makes total sense to me. Please support his plan as best you can. Even though it means we may have a somewhat lower PFD check for the next little while, that is vastly preferable than the alternative. Alaskans have had a free ride for a long time, and it is about time that each one of us started paying our way through new taxes and a lowered PFD check.

We should never have eliminated the state income tax in the first place. When this happened many years ago, I thought it was a big mistake. I thought that instead, we should have simply lowered the tax level to a very minimal level, rather than eliminating it. I foresaw the day we would have to reinstate an income tax, and I knew that would be much more difficult than simply raising the tax level somewhat.

Thank you for listening - **Marguerite**

Marguerite Matthews

P.O. Box 82024

Fairbanks, Alaska 99708

Telephone (907) 455-6888

Fax (907) 457-1838



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## Daniel George

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**From:** Marty Steinriede <martinb@gci.net>  
**Sent:** Thursday, February 04, 2016 10:29 PM  
**To:** Sen. Bill Stoltze  
**Subject:** PFD

Senator Stoltz, I don't envy your position at this time. Any decision you make on the PFD regarding the budget shortfall will be criticized. I strongly urge you to suspend the issuance of PFDs until a time when it is fiscally prudent to issue them again. To receive a PFD and then pay state taxes as large or larger than the PFD doesn't make sense. If there has to be a tax in addition to giving up the PFD, I strongly urge that it be a sales tax. Everyone pays a sales tax, to include tourists.

Thanks for your time,  
Marty Steinriede

## Daniel George

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**From:** Dick/Mary Bishop <dmbishop@ptialaska.net>  
**Sent:** Friday, February 05, 2016 8:59 PM  
**To:** Sen. Bill Stoltze  
**Cc:** 'Dick & Mary Bishop'  
**Subject:** Hearing on Governor's Plan, State Finances/Budget

To: Senate State Affairs Committee, Bill Stoltze, Chair

From: Mary Bishop, Fairbanks, 907-455-6151

Date: Friday, February 5, 2016

Re: SB128, State Finances & Budget, SB128

Below is the testimony I provided on Thursday evening at approximately 8:55 pm. I hope you will share it with the entire committee.

Mary Bishop , Fairbanks, 907-455-6151

Thank you Senators; I really appreciate your problem-- and your efforts.

At this time I am sympathetic to the Goldsmith-Keithley approach. In my opinion the Walker Plan suffers from lack of "explainability" and therefore is more susceptible to the law of "unintended consequences". Maybe throughout this and next year the Governor can explain his Plan better.

I encourage you to move forward this year using the Goldsmith-Keithley Plan -- but still keep an open mind for continuing study of the Walker Plan and Senator McGuire's plan. These are all sincere efforts. I appreciate that.

Specifically – and in order of my priority:

1. I do not mind a reduction in the amount of my PF Dividend. I just don't want it to go largely away!
2. I would like to see each year's PFD better reflect whatever the state's fiscal condition is at that time. \$2000 this year is ridiculous! Better to stabilize the state's income than to stabilize the individual resident's PFD. Former Sen. Bert Sharp had some comments about this.
3. Raise "sin" taxes as high as you possibly can. Those taxes will never be high enough to compensate for the cost of alcohol to this state.
4. Raise motor fuel taxes. I was pleased to hear the Trucker's Assoc. supported this.

5. I don't want to see an income tax at this time; maybe later. A luxury tax on high priced items might be considered.
6. Perhaps encourage municipalities to use sales tax as compensation for lost municipal sharing dollars.
7. Figure out a way to get school funding dollars from the residents of the unorganized borough. That's a hugely unfair situation.

Thanks again. You've got a tough job. Good luck.

## Daniel George

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**From:** norsealaska@mtaonline.net  
**Sent:** Friday, February 05, 2016 9:40 AM  
**To:** Sen. Bill Stoltze  
**Subject:** Income Tax and Permanent Fund

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Melanie Kopperud  
P.O. Box 1822  
Palmer, AK 99645-1822

February 5, 2016

The Honorable Bill Stoltze  
Alaska Senate  
120 4th Street  
Juneau, AK 99801

Dear Senator Stoltze:

Regarding the Income Tax and Permanent Fund,

I am in favor of Governor Walker's proposed plan to reinstating the income tax, smaller Permanent Fund dividends, and \$100 million in cuts to state agencies, among other things. People are concerned that making the PFDs smaller will affect the economy. Well, so will cuts in the budget! Or doing nothing! We might as well bite the bullet and pay our way as every other state's citizen does!

A proud member of National Write Your Congressman.

Sincerely,

Melanie Kopperud  
907-745-4318

## Daniel George

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**From:** Michael Hughes <brotherbruno@hotmail.com>  
**Sent:** Thursday, February 04, 2016 7:08 PM  
**To:** Senate State Affairs  
**Subject:** Permanent Fund Protection Act

Hello,

I waited to testify by phone for 80 minutes but have to deal with medical issues and could wait no longer so instead, I am writing to you about SB 128, the Permanent Fund Protection Act.

I remember Governor Jay Hammond and his passion in creating the Alaska Permanent Fund. During his first term as governor, Governor Hammond, along with State Representative Hugh Malone, conceived of this program to invest oil royalties to cover future state budget shortfalls as well as create a long-term savings account. In 1976, We the People of the State of Alaska, passed the permanent fund. Before cutting our PFDs, consider following, these, the original intentions for the permanent fund. He also recommended a constitutional amendment limiting state spending, which unfortunately never came to be.

As we all know, there is a lot of waste in government, such as the high wages and benefits state employees receive compared to the private sector. In dealing with state departments, I have seen how slow and relaxed some of these people work, something that is never permitted in the private business factor. I have also experienced arrogance from pretty much every employee with whom I have to deal in the Adult Public Assistance offices, and have several years experience of not receiving answers from, written, questions. Hire people that have business experience to manage state employees and get rid of the unions. No public employee should be able to unionize.

I would also ask that the legislature seriously consider a constitutional amendment limiting state spending before using any of the permanent fund to cover the shortfall in state spending. This would guarantee that future legislatures cannot continue increasing spending such as is now happening leading to this proposal to cut, not spending, but the power of the dollar in citizens hands, as was the original intention of the fund. We the People of the State of Alaska know what is best for ourselves and how to, individually, use our portion of the income derived from the permanent fund that, We the People put into our state constitution. Much of this is spent in our local economies; consider what would happen when this spending is decreased due to lower PFDs.

Also, please consider what cutting the PFD will do to people like myself who count on it to help pay bills. I have been an Alaskan for 38 years, working until I came down with serious illness that made me not be able to work. Although I do not like it, I now have to rely on help from government to pay for everything, including the PFD.

Please remember the least of us as you work to balance the budget of our state's government, which certainly needs to be done.

Thank you for your consideration,  
Michael P Hughes  
Anchorage  
907.345.3635

## Daniel George

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**From:** Mike Shadley <anchorrivrappliance@gmail.com>  
**Sent:** Friday, February 05, 2016 2:18 PM  
**To:** Senate State Affairs  
**Subject:** Permanent fund

Why don't you run the govt the same way as a household, if you don't have it .you dont spend it ,and you certainly don't steal from others.

Sent from my iPhone



## Daniel George

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**From:** Milton Wiltse <mfwiltse@acsalaska.net>  
**Sent:** Thursday, February 04, 2016 7:54 PM  
**To:** Senate State Affairs  
**Subject:** Senate Bill 128

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

I have lived in Alaska for 42 years. I support Gov. Bill Walker's Perm Fund Endowment plan and Senate Bill 128.

Milton Wiltse

719 DePauw Dr.

Fairbanks, AK 99709



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[www.avast.com](http://www.avast.com)

## Daniel George

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**From:** randy weed <tokite50@yahoo.com>  
**Sent:** Friday, February 05, 2016 12:29 PM  
**To:** Senate State Affairs; Lynda Gregory Weed  
**Subject:** Gov. Walker's PFD Reconsrtuction Bill

Governor Walker's PFD Reconstruction Bill is not in the best interest of the People of the State of Alaska. To rewrite the PFD to sustain State Government is grossly in violation of the original idea set forth by the author's of the PFD.

The PFD has grown to it's current value based on it's earnings through investments through the years.

Now holders of certain State Offices want to cash in on years of careful PFD management.

To base the State's Budget on the PFD and not on it's own careful self management is a recipe for disaster for the People of our great state.

On the other hand State Government would enjoy funding by the Multi Billion Dollar Nest Egg set aside for our people.

State Government could grow to a powerful overlord because threat of it's downsizing caused by economic, population or industry growth is vastly reduced or even eliminated.

We urge you not to consider Governor Walker's PFD Reconstruction Bill.

Mr. and Mrs. Randy Weed

POB 565

Tok, Alaska 99780

## Daniel George

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**From:** Nancy Bird <nbird5800@gmail.com>  
**Sent:** Thursday, February 04, 2016 10:46 PM  
**To:** Sen. Bill Stoltze; sen.chuck.huggins@akleg.gov; Sen. John Coghill; Sen. Lesil McGuire; Sen. Bill Wielechowski  
**Cc:** LIO Cordova  
**Subject:** Alaska Permanent Fund

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Dear Chairman and Senator Bill Stoltze and members of the Alaska Senate State Affairs Committee, I appreciate your interest in Alaskans' views about the Permanent Fund and our fiscal challenges. Your patience in listening to so many views tonight is admirable; I was signed in before 5 pm this afternoon at the Cordova LIO to present testimony via teleconference to you. I had other commitments which forced me to leave just before 7 pm - before you called on Cordova - and want to offer my comments in writing below.

I strongly support the general ideas contained within Governor Bill Walker's plan for our state's budget. Specifically,

- **I strongly support use of the Permanent Fund earnings to close the fiscal gap.** While I can appreciate the views of those who see this as a "regressive" tax, I view *these funds as public monies* that should be put to use for the greatest good. Unfortunately, our unwillingness in prior years to recognize the depth of our fiscal gap and the dramatic drop in oil prices has resulted in a desperate need for additional revenues NOW. Oil prices will not return above even \$35/barrel for 2-3 years... and we cannot cut our way to a sustainable budget!
- **I strongly support implementation of a state income tax.** At this point in time, I prefer the Governor's proposal for a 6 percent tax on our federal income tax. However, I also find a lot of merit in Rep. Paul Seaton's income tax proposal as I understand it would increase revenues from non-residents and some corporations.
- **I strongly support increased state taxes on tobacco and alcohol,** as proposed by Governor Walker.
- **Finally, I strongly support elimination of the oil development and exploration tax credits.** These credits are not serving the purpose they once did and it is past time for these tax credits to be abolished.

**I also am adamantly opposed to a state sales tax.** This is the most regressive form of taxation and too many communities in rural Alaska already rely on it as a part of their income to support city services.

In closing, I am pleased to note that, according to the Rasmuson Foundation's recent polling on the fiscal gap issue, all political sides in Alaska - Republicans, Independents and Democrats - agree in giving overall support to Governor Walker's plan to move us to fiscal sustainability. That's an amazing achievement! I urge you to adopt SB128.

Thank you.

Nancy Bird  
P.O. Box 1185, Cordova, Alaska 99574  
[nbird5800@gmail.com](mailto:nbird5800@gmail.com)

## Daniel George

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**From:** Penny Gage <gagepenny@gmail.com>  
**Sent:** Thursday, February 04, 2016 8:16 PM  
**To:** Senate State Affairs  
**Subject:** SB128

Hello,

I am an Anchorage resident (zip code 99517), and I want to voice my support for SB218.

Thank you,

--

**Penny Kathleen Gage**

[gagepenny@gmail.com](mailto:gagepenny@gmail.com) - (907)738-4600 - [LinkedIn](#)

## Daniel George

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**From:** Princess Lucaj <princesslucaj@gmail.com>  
**Sent:** Friday, February 05, 2016 12:40 PM  
**To:** Senate State Affairs  
**Cc:** Scott Kawasaki  
**Subject:** Re-structuring Permanent Dividend Fund

Dear Legislators,

I am writing in support of the Gov. Walker's restructuring of the Permanent Dividend Fund and I am also in favor of an income tax. Frankly, we have known since I was in high school (when Gov. Cowper was in office) that we have had to diversify our economy. Yet, taxes being wildly unpopular the can kept getting kicked down the road. Just imagine if we had implemented back then!

So here we are and I see no other way out of our current fiscal crisis that to implement a number of different tactics.

Mahsi' choo! Thank you for your time and consideration!

Princess Lucaj  
Fairbanks, AK

## Daniel George

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**From:** red bradley <red\_bradley@me.com>  
**Sent:** Friday, February 05, 2016 6:15 PM  
**To:** Sen. Bill Stoltze  
**Subject:** Budget

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

**Categories:** Bill in Committee

Of course the public would not favour cutting their PFD - no surprise there.

We must cut the PFD, start a state income tax, cut non-essential government, and cut the UA budget while leveraging technology for delivery of online curriculum to rural campuses. These are not choices, rather mandated by circumstances.

The PFD is not an obligation, but rather a benefit we can no longer sustain.

red bradley  
anchorage

Sent from my iPad

## Daniel George

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**From:** Renne Champagne <renne@gci.net>  
**Sent:** Friday, February 05, 2016 12:55 PM  
**To:** Senate State Affairs  
**Subject:** PFD Bill

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Hello, I would vote for a one time cash out to all eligible PFD recipients. I am against Governor Walker's bill.  
Thank you for your time.

Renne Champagne

Real Estate Broker

907 357-0102

## Daniel George

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**From:** Richard Erickson <richarder@gmail.com>  
**Sent:** Thursday, February 04, 2016 7:39 PM  
**To:** Sen. Bill Stoltze  
**Subject:** Senate Bill 128

Dear Chairman Stoltze, Senate State Affairs

Listening to the call in tonight. I'm not against the use of some of the permanent fund earnings, it's obviously necessary right now, but I like the idea of the loan from the PF to the State and not do anything permanent at this time.

My thoughts one cutting: maybe we should take a cue from social media. When I buy something on Amazon, I check the reviews. Same for Air BnB and many others.

Perhaps we could do away with professional licensing and set up a website for reviews of people offering professional services.

Income tax, good idea. Sales tax, not good idea.

You guys earn your money!

Richard Erickson



## Daniel George

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**From:** cmmgen@mtaonline.net  
**Sent:** Thursday, February 04, 2016 9:40 PM  
**To:** Sen. Bill Stoltze  
**Subject:** Income Tax and Permanent Fund

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

**Categories:** Bill in Committee

Robert Caywood  
p.o. box 670972  
Chugiak, AK 99567-0972

February 5, 2016

The Honorable Bill Stoltze  
Alaska Senate  
120 4th Street  
Juneau, AK 99801

Dear Senator Stoltze:

Regarding the Income Tax and Permanent Fund,

I am not in favor of Governor Walker's proposed plan to reinstating the income tax, smaller Permanent Fund dividends, and \$100 million in cuts to state agencies, among other things.

I also think we need to make way bigger cuts before we do anything else, and if we still need a tax it should be a sales tax.

As a constituent of yours, I would like to know your thoughts on this issue.

A proud member of National Write Your Congressman.

Sincerely,

Robert Caywood  
907-694-8758

## Daniel George

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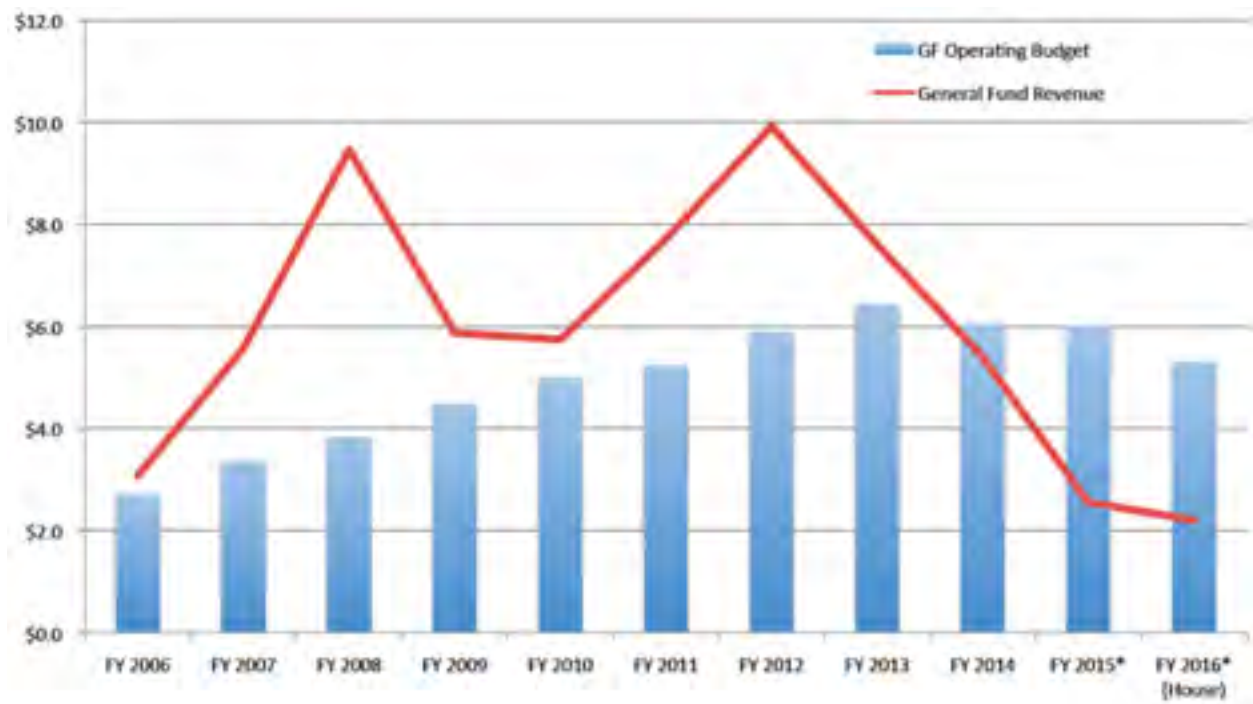
**From:** Sheepman <sheepman@gci.net>  
**Sent:** Sunday, February 07, 2016 9:20 AM  
**To:** Sen. Bill Stoltze  
**Subject:** Budget  
**Attachments:** Alaska State Budget History Graph.pdf

Bill

Do not support any taxes until the budget is cut more significantly. For every penny in taxes, and for every penny cut from the PFD, the budget must be cut the same amount!!! Governor Walkers proposal merely shifts the burden to us while doing nothing to reign in the completely irresponsible spending spree the State has been on since Palin was Governor and the so called fiscally conservative Republicans have been in control of the House and Senate!!

I wrote and complained about this reckless spending spree back in 2007. That fell on deaf ears and now we're in this crisis. If we were able to live on a \$2.5 billion budget in 2006, we can do it again now. Enough games, make significant cuts to the budget. Taxes and screwing us out of the PFD (any amount) is not an acceptable solution!!!

Sam



## Daniel George

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**From:** Stephen Hendricks <llama@ak.net>  
**Sent:** Friday, February 05, 2016 11:06 PM  
**To:** Senate State Affairs  
**Cc:** Sen. Kevin Meyer; Rep. Bob Lynn  
**Subject:** SB128 Testimony

Hello,

I'm an Alaskan, live in Anchorage, and have lived in Alaska since 1978.

Please leave the PFD payout calculation to Alaskan citizens as it is.

The PFD helps the ultra-poor, the poor, the not-as-poor poor, the lower-middle class and the middle class, each citizen in some way, some more than others. It helps our citizens and economy by a sum greater than all of its parts. It helps all these citizens counter the effect of inflation and stagnant wage growth they have been experiencing since the 1980s.

Alaska state government, meaning the governor and legislators, should respect Alaskan citizens by not giving tourists and tourist employees (those who work in Alaska but have a permanent residence elsewhere) 1) a pass on paying their part of maintaining the infrastructure they enjoy in their roles as tourists and tourist employees and 2) not take away or lower Alaskan citizen's PFD as a means of accomplishing this task instead of implementing sales and state income taxes.

Both tourists and tourist employees presently get a free pass on all the services they use. Making Alaskans pick up the tab for tourists and tourist employees by relinquishing their PFDs is both disrespectful and disingenuous.

Please institute BOTH a state sales tax (with food and prescription medication exemptions) and state personal and business income tax. Increase the amount above 3% and 6% respectively as required to offset any revenue suggested by Governor Walker to be obtained by use of the Permanent Fund.

Each of these taxation methods will affect groups differently which is why a blend of the two is required as taxing both ways will mitigate the combined tax burden more equitably.

A state sales tax will include the taxation of tourists who visit Alaska and use our state and local services. They and we pay taxes as tourists nearly everywhere else in the U.S. where they and we travel so that will not pose a specific Alaska destination deterrent for them to continue coming up here.

A state income tax, in addition to taxing Alaskan residents, will also tax tourist employees for wages they make even though they do not live in the state.

Sales tax exemptions for food and prescription medication will provide tax relief for basic necessity purchases for the poor. People who have more disposable income and choose to spend it on taxable items can consider this a use tax. They use the state system in which to live to make income and a sales tax helps to provide maintenance and services provided by that infrastructure. Without such a state system in place providing the infrastructure for them to earn a living, they would likely have to live and work elsewhere to make as much money.

Income tax paying Alaskan citizens can consider their tax payments a use tax. They use the state system in which to live to make income and an income tax helps to provide maintenance to and services provided by that infrastructure.

*Taxpayers who itemize their deductions are allowed to deduct state and local taxes from their federal taxable income. This deduction is limited to either income or sales taxes, but not both. Personal property taxes, such as local taxes on housing and real estate, can also be deducted.*

Poor citizens will pay little to no taxes on income and their PFD will help them offset sales taxes and continue to keep them more stable on the poverty ladder and may just help some move a little upward towards the middle class.

For some middle class citizens, a great majority I suspect, the PFD to tax ratio will be closer to even, some will come out a little ahead while others will, as upper middle class, end up paying a little more than they collect in a PFD. The upper middle class will have to pay more taxes than their PFD will offset but not as much as for higher income earners.

For higher income citizens, their PFDs will help offset their state taxes, for some at a smaller percentage than others. They use the state system in which to live to make income and a income tax helps to provide maintenance to services and opportunities provided by that infrastructure. Without such a system in place, they likely would have to live and work elsewhere to make as much money.

It would appear the only people that want to use the Permanent Fund solely to fund government are either only seeking reelection or who already make enough money that a newly imposed state income tax would exceed any size PFD they would ever get.

Any legislator who votes to reduce the PFD without raising taxes should get voted out of office and replaced with someone who won't pander only to those who can afford to donate significant sums of money to their reelection campaigns. The same holds true for any legislator who fails to support taxation as a form of revenue production.

Sincerely yours,

Stephen Hendricks  
4930 Omega Circle  
Anchorage Alaska 99516  
907-223-4547

## Daniel George

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**From:** Tom and Danita Martin (Anchorage, AK) <yoooperak@aol.com>  
**Sent:** Sunday, February 07, 2016 7:54 PM  
**To:** Senate State Affairs  
**Subject:** state budget crises

good evening,

first of all before any new revenue sources are introduced, the state budget which has ballooned in the last 7 or 8 years needs to be cut drastically. A few areas to consider are reducing the rural schools which should have been done a decade ago, we can no longer afford to pay for schools that have only 12 students. The top management in numerous areas need to be reduced. I would be in favor of suspending the permanent fund each year to fund government until the oil prices go back to 70 dollars a barrel and that is what the state budget needs to be. It makes no sense to institute a tax and to still give the permanent fund only to tax it also! by utilizing the permanent fund everyone would be contributing as that is what the fund was created for anyway!

come on Legislatures, wake up and become accountable or we will remove you in your next voting round!

## WRITTEN TESTIMONY

Name: G. Leonard

Representing: \_\_\_\_\_

Bill No./Subject SB-128Committee: Senate State AffairsDate of Hearing: 02/04/16

Gov. Jay Hammond, open  
the AK. Permanent Fund  
Dividend in Sept. of 1982-83,  
It's our grandfather rights, A.P.D.  
are already dwindling funds!  
within the last two decades.

Those that are minorities in the  
State of Alaska, poverty, we  
minorities depend on the Permanent  
Fund Dividend as a Shareholder  
of a Native Corp.

Sustainable: (?) it's our livelihood.

February 4, 2016

Cindi Squire  
907 Wildrose Ct.  
Anchorage, AK 99518

Dear Alaska State Legislators,

Thank you for asking for public input from Alaskans about Governor Walker's Budget/fiscal plan.

Please know that this I completely support this plan! (exclamation point added for emphasis!)

I have been a resident of Alaska since December 1970 and have seen the boom of the pipeline and the bust of oil affect this state. For the last 25 years, I have listened to every member of the legislature complain about the method that is used to fund the state's budget. We all agree that it would benefit the state to change the process and move away from the price of oil driving our actions.

I remember watching the evening news when Jay Hammond signed the permanent fund into law. With that action he demonstrated what it meant to be a statesman and not a politician. I now ask you all to be statesman and stateswomen and resist the urge to protect the many groups asking exemption from the changes that must be made.

Together we must all accept the fact that a small state income tax, sales tax, small reductions in oil tax credits, re-purposing a portion of the permanent fund and slightly higher taxes on extracted minerals from our state need to become reality.

Now is the time for the entire legislature to band together and create a new model that (like a diversified portfolio) draws the states income from many sources. This re-balancing of our income sources and the creation of new ones will require that every group 'give' a little bit for the common good and for a strong future.

Please know that I am very supportive of statesman and woman that support this plan and will make these changes. I am NOT supportive of keeping the status quo model of funding our state government as times are changing and we need to be responsive to that. Please be brave and move forward!

Sincerely,

Cindi Squire



February 5, 2016

Governor Walker and Alaska Legislators,

My personal view and opinion on the Proposed bill SB128 is that I am 100% against any attempt to create more taxes or to take my PFD, because of Politicians failure to manage the people of the state of Alaska's money. Any changes that cost or take from the people of Alaska and are brought about by this or any other legislative session will cost everyone involved at election time.

Harold Woody

PO Box 1028 – Tok, AK 99780

TO: Senate State Affairs Committee (via: [senate.state.affairs@akleg.gov](mailto:senate.state.affairs@akleg.gov))

RE: SB128

2-8-16

Hello:

**Do not enact any legislation or regulation that enables the State to take any Permanent Fund monies for Alaska State spending and no new taxes on people or businesses! There is plenty of money!**

The Legislature and various Governors have expanded State spending unnecessarily over the past 40 years by adding many programs that either do not assist the majority of Alaska citizens or are promoted by large and small special interests. Also, many funds exist in closed or dormant programs.

It is laughable that the Governor is proud he reduced administrative costs "slightly" and the legislature cut travel expenses \$160,000. Give me a break. Here are a few actual reductions ... off the top of my head.

1. Do not expand the installation of guardrails on the highways that are being rebuilt. More guardrails reduce the efficiency of snow removal and give drivers a false sense of security by reducing their watchfulness.
2. Give up the idea of a "road to Juneau."
3. Give up a road to Nome or Bethel.
4. Reduce substantially the state funding of schools (they fritter the money away) until after schools produce better educated students. One place schools can reduce spending is to use the system of "student immersion into English." One yardstick would be higher graduation rates.
  - a. Give up the idea of providing early child education (k-12 is more than adequate).
  - b. Utilize "distance education" for schools of less than 30 students.
  - c. Reward districts that do maintenance without new bonds.
5. Sell some land and get it on the tax revenue stream.
6. Encourage tier-one employees to retire and do not re-hire them again at any government level. They must stay out of the public sector for 5-years at least. Make every attempt to not fill their positions. Reduce State payment of employee health insurance.
7. Reject any Federal Programs offered. Especially Medicaid.
8. Privatize the Department of Motor Vehicles.
9. Privatize many unionized sectors of employees such as secretarial, food service, road & snow services, vehicle and property maintenance etc.
10. Reduce some of the "police" presence in the State. We are the highest "police to citizen" ratio in the country.
11. Reduce many licensing requirements. Do hair dressers really need 5 different licenses.
12. Remove law where Architectural firms get paid whether their plans are used or not.
13. Do everything you can to reduce controls from the Alaska Bar Association.
14. Provide understandable and simpler accounting to the public (income & expense). Including annual Salary and benefit information by name and position in the newspapers and force Boroughs and Cities to do the same,

I am sure others have good ideas too. Thoughtful and rapid implementation is the key.

Cordially,

*Ruby Denison*

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February 4, 2016

ALASKA STATE SENATE  
STATE AFFAIRS COMMITTEE  
SEN. BILL STOLTZE, CHAIR  
CAPITOL BLDG., ROOM 205  
JUNEAU, AK 99801

Dear Sen. Stoltze:

Please include my following testimony in the public hearing on Gov. Bill Walker's proposed legislation SB 128: **"An Act relating to the Alaska permanent fund; relating to appropriations to the dividend fund; relating to income of the Alaska permanent fund; relating to the earnings reserve account; relating to the Alaska permanent fund dividend; making conforming amendments; and providing for an effective date."**

To: Senators Stoltze, Coghill, Huggins, McGuire, and Wielechowski:

Greetings. I first came to Alaska in 1966. I've seen and experienced the boom and bust cycles of Alaska's economy since then. I've witnessed the origin of the Permanent Fund and the Dividend distribution program from the workings of Gov. Jay Hammond, and legislators Oral Freeman, Hugh Malone, Clark Gruening, and Clem Tillion. It's a savings account to be eventually used as a renewable resource for Alaska when the revenue sources for the Fund are minimized. It's also a trade-off to recipients in lieu of our inability to rightfully own and develop our sub-surface mineral rights as a result of the Statehood Act that allowed Alaska to become the 49<sup>th</sup> State in our Union and our State's Constitution's Article 8. It's also one of the few state programs that actually is successful. I've been a recipient of the Permanent Fund Dividend checks since the

inception of the distribution program. **I write to all of you today in opposition to SB 128.**

I've seen the exponential growth of state government since 2006. Instead of frugally spending the excess revenues from high oil prices and high production taxes, state government kept over-spending like the federal government has been doing for decades. Now Gov. Walker and some in the legislature want to fleece the average citizen, like me, who use the PFD checks to pay our bills or make small investments, while we have to live within our means. It's time that the state government also live within its means and stop trying to gouge the average citizen. We need to restore the scope of state government back to its essential core functions and mission and a good example of that would be to stop offering benefits beyond the minimal required federal Medicaid programs. After studying state economist Scott Goldsmith's ISER state budget analysis, private sector economist Brad Keithley's state budget analysis, and the United For Liberty (UFL) state budget analysis, I would recommend adopting their approach of a sustainable budget of between \$3.8 and \$4.5 billion by using the excess earnings of the Earnings Reserve of the Permanent Fund after inflation proofing and dividend distribution.

The effect of capping the Permanent Fund Dividend checks to Alaskans would be near disastrous to those who need it the most, the average citizen, and small businesses. It would be an excessive tax, not even considering any other proposed sales taxes or income taxes on the poor low-income Alaskan, the seniors living on fixed incomes, and those in the private sector, all of whom use the PFD checks to pay their bills. Those who would benefit from the passage of SB 128 would be those who have state jobs. Those state jobs are very lucrative in pay and benefits compared to similar private sector jobs or public sector jobs in other states. Keeping all of those state jobs at current levels while reducing the disposable income of those in the private sector is **grossly unfair** to those in the private sector and the poor people, the fixed-income seniors, and small private sector businesses. From a macroeconomic level, the loss of the "multiplier effect" from the movement of the expenditures of those PFD checks in the economy

would constrict the private economy even further by reducing consumer consumption and private investment. Do we really want to nearly destroy the private sector of Alaska and hurt the poor and the seniors on fixed incomes while keeping the grossly overgrown and bloated state government? Do we really want to further reduce the private sector middle class while expanding the amount of the poor and maintaining the largesse of those in the public sector? I would hope that this legislature would not want to create economic class warfare.

Let's look at this from a political perspective. To the Democrats who have prided themselves on traditionally helping the poor and the fixed income seniors, then SB 128 would not help the poor or the fixed income seniors. To the Republicans who have prided themselves on limiting government or helping small businesses, then SB 128 would not limit state government, but would allow government to continue to grow beyond its' constitutional essential core functions and missions and would restrict potential markets for small Alaskan businesses. SB 128 makes no sense politically.

Let's look at the facts, the numbers, and the long term. There are not enough people in Alaska to tax, through income or sales taxes, to make up for the continuing budget deficits. We have to rely upon resource development, not only for private sector jobs, but also for state revenues. We also have to keep cutting the costs of state government until we reach that sustainable level. We also have to open up our lands to more private ownership and development so that people can be financially independent without government intervention for the long term.

**In conclusion, please vote NO on SB 128.** Please continue to cut state spending. Put state government on a sustainable level by living within its means, just like people and families have to do. The Permanent Fund Dividend program belongs to the people of Alaska. Thank you.

William Topel.

## **Public Opinion Message**

Received Friday, February 05, 2016

Taken By: Daniel George – Staff to Sen. State Affairs

Name: Betty Carrington

Phone: [Click here to enter text.](#)

Address: Wasilla

Message: “I don’t think this is the right time to take money from the Permanent Fund. I cannot believe that the governor and powers that be have not been able to cut the budget of things other than schools, roads, Medicaid, etc. They pick the high profile things to cut that causes controversy and gets them their way. We’ve got so many things in the state budget that shouldn’t be in there to begin with, and they’re not looking at them. The main thing is, I think they need to look back at the original budget and address each thing on it to be able to assess what is really needed for the state to pay for. Get rid of things that the state doesn’t need to pay for before they start cutting schools and Medicaid and roads, which the state should be responsible for.”

## **Public Opinion Message**

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Senate State Affairs Chair

Name: Billy Wilson-Katchatag Jr.

Phone: [Click here to enter text.](#)

Address: Palmer, AK

Message: “What really upsets me, I’m a registered voter and I voted for Bill Walker.. I’m a little upset because I was not aware he was going to use the dividend for covering the budget. It appalled me. It made me feel like I made the wrong decision, if he is going to use that for the budget. If I would have known he was going to use the dividend for the budget, I would not have voted for him.”

## **Public Opinion Message**

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Senate State Affairs

Name: James H. Brunelle

Phone: [Click here to enter text.](#)

Address: Anchorage, AK

Message: “I don’t agree with the Governor having carte blanche to take all of the PFD. He wants to increase taxes and take all the money, which is not to his advantage. He is trying Alaska to a give-me give-me state like California or Oregon. I moved out of Washington state because they were getting that bad. I’ve been up here for 37 years. I started swabbing toilets and worked my way up. My wife and I retired, we earned it, and we retired. In my mind, I cannot justify that this so-called group of people seem to want to spend every dime and nickel they can get a hold of. The government is a money-maker for itself. Initially I voted for this Governor, but I do not agree with what he is doing at this point. He is going to have to go into debt—and he should recognize and you cannot get carte-blanche at this point to take money out of the Permanent Fund.”



## **Public Opinion Message**

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Sen. Stoltze

Name: John Whiting

Phone: [Click here to enter text.](#)

Address: Eagle River, AK

Message: “All money taken from the Dividend owners is really taxes. Based on the concept that all money is not the same, because each family needs about \$30,000/year to survive. A portion of the dividend that would be taken from a family of four making \$25,000/ year would be much greater than the portion taken from a family making \$100,000/year. All of the money that is taken from the lower income family is survival money. Survival money is different from having more than enough to live—it’s all you’ve got to live. Therefore, it is inequitable to tax people with less money the same amount as money as people with more than enough money. The best answer is to stop large projects currently being funded in Alaska, such as the bridge, the dam, the road, etc. and increase taxes on a graduated level for all people on a graduated basis.”

## Daniel George

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**From:** POMS@akleg.gov  
**Sent:** Friday, February 05, 2016 9:13 AM  
**To:** Daniel George  
**Subject:** New Pom:SB 128 Perm. Fund:deposits;dividend;earnings

Theodore D Bartko  
PO BOX 4206

PALMER 99645-4206,

Regarding the PFD, it is not the people of Alaska's fault that the money has been mismanaged. The oil tax needs to be adjusted to increase state income, not by taking our PFD.