From:
 samuel.g.mazzeo@wellsfargo.com

 Sent:
 Thursday, February 04, 2016 12:43 PM

To: Senate State Affairs
Subject: State Budget

Hello,

I am individually providing testimony urging Alaskan lawmakers to pass new legislation in the current session with the following elements:

- Provide a mechanism for Permanent Fund earnings to become the mainstay of State government funding in the range of \$2.6 billion \$2.7 billion annually beginning in FY17. This is 5% of the \$53 billion PF + ER. >5% may not be sustainable.
- Pass a total budget that is closer to \$4 billion than \$5 billion for FYE17. Material cuts are required beyond what the Governor is proposing.
- · Create a plan to further reduce spending in order to get to a \$4 billion and more sustainable budget for FYE18
- The PFD should be reduced to \$500 in 2016 and the funding should become tied to oil & gas revenues similar to how the Governor has proposed. If excess revenues are not available in the future the PFD needs to decline further.
- New taxes should not be introduced or considered until State spending is reduced, and rationalized to a \$4 billion level, which would bring the spending increases since FY06 in line with inflation in the 3.5% range looking back 10 years. The budget has doubled in 10 years and that is >7.2% annual growth for a decade. The State has 25,000 direct employees, which is more than any industry in AK by a significant margin. This is not sustainable. The State has not laid off employees, or passed along any of the increased health care costs to employees. New programs since 2006 should be reviewed for elimination. The State must force commissioners to make tough decisions about cuts in spending in existing programs. The Governor has suggested his plan "has pain for everyone" however I would suggest his plan does not have commensurate pain for State government administrators or legislators in it.
- · I'm suggesting State gov't spending needs to be reduced (>20%) over 2 years and I'm suggesting the PFD needs to be reduced (75%). Any new taxes on business or industry puts additional tax burden on the only people with skin in the game now and who are paying for State government (businesses + fishing + mining + oil & gas). Industry should not bear additional burden prior to State gov't doing its job and getting spending back in line with inflation.
- Follow S&P and Moody's advise regarding debt limitations and consider GO bonds to fund capital expenditures in the future. Only fund capital expenditures that are the most likely new projects to grow and diversify this economy (growth cap ex) with debt. An example of this maybe a gas line to Donlin whereas you have a potential industrial user that can provide a reasonable expectation of return to the State, and gas maybe delivered to western Alaska with other arrangements in the future (Donlin isn't going to pay for these extensions). I am not specifically endorsing the Donlin project, or not, but merely providing an example of growth cap ex that may provide a reasonable return to the State along with additional economic benefits to the area. Maintenance cap ex should not necessarily be funded with debt. Do not add debt and service before you get the total budget in order per above however.

Now is the time to act and get State spending in order. Do not wait another year. The State might have just enough money this year with \$61 billion in PF + CBR + ER accounts to make this work and avoid a material recession. If the State doesn't take action now the private sector will begin to panic in 2016 and that will cause a larger issue. The private sector needs to know that new taxes won't cripple them, and what programs will and wont be funded in the future. The private sector needs to know that State spending is sustainable in order for this to happen.

I understand the State maybe concerned with lower public sector spending at the same time the oil company cap ex and op ex budgets are being constrained probably a \$1 billion in 2016. However, bear in mind that lower energy costs (diesel) in 2016 at this point will mitigate a lower PFD in 2016. Alaskans most vulnerable to a lower PFD are getting relief in the form of lower energy bills in 2016 and this relief is likely more than the \$1500 reduction to the PFD that I am suggesting. If the PFD is reduced to \$500 the disposable income of western AK and northern AK residents may not be too much different considering lower energy costs.

Lastly, Alaska is very likely going to have a recession in 2016 and 2017, and this session in Juneau should be treated as crisis management to get the State's budget in order, and help to limit the extent of the recession by providing confidence to people and industry. The quicker we reach the long term State budget solution the quicker the private sector investment can resume and grow again.

I work with businesses in Alaska everyday, and likely I provide more loans to Alaskan businesses than any other team of bankers in the State. In talking to our customers, it is safe to say that the business community view is very much in line with what I am outlining above, and that additional taxes or inaction regarding this crisis this year will cause potentially dire economic impacts by 2017.

Thank you for consideration of this message.

Sam Mazzeo

Senior Vice President & Alaska

Commercial Banking Manager

Wells Fargo Bank, N.A.

301 W. Northern Lights Blvd, Ste 212

Anchorage AK 99503

907-265-2916 direct



# Ruben Reyes

Messenger

and works at Business Consultant at Tarpon Media

Lives in Wasilla, Alaska

assa protect the divi

Please protect the dividends of the peoples of Alaska. Alaska has one of the 2 largest governments per capita in our nation. We need to make reasonable cuts and fixes their first. The audaciously absurd "we'll be bankrupt in 25 years" is a fear tactic. As the average Alaskan would be in trouble if they lost their job within 3-5 months, probably less. And the dividends is a key stimulus to Alaska's economy. Those dollars typically get spent here giving our state a boost. I'm for a sales tax (which would even benefit from the spending of said dividends) but please don't be a part of stealing what was voted on by the people in 1976 to be there for residents even beyond oil. Thank you for your consideration.

Ruben Reyes Mat-Su Valley

Received by Senate State Affairs Cont. 2-8-16

Ignore Acc

From: Anna Johns <annamjohns@gmail.com>
Sent: Thursday, February 04, 2016 11:25 AM

**To:** Senate State Affairs

Subject: Deficit

I would like to see all necessary cuts be made before even considering the permanent fund.

Thank you Anna Johns

Sent from my iPhone

From: Art Bloom <artmbloom@gmail.com>
Sent: Thursday, February 04, 2016 11:57 AM

**To:** Senate State Affairs

Subject: SB128

I am concerned that SB128 and other plans do not consider strongly enough the need to reduce the state budget to eventually get to a sustainable level, and also that restructuring the Permanent Fund to provide for deficit spending is a bad idea. I do think there needs to be a plan that smooths out the ups and downs of the oil AND equity markets by averaging over a set time period, and a plan to control state government spending.

Thank you listening to Alaskans, Arthur Bloom 4506 Prospect Way Juneau, AK 99801

Daniel George		
From: Sent: To: Cc: Subject:	Barbara Cash <bcash@rim-design.com> Tuesday, February 02, 2016 5:52 PM Sen. Bill Stoltze Barbara Cash Support of SB 128 - Be Brave!</bcash@rim-design.com>	
Follow Up Flag: Flag Status:	Follow up Completed	
Categories:	Bill in Committee	
Dear Senator Stoltze	,	
I wanted to offer test testifying via email.	imony this Thursday at 5:30 but have conflicting prior community commitments, so am	
close our budget gap	ong support of SB 128 and the Governor's plan to utilize Permanent Fund Earnings to help. This is the central critical piece of a balanced approach to keep our state running and not be tility of the price of oil.	
a similarly effective	nor's <b>courage</b> along with any legislator brave enough to support it, or brave enough to propose solution. It's time to stop being a state of entitlement-demanding residents and work e potential we have at hand.	
Thank you,		
Barbara Cash		
Barbara Cash, NCID	Q IIDA LEED AP	
President, CEO		
RIM Design LLC		
645 G Street, Suite 3	01 :: Anchorage, AK 99501	
907.279.6563 Office	:: 907.440.9190 Cell	

From: Barrett Fletcher <akfletchers@hotmail.com> Sent: Wednesday, February 03, 2016 10:33 AM Senate State Affairs

Subject: Permanent Fund Protection Act

Re: SB 128

No part of the proceeds of the Permanent Fund should ever be directly appropriated by the legislature or administration to 'support public services'.

ALL the 'sustainable portion of its earnings' must continue to flow through individual Alaskans' credit union accounts, even if that requires an income tax so large that a greater sum is immediately transferred back.

If individual Alaskans don't literally feel the money passing through our accounts we'll lose track of it, and it'll be gone in a generation.

Barrett Fletcher

PO Box 575

Homer, AK 99603

akfletchers@hotmail.com

From: Betty <sniffles@mtaonline.net>
Sent: Thursday, February 04, 2016 12:07 PM

**To:** Senate State Affairs

Subject: PFD fund

To the Governor, the Senate, and the House. A change in the PFD fund at this time is not necessary or the right thing to do. Many of the purposed cuts in the overall budget have been chosen in places that put hardships on our schools, and our citizens for political reasons in stead of in places that really need to be cut. High profile cuts in things like schools, roads, police, or Medicaid gets the ball rolling for the "Oh, poor me State thing" politically. The state funds so many off the wall things that have little or no place in the state budget to start with. If requested I will list some of them. To say that the budget can not be reduced is laughable. Digging into the PFD will open up a chain of events have will end up with the Citizens of Alaska not receiving any benefits from the natural resources of the state. And adding a gas tax to that is further hurting Alaskans. It is time to do the right things for Alaska.

Betty Carrington 600 W Edlund Rd Wasilla, Ak 99654

From: Beverly Churchill <br/>beverlychurchill51@gmail.com><br/>Sent: Wednesday, February 03, 2016 12:39 PM

To: Senate State Affairs
Subject: In Support of SB128

I am unable to be present for testimony at the public hearing tomorrow on Governor Walker's proposal Protect the Permanent Fund Act. I support his efforts and believe a balanced approach is the fairest and most successful way to deal proactively with our financial situation. Any good financial consultant will tell you it is important to have 3 legs to your income; the fund is one that works but needs tweaking to be sustainable and to help with the drastic change. I am a longtime Alaskan resident and I plan to remain here.

Thank you for your consideration, again I urge you to support SB128,

**Beverly Churchill** 

907-244-4987

From:Bill Tremblay <br/>>brtrembla@gmail.com>Sent:Wednesday, January 27, 2016 6:54 PMTo:GOV.AllLegislators@alaska.gov

Subject: Income tax before tapping the Permanent Fund

II'm willing to help pay for the necessary services provided by the State Government. I also think that people who come from outside of the State should also pay something for the services they receive. Seasonal employees for fishing jobs, tourism jobs, federal jobs, or others contribute very little to our economy. Many will go home to States where their wages will be taxed because their wages are not taxed where they were earned. While I know the amount of money recovered off an income tax isn't enough to close the fiscal gap (by a long shot), but it is really time for everyone to help.

Tapping the permanent fund only impacts Alaskans; this isn't fair and should not be our first choice. We also have one of the lowest State taxes on gas in the Nation, and could stand to raise some other fees to support State services. While I endorse Gov. Walkers approach for using the Permanent Fund earnings, we should never go so far as to impact the principle.

A Sales Tax is a "NO GO!" Almost 60% of the State's population live in communities where they have no Sales Tax; so of course they see this as an option. However, look at how many communities already have a sales tax and consider how a bump of 2-3% in a State sales tax would add to persons who already have a 5-7% sales tax in their communities already!

I appreciate your efforts in making the hard choices this year. It is very obvious we can't cut our way out of this problem (Although I think there are some who won't be satisfied until someone calls for services and there is nobody there to answer the phone.). It would have been easier if some paths to raise more revenue was started last year.

/s/ Bill Tremblay P.O. Box 662 Petersburg, AK 99833 907-650-7665



February 3, 2016

Sen. Bill Stoltze

Dear Senator Stoltze.

I would like to take this opportunity to comment on SB 128, Governor Walkers proposed raid on the Permanent Fund.

I am a former Investment Officer at the APFC from 1995 to 1999 and have been operating a Registered Investment Advisory firm in Alaska ever since.

My comment is limited to the amount to be drawn from the fund, not how it is used.

Last year the Fund was able to produce \$1.4 billion for the dividend, given its current dividend formula. If that is the prudent, sustainable amount of withdrawal the fund can produce, why does Governor Walker think he can take \$3.3 billion and still think the fund is sustainable?

Using the Percent of Market Value methodology as proposed awhile back, the funds available are substantially below Governor Walkers proposed draw of \$3.3 billion. According to the APFC website, the last five year end balances of the Fund are as follows.

```
6/2015 $55,003,000,000
6/2014 $53,220,000,000
6/2013 $46,345,000,000
6/2012 $41,708,000,000
6/2011 $41,622,000,000
```

For a five year average of \$47,579,000,000

- @ five percent payout, \$2.378 billion could be taken
- @ four percent payout, a much more prudent rate, \$1.903 billion

The Governor's plan is reckless, requesting \$3.3 billion.

Sincerely,

Bradley J. Fluetsch, CFA Managing Director and Chief Investment Officer

From: Brent Ulmer <bsulmer@gci.net>
Sent: Wednesday, February 03, 2016 10:54 PM

To: Senate State Affairs

Subject: SB128

#### **Gentlemen:**

In the 1970's, our state went through a tremendous boom as the pipeline was being built. The high demand for labor of all types pushed wages to stratospheric levels even for low-level jobs such as driving a bus. Businesses and the state had no choice but to pay the higher wages or lose their employees to pipeline-related jobs. Higher multi-year state contracts were negotiated and approved by the legislature to keep state offices open. Salaries were dramatically increased and benefits became the envy of any worker in the country. Then in the 1980's, we went through the post-construction bust. Wages returned to "normal" levels as businesses adjusted to lower revenues and profits. Many businesses had to close. When efforts were made to return state salaries and benefits to more appropriate levels, we were told it couldn't be done because multi-year contracts protected state workers. While adjustments have been made to state wages and benefits, the unions have fought reductions every step of the way. The state employee unions exist to improve the wages and benefits of their members, not to balance the budget.

One of the arguments to reducing state wages and benefits is that you could fire every state employee and the savings would still not come close to balancing our budget. Which is true. No one is suggesting we fire every state employee. We are suggesting that the State of Alaska payroll could be dramatically reduced as part of the solution to the deficit problem. The next argument to cutting the state payroll is "What positions or departments would you cut?" If you want the citizens of the state to support an income tax, a sales tax, or a raid on the PFD, you'd better show some tangible proof that you have made a good faith effort to reduce our state payroll by SOMETHING. Where to start? The work week. State of Alaska employees believe they should somehow be different than private enterprise and that they should only work 37.5 hours a week. Those days are gone. I will never support a plan to add taxes and/or reduce the PFD until I see state employees give back some of the bounty they reaped during the pipeline days that they have never fully relinquished. I will pay taxes. I will agree to a reduced PFD. I will not vote to do either until I see tangible reductions made in our state payroll.

If the answer from the unions is "You can't touch us. We have contracts protected by the Constitution." Then let's do what Detroit had to do. Go bankrupt THEN adjust the payroll and benefits through the courts. Ask the retired employees of Detroit how that turned out. If you think our state wages and benefits are commensurate with similar positions in the private sector, show us. Put it in a print form that we can analyze. Do not give it to us through the media. They have never analyzed public employee's wages and benefits and they never will. It runs counter to their agenda. We're waiting.

Regards,

Brent Ulmer 3649 Mary Anne Ct. Anchorage, AK 99502 (907) 248-5851

From: Bristol Whitmore <bawhitmore@gmail.com>
Sent: Thursday, February 04, 2016 10:30 AM

To: Senate State Affairs
Subject: Senate Bill 128

As a life-long Alaskan the permanent dividend fund has always been something that I have taken for granted but our state's propsperity is more important than a random pay day in October. Education funding is in peril and the education of youth is the most important factor when planning for Alaska's future. Districts are losing teachers and class size is so important to student success. Our local school is losing AP offerings and credit recovery already, and even more is in jeopardy. This is a situation that we need to change. The PFD re-structuring is a great way to start this change. Rather than have non-profits begging for donations during PFD season, as a state we need to show what we value, the education of our youth.

Bristol DeMeter Soldotna, Alaska

From: Carl Reedy <carlreedy@icloud.com>
Sent: Wednesday, February 03, 2016 6:45 PM

To: Senate State Affairs
Subject: Permanent Fund

I oppose the use of the dividend and of any earnings. I have been here in the state for over 20 years and have been objecting the use of the earnings from any political party. Over reach will happen its human nature to do so. The establishment of the dividend was when established to be for the people of the state for those who reside here and call it home. Local establishments that depend on the state for budget balancing and function will have influence on the state to give more and more and those parties will not proper manage use of the funds as they now show this very day. No government has the authority to use money's that was not intended for them. I vote no!!

Sent from my iPhone

From: Carol Carman <carcar@mtaonline.net>
Sent: Tuesday, February 02, 2016 3:56 PM

To: Senate State Affairs Subject: Alaska's Budget

Thank you for giving us the opportunity to speak on Governor Walker's budget plan to institute taxes, reconfigure our PF, and make no significant cuts in the size of our state government.

I am adamantly opposed to his plan - all of it! I believe taxing us or messing around with the PFD is unnecessary, is bad for Alaskans and our economy, and it is irresponsible to ignore cutting the size of our government.

Ideally, I think we should use the CBR while cutting the budget for the next few years toward a goal of 'essential services' only, and then go to the PF earnings when we reach an 'essential services' budget level - the goal being to reach that level before the CBR runs out. This can be done if significant cuts are made each year so that we use less of the CBR each year. Using the PF earnings (ISER approach), should be done ONLY after cutting down to essential services to preserve the integrity of the earnings. Since the ISER approach doesn't interfere with the PFD, it is the most appealing and responsible solution to our economic woes.

Spending on anything beyond 'essential services' should only be done when our resources exceed our 'essential services' level by a significant amount, (level to be determined). This would allow the earning reserve to continue to build over time, and ensure we don't have a panic situation as we do today.

I believe that Dave Cuddy and Dave Gottstein should be given audience, as they have a business background valuable to consider regarding the gas line. Did I mention that I don't believe we should be borrowing any money for the gas line? It should be one of those 'beyond essential services' projects mentioned in the previous paragraph. Consequently, there should be no gas line at this time. It should have been built during our time of excess revenue, and since that time is past we need to be realistic and save it for a more profitable time.

Very good friends have told me they will leave this state because they will no longer be able to afford to live here if the legislature institutes taxes and cuts our PFD. I've had others from a variety of sources say the same thing - sometimes even from strangers when the topic is brought up in public.

Any way you look at it, consequences for the future of Alaska rests upon your shoulders. We can continue to blunder carelessly ahead throwing caution to the wind, or we can be wise in our spending - taking care to protect the future of our children, grandchildren, and generations to come.

Carol Carman

<>< <><

God grant me....

Serenity to accept the things I cannot change, *Courage to change the things I can, and Wisdom to know the difference.* 

From: ACS <secor@acsalaska.net> Thursday, February 04, 2016 5:04 AM Senate State Affairs Senate Bill 128 Sent:

To: Subject:

Save our Permanent Fund Dividends and fund our schools, pass 128.

Sent from my iPad

From: Carylee Kilgrow <kilgrow@live.com>
Sent: Wednesday, February 03, 2016 6:46 PM

To: Senate State Affairs

Subject: PFD

It is not appropriate for Gov. Walker and Legislature, to get their hands on the PFD. They try EVERY YEAR with one excuse after another. Our problems have been caused by a defunt State Govt.+ I will vote against touching the PFD. The reason behind this. All the lean pfds. we struggeled through. NOW when we are susposed to get decent PFD's you want to cap at \$1,000.

Why dont you pay ALL the PFD's to the alaska people and a sum for every year they have residence in alaska.

IF the Leg. and Gov. had all been on the ball, this wouldnt have happened. The PFD just makes it financially possible to live in Alaska as everything is so expensive. Give me all my money (IM< an Alaskan) and I will put it into a house to live in instead of the cracker box apt. IF the marijuana board had been on the ball, and got rid of Franklin when she showed her awful colors. (doesnt believe in Med. MJ) give me a break. Im the one with the Med card and no lab to get good product from. FOR HELLS SAKE GET RID OF HER. Marijuana money could have aveerted this \$ problem. AND it still can if these guys will get off their duff and get the tax money rolling in. YOU do not need or should not touch the PFD. Noooo alaskan, will vote for you to do so0. With weed taxes, we could be out of debt by 2017. thank you for your time. CARYLEE KILGROW 1907 929 3187

From: Cathy Mosher <cmosher@mtaonline.net>
Sent: Thursday, February 04, 2016 12:27 AM

**To:** Sen. Bill Stoltze

Subject: PFE

Follow Up Flag: Follow up Flag Status: Follow up

Dear Bill Stoltze,

The PFD should not be touched until cuts are put into place. Gov. Walker should not be hiring 50 new employees to be the Alaska IRS. The budget should get back to the 2006 budget where the state would have to live within it's means without any new taxes.

Where is the employment for people who have or will be laid off the slope? Where will the employment be with the businesses who rely on the oil revenues? Employment needs to be created. New taxes for businesses and residents of Alaska will be bad for the state. People do not want to move to Alaska because of the new taxes Gov. Walker wants to see put in place.

We live in a great state and we want to see it remain great to where new residents will want to come up to work and live.

Please stand up to the governor and not pass any new taxes or touch the PFD.

Thank you for your hard work.

Sincerely,

Cathy Mosher
President of the Valley Republican Women
<a href="mailto:cmosher@mtaonline.net">cmosher@mtaonline.net</a>
P.O. Box 563

Willow, AK. 99688 Home: 907-495-1054 Cell: 907-982-2646

From: c springer <cmsinak@yahoo.com>
Sent: Wednesday, February 03, 2016 10:57 AM

To: Senate State Affairs
Subject: Alaska economy

The PFD should be curtailed for all non Natives which includes eliminating the distribution to all of my family.

In addition, Alaska should be prohibited from funding the various boundoggles it always has. If private enterprise does not see economic sense in a development, then the work should not be moved forward by the state government. We should not be a part of the gas pipeline funding.

All legislators should be required to recuse themselves on voting for any matters affecting oil and other companies when they are employed by such companies.

We should forward fund the state government to institutionalize a balanced budget.

Now you can talk about taxes. First tax all non resident income.

Create a seasonal statewide sales tax.

Now you can consider a graduated income tax.

Look at Nevada for income tax legislation. Their vice industry is very much like our vice of oil industry.

Lastly: Why are we not encouraging companies in tech to move to Alaska? The outdoor opportunities for employees is greater then any other state. We have great access to asia. We should be feeding off the Alaska reality tv shows to promote Silicon Valley North.

Thank you

Charles Springer Anchorage

From: Charlotte <cafox@gci.net>

Wednesday, February 03, 2016 10:26 AM Senate State Affairs Sent:

To: permanent fund Subject:

please use PF earnings to fund state government! we need to all share the burden to ensure that we have a viable state in the future.

Sent from my iPhone

From: Cheryl Page <robinredbreast5959@yahoo.com>
Sent: Wednesday, February 03, 2016 11:52 AM
To: governor@alaska.gov; Senate State Affairs

Subject: PDF Protection Bill

### Good Day Governor Walker & Senate,

It simply amazes me how in one hand the politicians are crying how the budget is so very bad. That we are basically bankrupt. Yet there is a need now to produce an Permanent Fund Protection Governor Hammond would be extremely upset and disappointed at the action of stealing money from the Permanent Fund Dividend (PFD). You even stated it in your letter. "I wanted to transform oil wells pumping oil for a finite period into money wells pumping money for infinity." What right did our government have to steal this money in the first place? If I am not mistaken; it was written by Governor Hammond in the bi-laws of the PDF that the people of Alaska would have to vote any changes to the PDF rules. I do not remember being asked, if the Alaska Government could "borrow" ("steal") money from the PFD account. I do believe, if you asked the general public, they would have the same answer. Your other piece of stating that the new money taken from the PFD will go for state services. It already has this piece aboard. Here is a breakdown of what one was deducted from our last year's dividend.

Prepared by Sara Race 9/23/2015

Alaska Department of Revenue	
Permanent Fund Dividend Division	
Funding for PFD Dividends comes from	
Permanent Fund Earnings	
Constitutional dedication of funds	873.49
Legislative action	
Statutory inflation proofing	873.49
Special legislative appropriations	383.48
Unexpended prior year dividends	17.82
Total Gross Dividend	2148.28
The Total Gross Dividend has been reduced for:	
Medical and Public Assistance hold harmless	(27.50)
provisions of AS 43.23.075	
Legislative appropriations related to convicted	(34.66)
and incarcerated felon and misdemeanant	
dividends	
Dividend program administrative costs	(12.79)
Prior year dividend obligations	(1.33)
Total Reductions	(76.28)
Net Dividend (Rounded to the nearest whole dollar)	\$2,072.00

Letter Continued:

It is beyond my understanding and comprehension how in one breathe you can voice how broke our state is and how it is vitally important to steal the PFD money. When in fact you have a very vital way to pay for all of the governments' business dealing. Yet, the politicians are banning the very entity that can make this state a rich one.

What am I referring to? Let's take a look at our neighboring state; California. Yes, California. Where you aware that approximately eight to ten years ago their state was bankrupted? Their state got infested with the METH Epidemic that robbed their state of all their resources. The Department of Justice could no longer keep statistics on what was occurring in their state. The Governor at that time was a very smart man that saw how legalization of Marijuana would bring back a thriving financial state.

California placed all the proper regulations and taxes that brought their state back. I would hate to think were California would be today had they not done this. The taxes alone would over fill any needs we may have for our state. How did we do it back in the day, when Alcohol and tobacco was legalized? Both of these are drugs that bring our state a wealth of tax money to pay for our expenses.

In my opinion, this is the path we need to take. Especially, if we are going to keep our great state thriving financially. The people of Alaska have already voted to make Marijuana legal. Now, we the people of Alaska are depending on the people that create the laws to make it meet the needs of all parties involved.

Thank you for listening,

Concerned Citizen for Alaska People

From: Dawn Lotti <lotticd@gmail.com>
Sent: Wednesday, February 03, 2016 3:01 PM

To: Senate State Affairs
Subject: Govener Walkers plan

No no no, no taxes, no touching the permanent dividend fund, no dont keep spending money on government we dont need..... Cut spending.... Cut government. Everyone i talk to agrees... Move legislatures out of the building in down town anchorage into the building we already own. I cant help but feel there is a bunch of cutting that can still happen. I wouldnt and dont run my household this way and i dont expect my government to either. Spend what you have if you dont have enough i get rid of things, i cut back!

Get the gas line in....!!!!!

Please do the same! Chris lotti Lotticd@gmail.com 907-953-7714

--

Dawn Lotti BS, CDC1

From: Clarence & Barbara <klink22hank@mtaonline.net>

Sent: Thursday, February 04, 2016 7:10 AM

**To:** Senate State Affairs

Subject: Budget

You guys are a joke..( inclusive Governor and legislators) First you spend your dividends, now you want to spend ours. IF YOU REALLY ARE CONCERNED ABOUT MY OPINION, ( AND TRUTHFULLY I DON'T THINK YOU ARE). I think you should find your way to paying for government by spending cuts. An income tax is unacceptable in my view. CUT SPENDING, CUT SPENDING, CUT SPENDING!!!!!! Regards,

Clarence Everingham 5001 Hovey Drive Wasilla, Alaska 99654 Vote reg # 06911410

From: Clifford Edenshaq <sitkatlingit@gmail.com>
Sent: Wednesday, February 03, 2016 10:16 PM

**To:** Senate State Affairs

Subject: PFD

My name is Clifford A. Edenshaw. 6th generation Tlingit/Haida since Russian Orthodox began keeping records. I'd rather see the Governor n State House and Senate liquidate the PFD to its citizens. Then write n enact legislation that only allows those monies remaining from the PFD to balance the budget once budget cuts to the fullest have been met.

From: Clinton R Hodges II <crh911s@hotmail.com>
Sent: Wednesday, February 03, 2016 11:34 AM

**To:** Sen. Bill Stoltze

Subject: Testimony before The Senate State Affairs Committee, Senate Bill 128

Follow Up Flag: Follow up Flag Status: Follow up

Dear Chairman Senator Bill Stoltze and Committee Members,

Please accept this email as my testimony on the above cited subject, SB 128, "Walker/GCI Plan." I'm not able to testify on Thursday due to the fact that it is my wife's birthday.

We do not support the decoupling and use of the Permanent Fund or earnings and any aspect of the dividend as set forth in the Walker/GCI Plan, SB 128; the cuts to the government workforce are insincere and insufficient, the cuts to the budget are insufficient; a budget in excess of 5 billion is not realistic and is unsustainable. We don't believe that it is a good idea for government to have access to a pot full of money like the earnings from the Permanent Fund.

The Walker/GCI plan is predicated on the belief that an unsustainable state government workforce is better than a healthy private sector economy; we disagree. Under the Walker/GCI Plan, state government employees will continue to enjoy routine salary and benefit increases and certain business' will continue to benefit from unrestrained irresponsible spending if allowed access to the earnings of the Permanent Fund. We must cut the government workforce so that it meets the basic requirements of our Constitution. The days of money falling from the trees to business dependent on state spending has come to an end.

We believe that 3.8 to 4.1 billion is a realistic dollar figure for what it takes to run our state and toward this end, in addition to the cuts above, we should consider and implement immediately the following revenue streams. Please keep in mind that we are not friends to taxes but are willing to pay our fair and balanced share.

Unlike the Walker/GCI Plan, we believe that the income tax should be reinstated and that every dividend recipient pay a \$100.00 tax for education. An education tax on the dividend and an income tax will not unfairly burden our children, the poor, disabled and elderly. This is fair and balanced.

We feel that the gasoline tax should be doubled along with a reasonable tax on alcohol and marijuana. We should look at collecting tolls for some of the major transportation corridors, such as but not limit too, the Parks Highway, Richardson Highway, Sterling and Seward Highways. No exceptions and no exemptions, every user pays regardless. This fair and balanced.

We feel that the education system in Alaska, Anchorage especially, needs a complete overhaul and this isn't letting the university system off the hook. Our university system doesn't need three Ivory Towers where one will suffice. We must provide a basic K-12 education for all of our children but we don't need domes and artificial grass.

During 50's, Glendale, California, where we attended public schools we had a principal, vice principal, nurse, custodian and teachers with up to 36 kids in a class and no aids. If it worked then we can make it work today.

Facing an 11.1 million dollar deficit and requesting an \$50.00 per student BSA, the Anchorage School Board and Anchorage Assembly approved a one year salary and benefit increase and bonus for its teachers. My wife and I are retired and on a fixed income and our health premiums, for 2016, went up nearly \$600.00 and we're having to pay for the premium increases for Anchorage teachers too, on top of tax to the cap property taxes. Fair and balanced would have had teachers taking a cut and picking up the cost of their health premium increases. Who is it fair to and how is it balanced to be spending money you don't have?

We should continue to carefully and skillfully withdraw, as reasonably needed, from our CBR's over the next few years as needed but not make a habit out of it.

We're sure that in all likelihood a statewide sales tax will be needed to be a part of the fiscal solution. Right along with cuts to the government workforce, government programs, education and social programs. However, we must continue to maintain existing and building new essentially needed infrastructure such as roads, bridges, airports and ports. For now, we should rely on the private sector as much as possible to keep our costs down.

We agree with Clem Tillion on taxing the dividend via a state income tax. We are of the same mind and opinions of Michael Carey, Paul Jenkins and John Havelock as stated recently in the Alaska Dispatch News.

We do not support SB 128 because it lacks fiscal responsibility and is not fair and balanced; it doesn't cut the state workforce and government programs to reflect the current fiscal reality, unfairly taxes children, the poor and elderly.

This is our testimony, respectfully submitted to the Chair and all committee members of the Senate State Affairs.

Clinton and Geri Hodges

6930 East 11th Avenue

Anchorage,	AK	99504
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907 240-3535

Sent from Mail for Windows 10

From: Sen. Bill Stoltze

Sent: Thursday, February 04, 2016 1:10 PM

To: Senate State Affairs
Subject: FW: The budget

From: Colleen Vague [mailto:cvague@citci.org]Sent: Thursday, January 28, 2016 1:08 PMTo: Sen. Bill Stoltze <Sen.Bill.Stoltze@akleg.gov>

Subject: The budget

Dear Sen Stoltz,

I'm writing this to share my views on the Rasmussen survey regarding people's view of the current budget situation, and Gov. Walker's proposed budget solutions as presented in the State of the State Address.

First: I would agree with the Rasmussen results that not doing anything to solve the budget, by the elected officials, would not be supported by your constituents; however, this does not mean I want my elected officials to fall in line with the Governor's plan, as was implied by those reporting the results of this survey. I'm pretty sure I'm "talking to the choir", so to speak, but I want you to feel supported in your decisions to do other than that plan.

Second: Budget cuts, REAL BUDGET CUTS, need to proceed increased revenue proposals that would cause harm to working Alaskans.

Third: By being a working Alaskan, I am able to be a home owner. I currently pay a large portion of taxed to support my local government needs, and I pay federal taxes to support federal government expenditures. I have a double tax burden because I choose to work; under no circumstances would I support a state income tax. I would consider that a triple whammy!.

Fourth: Please stop spending money on a Large Diameter LNG Pipeline. If this were the panacea to solve all our budget problems, why are NO private investors jumping on this train? I know one has to invest money to make money, but it appears we (Gov. Walker) is willing to invest money we don't have on a project that, at best, has one "potential", "possible", "could be", "let's wait and see what happens", customer in the Japanese. Unless I haven't heard about it, we have no confirmed contract by them to purchase the Natural Gas. Please correct me if I'm wrong.

	We have a \$4 billion short fall, could somebody explain why Medicare Expansion is even crossing people's Enough said.
conse	d go on, but I think you get my point. I support all you do, and appreciate the Valley has the most rvative representatives in the state. My main reason for sending this to each of you is to provide constituent ort when you go into battle.
Thanl	ks for your hard work, especially during this difficult session.
Since	rely,
Colle	en Vague

From: Daniel Michaud <akdanbo01@gmail.com>
Sent: Thursday, February 04, 2016 10:59 AM

To: Senate State Affairs

Subject: PFD

I strongly urge ALL thoughts about the use of the PFD to balance ANY budget.

Government created this crisis and Govt can cut the crisis.

Have build way too many public buildings and spending like a drunken sailor.

Time to take pay cuts and stop funding useless projects.

Time for the system to eat molded bread like I had too when I started my business.

I choose to pay my bills and go without food and many simple things to stay alive.

Seems that Govt is on a perpetual spending spree and will break the kids bank to make sure its getting its wants fulfilled.

Taking the PFD is robbery.

Will consider moving out of the state if they cannot get things in order.

I will NOT apply for the fund monies next year.

Daniel R. Michaud

President

Alaska Fireplace & Accessories, Inc.

P.O. Box 873161

Wasilla, Alaska 99687

TEL: 907-892-7131

From: Dan Owens <alaskalogger@gmail.com>
Sent: Wednesday, February 03, 2016 9:03 AM

To: Senate State Affairs

Subject: SB 128

### To Whom It May Concern,

I do not support Governor Walkers budget plan for three reasons.

1. There are no real cuts to spending included. There is to much "fat" in our state government. Budgets have been set at revenues from record high oil prices at the \$100/ barrel level. This budget proposal is nearly the same. We need to write the budget with projections at around \$60/ barrel. We would still have a deficit at this point but there would be a real chance prices coming back to that level.

The government needs to quit trying to be in business. It seems that every time the state tries to find a project it fails dismally. Examples are the Point Mackenzie dairy project, Matanuska Maid, Susitna Dam... The list goes on. Now we are set to spend billions on a gas line project. If these projects make sense economically, then business will build them. We can encourage these projects with tax structure but we must stop funding them.

- 2. If there are new taxes to be imposed then everyone should have to pay them. A sales tax makes more sense to me since it would assess everyone equally including tourists and non-resident workers.
- 3. If the PFD earnings are taken for government use, the economy will shrink. I think the money will be better spent and do this State more good if left in the hands of the individual.

Thank you for your consideration.

Daniel Owens Palmer, Alaska Sent from my iPhone

From: daniel shaw <shawsds@webtv.net> Sent: Thursday, February 04, 2016 1:04 AM Senate State Affairs Subject: Alaska Permanent Fund We totally disagree with Gov. Walkers plan for the Permanent Fund. That annual check is a major boost to the state economy from Anchorage to smallest village in Alaska where that is the only or large percentage their income for the year. That 1.2 Billion Dollars generates thousands of private sector jobs both in the Retail and Service Industries. Gov. Walker needs some better economic advisers then the ones he is surrounded by now. We Pray that the Senate State Affairs does not pass this SB 128 Bill or any Bill changing the Alaska Permanent Fund. Most Sincerely Daniel K Shaw Shirley A Shaw 1400 S Cotton Dr. Wasilla Alaska 99654 District 7

From: David Brooks <davidbrooksdop@me.com>
Sent: Wednesday, February 03, 2016 12:18 PM

To: Senate State Affairs
Subject: Written Testimony SB128

Dear legislators,

I wish to voice my support for the plan proposed by Governor Walker in SB 128. I urge a yes vote.

Kind regards, Dave Brooks

From: David DePodesta <djdepo@gmail.com>
Sent: Wednesday, February 03, 2016 9:05 PM

**To:** Senate State Affairs

Subject: Budget

The imposition of taxes and or the confiscation of the PFD are not warranted until costs are cut drastically Either will only result in the governments continued over spending

There is no excuse for further supporting and encouraging a blotted uncontrolled government

The legislature should be ashamed of the ridiculous pissing away of public funds

If you won't stand up to the governor... Get the hell out

David DePodest Ninilckik

Knik Towing & Wrecking <parts@knikrecycling.com> Wednesday, February 03, 2016 10:36 AM Senate State Affairs From:

Sent:

Subject: SENATE BILL 128.

### REGARDING THE PERMANENT FUND PROPOSAL:

REMEMBER ONCW THE GOVERNMENT GETS THEIR FOOT IN THE DOOR. IT'S GOING TO BE A SLIPPERY SLIDE DOWN HILL AFTER THAT.

DAVID W WEBSTER

From: DEE LOESCHE <dloesche@gci.net>
Sent: Thursday, February 04, 2016 11:48 AM

To: Senate State Affairs
Subject: Senate Bill 128

Acknowledging that the state is in financial distress at the present time, I am in support of the ideas that have been put forward to solve the problem. However, the extra funds needed should be balanced so that all the needed revenue does not come from one source. My one suggestion has to do with the fluctuation of the market place. The low prices of oil will not last forever and in time it will increase to where the revenue to the state will once again maintain the state budget. When the oil revenue increases, the special revenue sources be reduced to the present values. ie: draws from the permanent fund revenue, an income tax and other emergency draws go back to where they are today. I would hate for the oil revenue to get to \$80 BBL and we, the people, still have to pay income tax. Extra funding can become a very slippery slope.

Respectfully submitted,

Dee Loesche

From: dnickich@kpunet.net

Sent: Thursday, February 04, 2016 6:14 AM

To: Senate State Affairs
Subject: Senate State Affairs
Budget. SB 128

The budget should be cut before using a Permanent Fund solution.

Additional revenue should be achieved by using every resource the is available on State land.

Land the is held by the federal government in the state should be taken back by the state. Land that is rich is resources should be taken first. Review ANLCA if we need ideas.

We were rich, we are now much less rich. The poor cannot afford all the things the that rich can.

What would it take to balance the budget?

What percentage of spending would have to be reduced across the board to balance the budget? That is where we start. Then look at the state resources that can be developed by private industry that will add to the revenue side of the equation and work to make them available.

Review all departments and evaluate them based on their original intended goal. If they are not achieving that goal liquidate that department.

Pass laws that keep law suites that are meant to block development from doing so where ever possible.

Do not raise taxes on oil companies. With the current glut of oil on the market we have to diversify.

Any taxes on individuals needs to be applied to anyone and everyone. There should not be those that get and those that pay. Everyone needs to have skin in the game.

Regards, Don Nickich iPad

From: donaldjohnson@alaska.net
Sent: Thursday, February 04, 2016 5:23 AM

To: Senate State Affairs; fish@kingsizeadventures.com; timhiner@alaska.net; krpga1@gmail.com; freetochoosealaska@hotmail.com

**Subject:** Alaska's Spending Problem

Dear Governor Walker,

Regarding your suggestion that "we need to use the Alaskan Permanent Dividend Fund, PDF to fund our government". I believe Alaska is currently spending more money than necessary to run a basic government.

In 1970 Alaska spent about \$219,000 on 300,000 people per year to run its government. That comes down to the state spending about \$600 per person to run the state back then. Alaska then doubled its population to about 700,000 persons, while increasing its spending to \$16,000 per resident! Alaska went from spending \$600 per person to run its government, to spending \$16,000 per person to run that same government. Alaska's spending per capita is now higher than any other state in the union. Average governmental spending per capita in the United States is about \$5,300 per resident. Alaska is currently trying to spend about three times more per capita than any other state. (http://kff.org/other/state-indicator/per-capita-state-spending/)

It might have been logical to spend \$16,000 per resident when the state was earning enough to do this. It is completely illogical to continue spending like this when we are not earning enough to do this. Alaska's legislative decision to spend MORE than it has is the heart of the reason some believe that we need to use our PDF to continue funding our government.

The simple truth is that The State of Alaska must first set a spending limit at the beginning the year, then it must make spending decisions which allow it to remain within that limit. The problem with our Alaskan representatives is that they are currently attempting to fund government without a spending limit. This would be the equivalent of sending a person into a shopping mall with your credit card after telling them to get whatever they want. The outcome would be predictable and no doubt something you would not want to pay for, like our Alaskan budget. The reason both you and our legislators cannot find enough money to fund our Alaskan government is because you have failed to set a spending limit BEFORE the spending. Simply handing that theoretical mall shopper another credit card will not curb their spending; only setting a spending limit (before the spending) has a chance of curbing the spending. Even if we were to draw upon PFD earnings reserves, that would not be able to close THE SPENDING GAP we have created. Therefore even tapping the PFD earning reserves would not be able to resolve our current SPENDING PROBLEM. Spending PFD earnings reserves is the equivalent of just handing that theoretical mall shopper another credit card.

It is an illusion to believe that our current Alaskan SPENDING PROBLEM can be cured by just spending more money.

You are over complicating Alaska's Spending Problem. This issues can be greatly simplified by just setting spending limits BEFORE the legislative spending begins.

Thank you,		
Don		

In 1970, Alaska was home to 302,000 people with an annual state budget of just \$219 million. By 1980, following the completion of the Trans-Alaska Pipeline, 401,000 people called Alaska home and the total budget had risen to

\$1.5 billion. With 722,000 people now in Alaska, the current total state budget (including both operating expenses and capital projects) is \$13.0 billion (FY 2012). This includes \$3.1 billion in federal funding. Over the last decade, state operating costs have grown, on average, 8 percent annually and that growth rate is projected to continue. http://www.alaskabudget.com/spending/

Don Johnson Soldotna, Alaska 99669 donaldjohnson@alaska.net 907 262 7893

\_\_\_\_\_

From: Alaska Governor Bill Walker (GOV sponsored)
Sent: Wednesday, February 03, 2016 10:17 AM
To: Alaska Governor Bill Walker (GOV sponsored)

Subject: Public Testimony on the Permanent Fund Protection Act

From the Office of Governor Bill Walker.

February 3, 2016

# **Public Testimony on the Permanent Fund Protection Act**

Dear Alaskan,

I am writing to let you know about an opportunity to testify on the <u>Alaska Permanent Fund</u> <u>Protection Act (Senate Bill 128)</u>, my proposal to restructure and protect the permanent fund.

Who: Alaska public

What: Public testimony on SB 128, the Alaska Permanent Fund Protection Act

When: Thursday, February 4, 5:30 p.m.

**In person**: Butrovich Room 205 in the Alaska Capitol in Juneau. Locate your <u>nearest Legislative</u> Information Office here.

By teleconference (866) 465-4958 (call in advance to arrange to testify by phone)

Written testimony: Send to senate.state.affairs@akleg.gov or fax to (907) 465-4928

Watch livestream: <a href="http://akl.tv">http://akl.tv</a>

As you likely know, Alaska is facing a nearly \$4 billion budget gap. To protect our savings and avoid devastating impacts to the economy and essential services like education, transportation and public safety, I have proposed a comprehensive plan. My plan calls for:

· Continued spending cuts

- · Modest tax increases
- · Strengthening the permanent fund and using a sustainable portion of its earnings to support public services

The Alaska Permanent Fund Protection Act enacts the critical third leg of the plan. The Senate State Affairs Committee plans to take public testimony on the bill tomorrow.

If we implement the plan in its entirety, we will still be the only state that pays an annual dividend to residents. Alaska will have the second lowest individual tax burden in the nation. We will still be able to grow our savings. We will be able to provide essential state services, and we will have the means to invest in the growth of our state.

If we don't make significant changes in how we fund government, we will drain the constitutional budget reserve within two years and the permanent fund earnings reserve in another two years. The permanent fund dividend will go to zero dollars in just four years.

To learn more, <u>please go to my website</u> or <u>read my latest op-ed here</u>.

Regardless of your viewpoint, I encourage all Alaskans to participate in our public process. To make your voice heard, or just to listen in, please follow the instructions below from the Senate State Affairs Committee:

Sincerely,

×	The last responsible displays. The last seal consequences a dead and before last passes to more than the destination

Bill Walker Governor

Gov.alaska.gov
Office of the Governor | P.O. Box 110001 | Juneau, AK 99811

Email Governor Walker
Unsubscribe

From: donald macmillan <clanmac68@outlook.com>
Sent: Wednesday, February 03, 2016 12:54 PM
To: Senate State Affairs
Subject: taxes

Start a income tax on wages

Tax the dividend from the perment fund

Reinstate the 10.00 shool tax

Donald mac Millan

401 s.wasilla st #16

Sent from Mail for Windows 10

Wasilla,ak99654

From: edward j brown <edanddi@mtaonline.net>
Sent: Wednesday, February 03, 2016 8:57 PM

**To:** Senate State Affairs

Subject: pfc

solve the budget without touching the PFD if you politician get your hands on the PFD you will spend spend spend then bitch that it is gone, i will not vote for gov. walker again he has shit on the dept. of corrections and now wants the PFD sounds like a 1 time gov. and anybody that votes to get the PFD I WILL NEVER FORGET TO NOT VOTE FOR THAT POLITICIAN

From: Elaine Pfeiffer <pfeifferelaines@hotmail.com>
Sent: Thursday, February 04, 2016 6:26 AM

**To:** Senate State Affairs

**Cc:** Rep. Lora Reinbold; Sen. Anna MacKinnon

Subject: SB 128

Cut the budget FIRST. Make some hard choices. Then look at other options such as Permanent Fund/sales taxes.

Elaine Pfeiffer

Sent from my iPad

From: Ellen Brumfield <ellen99830@usa.net>
Sent: Wednesday, February 03, 2016 10:32 PM

To: Senate State Affairs
Subject: concerning Senate Bill 128

I'm a resident of Ketchikan and I receive a Permanent Fund. I have every year it's been in existence.

I believe the State's budget should be cut before allowing the PF to be part of the fiscal discussion.

I believe first cuts should be with legislatures, salaries and per diem. Most if not all have other forms of income. Second I believe cuts should be made to state government offices. No need for government offices in all three major cities. Too many triplicate staff members. Government should not be the major employer of the state. Fourth, I believe big business should carry more of the load to run our state government. I would vote no on Senate Bill 128.

Ellen Brumfield

From: evelyn sprague <evelynspr@gmail.com>
Sent: Wednesday, February 03, 2016 7:17 PM

**To:** Senate State Affairs

PFD must not be used elsewhere until government spending is curtailed, then and only then with approval of the citizens of Alaska

From: frank peron < frankperon1@outlook.com>
Sent: Wednesday, February 03, 2016 8:41 PM

**To:** Senate State Affairs

Subject: PFD

I don't think the PFD should ever be used for government!!!!!! Cut state budget, start with the top paying jobs, cut there pay!! And put them on the same health care as the rest of us, and there retirement should be just like us social security!

Sent from Outlook Mobile

From: fwnelius@hotmail.com

Sent: Wednesday, February 03, 2016 11:13 AM

**To:** Senate State Affairs

**Subject:** The Alaska Permanent Fund Protection Ac

I support Governor Walker's proposed Alaska Permanent Fund Protection Act.

Fred Nelius

7535 N Nugget Circle

Palmer AK 99645

From: G A <memo978@msn.com> Sent: Thursday, February 04, 2016 4:10 AM

Senate State Affairs PFD

Subject:

I don't agree with Mr Walker's idea to use peoples PFD to solve temporary Alaska State budget.

From: Gary Moore <gkmoore@gci.net>
Sent: Wednesday, February 03, 2016 7:27 PM

**To:** Senate State Affairs

**Subject:** Gov Walkers Permanent Fund Proposal

It is imperative that you slash the government spending before imposing on the Permanent Fund. The Government is way beyond what it needs to be! When that is under control.... then we can talk about the Permanent Fund.

Gary and Kathy Moore 2050 E Fairview Loop Wasilla, Alaska 99654

907-376-9756

From: AMY LUJAN <alasbo@gci.net>
Sent: Thursday, February 04, 2016 11:54 AM

**To:** Senate State Affairs

**Subject:** Testimony on SB128 - Senate State Affairs Committee

#### Senators,

I am unfortunately unable to attend tonight's hearing to provide testimony. I was able to listen to the presentations this morning by Scott Goldsmith and Brad Keithley.

I would like to commend the committee for holding hearings early in the session on the important proposals that involve significant changes in the state funding structures to address the fiscal gap. My association, the Alaska Association of School Business Officials (ALASBO) has long advocated for the development of a fiscal plan. We are advocates for K-12 education, and the only way education can be delivered in a quality, consistent manner is with consistent, reliable funding.

As Dr. Goldsmith emphasized this morning, some structured use of the Permanent Fund appears to be an important component of any realistic plan going forward, given the present and projected price of oil and the timeframe for getting new resources into production.

Again, thank you for your work on these critical issues.

Thank you for your Amy Lujan Executive Director Alaska Association of School Business Officials (ALASBO) 3145 Pioneer Avenue Juneau, AK 99801 907-723-7415 www.alasbo.org

From: Gary Pempek <Gary@PalmerMoose.com> Wednesday, February 03, 2016 6:33 PM Senate State Affairs Sent:

To: Subject: Cut the budget

I say Cut the budget first. Stop spending like drunken fools.

Gary J Pempek P.O.Box 871744 Wasilla, Ak. 99687

From: Deedie Pearson <deediepearson@hotmail.com>
Sent: Wednesday, February 03, 2016 8:10 AM

To: Senate State Affairs
Subject: Permanent Fund

The State does not owe me anything! I am grateful for the PFD in the past, but rather than cutting funds from education and the Marine Highway system, etc, the fund is needed for good, wise support for serving the public good.

Thank you all for looking for the best solution for solving this challenge!

Sincerely yours, Geneneiva Pearson Kodiak Sent from my iPad

From: janahelp@sbcglobal.net

Sent: Tuesday, February 02, 2016 11:38 PM

To: Senate State Affairs

**Subject:** Testimony for Feb 4 meeting re: restructuring the PFD

Rather than imposing a state tax on us and taking from us by stealing from the PFD, why don't you try cutting the budgets of the state departments? There is SO MUCH WASTE going on everywhere. One example is this: my husband retired January 17. His boss's boss, (who my husband does not really know--by the way) flew from Fairbanks to Barrow specifically for the purpose of wishing my husband a goodbye. What a waste of our money! My husband really did not care whether he saw this important man or not but my husband is not so uncouth as to say so to his boss's boss.

This is just an example of some of the waste that is going on: travel that is totally unnecessary for certain tasks. Managers and employees COULD conduct their business over the phone. The post office started this practice in their cost cutting efforts and they saved millions by doing so. Instead of traveling to a meeting, we met by using an app like GoToMeeting.

Instead of buying little trinkets and such to hand out at meetings, forget the fluff and save the money. Most of the time these items are just junk anyway! And if they are not junk, the State of Alaska has no business offering such perks to select employees!

Ever heard of a salary freeze? Now there's an old idea that could use resurrecting! Freeze salaries for a year. Heck! In today's environment, State of Alaska employees should be grateful they even have a job!

And about the more expensive purple pens...and brightly colored post it notes of varying sizes...FLUFF! Those items are fluff and can be replaced by cheaper alternatives. Suggest having each department cut down on budget for office supplies.

If employees and their managers were challenged to do so, they could find viable ways to save money. We certainly did at the USPS.

Why is the State of Alaska investing in new equipment and vehicles when using these items just a bit longer could save millions!?? The Barrow airport (where my hubby worked) just invested in a fancy-pancy new snow plow. What, pray tell, was the reason the perfectly serviceable one they had couldn't have continued in use for a bit longer? In our personal lives, when we don't have money, we make do with string and glue (a saying) to keep afloat. The State of Alaska could do the same. Put a person in charge of overseeing the purchases of new equipment, vehicles, and furniture. Not a new position, just added duties to someone already working in the Finance Dept. NO ONE buys any of these big ticket items without submitting justification for these items. Your Finance employee reviews these requests and denies those that cannot show a monetary justification why the old serviceable equipment, vehicles, and furniture cannot still be used.

Governor, there are sooooo many ways that money can be saved starting with the State of Alaska. No need to drum up revenue by taxing your constituents. SAVE MONEY. Now there's your "revenue"!

Why not meet with some of the Finance Department employees of the post office to see what cost cutting measures they have taken in the last ten years to save money? Suggest you start with the Headquarters people as well as the District employees to get a well rounded view.

Oh yes, and take away the company cell phones. Employees have their own cell phones. They can use a landline or their own cell phone. As a postmaster in Barrow I had a company cell phone. With the USPS cost-cutting measures, cell phones started getting cancelled. I pitched a fit. But guess what!? It turns out I was quite able to conduct business just fine without the perk of having a company cell phone. There were so many cost cutting measures that made sense like taking away the extra phone lines.

PLEASE TAKE A HARD LOOK AT SAVING MONEY. It can be done!

Sincerely yours, Georgiana Gooch 7980 E. Cottrell Campus Drive Palmer, AK 99645 (907) 982-3244

Email: janahelp@sbcglobal.net

Sent from my iPad

From: Greg Stoddard <grg.stoddard@gmail.com>
Sent: Thursday, February 04, 2016 10:33 AM

To: Senate State Affairs
Subject: send Walker walking

Union special interest driven gov.....cuts, property tax relief, and a sales tax is the way forward. NO sales tax without language protecting property owners from increased taxes and gov cuts first though.

Greg

ps .. I voted for Parnell

From: Herb Wells <herbwells@live.com>
Sent: Wednesday, February 03, 2016 9:52 PM

To: Senate State Affairs
Subject: Permanent Fund Dividend

#### Good afternoon,

Mr. Governor, and the State Legislature, just a little bit about myself, my name is Herbert Wells, born in Kotzebue and raised in Noorvik, AK., I was born to the most wonderful parents a sibling could ever have, I was fortunate to have my parents Frank and Bertha Wells, who are now in the 70's and 80"s, growing up with 3 older brothers and 4 older sisters, I was the youngest of my siblings, my parents later adopted my brother and my niece into the family, I still consider myself the youngest of the family, but I can't complain, my parents tried their darndest to raise us children with good intentions and make us in to hard working people which I thught they did a very good job of doing, as we have all grown to hold steady jobs, out of all my siblings I am the only who hasn't any children yet, they all married and bare children of there own, point I'm trying to make is, I know a lot of people who grew up around parents who drank and used drugs mainly maijauna, when I was growing up, and I was fortunate to have blessed parents who taught us to attend church at a young age, even though we grew apart from the Sunday services, the seeds were planted, and in the later years after our rebellious adulthood claiming our part in life, in my case, my parents teaching us to attend church and attend bible youth groups and things of that nature pretty much played a huge part especially in my lowest point in life, living in the city I didn't have much family support other then co-workers and friends that I hung out with and held parties with, which I considered my family then, in the olden days, I now have been sober for over four years without a touch of alcohol, not even a puff of a cigarette, besides the exhaust from walking the streets of Anchorage, I hear that exhaust is just as bad as smoking a cigarette, anyway, when I was at my lowest point in life, I call it that, because I pretty much lost everything at that moment, getting my third D.U.I., 8 years ago, lost my slope job, lost my drivers license, lost my vehicle, and pretty much my self esteem, which put a tremendous hold and weight on my shoulders almost literally to the point I had lived in homeless shelters in recent years, that when I had started to get angry and held a strong resentment in life, I had no choice but to turn to the one who cares, the one who loves, our God, it is he who brought me back to life, even in my darkest hours, I was lost and in lost in sin, he lifted me up spiritually, and physically, healing me and directing me, though I give every ounce of credit to my parents, it is he who led my parents to bring me to His presence, regardless of what it took to be with Him today, I just want to acknowledge God and my parents desire to bring me to God and to live a sober life and to be a part of His ministry. Going to the main reason of my writing to you for the PFD as we Alaskans know so well, though I can't remember the last time I was able to spend a dividend for my personal use, as I have filed yearly and have always had my PFD's garnished and as I understand were always used to pay towards my court fines and fees, which I probably will never see another PFD until another 20 years, which my court fines and fees will hopefully be paid off by then, though I have no facts, and haven't researched much in this area, every chance I get to review an email of such notions as the PFD, I can only see how people talk down on such events and have no appreciation to even a small amount of dividend payout yearly, frankly I would be happy to be able to spend one PFD for my personaly use, aside from that, though people are more concerned with either receiving an annual PFD or not getting one at all, to me that doesn't concern me, though I read on how people talk about how the PFD should be balanced enough to stretch enough for future generations, and not just todays generations, which I

completely agree with, I am more concerned with the amount of years that we may be able to receive a PFD period, that would be more or less my main concern, are there any statistics or future payout plans with the amount of oil that is to be distributed each year and how far into the future, in other words, what is the life expectancy of the oil in Alaska and what are we expected to see as PFD's and is our future generational people of Alaska going to be able to see a PFD in the year 2030, also are there any other contributions or any other resources that are involved in the payout of the PFD Dividends, if so what are they and are they reliable for future use and generations, that is all I have for now, have a good day and blessings.

Herbert Wells 239 West 4th Ave Anchorage, AK. 99501 907-726-3797 herbwells@live.com

From: herman morgan <ihermanwork2@gmail.com>
Sent: Thursday, February 04, 2016 4:34 AM

To: Senate State Affairs
Subject: Permanent Fund

Attachments: Perhaps this State needs to reinstate a small income tax to pay for all the State services that we receive.docx

Perhaps this State needs to reinstate a small income tax to pay for all the State services that we receive. Leave the Permanent Fund alone. Many people who are poor need the money it provides, to buy equipment such as boat and motors or snow machines, to use to gather food to feed their families, in these tough times. Especially in Rural villages where there is a lack of jobs. The Permanent Fund also is a great engine that helps Alaska to have a stronger economy.

\_\_

Herman W. Morgan Box 78 Aniak, AK 99557 907 676 1181

From: J Jensen <norwejohn@gci.net>
Sent: Wednesday, February 03, 2016 3:16 PM

To: Senate State Affairs

Subject: SB 128

The parts of SB 128 I like: (1) attempts to smooth out state income/spending. We have gone through too many boom/bust cycles depending on the price of oil and a lack of legislative discipline. We have had some really wasteful "economic development" projects for example. (2) adds some revenue sources to help close the fiscal gap. (3) taxes non residents (4) taxes industries currently not taxed or undertaxed (5) recognizes the imbalance of current tax credit program (6) makes an attempt (legal?) to promote Alaska hire. Note that non-resident hire is on the increase in Alaska rather than the opposite. (7) brings motor fuel taxes closer to reality.

The parts of SB 128 that I do not like are: (1) income tax rate of 6% is too low. My parents paid 10% of their federal tax liability in 1949. I first paid state taxes in 1957. By 1961 those taxes were at 16% of federal tax liability and at least that much until 1980 when Alaska income taxes were repealed. (2) the tax rate on PFD dividend recipients is way too high. Any diminishment of the PFD is a tax on Alaskans only, not non-residents. The PFD is relatively more important to people with smaller incomes. I understand why people with higher incomes would prefer to receive a smaller PFD but their political power alone is not a good reason to diminish it. I am surprised at some of the people/groups who are supporting a smaller PFD and are not speaking out for a higher income tax (deductible on for itemizers on federal tax forms). (3) SB 128 ties future dividends to oil and gas royalties which increases the idea that Alaska is dependent on oil and gas resource development. We need to encourage a diversified economy rather than having residents support some projects simply because it is in their PFD interest to do so. (4) SB 128 does not provide for a small head tax, formerly and erroneously called a school tax. We should have a small head tax because everyone uses state services and because some earners pay no federal tax. (5) I see no provision to address taxation of Sub S of LLC corporations.

I do not like to pay taxes and I support efficient use of our tax money. You will be hearing, I imagine, from a generation of Alaskans who think paying no state taxes is reality. Please keep that in mind as you read/hear their testimony. There is no free lunch as your parents probably told you too. Alaska is huge spread out place in which it is expensive to do almost any type of business/government function. We normally do not have economy of scale.

Listen to Clem Tillion and thank you for your time.

**Daniel George** From: Charlene Derry <arcticchar@ak.net> Sent: Wednesday, February 03, 2016 8:22 PM Senate State Affairs Subject: Testimony for SB128 Please add the following testimony for the 02/04/2016 hearing on SB128. We're sending this message because we feel it is important that your constituents tell you what we think about the governor's budget plan, and potential action by the Alaska State legislature reference the permanent fund, taxes, and the budget. We are current Alaska residents and have been Alaska residents for over 44 years. We are totally opposed to any action that changes the Alaska Permanent Fund law, rules, regulations, or procedures. . It's been tried before and Alaskans strongly rejected this. Once we make the initial change, it's a slippery slope that can result in yet further change and potential elimination of this critical fund. Our first action needs to be to look beyond the low hanging fruit and really cut state expenditures. If a tax is necessary after that to address budget deficit, it should NOT be a State Income Tax. Rather, we could support an across the board state sales tax with a cap that requires voter approval. This gives us a larger base to draw from because of the tourists who come to this state and the significant infrastructure costs associated with supporting that industry. We know your job is difficult and thank you for your efforts and the fact that you are willing to listen to our points of view. Respectfully, James and Charlene Derry arcticchar@ak.net (907) 694-3661

From: James R. Dahl <jrdahl@kpunet.net>
Sent: Thursday, February 04, 2016 11:33 AM

**To:** Senate State Affairs

Cc: governor@alaska.gov; Rep. Daniel Ortiz
Subject: Permanent Fund Protection Act, Senate Bill 128

To the Law Makers in Legislature,

I am voicing my full support to the language in SB128 as proposed by Governor Walker. I have been following the discussions and believe this bill is a good way to move forward and provide the State with a plan for financial stability. This plan looks at the long haul and solves funding issues in the future for a strong vibrant Alaska. This bill will allow "all" Alaskan's to share in the cost of State services that we need and have come to expect.

Speaking of sharing, I am asking my law makers to correct the deficiencies of the current law that allows for Corporate welfare and tax credits allowed in the Bills and Vote of 2014. This action needs to be reviewed and changed for the benefit of the State and the Citizens. We as citizens are being asked to make sacrifices and I believe it is reasonable to ask our oil partners to help with the issues at hand. They remain strangely silent and continue selling "our" oil and not extending a hand and taking all the benefits. This just is not fair to ask all Alaskans to share and pay an income tax and higher user fees then not ask the producers to participate in the current budget crisis. We have been good to Oil Corporations and now they need to step up and provide some solutions and be responsible when selling our natural resource.

If you do not solve this issue, the future will only be darker. Do not turn away from doing the right thing for all parties involved. The problem to be solved, rests in our able hands.

As a life long alaskan, I am asking you to fix this with fairness to all people in Alaska.

Jim Dahl Ketchikan, AK

James R Dahl, Partner OTTER CREEK PARTNERS Registered Investment Advisor (907) 225-6110

riastandsforyou.com

From: Jim Leach <alaskatraildoc@mtaonline.net>
Sent: Wednesday, February 03, 2016 3:52 PM

To: Senate State Affairs
Subject: permanant fund issue

Follow Up Flag: Follow up Flag Status: Completed

#### DO NOT RE-STRUCTURE THE PERMANENT FUND

This monies belong to the residents of Alaska ....keep the State Government's and governor's hands.... OFF OF OUR SAVINGS, OUR MONEY.

The poor pre-planning causing the present fiscal situation, is a problem for the legislature to resolve. The lack of long-term funding has been known for decades...common knowledge. Despite this common knowledge, there has been very poor government planning and foresight.

That the legislature continued to increase the "give-away" programs... THAT is THEIR problem to now resolve.

They are NOT to squander more of OUR MONEY!!!

Stop the WASTEFUL "freebie" and "give-away" programs and KEEP YOUR HANDS OFF OF OUR SAVINGS—OUR P.F.D ---OUR MONEY.

James Leach DVM

From: Jamie Lyons <capegallery@hotmail.com>
Sent: Thursday, February 04, 2016 11:18 AM

To: Senate State Affairs
Subject: Senate Bill #128

In my opinion, I would just rather see at this point in time, the permanent fund dividend be cashed out to the people. The people in the state of Alaska all are held to a standard of having to live within their means, and I believe that the state should be held to that same standard. With the sanctions being lifted for Iran, Iranians are now going to cause even a bigger glut of oil on the market which will cause oil prices to stay low in the future. Alaska needs to practice more diversity instead of relying so strictly on oil as the main bloodline to cover the states budget. I would like to see the permanent fund dividend get cash out to the people.

Sent from my iPhone

From: Brewsaun@aol.com

Sent: Thursday, February 04, 2016 9:02 AM

To: Senate State Affairs
Subject: Public testimony on SB 128

#### Senators

As a long term Alaskan of over 40 years, I wish to comment on SB 128. The PFD annual check is a nice boon for Alaskans. However, now that the oil boom is over and hard decisions must be made, I hope the Alaskan Legislators are up to the task of making the hard decisions on this matter which may well mean spending the PFD monies for necessary state budget items.

I worked in state government in Alaska for almost 20 years and have first hand knowledge of the numerous items that are wasteful in the budget every year. It is time to make the necessary decisions to bring the budget under control by investigating other means other than reinstating the state income tax. If this is to be the case, and it may very well need to be done, then it should be a flat tax which is fair to all residents.

It makes much more sense to drop the annual PFD and see if that solves the problem before reinstating a state income tax. As noted above, a flat tax would be much more palatable to voters.

Thank you for your consideration of my input on this issue.

Janice Brewer Anchorage, AK

From: Jeff VanZandt <kayaonekaya@yahoo.com>
Sent: Thursday, February 04, 2016 10:00 AM

To: Senate State Affairs
Subject: Re Gov.Walkers SB 128

To all Alaskan Lawmakers in the capitol regarding Gov Walkers SB 128, This is not only wrong but the state is acting like a organized Crime Ring.

The PFD that Alaskans receive is one of the biggest economic boosts to the State of Alaska every October. It goes to small businesses and we spend it on necessity's with in the State. It will not do that if the state gets it. We pay for our winter fuel, our winter wood, our yearly food shopping in Fairbanks, our insurgence on autos and vehicle upkeep. Some use it for their auto down payments or Sno -go / 4 wheeler payments. Many things are purchased in order to survive our way of life in rural Alaska.

You the lawmakers now and past are the reason the State of Alaska is in such bad shape. YOU are the reason not the people of Alaska for the last eight years. You all have spent like drunken sailors on shore leave, you have not set aside or CUT anything. Now you want to tax us and take the PFD from us as well.

If you take it you will never get re-elected again.

Cut and cut deep the DOT and the Fish and Game department and most of all education. Alaska pays the most per child of all of the states. The teachers take their high wages and Union dues to boost their selves and the Unions, children are the losers because of it. Cut them...

Cut 3.5 to 4 billion now and stop funding programs that are unnecessary ..do not attempt to even think about taking Alaskans PFD with out you politicians making Hugh cuts first !!!

I can promise you that if you attempt this further I and a immense amount of Alaskans will form in opposition to any one who pushes this through and we will come out against you everywhere and most definitely in the voting booth! So think very carefully as your own jobs will depend on the choices you make against the people of Alaska.

Sincerely.

Jeffery George Van- Zandt P.O. Box 742 Tok Alaska 99780

907 883 9874

kayaonekaya@yahoo.com

Jerry Weaver <j.weaversr@att.net> Wednesday, February 03, 2016 8:43 PM Senate State Affairs From: Sent:

Subject: **Budget Cut** 

Budget should be cut and then the PFD. If some of the freeloaders leave, so be it.

From: Jim Dube <dubej@mac.com>
Sent: Tuesday, February 02, 2016 2:04 PM

**To:** Senate State Affairs

Subject: SB 128

I rarely submit comments on legislation but I think it's a critical time for the state so I want to make my voice heard. I'll keep this short and sweet as I know you are all very busy.

I believe that capping the dividend makes good sense in this very difficult financial time for Alaska. \$1,000 seems like a great place to start. Let's use the rest to keep the state solvent and keep a respectable bond rating.

I believe that as citizens we need to pay our fair share for services, so I am not opposed to a small income tax as well.

In summary, I support Gov Walker's plan.

Respectfully,

Jim Dube

From: James Hoff <jimhoff@me.com>
Sent: Wednesday, February 03, 2016 9:37 PM

To: Senate State Affairs
Subject: Budget crisis

Honorable AK Senators and Representatives,

My name is James "Jim" Hoff, 315-0786, 7977 W Bassam Cir Wasilla AK, and I am writing about the budget situation. Please make a dollar of spending cut before each new dollar of state income tax is assessed, and don't let the jackals get a taste of the PFD's or it will be gone.

Sincerely, & JMHO,

Jim Hoff

From: Jimmie <jjkandkater@gmail.com>
Sent: Wednesday, February 03, 2016 9:51 PM

**To:** Senate State Affairs

Subject: PFD

Tap money from somewhere else. Every bit of my PFD goes back into the Alaska economy. I don't want to back backwards financially. My vote will count coming up.

Sent from my iPhone

From: Joanne Klein <joannelklein@gmail.com>
Sent: Thursday, February 04, 2016 7:21 AM

**To:** Senate State Affairs

**Subject:** Govenor's Permanent Fund Restructuring Bill #SB 128

I disagree with the Permanent Fund Restructuring Bill. The governor needs to be making more cuts to our Budget.

But I have no problem with capping the Permanent Fund Dividend for all Alaskans.

Joanne Klein PO Box 757 Ward Cove, Alaska 99928

From: John Cooper <jcooper@gci.net>
Sent: Thursday, February 04, 2016 12:56 PM

To: Senate State Affairs

Subject: SB 128

#### Ladies and Gentlemen:

I was a voting Alaskan when the Permanent Fund was enacted. I was an Alaskan business man when the price of oi sunk in the 1980's. I remember the "give us a second chance bumper" stickers that promised we wouldn't "piss it away". I am afraid we didn't learn from the 1980's and must relive the mistake and even worse proposed solutions.

The Permanent Fund was set up with dividends to the qualified residents to discourage political raids in the fund. The dividend was to be divided between the citizens and the General Fund when other resource revenue did not meet state needs. The General Fund never got more than 50% of the Permanent Fund earnings.

The PFD has been attacked in many quarters as a state give away program rather than a profits sharing plan owned by Alaskans and the state government. SB 128 redefines the PFD as a state give away subject to annual change by the Legislature. Before we do that we need to make real cuts in state spending exactly as my business was forced to do in the 1980's. The 5% cut the Governor has proposed, after deducting non existent employees and other accounting maneuvers as best I can, does not demonstrate a commitment to good government or Alaska's future.

Government was instituted to provide for the common defense, insure domestic tranquility, and promote the general welfare. Government is not for providing the general welfare nor for providing for the welfare of specific groups, such as teachers and school administrators that "can't take pay cuts".

I request that you send SB 128 back to the Governor and tell him the PFD distribution formula at 50/50 is sacred and let him work out a budget that works with the projected revenue. Employees will scream; mine did in the 1980's. We were still here in the 1990's. The Governor has to make those tough decisions.

Thank you for your attention,

John D. Cooper 8183 Threadneedle Juneau, AK 99801

From: John Harmon < jharmon@lumenchristiak.com> Sent: Wednesday, February 03, 2016 4:31 PM Sen. Bill Stoltze; Rep. Shelley Hughes To: Daniel George

Cc:

Subject: Mat-Su Constituent Comment

Senator Stoltze and Rep. Hughes: My family are long-time Valley residents and live on Lazy Mountain in Palmer, Alaska. We understand the difficult financial decisions legislators must make this session in order to protect Alaska's future. We understand that the decisions may include capping the permanent fund dividend, implementing a sales tax, and/or implementing an income tax – as well as other potential taxes.

Regarding SB 128, we would support capping the permanent fund at \$1,000.00 per year but only after there are appropriate reductions in the state's operating budget. To continue state spending at current levels is not being fiscally responsible.

We also support implementing a sales tax, to the extent it is not overly burdensome. We are hoping that if the state is able to reduce and control its spending, restructure the permanent fund, and/or implement a sales tax that the state can avoid implementing a state income tax.

Thank you for hearing our perspective on the issue. You have our continued support and we are proud to have you represent us in the Alaska State Legislature.

Best Regards,

John Harmon

PO Box 2926

Palmer, Alaska 99645



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

be free www.avast.com

From: John Schaeffner <jaschaeffner@mtaonline.net>
Sent: Wednesday, February 03, 2016 9:58 AM

To: Senate State Affairs
Subject: budget and permanent fund

I am totally against the idea of using the permanent fund to balance the budget without severe budget cuts. Permanent fund earnings are for the people of Alaska. Many of our

citizens depend on that extra source of income to balance their personal budgets. My question is what will the state government do when the permanent fund is depleted?

There are those who are lobbying for use of that money but I believe that most of them (lobbyists) will loose very little if the permanent fund is gone.

I believe that budget cuts should be severe and if there is still a need for more monies a small sales tax would be the fairest method of raising that money. An income tax

penalizes those who work hard and productively while a sales tax rewards those who work hard and spend wisely.

John Schaeffner Wasilla, AK 99623 907-864-0142

From: John Sindell <jsindell@hotmail.com>
Sent: Thursday, February 04, 2016 10:38 AM

**To:** Senate State Affairs

**Subject:** Public Testimony on using Permanent Fund to Balance Budget

## Hello,

I would like to state that I am opposed to using the Permanent Fund to balance the state budget. I see cutting the PFD to fund government as a regressive tax. It makes funding the government more of a burden for the poor. I would much rather see an income tax so that everyone pays a fair share based on their means.

Thank you for providing me the opportunity to voice my opinion, John Sindell Anchorage, AK

From: John Suter <suter@gci.net>
Sent: Tuesday, February 02, 2016 2:39 PM

To: Sen. Bill Stoltze
Subject: Budget

Why doesn't the state get its budget in order before it hands out free cash in the PFD? After the state gets its budget in order, then use the left over funds for the PFD. Giving away free cash now means the state will not be able to get out of the budget deficit.

Suter@gci.net

From: John Welsh <welshmx@yahoo.com>
Sent: Thursday, February 04, 2016 1:07 AM

To: Senate State Affairs

Subject: SB 128

Dear Senators, A primary feature of permanent fund distributions has been their use for college savings plans. I suggest that minors who currently receive a pfd, and for whom half of their pfd is deposited directly into their college savings plan, do not have the current pfd arrangement altered. Minors should have their pfd protected from the speculations now going on about using the pfd to bail out state government. Go ahead and experiment with dividends belonging to adults. Don't rob minors of their college savings. John Welsh, Sitka.

**Daniel George** From: bobbijo@mtaonline.net Thursday, February 04, 2016 10:57 AM Sent: Senate State Affairs To: Cc: bobbiio@mtaonline.net Subject: Gov Gov Barack Walker PFD plan Hello Senate affairs committee. I believe that the Alaska budget should be cut to ribbons before the PFD is touched and before any tax is implmented. The state has been spending money as though it were water and a never ending supply. Every Alaskan family lives on a budget and exceeding the income is disaster. This Governor is emulating Barack Obama- he makes demands that are rediculus and wants to take from the citizens to fit his agenda. Personally I would request recall proceedingss begin. This man is not above the Alaska Constitution and should be removed from office. Yes, the state is in sad financial straits but it is the fault of the politicians and now the constituents have to pony up. NO cut the state work force to the bone, we all know that the statr work force is bloated. Stop the, it's for the children- that's why we have the highest cost per pupil in the country. Throwing money at barely educated teachers is a travesty and cash does not make students smarter, it makes teachers richer and keeps unions in power,. Just look at how smart students are NOT. I am sick and tired of this garbage. Start recall proceedings immediately. Do not alter the Alaska Constitution.

If the PFD savings has to be touched, it should only be for the BARE ESSENTIALS and nothing alse and should be guaranteed to be fully reinstated once solvency is achieved BUT first trim, no Slash all spending and reduce the

state government employee pool.

When I run out of money I have to take drastic steps and cut all expenditures to the bone- you and this so called governor have to do the same.

As long as there is a never empty teat to gorge on, things will continue in the wrong direction- so change the way our govt spends AND stay out of our POCKETS.

Disgusted with Governor Barack Walker

Joseph Spagnuolo

PO Box 877628

Wasilla, Ak 99687

907-841-7375

From: Josh Blake <josh050181@yahoo.com>
Sent: Wednesday, February 03, 2016 8:33 PM

To: Senate State Affairs

**Subject:** Formal Comments Regarding SB 128

---- Forwarded Message -----

From: Josh Blake <josh050181@yahoo.com>

To: "zmoore907@gmail.com" <zmoore907@gmail.com>; Laura <aelllc@mtaonline.net>

**Sent:** Wednesday, February 3, 2016 8:25 PM **Subject:** Formal Comments Regarding SB 128

To the distinguished member of the Senate State Affairs and Finance Committees,

I have some comments that are critical of the Governor's <u>Permanent Fund Restructuring bill</u> and taxing plans in general. I will try to lay out a logical case without resorting to name calling or pointing fingers to make my point.

Alaska had a State budget of around 3.3 billion in 2007. Since then the budget has ballooned at a breakneck pace during the rise of high oil prices. It now stands at around 5.2 billion after a 9% cut. Now the citizenry are being asked to have their dividend cut and an income tax is being proposed to help fill the gap.

I do not feel the Legislature has done enough hard work getting to some form of fiscal sanity before it starts grasping around for more revenue to fill the gap. I will try to give some concrete examples of why I feel this way. The State of Idaho has a population twice Alaska's sitting at around 1.5MM (Alaska's population stands at around 710M) and yet has a fiscal budget that was near ours in 2007 (3.3 billion). If the State of Idaho can manage to provide services for twice as may people for the same amount of money as we spent back in 2007, I think the Legislature has some work to do cutting more fat out of the budget.

I am even willing to be reasonable and say that because of our larger state I would give you the benefit of the doubt. I could foresee a 25% larger budget than them (even though we have half the population requiring services) which leaves us a the 4 billion mark. So I see about 1.2 billion that need to go before you even consider raising revenue.

A lot of people in this state are feeling the pain from the economic downturn. There have been massive layoffs in the oil and gas sector and the support industries. Frankly, I get tired of government claiming they have cut to the bone and there is nothing left to cut, when they have basically only cut 3 yrs. worth of budget increases. If I lose my job and find another job at half the pay, I cannot continue spending 90% of what I used to make. I have to slash my personal expenditures to meet my income!

I know unfortunately what I am asking is going to affect some state & no doubt municipal employees. However, I get tired as a taxpayer of seeing constant cost of living increases for government salaries that I do not get in the private sector. Then when the rest of the economy is suffering cutting government expenditures is equated to the holocaust.

Bottom line.... if the legislature doesn't make some meaningful cuts to the budget. I will do everything in my power to vote out of office any politician who votes on this bill or any bill that raises revenue without first cutting spending. If spending were to be cut in a meaningful way (at least 20%) I would be open to changing my mind about raising revenue.

Sincerely,

Josh Blake Wasilla, AK 99654

P.S. Anyone who want to echo these comment are welcome to add their name to it in place of mine and submit it to <a href="mailto:senate.state.affairs@akleg.gov">senate.state.affairs@akleg.gov</a> . I have left links below so you can verify my points.

Population of Idaho 1.5MM Population of Alaska 710M

https://suburbanstats.org/population/how-many-people-live-in-alaskahttps://suburbanstats.org/population/how-many-people-live-in-idaho

Idaho 2016 Budget 3 billion

http://www.legislature.idaho.gov/budget/publications.htm

Idaho has a surplus

http://www.spokesman.com/stories/2015/oct/24/eye-on-boise-idaho-state-budget-building-toward-su/

2007 Alaska Budget 3.3 Billion

http://www.huffingtonpost.com/james-love/sarah-palins-increased-op b 123400.html

From: JW Sivertsen Jr <canislupus@gci.net> Thursday, February 04, 2016 7:25 AM Senate State Affairs Sent:

To:

Subject: SB 128

To Cmte Members:

I support SB 128. It is fair, reasonable, and necessary. Sincerely, John W. Sivertsen Jr Juneau Alaska

Sent from jws iPad

From: Kat Geuea <kdgeuea@hotmail.com>
Sent: Thursday, February 04, 2016 12:22 PM

**To:** Senate State Affairs

Subject: PFD

I am an educator in the Northstar Borough. My husband just retired from the military and we are trying to acclimate to civilian life. The cost of living in Alaska is so high, that we really need the PFD to get the things that we otherwise would never be able to afford.

Not only that, many of my students are living in poverty. I can only imagine how this loss of revenue would affect their households. I know last year one student's family was able to refill their home fuel tanks. They had been without heat.

Please stop claiming you are trying to solve the problem with this measure. Instead, you will be creating a whole new set of problems.

Kat Geuea

Sent from my iPhone

From: Katherine Hicks <akhix49@gmail.com>
Sent: Tuesday, February 02, 2016 11:42 AM

To: Senate State Affairs
Subject: No on SB 128

#### Senator Stoltze,

Thank you for being a voice of common sense. I am not good at research but hear you on the radio and do admire your standing up to this governor. I am sick of his refusing to cut spending and urging the citizens of Alaska to foot the bill for all of his dreams.

I am not in favor of raiding the PFD or changing it's make-up in any way. I do think that the CBR will have to be delved into, but not the actual PF.

Keep up the good work and please share with any Legislators that will work for us to stop this maniac. Regards,

Katherine Hicks

From: Katherine Hicks <akhix49@gmail.com>
Sent: Thursday, February 04, 2016 12:41 PM

To: Senate State Affairs
Subject: Not enough cuts

We need to reduce spending before we even consider any of the many taxes this Governor has proposed. I urge you to not be like the US Congress and let this governor be a dictator.

I would like you all to support Bill Stoltze's plan to make changing the PFD a Constitutional change. This will help stop Walker from his maniacal grab. Our bond ratings are falling and we will be paying more for all costs that we incur. If we raid PF even above the CBR, we will lower our rating even more and look even worse in the public eye.

I firmly believe that more cuts can be made in education. After all most school and state employees received a 1% raise along with their step increases. If this is possible, then there is plenty of room to decrease spending. I also heard the home schooler's are counted in the population for school funds. This is wrong! I think it's time we let these villages pick up some of their costs for education. With over 60% of my property taxes going to fund schools and some schools having no tax burden it's just not right.

Why can't all departments go to 0 based budgeting? Why do they get an automatic increase every year with no accountability? Why are we still pursuing the gas pipeline? I know that some are betting on the come, but we can't afford it and have no business being in a public/private partnership. I think a lot of us long time residents are willing to hunker down and use our entrepreneurial spirit to create more ways to make Alaska fiscally sound.

I hope that we are successful in our court case against Walker's Medicaid expansion. I don't believe that the Fed Gov. is fiscally strong enough to fulfill their promise. Thank you Liz Vasquez for all your work on this.

I also want to thank Shelley Hughes for bringing to our attention that the proposed gas tax will not even go to highway funding but be put into the general fund. This governor is sneaky and it seems he is just shuffling money around but doing very little in actually cutting anything.

I am trying to watch 360 North, but can't stick in one place long enough to testify or get a thorough read on all testimony. It looks to me like there are a few folks trying to get a handle on this in a fiscally responsible way. Thank you.

Stand strong and cut,cut,cut. Katherine Hicks.

From: Kaffy M <cappijoe@gmail.com> Sent: Wednesday, February 03, 2016 6:49 PM Senate State Affairs Subject: I do not believe in robbing peter to pay paul! This is what the governor wants to do with the PFD. I firmly believe that before we start taking monies from the PFD we need to look closely at all areas of state spending, and make necessary cuts there first. Lets start by cutting some of the travel expenses of ALL state employees including all Senators, Representatives and their staff members! It would be cost effective to move all of the State Government employees to Anchorage, including the Governor, Senators and Representatives. The cost savings on housing, airfare, etc would be enormous. Then we need to look at other areas of revenue! I am not opposed to a states sales tax, done right! Too many states enact a sales tax, then use that as an excuse to run wild with spending. Getting more people working and off public assistance would save some money. It is my understanding also that the State of Alaska owes the PERS retirement system millions of dollars. Lets get items like that paid off. Sincerely, Kathleen Maricle Sent from Mail for Windows 10

From: Katie Nolan <katietnolan@gmail.com> Sent: Wednesday, February 03, 2016 3:45 PM

Sen. Bill Stoltze

Subject:

#### Dear Senator:

Thank you for great communication of what's happening down there. Please call Mike Pocaro frequently.

NO NO NO NO NO NO NO new taxes until we get real control of our spending! NO NO NO NO NO touching PFD until we make some drastic changes to our government to reduce it to the services our government is supposed to provide, i.e., infrastructure, public safety, etc.

Unfortunately, we don't trust our elected officials to make good decisions. Tennis courts, high school football stadiums, fish processing plants..... And that problem could be easily solved by untying bloc voting on budgets, something that I'd love to see.

I know you're inundated with lobbyists, but the rest of us that can't afford to get there feel strongly about cutting before taxes. We simply don't trust Juneau (the collective, not you!)

Thank you.

Katie

From: Kevin Turkington <kevin@midnightsuncare.com>

Sent: Thursday, February 04, 2016 9:51 AM

To: Sen. Bill Stoltze
Subject: Governor's Budget Plan

Sear Senator Stoltze:

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.

As a business owner, and a concerned citizen I am not in favor of any plan that attempts to maintain or grow even more the current level/size of government in Alaska! I am very concerned that changing the Permanent Fund structure will make it vulnerable to Federal Taxing authorities.

Further, I think the Governor's plan is a direct assault on the private sector in order to maintain the public sector at current levels.

I support the plan put forth by United For Liberty which is based on lowering our states government footprint to attempt to right size it in order to live within our means. With Alaska's government twice the size of every other state per capita, it is time to stop this madness!

As both an employer, a wage earner and a property owner, I am at the breaking point and should not be expected to bear the brunt of bad government decisions that attempt to be everything for everybody. That's not the governments job!

The growing notion that you can keep taking from those who work and earn and give it to those who choose not to is a no-win situation. We have more on the 'poor' roles because you keep making it easier and more attractive! Hello! Enough!

As an employer, we provide jobs for over 75 people in he Anchorage and MatSu areas. However, with all these hits from the Federal, State and Local levels, it is getting extremely difficult to make enough to keep our doors open let alone grow to create even more jobs. And when we do start making any real profit to grow with, there stands every government entity with their hands out demanding their portion and leaving us with little if anything to do anything.

It is becoming a loosing proposition and the only way it is going to get any better is by lessening the size and cost of government, stop trying to be all for all and let the private sector grow and thrive and create the jobs that will raise incomes and grow the economy.

The Governor's plan and this idea that Government be everything to everyone will just cause an implosion. I realize change is tough and doing with less will be difficult. But something has to be done to stop the hemorrhaging

Sincerely,

## Kevin Turkington, CSA

President

"Helping families remain families!"

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From: Lana and Steve Edwards <lana@mtaonline.net>
Sent: Wednesday, February 03, 2016 12:25 PM

To: Senate State Affairs
Subject: Senate Bill 128

I am in support of the Governor's proposal. I believe that it is a good start to a stable economy. I was here during the 80's and when State government was forced to slash the budget abruptly, it seemed that the economy tanked. We almost lost our home and went a few years just getting by as things gradually got better. I support any reasonable and measured approach to a combination of cuts, taxes, PFD cap, and use of the earnings of the PFD.

Lana Jones-Edwards 3847 N Gunflint Trl Meadow Lakes, AK 99623

From: Lance Roberts <roberts.lance@gmail.com>
Sent: Thursday, February 04, 2016 6:44 AM

To: Senate State Affairs
Subject: SB128 PFD tax

#### To the Senate State Affairs committee:

I won't be able to make public testimony tonight since I have an assembly meeting. I would urge you to reject any plan that takes a large amount of the PFD dollars and uses them to try and balance the budget.

ISER did a study in 2010 that shows that dollars spend in the private economy from the PFD do more for the state economy than dollars spent by government. Therefore any money you take out of the PFD is only going to hurt the economy.

We already have a plan out there (ISER/Goldsmith) that will allow us to get to a sustainable budget without taxes or PFD cuts. Taking from the PFD as SB128 proposes will be a huge tax on the private sector.

Please make cuts in the state budget, not in the private sector.

Thanks,

Lance Roberts
Fairbanks
(speaking for myself)

From: Larri Spengler <lspengler@ak.net>
Sent: Thursday, February 04, 2016 9:55 AM

To: Senate State Affairs
Subject: action needed this year

## Greetings:

Hard as it may be, please do not delay closing our state's budget gap this year.

Thank you.

Larri Spengler

Larri Irene Spengler 4545 Thane Road Juneau, Alaska 99801 907-586-9768 (phone/fax) lspengler@ak.net

From: Leroy Reid <leereid@alaska.net>
Sent: Wednesday, February 03, 2016 7:01 PM

To: Senate State Affairs
Subject: Senate bill 128

We are going into a condition that may be as serious as the 1985 crash. In fact, with Iran coming on line with a half million barrels per day I doubt if the price of crude petroleum will rise anytime soon. I suspect the price will be lower than it is now. As a retiree, I am tightening my economic belt to ensure that I might survive the crash. As it is so for me, it is time to cut State spending. **Therefore, please take a very close look at cutting the State Budget before any thought of taxes.**Thank you,

Leroy C Reid, Jr. 1273 Annapolis Drive Anchorage 99508

From: Linda <snowbird65548@mtaonline.net>
Sent: Monday, February 01, 2016 5:34 PM

To: Senate State Affairs
Subject: Senate Bill 128

Follow Up Flag: Follow up Flag Status: Flagged

#### Dear Senators,

I have a few comments on the proposal for the Governor to use the permanent dividend.

First, how are the people of Alaska going to be 'guaranteed' that the funds are truly spent wisely? This is always the problem with bills that are written and money spent. Some politicians (not all) seem to have their own agendas and those agendas are not always for the best of all Alaska residents. There are always paybacks and pork barrel legislation that benefit only a few. The worse thing is no one seems to accept responsibility when something goes wrong.

The State had lots of money during the pipeline days and the money was spent like it was water. Once the fingers are in the pot of the PFD, who is to watch it so that is not blown as well.

More needs to be cut out of the budget and <u>I am not saying police/trooper protection or road maintenance</u>. I believe there are many items that are not mandatory for us to survive. All the freebees really need to be looked at and seriously trimmed down or eliminated.

Thank you,

L. Page

Wasilla, AK

From: Imstotler@gmail.com

Sent: Wednesday, February 03, 2016 8:28 PM

To: Senate State Affairs
Cc: Linda Stotler

**Subject:** Permanent fund policy changes

#### Dear Sirs / Madams:

I do not want anyone touching the Alaska Permanent Fund Dividend in any way.

The fund was not set in place so that the government could own it and use it at their whim.

Instead of taking aim at money which actually flows back into the Alaskan economy thus building revenue for the state, our officials could put their time into cutting spending - and eliminating habitual misuse of our states funds.

Why are we paying for 2 political lobbyists - \$50,000 per person - to advocate for a change in a program when those funds could have been used for current indebtedness?

Alaskans need to remain informed about our spending annually. Our legislature knew years ago that oil would not stay at \$94 per barrel and yet our budgets have never reflected an accurate sustainable value.

Bottom line: DO NOT TOUCH the permanent fund program or balance sheets in order to bandage a problem that has not yet been addressed for the long term.

Sent from my iPhone

Lois Conway <loisc@mtaonline.net> From: Sent: Wednesday, February 03, 2016 4:15 PM Senate State Affairs Subject: I wish to express my extreme displeasure at the idea of completely destroying the Permanent Fund. As far as I am concerned it is set in stone. There already exists a plan to use money from the <u>earnings</u> when all budget deductions have been made. I sure don't believe that is the case right now, unless it has been in the last two days. We don't need any "guarantee" on the amount of the PFD. It should be figured as always. So if the amount goes down that is fine, we have had small ones in the past. Those earnings, if needed, are designated to be used as a rainy day fund, that's why it is not taxed by the feds. Don't mess with it, and never get into the principle amount. Suggestions for the budget: 1. Go back to the original Medicaid program – no expansion! Then straighten up the abuses and fraud. 2. Completely get the State out of the oil and gas business. We have no business in competition with the oil as partners with them for a gas line. Government should never be in business, that is not the role of government. Get us out of this plan, PLEASE. Please don't let the oil companies get threatened for any reason. 3. Leave the Permanent Fund to stand as it is! After deductions, a portion of the earnings might be used. 4. NO new taxes of any kind. With enough budget deductions, they will not be needed. Thank you Lois Conway Palmer AK resident since Easter Sunday 1968 – before the oil discovery was announced.

From: JanieMcHale <janie2jim@yahoo.com>
Sent: Wednesday, February 03, 2016 2:56 PM

To: Senate State Affairs
Subject: Governor's Plan

Follow Up Flag: Follow up Flag Status: Completed

In our area here on the peninsula, we are proud that our most trusted governor has formed a plan to finally stop the spending.

We agree totally regarding the PFD. However, the biggest reason we are concerned about a tax is that should we be fortunate enough to have Bill Walker for a second term, we know we will be better in the long run. But, should we ever get a democrat in Juneau, I'm afraid the spending will start again, when we really need to take a look at needless program spending.

On the Kenai River, we pay some of the biggest property taxes around just because we live on the river. It's the elderly living here who suffer the most.

However it turns out, we are with our governor. You have to know he has talked with the experts and thought this through for a long time. He is thinking about our future as a state.

Marian McHale Soldotna, Alaska

From: Mary Lynne Dahl <dahlfacemld@gmail.com>
Sent: Thursday, February 04, 2016 9:09 AM

To: Senate State Affairs

Subject: SB #128

I am writing to voice my support of this bill. I have been following the discussion of the budget issues closely, and believe that this bill is a viable strategy for Alaska to use in becoming financially stable on a long term basis. Please note that I say "long term".

I am a certified financial planner, and as such, have spent the last 32 years giving financial advice to my clients. My analysis of the budget issues, and the proposed SB 128, indicates to me that it offers us a sustainable solution to the fiscal shortfall we face as stakeholders in Alaska's future.

In addition to SB 128, I believe that it is time to remove the tax credits given to oil companies, re-write that law and require that oil companies pay their full fair share of taxes. If we as citizens will be required to pay more in taxes, I think it is only fair that oil companies also pay more in taxes. Please do not ignore or overlook this issue as you progress towards a solution to our current fiscal shortfall.

I urge you to pass this bill and then proceed to build a long term financial plan for the state of Alaska. Failure to do so would indicate a dramatic lack of leadership on your part and I trust you do not intend to make this mistake.

Thank you for taking the time to read my comments.

Mary Lynne Dahl Ketchikan, Alaska

From: Meghan Nelson <timegnelson@gmail.com>
Sent: Thursday, February 04, 2016 8:43 AM

To: Senate State Affairs
Subject: Governor's PFD plans

#### Dear legislators,

I am writing in regards to the governor's plan to restructure the PFD. I know that some have shown support for the governor's plan; however, I am not in support of it.

My family is in the lower middle class and, though we are able to pay our monthly bills by sticking to a tight budget, we rely on the PFD to pay for our heating fuel and medical expenses each year. This is true for many Alaskans in similar situations. We make too much for public assistance (and, frankly, we have no desire to accept welfare even if we qualified), so the PFD offers our family much needed help before the cold of winter sets in.

Furthermore, the PFD is, in many ways, a stimulus for our local communities as it is often used within the community to make purchases in stores and to pay local businesses for certain commodities/services (such as car repairs, medical checkups, heating fuel deliveries, etc.).

I know that some in the legislature see it as a way to end our budgetary woes, but the PFD is a lifeline to Alaskans, like myself, who struggle to make ends meet in this state that we love.

I was born and raised here. Please do not make it more difficult for us to raise our family here as well.

Sincerely,

Meghan Nelson Juneau, Alaska

From: Melinda O'Donnell <odonnellmelinda@gmail.com>

Sent: Wednesday, February 03, 2016 1:23 PM

**To:** Senate State Affairs

**Subject:** Written Testimony for Senate Bill 128

I support Governor Walker's plan to strengthen the permanent fund and use a sustainable portion of its earnings to support public services. I strongly advise the legislature to pass this bill.

From: Michael Davis <mdavis@sunshineclinic.org>
Sent: Thursday, February 04, 2016 8:54 AM

To: Sen. Bill Stoltze
Subject: Permanent Fund

Follow Up Flag: Follow up Flag Status: Follow up

Categories: Bill in Committee

I trust that you're not one of the legislatures trying to steal the Permanent Fund away from us Alaskans. Governor Walker proposal is absolutely unacceptable, he should be cutting the amount of employees he has and leave the Permanent Fund alone. The budgets, as I've watched for each department has grown some doubling in the last few years. Every person I know who works for the State or is retired from the State, loves their wages and benefits. They admit that they don't live in the real world where companies have to budget and sometimes lay-off people. But taking the Permanent Fund away and letting Walker and his hidden agenda take it over is criminal. Let the people decide put it on the next ballot. I trust you'll dedicate your resources to stopping this folly. Michael Davis PO Box 356 Talkeentna Ak. 99676

From: Michael Lares <akfury53@yahoo.com>
Sent: Wednesday, February 03, 2016 11:38 AM

**To:** Senate State Affairs

Subject: PFD

I believe the PFD to Alaskans should be cancelled. It's just another form of welfare. All the drones and deadbeats living up here with lots kids who won't work / living on welfare etc. hopefully will leave. Maybe even the crime rate in Anchorage would go down.

The money that is being sent out to Alaskans should go to state expenses such as infrastructure, roads etc. The only thing I would worry about is the politicians that would just want to go spend it on a bunch of baloney. No fancy offices, no pay raises, no hiring more & more gov. employees.

Thank you, Michael Lares P.O. Box 784 Valdez, Alaska 99686

 From:
 Michael Mastin <mastinmichael@gmail.com>

 Sent:
 Thursday, February 04, 2016 10:21 AM

 To:
 Senate State Affairs; LIO Ketchikan

Subject: Re: SB128

I am opposed to any changes to the Permanent fund and also to any new forms of taxation by the State of Alaska due to the fact that the State has proven that they are routinely unable to responsibly forecast, manage or balance a budget up to this point.

It seems that SB128 is simply proposing to allow more access to even larger amounts of money, and once the State gets their hands on this new pool of funding, the State's needs will grow in order to consume it.

I want the State to put in ironclad prohibitions against itself. I want a demonstration of the commitment to responsible budget management in the form of law requiring a balanced budget, no deficit spending or financing, and the requirement to sell or bond state land to the residents of Alaska before the state is allowed to attempt to tax us. All new taxation should require a vote of all eligible residents before it can be enacted.

The above concepts will help ensure that the state does not simply walk us into another financial crisis requiring another taxpayer funded bailout.

--

Michael Mastin Ketchikan, AK mastinmichael@gmail.com

From: Michael Vandeventer <michaelv\_ak@yahoo.com>

Sent: Tuesday, February 02, 2016 3:46 PM

To: Senate State Affairs
Subject: Leave our PFD's alone!

Just because you screwed up the tax base by trying to get more oil companies to get more oil, and then it did not happen, does not give you the right to steal from the people to make up the difference. How about some politician salary cuts instead! Show that you ALL are willing to give up some personal money first!

Michael Vandeventer 5640 Haystack Dr. Fairbanks, AK 99712 907-699-8626

From: Mickey Henton <mickey.h@aptalaska.com>
Sent: Thursday, February 04, 2016 10:51 AM

To: Senate State Affairs
Subject: Alaska State Budget

Once government is allowed to tap into the permanent fund there will be no end to the greed to spend it by government, corporations, and private companies. All that they see are dollar signs, SO ABSOLUTELY NO to tapping the permanent fund, no way, no how!!! I cannot stress that enough to you!!. When private companies face income shortfall, they CUT. I would be glad to show you or others exactly where, when, and how much to cut, not a problem. Entitlements have to STOP, PERIOD. There is NO FREE LUNCH and I WILL NOT SUPPORT TAXES TO GIVE MONEY TO DEADBEATS, AND MOST OF THEM ARE DEADBEATS UNWILLING TO WORK!! THEY ARE PREVELANT IN TOK AND OPENLY BRAG ABOUT GETTING THEIR ENTITLEMENTS FROM THE STATE. This has got to end!! STOP funding all of the native villages, they need to support themselves! The STATE is not obligated to keep a native village going for any reason.

There is no responsible use of the permanent fund by government. That will not happen. There will be greedy entities just waiting to devour that fund, then what do you have left? I have witnessed the wasteful spending of state government in my 40 plus years here living in Fairbanks and then Tok, Alaska, and have not seen any real attempt to stop it at any level.

I will only favor a very small fuel tax and a sales tax, AFTER ALL NECESSARY CUTS HAVE BEEN MADE, AND ONLY THEN!

The current plan will break ALASKA AND its residents, which I suppose is what could be truly desired by government, to break the people. We the people of ALASKA will not stand idly by and let that happen. If you are unwilling to make the budget cuts, resign and I will be happy to take your place to make the necessary cuts. IT is very simple, CUT GOVERNMET, IT is too LARGE!! Areas to CUT: State OSHA, DEC, DNR, Governor Boards, Special interest groups, Planned Parenthood, Abortion funding, extremely high salaries, etc.

M. Henton

Tok, AK

From: Mickie Proulx <buffalogal06@gmail.com>
Sent: Wednesday, February 03, 2016 8:00 PM

**To:** Senate State Affairs

**Subject:** dividends

Please don't change our dividends. Being handicapped, the arrival of my special check is a highlight of my year.

Thank you, mickie

From: Mike Alexander <alex7@mtaonline.net>
Sent: Thursday, February 04, 2016 9:01 AM

**To:** Sen. Bill Stoltze

Subject: PFD

#### Senator Stoltze

Abolishing the PFD should only occur after the budget is cut by at least 20%. Those cuts should come from a realistic reduction in the number of state employees, not the paltry amount the governor has cut so far. In addition, the education funds should also be on the block. Why not tie the amount given per student to the latest test results. Students test at 45th then they are funded at the level the 45th state funds its students. UAA is a land grant college, therefore a quick 300 million could be saved by not funding the Alaskan University in its current wasteful form.

This year's final budget number needs to be 4.5 Billion at the most. LESS WOULD BE MORE.

Sincerely MIke Alexander Big Lake, Alaska

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From: Mike Harrison <signguy58@icloud.com>
Sent: Thursday, February 04, 2016 9:06 AM

**To:** Senate State Affairs

Subject: PFD

I may be wrong, as I understand the PFD was put into place for the people of AK not to run a blotted government. You need to look at the school budget see what can be cut. We spend more per student than any other state and yet we are at the bottom as far as performance. I would say if you don't perform you don't get funding. I'm thinking each department with in the state need to be over hauled may even combine departments where you can.

Sent from my iPhone

From: Mike Prax <gmprax@gmail.com>
Sent: Thursday, February 04, 2016 10:09 AM

**To:** Sen. Bill Stoltze

Subject: SB-128 Permanent Fund Deposits Dividends Earnings

#### Dear Senator Stoltze;

I support, in concept, depositing royalty and production tax income into the principle of the permanent fund and using income from the permanent fund to fund the state government budget. I believe this would reduce income volatility and encourage more careful spending.

However I do not support replacing the P-fund dividend with royalty income as the Governor proposes. I see this simply as way to reduce and eventually eliminate the benefit Alaskans are receiving from resource development without having to argue over who gets what while preserving the confrontational distribution model currently plaguing our society.

I would favor instead simply putting all of the royalty and production tax income into the principle of the permanent fund along with the CBR, the Statutory Budget Reserve and other surplus funds to build up that principle and subsequently the earnings of the fund.

This would leave the dividend payment subject to legislative appropriation as it is now, but make the trade-off between dividend payments and other appropriations more apparent in the public's mind.

Thank you for your consideration.

Mike Prax

From: Sharon Wessels <ncdrywal@mtaonline.net>
Sent: Thursday, February 04, 2016 7:40 AM

To: Senate State Affairs
Subject: STATE BUDGET

As a concerned Alaskan I want to see the government officials we elected **do their job.** If you cannot agree on things and need to go into overtime to fix our issues then you **should not be paid overtime wages**. It needs to be **done for free**. If I cannot get my job done in the time allowed no one gives me overtime to complete. You also have **too many give away programs**. You need to make serious cuts to **wasteful spending** before I will ever agree to have you use the PFD. **The more money you receive the more you waste. It has to stop**.

Mike Wessels

**Business Owner** 

From: Mike Zuyus <mike\_zuyus@yahoo.com>
Sent: Tuesday, February 02, 2016 4:29 PM

To: Sen. Bill Stoltze
Subject: PFD and budget

Simple. Unless I see a 20-25% reduction in government size (phased over x years to soften blow) I will vote for any other candidate.

I will consider tax or PFD only in a follow up session.

Sent from my iPhone

From: Nancy Cuddeback <nanalaska@aol.com>
Sent: Wednesday, February 03, 2016 9:04 PM

To: Senate State Affairs
Subject: Permanent Fund

#### Gov. Walker:

I have lived in Alaska for 35yrs., from my observation the PFD checks have done nothing more than create a false economy. Why else would the big chain stores have moved up here in the first place? An annual billion dollar giveaway might have something to do with it.

Even more important is the amount of poverty this annual giveaway has attracted to the state and the huge rise in crime. Remember when you could leave your car running and unlocked in the winter and go grocery shopping and it would still be there when you go out of the store? Not anymore!

The easiest way to go would be to reduce the PFD checks to \$500 and use the Permanent Fund for what it was intended to do and that is to pay for state government. Maybe some of these losers would go back to their home states. If nothing else we wouldn't get anymore losers moving here for free money and a variety of great welfare programs. At some point the amount of poverty moving here will overwhelm the state.

As a single woman who has no children I refuse to pay an income tax so that welfare recipients get monthly cash, subsidized housing, free medical, food stamps, the WIC program, free school breakfast and lunch and God only knows what else their getting. And then top it off with thousands of dollars just because they had children they couldn't afford in the first place.

Enough of the insanity, Nancy Cuddeback Anchorage

From: Nancy Kemp <nancyjkemp@gmail.com>
Sent: Wednesday, February 03, 2016 4:30 PM

To: Senate State Affairs

Subject: Budget

Dear Governor Walker, Lt. Governor Mallott, and Alaska Legislators

I have been an Alaskan resident since 1967, which of course is before Alaska ran on oil revenues. It makes good sense to me to follow Governor Walker's plan including capping the Permanent Fund dividends.

It has been said legislators are not going to vote to touch the Permanent Fund, because this is an election year. The thought is it would be difficult to be re-elected if a legislator were to vote to reduce the amount each resident would receive. We do not vote to send people to Juneau to do nothing so as to get themselves re-elected. We want legislators to have the courage to do what is right for our state.

If our elected officials can not see beyond themselves, I will work very hard to get them unseated in our senate and house of representatives!

Sincerely,

Nancy Kemp PO Box 741 Kodiak, AK 99615 phone 907 486-4321

From: LIO Kodiak

Sent: Thursday, February 04, 2016 9:04 AM

To: Senate State Affairs

Subject: RE: Senate Bill 128 written testimony

Hello,

Mr. Neal Cooper of Kodiak has emailed the following message in regards to Senate Bill 128.

Best regards, Heather

#### **Kodiak Legislative Information Office**

305 Center Ave., Suite. 1 | Kodiak, AK 99615 | ph. 907.486.8116 | fax 907.486.5264

Toll Free: 855.486.8116 | Email: kodiak.lio@akleg.gov

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**From:** Neal Cooper [mailto:ncooper@gci.net] **Sent:** Thursday, February 04, 2016 8:26 AM **To:** LIO Kodiak <Lio.Kodiak@akleg.gov>

Subject: Permanent fund

Members

My name is Neal Cooper and for many decades have received the permanent fund including the very first check.

I wish to instruct State representatives to vehemently resist a State income tax and I willingly forfeit all but \$10. Of my permanent fund to help pay deficits until times are better only.

The purpose of the ten dollars to keep all systems in place in the event of better times. Giving the fund up completely implies to liberal agenda's that may be coming in a State government and I do not wish to give them the idea that taxing and the permanent fund is theirs to spend on whatever they want.

Neal Cooper

Kodiak Alaska

From: Patw <patw@gci.net>

Sent: Wednesday, February 03, 2016 12:52 PM

To: Senate State Affairs
Subject: PFD Public Comment

#### Continued spending cut:

I stand in support of spending cuts but not cuts to critical services. Cuts need to start at the top levels, not at the delivery levels. Trim the fat at all levels!

#### Modest tax increases:

I support a temporary tax increase to carry us through the current budget crisis and that should include a sunset claus or criteria to end or fade this special tax.

Strengthening the permanent fund and using a sustainable portion of its earnings to support public services:

I support only temporary access to the PFD funds to support public services. However, in the next couple years, all grants and other avenues of monies made available to these services, should be evaluated for efficiency and duplications. While these evaluation are currently required for grants, this special evaluation would be to determine and encourage the blending and smooth flow and interaction between these services.

PS: Consultants get more money than the total of some grants. In my opinion they and other contracted individuals and firms are a major money leak that need to be monitored closely and high charging consultants at this time are not affordable for Alaska.

Thank you for the opportunity to participate in public comment!

Pat Wendt 152 Hillcrest Ave Soldotna, AK 99669 patw@gci.net

Sent from my iPad

From: Patricia Fisher <psfisher@gci.net>
Sent: Wednesday, February 03, 2016 8:58 PM

**To:** Senate State Affairs

**Subject:** Support for Gov. Walker's Permanent Fund Protection Ac

I strongly support this act and Urge the Legislature to pass it into law. This should be combined with Continued Spending Cuts and Modest Tax Increases, as the Governor has proposed.

### Patti

From: Sally and Paul <ducbglk@hotmail.com>
Sent: Thursday, February 04, 2016 11:12 AM

To: Sen. Charlie Huggins
Cc: Sen. Bill Stoltze
Subject: Alaska Budget

A real good presentation this morning in Committee. I am in favor of using the earnings of the permanent fund to fill the fiscal gap. I would like to see a model showing a maximum payout dividend of \$500 and \$300 and then showing how much money would be available for the UGF to fill the gap. I do not approve of an income tax because a lot of people would not pay any tax do to the earned income tax credit. Also this would create an urban/ rural split. Spendings cuts must also be included. Paul DuClos, Long Island, Big Lake, AK

Sent from my iPad

From: Peggy Patton < liteweight46098@gmail.com>
Sent: Wednesday, February 03, 2016 8:11 PM

To: Senate State Affairs
Subject: Permanent fund

#### To whom it may concern,

Before we tap the permanent fund, we should cut gov costs. First of all read the contracts before you. No self voted raises. Quit cutting education. Let's start with when you leave office. Your health care is like the rest of America. Just at cause you are government doesn't mean you pay double for anything. You want cut government? Cut the bull crap charges and unjustified expenses. Don't take food out of the elderly or the children's mouths. Whoa how bout you you look at people's net income and how hard they are looking for a job. Look for the loop holes in the system. Another thought, whoa not all churches are churches. They should pay taxes. Hey what a thought. You tax tobacco, education, gas and alcohol to death, I get it. But really, look at the Freud in churches that are no viable churches but frauds, because it is easy to claim Religion.. Come on people wake up Sent from my iPad

From: peter frost <peterstephenfrost@gmail.com>
Sent: peterstephenfrost@gmail.com>
Thursday, February 04, 2016 10:21 AM

To: Senate State Affairs
Subject: PFD hearing today

Follow Up Flag: Follow up Flag Status: Completed

Leave the PFD alone; you people start using it you won't stop. Drop to the lowest CHECKS that can be given until the WORLD ECONOMY is figured out. Institute an AK STATE TAX again. Stop giving \$\$\$ to foreigners!! Make the change to stop giving MY ROYALTIES away to foreigners! The AK STATE LEGISLATORS should be made to read GOV. HAMMONDS book about just where and why the PFD came about! It belongs to the INDIGENOUS PEOPLE'S of ALASKA!! LEAVE MY INDIGENOUS \$\$\$\$\$\$\$\$\$\$\$\$\$\$ALONE!!!!!!!

From: Peter A. Giessel <peter@giessel.org>
Sent: Wednesday, February 03, 2016 8:05 PM

**To:** Senate State Affairs

Subject: PFD

I would rather see the PFD Distribution (not the fund itself, just the distribution) completely eliminated than to implement any tax on the citizens. Taxes hit those that make and produce things. Taking away the PFD Distribution makes everyone contribute equally. It his both the makers and the takers equally. Taxes only hit the makers and continue to redistribute wealth from the makers to the takers. That is socialism and it's continued practice at a time when the State is looking at implementing taxes is unacceptable. The PFD Distribution must be eliminated before a single tax is imposed.

Peter A. Giessel, father of 5 PFD recipients Eagle River, AK (House 13, Senate G)

From: Diana Stone Livingston <dstoneliv@livingstonalaska.com>

Sent: Thursday, February 04, 2016 12:32 PM

To: Senate State Affairs

Subject: Testimony on SB 128, Permanent Fund Bill

We are longtime residents of the State of Alaska. We have celebrated the structure of the Alaska Permanent Fund because it provides a balance between competing factions within the state.

We oppose SB 128.

- 1. We do not think the legislature or the governor are in a superior position to judge what Alaska's residents choose to spend their money on. We have long term and recent evidence that the legislature and governors have elected to spend vast sums of money on projects that provide no benefit to our state or to its citizens, and they have demonstrated that they spend money with no good result.
- 2. SB 128 will snatch funds away from local businesses and institutions that benefit from the surge in investment provided by the annual dividend checks.
- 3. SB 128 will damage the hopes of future generations of Alaskans who have become accustomed to save their dividend for education and to fund the next step in their lives. The dividend has been something everyone could depend on. Now it will not be.
- 4. Some Alaskans, especially in remote communities, rely heavily on the annual dividend income as a significant portion of their family's budget. To snatch this livelihood from these families is unconscionable.
- 5. The popularity and acceptance of the Pick.Click.Give program has grown so it has become an important part of funding for many nonprofits. Not having these contributions will negatively impact many struggling organizations and the segments they serve.
- 6. Many families have availed themselves of the excellent opportunity to save for and fund education for themselves and children. Taking away this opportunity will certainly make it much more difficult for Alaskans to fund their education.

7. Finally, and perhaps more important, we are strongly opposed to the choices being made regarding schools
and our public resources. We do not favor contributing our share of the Alaska dividend to facilitate unwise
decisions on the part of our state government. Until our state government steps forward to significantly cut the
budget back to previous levels, we will not be willing to approve use of the Permanent Fund, or any form of public
taxation to fund operations.

8.	We urge our legislators to sta	nd strong, make th	e difficult decisions	, and implement	financial	strategies th	at
will h	penefit our state.						

Phil and Diana Livingston

P O Box 580

Girdwood, AK 99587

From: Jeff VanZandt <kayaonekaya@yahoo.com>
Sent: Thursday, February 04, 2016 10:10 AM
To: Senate State Affairs

To: Senate State Affairs
Subject: Regards Gov. Walkers SB128

Follow Up Flag: Follow up Flag Status: Completed

To all Alaskan Lawmakers in the capitol regarding Gov Walkers SB 128, This is not only wrong but the state is acting like a organized Crime Ring.

The PFD that Alaskans receive is one of the biggest economic boosts to the State of Alaska every October. It goes to small businesses and we spend it on necessity's with in the State. It will not do that if the state gets it. We pay for our winter fuel, our winter wood, our yearly food shopping in Fairbanks, our insurgence on autos and vehicle upkeep. Some use it for their auto down payments or Snow -go / 4 wheeler payments. Many things are purchased in order to survive our way of life in rural Alaska.

You the lawmakers now and past are the reason the State of Alaska is in such bad shape. YOU are the reason not the people of Alaska for the last eight years. You all have spent like drunken sailors on shore leave, you have not set aside or CUT anything. Now you want to tax us and take the PFD from us as well.

If you take it you will never get re-elected again.

Cut and cut deep the DOT and the Fish and Game department and most of all education. Alaska pays the most per child of all of the states. The teachers take their high wages and Union dues to boost their selves and the Unions, children are the losers because of it. Cut them...

Cut 3.5 to 4 billion now and stop funding programs that are unnecessary ..do not attempt to even think about taking Alaskans PFD with out you politicians making Hugh cuts first !!!

I can promise you that if you attempt this further I and a immense amount of Alaskans will form in opposition to any one who pushes this through and we will come out against you everywhere and most definitely in the voting booth! So think very carefully as your own jobs will depend on the choices you make against the people of Alaska.

Sincerely.

Rhonda S. VanZandt P.O. Box 742 Tok Alaska 99780

From: Rich Mauer <mauer@wildak.net>
Sent: Saturday, January 30, 2016 2:18 PM

**To:** Senate State Affairs

**Subject:** SB 128 Perm.Fund: Deposits; Dividend; Earnings

Follow Up Flag: Follow up Flag Status: Flagged

Good Afternoon Fellow Elected Officials, Ladies and Gentlemen,

Having read the text of this bill and fully cognizant of the budgeting dilemma we face as a once-prosperous state, I submit this testimony in favor of the bill as now presented.

Respectfully,

Richard Mauer

From: Richard&Irene Repper <ireneq@ak.net>
Sent: Thursday, February 04, 2016 12:55 PM
To: Senate State Affairs; governor@alaska.gov

**Subject:** Public Testimony on the Permanent Fund Protection Act

Before you steal the Permanent Fund do this:

Cash out the PFD. Divide the money equally to the Alaska residents. Return all of our Mineral Rights. Don't you remember the 1999 vote of the people?

Go look it up.

The State of Alaska has to cut 30 percent of the budget. Do not ask the residents to pay for your mistakes. Spend, spend and more spending.

Cut the spending.

For example: Why is Education spending over \$20,000.00 per student? Highest in the nation.

Lay off or remove inessential state personnel. 16,000 to over 20,000 State employees is excessive.

What is the purpose to take a bond out and pay for \$23 billion in unfunded liability? I always vote and will need to see who is up for re-election this year and every year

The Repper's

From: Richard Grant <richg@mtaonline.net>
Sent: Tuesday, February 02, 2016 9:44 AM

To: Senate State Affairs
Subject: Alaska Permanent Fund

I voted for the permanent fund in 1976. Governor Hammond created, with the vote of Alaskan residents, the permanent fund, not only for the benefit of Alaskans but to improve, and in some areas, create an industrial infrastructure in our State. In particular, paving and extending our existing highways, and extending the Alaska Railroad. In short, creating a viable state to compete with the lower 48 and an industrial base for resident employment. I suggest that we utilize the annual interest generated by the fund, with appropriate capital funding, and reasonable annual permanent fund dividend reduction to draw down State debt. When the debt draw down is established at an appropriate level, as designated by the State legislature, no further funding should be required. Thanks you for considering my input.

From: sunset@mtaonline.net

Sent: Thursday, February 04, 2016 9:47 AM

To: Sen. Bill Stoltze

**Subject:** Income Tax and Permanent Fund

Richard Moore PO Box 670730 Chugiak, AK 99567-0730

February 4, 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 cut the waste in government, would help in saving money. cut all unneeded spending.

A proud member of National Write Your Congressman.

Sincerely,

Richard Moore 907-688-9141

From: Susan Stephenson <corinestephenson@gmail.com>

Sent: Wednesday, February 03, 2016 11:08 AM

**To:** Senate State Affairs

**Subject:** Alaska permanent fund testimony

I strongly support governor Walker's permanent fund proposed plan.

Richard Totten Sterling, Alaska

Rick Epling <ricke162@gmail.com> Wednesday, February 03, 2016 7:43 PM Senate State Affairs Senate Bill 128 From: Sent:

To: Subject:

Cut the budget!!! No messing with PFD!!!

Thank You Rick Epling

Sent from my iPhone

From: Rick Marqusee < rickmarqusee@gmail.com>
Sent: Tuesday, February 02, 2016 5:09 PM

**To:** Sen. Bill Stoltze

**Subject:** My 2 cents on Gov. Walker's Permanent Fund plan

Reduce the permanent fund dividend check

re-establish the state income tax based on income earned in Alaska

DO-NOT establish a state sales tax (read that as do not establish a state sales tax)

thank you

Rick Marqusee rickmarqusee@gmail.com

13723 Vasili Dr Eagle River, 99577

From: bobbickel <bobbickel@mtaonline.net>
Sent: Wednesday, February 03, 2016 9:12 PM

To: Senate State Affairs

Subject: PFD

I believe any action on the PFD without a vote from the public violates the premise and law the PFD was founded on.

There many other revenue generating programs and things out there.

The biggest help to solving the budget crisis is to remove everything from the budget and then slowly add in the absolute necessities and afterwards the wants till you have a budget that is 10% less than the predicted revenue generated.

Robert Bickel, Realtor Alaska Fine Homes and Real Estate

Phone: 907-745-8353 Cell: 907-715-2289

Email: bobbickel@mtaonline.net Website: www.alaskafinehomes.com

https://www.amitree.com/agents/robert-bickel

This message was sent from my HTC phone

From: Robert White <horseshoewhite@gmail.com>
Sent: Wednesday, February 03, 2016 6:32 PM

To: Senate State Affairs
Subject: Cut the dam spending!

My opinion is that Alaska spends over their means period. Before you tax me one dime or take my permanent fund have a completely independent audit of our State spending relative to the rest to the states in the US. When you cut the budget to these averages and have no more money left put the taxation or permanent fund issues to a vote of the people. You have a constitutional reserve for oil issues, use it!

From: Roland Ceehorne <rolandceehorne@gmail.com>
Sent: Wednesday, February 03, 2016 8:21 PM

**To:** Senate State Affairs

Cut the budget, don't raise taxes and keep your hands off the permanent fund. You idiots created all these problems by creating a bunch of idiotic programs to build a dependent voting class. No other state with our population spends half money Alaska spends. You've created an appartied state were a minority with there powerful corporations suck all the revenue for their benefits. More taxes will only impoverish the working class, you've already been rewarding bad behavior for to long.

From: Ryan Schmidt <schmidtry@gmail.com>
Sent: Wednesday, February 03, 2016 11:19 AM

**To:** Senate State Affairs

Subject: PFD

Please do not take our PFD's we need those to help pay for heating and food. AK is Expensive enough to live and people need their money. There are plenty of other cuts you can make as well as funds spent on other programs that do not help people. Leave the dividend alone.

Thanks

Ryan

From: Sandy Blomfield <sandy@blomfieldcompany.com>

Sent: Wednesday, February 03, 2016 4:47 PM

To: Senate State Affairs
Subject: Budget Cuts and PFD Cap

Hello legislators,

It's a two-fold approach to a balanced State budget.

We MUST cut spending dramatically while simultaneously placing a

Cap on the Permanent Fund.

Let's be responsible and work toward a comprehensive over haul of State spending.

Thank you for your consideration and stewardship.

Sandy Blomfield

From: Scott & Angie <mmm\_hutchings@yahoo.com>

Sent: Monday, February 01, 2016 3:19 PM

**To:** Senate State Affairs

Subject: SB 128

Follow Up Flag: Follow up Flag Status: Flagged

I'm just an average everyday working mom, and wife who has read the Governors proposal on balancing the budget. I'm opposed to the Governors proposal.

I implore Senetor Stoltze to firmly denounce this request by the Governor. Please ask the Governor to please make the cuts necessary to an already over bloated budget.

I realize the Governor's pay is not has high as some, but his transportation and housing is paid for at this time.... What about the people who actually pay for housing, gas, and food etc...

The Governor has one chef instead of two. How about NO chef and he cooks his own food?

I realize we need to balance the budget which means looking at cut backs at every corner and not taking funds from an already overworked underpaid people. Yes, these cut backs mean some jobs will be lost. I realize this is also not an easy task as the Governor.

Please ask these questions when discussing SB128. Is the Governor really making the necessary cutbacks? Is taxing people who are just barley staying afloat really the best? How many more homeless people does he want on the streets? Ask the Governor to stop wasting Alaska's money. How many more consultants does the Governor need?

If he insists on touching the Alaska's pfd the people should at least get a vote. Implore him to make the necessary cut back before we implement a tax on gas, create an income tax, and touch the PFD...etc..

Thank you for reading A very concerned Alaskan

From: justin gerkin <gerkin303@yahoo.com>
Sent: Thursday, February 04, 2016 8:41 AM

To: Senate State Affairs
Subject: PFD Restructuring Bill

To the distinguished member of the Senate State Affairs and Finance Committees,

I have some comments that are critical of the Governor's <u>Permanent Fund Restructuring bill</u> and taxing plans in general. I will try to lay out a logical case without resorting to name calling or pointing fingers to make my point.

Alaska had a State budget of around 3.3 billion in 2007. Since then the budget has ballooned at a breakneck pace during the rise of high oil prices. It now stands at around 5.2 billion after a 9% cut. Now the citizenry are being asked to have their dividend cut and an income tax is being proposed to help fill the gap.

I do not feel the Legislature has done enough hard work getting to some form of fiscal sanity before it starts grasping around for more revenue to fill the gap. I will try to give some concrete examples of why I feel this way. The State of Idaho has a population twice Alaska's sitting at around 1.5MM (Alaska's population stands at around 710M) and yet has a fiscal budget that was near ours in 2007 (3.3 billion). If the State of Idaho can manage to provide services for twice as may people for the same amount of money as we spent back in 2007, I think the Legislature has some work to do cutting more fat out of the budget.

I am even willing to be reasonable and say that because of our larger state I would give you the benefit of the doubt. I could foresee a 25% larger budget than them (even though we have half the population requiring services) which leaves us a the 4 billion mark. So I see about 1.2 billion that need to go before you even consider raising revenue.

A lot of people in this state are feeling the pain from the economic downturn. There have been massive layoffs in the oil and gas sector and the support industries. Frankly, I get tired of government claiming they have cut to the bone and there is nothing left to cut, when they have basically only cut 3 yrs. worth of budget increases. If I lose my job and find another job at half the pay, I cannot continue spending 90% of what I used to make. I have to slash my personal expenditures to meet my income!

I know unfortunately what I am asking is going to affect some state & no doubt municipal employees. However, I get tired as a taxpayer of seeing constant cost of living increases for government salaries that I do not get in the private sector. Then when the rest of the economy is suffering cutting government expenditures is equated to the holocaust.

Bottom line.... if the legislature doesn't make some meaningful cuts to the budget. I will do everything in my power to vote out of office any politician who votes on this bill or any bill that raises revenue without first cutting spending. If spending were to be cut in a meaningful way (at least 20%) I would be open to changing my mind about raising revenue.

Sincerely, SFC Justin Gerkin USAR

From: Sharon Wessels <ncdrywal@mtaonline.net>
Sent: Thursday, February 04, 2016 7:28 AM

To: Senate State Affairs
Subject: Before cutting PFD

I would like to see government **stop wasting money**. I work for DOC. We have all complained about the **daily runs** from GCCC to Anchorage Correctional for **court appearances**. The transportation and employee costs are huge. They need to stop. GCCC is too far from Anchorage. We are a sentenced facility and unsentenced people have no business being there. Transportation costs to the bush for repeat offenders costs the State 6 digit figures a year. **Video court needs to be utilized more**. There are times GCCC transports the **same people to court every day**. This is a terrible waste of time and money. Until Governor Walker starts taking a serious look on how to save money I will never authorize them to take the PFD. The more money you give them the more they waste. Prove to Alaskans they are willing to save money and stop the useless spending so we can all benefit.

A concerned Alaskan

**Sharon Wessels** 

From: Shawn Mcgrew <mcgrewu812@yahoo.com>
Sent: Thursday, February 04, 2016 9:03 AM

To: Sen. Bill Stoltze
Subject: State PFD

Rep. Bill Stoltze

Thanks for your service to the state.

I am writing to say NO to any use of the PFD to pay any of the states budget. The people of the State Did Not agree to spend every single penny of the income coming into the state. I mean who in their right mind writes a budget based on \$120.00 barrel of oil. Hey I have an Idea write a budget based on \$30.00 barrel of oil. And when the OIL goes up to \$60.00 we put that in the bank. Sorry but that's How I have to write my budget at my house. Every single person that works on the slope is feeling the drop in oil prices. And everybody in the state will be feeling the drop in oil prices soon enough.

Wake up people we are all in for a world of hurt the economy is about to come to a screaming halt. And you guys in Juneau want to make it hurt worst.

I work on the Slope and my hours are being cut way back. I know why, because of the price of oil. So the same goes for the state budget the price of oil is down so we have to cut back. Make it easy cut it the same amount all across the board.

#### Thanks

Shawn McGrew 907-331-8728 9501 Puffin Cir Eagle River Ak

From: Sherry Eckrich <seckrich2@gmail.com>
Sent: Thursday, February 04, 2016 9:26 AM

To: Sen. Bill Stoltze
Subject: PFD Plan Hearing

Follow Up Flag: Follow up Flag Status: Completed

Categories: Bill in Committee

I am unable to attend the hearing at the LIO this evening, so I am expressing my concerns for dealing with our fiscal gap here.

I support cuts for mega-projects, particularly the Knik Arm crossing, and the AK RR extension featured in Sunday's Alaska Dispatch. I would like to see oil and gas tax credits reduced. I don't think they serve us well in this fiscal climate.

I favor the Governor's plan for the PFD. We have been very fortunate as a state, but it is time to be realistic and use part of the Permanent Fund to help pay for state government.

I think we should institute and increase several taxes. We need a state income tax, a state-wide sales tax (perhaps with offsets in communities where there is a local sales tax), and a state property tax that would include high price items like airplanes and boats.

Taxes I believe should be increase include taxes on alcohol and tobacco, motor fuel, tourism, oil and gas, mining and commercial fishing.

Sherry Eckrich

18514 Olivia Drive

Eagle River, AK 99577

From: Stephanie Bohrnsen <SBohrnsen@KPBSD.k12.ak.us>

Sent: Thursday, February 04, 2016 10:26 AM

To: Senate State Affairs
Subject: permanent fund restructure

I support the restructuring bill SB0128A.

The economic state of Alaska is aweful. Educaiton in this state used to be the best. We can't get teachers to come and with the budget "crisis" that we are in the permanent fund is a "Perk" of living in Alaska not a right. We need to have a productive government BEFORE free money is continued to be distributed.

Stephanie Bohrnsen

From: Stephen Duplantis <stephenduplantis@gmail.com>

Sent: Thursday, February 04, 2016 10:49 AM

**To:** Senate State Affairs

Subject: PFD

My name is Stephen Duplantis. I live in Anchorage. I am adamantly against the usage of the PFD to pay for ANY government expenditures. The PFD should be used for the citizens and the citizens alone. It is too important for our economy to take any part of it and by doing so is only masking the problem of a bloated government. Don't you dare take it without putting it before the people to vote on it.

Thank you, Stephen Duplantis Anchorage, Alaska

From: Steve Virg-In <virg\_ins@hotmail.com>
Sent: Wednesday, February 03, 2016 11:24 PM

**To:** Senate State Affairs

Subject: Current Budget/Permanent Fund

Dear Legislature,

Sarah and I fully oppose the use of the Permanent Fund in ANY manner until the State has restructured its spending to the bare minimum.

As residents of Haines we have watched just on the local level very wasteful spending.

For example, massive money was spent this last year to build an additional pad and water front area for an additional ferry terminal right next to the one that is functioning currently.

This is unnecessary and wasteful spending when the current terminal is more than adequate AND the State is reducing ferry traffic to upper Lynn Canal.

Thank you for you time,

Respectfully

Steve & Sarah T. Virg-In

PO Box 1133 Haines, AK 99827 (907)766-3787

From: Steven McLaren <steven.mclaren@k21schools.org>

Sent: Wednesday, February 03, 2016 6:52 PM

To: Senate State Affairs

Subject: SB 128

To whom it may concern:

There are so many other ways to effectively balance the budget. Please, do not use PFD funds!

It's time for the state government to cut back. For too long state government has been over spending and now, because of that overspending, some would like to use funds earmarked and promised to the citizens of this great state. Too much money has been wasted over the years by our government. This does not give that same government a right to take the people's money.

People rely on those funds. Those funds are a bonus and factor in keeping good people in our state. Taking that money from our people will have a huge negative impact on our communities. Every time the PFD funds are issued, they provide a big boost to our small town economies. There are many reasons why using our PFDs to solve our fiscal problems will further negatively affect our state.

Do not use PFD funds to solve our government induced fiscal crisis.

Thank you,

Steve McLaren

From: mtaonline.net <salaska@mtaonline.net>
Sent: Wednesday, February 03, 2016 12:53 PM

To: Senate State Affairs
Subject: Re: Public Testimony

Gov. Walker and Lt. Gov. Mallott:

Thank you for this opportunity to make my opinion as a long time Alaska resident considered.

- #1. I support using the Permanent Fund in Gov. Walker's plan. This will keep benefits while "propping up" the state budget.
- #2. My choice is a state income tax that is progressive dependent on income from salary and investments. A percentage of earned and unearned income before deductions. Someone earning \$24K a year should not be paying the same amount as those making \$124K a year and those with million dollar incomes should pay accordingly.

Thank you, Sue Cassens

From: Susan Olsen <soeh@alaska.net>
Sent: Wednesday, February 03, 2016 6:19 PM

To: Senate State Affairs
Subject: Testimony in favor of SB 128

#### **Dear Senators:**

I have read the Governor's description of the provisions contained in SB 128. I certainly agree with the changes being proposed as to how we finance state government and which pots of money/reserves are used for what purposes. I believe using the earnings from the PF investments will provide a steady amount to be used to fund state government. While the actual language of the bill can be changed to reflect different percentages and technicalities I urge your support of the concept.

I also urge the Senate and the House to act this session for I do believe the lack of substantive steps taken to provide sustainable funding of Alaska's budget this year will cause great, serious harm such as the loss of the state's bond rating. Further delay will only make crafting an ultimate solution more difficult, if not virtually impossible. As part of resolving our budge problem I urge that the Legislature adopt an income tax so we all have "skin in the game" which should mean both the public and the legislators will pay appropriate attention to their responsibilities.

Thank you for this opportunity to submit testimony on SB 128.

Susan Olsen 8601 Sultana Drive Anchorage, AK 99516

From: chris & taryn < luskleets@hotmail.com>
Sent: Wednesday, February 03, 2016 4:06 PM

**Fo:** Senate State Affairs

Subject: Say NO to SB128, Gov. Walker's PFD bill

#### Good Afternoon,

I am writing to ask that you vote against SB128. The size of state government at \$5.3 Billion, as promoted by Governor Walker, is not sustainable, although he mistakenly refuses to reduce government size any further. The United for Liberty plan at \$3.5 Billion is far easier to fund. The difference between the two may very well be the difference between retaining individual liberties in Alaska or surrendering to a ballooning government set on redistributing the wealth of private citizens. The Goldsmith plan, at \$4.5 Billion, could be considered as a stepping stone on our way to eventual lower spending with the UFL plan.

If you make any moves to cut or cap the PFD, then begins the avalanche of government hands reaching ever further into citizen's pockets. Will it ever be enough? Increased funds, such as from the PFD, will only enable further spending on new/increased programs. Alaska will end up broke and beholden to creditors. Proverbs 22:7 reminds us that "The rich ruleth over the poor, and the borrower [is] servant to the lender." What are the motives of those afraid of the tools needed to exert discipline? Please, do not irrevocably change fiscal policy in this state, and please do not formulate fiscal policy projecting out from the bottom of a commodity cycle and during a time of extreme volatility in the securities market cycle.

Why hasn't the state slashed spending first? Cut the budget down to legal requirements only. Let constituent voices be heard over paid lobbyists various budget plans are considered. The Governor would have you ignore a dangerous spending habit, instead grasping at the PFD -- a fund which, from inception, was specifically meant to be out of government reach. Please vote NO on SB128.

Sincerely,

Taryn Luskleet

North Pole, Alaska

From: Tom <tjh@mtaonline.net>

Sent: Wednesday, February 03, 2016 6:58 PM

**To:** Senate State Affairs

Subject: budget

Before doing anything on the income side of the equation, the state budget must be cut another 15%. Then sell land. Then use any emergency saved funds. Then look to the permanent fund. Do not raise taxes. Nextyearm cut state budget by another 10%. Keep cutting the state budget and the programs until they have been scaled back to the size and scope of government from about 20 years ago.

Thomas J. Hendrix, PhD RN

Health Policy/Health Economics

**Associate Professor** 

University of Alaska Anchorage

tjh@mtaonline.net

From:	Tom Justice <tcla.justice@gmail.com></tcla.justice@gmail.com>
Sent:	Thursday, February 04, 2016 9:32 AM
_	6 . 6 4.5

To: Senate State Affairs

Subject: SB 128

### Dear Senators:

Please do not decouple the permanent fund dividends from the earnings of the fund. Permanent fund dividends must stay linked to the earnings of the fund, otherwise they will eventually disappear forever.

Thank you

Thomas Justice Anchorage, ak.

Sent from my iPad

From: Tom Smith <thsphoto@gmail.com>
Sent: Wednesday, February 03, 2016 10:51 AM

To: Senate State Affairs
Subject: PFD---SB 128

### **Dear Senators**

I am writing to urge you to take the steps necessary to balance our state budget. I feel it is important to do this in three ways.

1-cut spending. But this should be the least of the measures. In order to maintain a quality of life most of our spending must be maintained.

2-reduce or eliminate the PFD. The PFD is not a God given right. It is a nice bonus when we have the money, but at the moment we do not have that luxury.

3-tax. Likely an income tax, but you can consider a sales tax.

Thank you for your attention and for taking the steps necessary to balance our budget.

Thos. H. Smith Wasilla

From: Bucket <akbucket@alaskan.com>
Sent: Wednesday, February 03, 2016 6:42 AM

To: AK Governor; Rep. Mike Chenault; Rep. Matt Claman; Rep. Jim Colver; Rep. Harriet Drummond; Rep. Bryce Edgmon; Rep. Neal Foster; Rep. Les

Gara; Rep. Lynn Gattis; Rep. Max Gruenberg; Rep. David Guttenberg; Rep. Mike Hawker; Rep. Bob Herron; Rep. Shelley Hughes; Rep. Craig
Johnson; Rep. Andy Josephson; Rep. Scott Kawasaki; Rep. Wes Keller; Rep. Sam Kito; Rep. Jonathan Kreiss-Tomkins; Rep. Gabrielle LeDoux; Rep.
Bob Lynn; Rep. Charisse Millett; Rep. Cathy Munoz; Rep. Benjamin Nageak; Rep. Mark Neuman; Rep. Kurt Olson; Rep. Daniel Ortiz; Rep. Lance
Pruitt; Rep. Lora Reinbold; Rep. Dan Saddler; Rep. Paul Seaton; Rep. Louise Stutes; Rep. David Talerico; Rep. Geran Tarr; Rep. Steve Thompson;
Rep. Cathy Tilton; Rep. Chris Tuck; Rep. Liz Vazquez; Rep. Tammie Wilson; Rep. Adam Wool; Sen. Click Bishop; Sen. John Coghill; Sen. Mia Costello;
Sen. Mike Dunleavy; Sen. Dennis Egan; Sen. Johnny Ellis; Sen. Berta Gardner; Sen. Cathy Giessel; Sen. Lyman Hoffman; Sen. Charlie Huggins; Sen.
Pete Kelly; Sen. Anna MacKinnon; Sen. Lesil McGuire; Sen. Kevin Meyer; Sen. Peter Micciche; Sen. Donny Olson; Sen. Bert Stedman; Sen. Gary

Stevens; Sen. Bill Stoltze; Sen. Bill Wielechowski

Cc: Greg Hall; Randall R. Menzel; Rick Rydell

Subject: When Are We Going To Start Cutting Expenditures

ALL,

What is wrong with the inmates running the Alaska asylum?

Government creates nothing but the destruction of the people's wealth.

The private sector in Alaska is shrinking rapidly at this time – kinda' reminds me of 1986.

Maybe it is the location of the "capital" of Alaska being located in a such a remote location, beyond the real world – didn't we vote several times to move it?

When are we going to **CUT** state expenditures – by at least \$1 billion a year for the next 4 years.

If you can't decide what to cut line all the state bunglecrats up and fire every other one.

Maybe in the case of the DOT we can make an exception – fire them all since they are truly beyond incompetent.

We do not need a ferry system – the private sector can supply that service at reasonable cost.

And I can go on for several more pages as I have watched for going on 45 years the black hole that is the Alaska State Government.

Get cracking' - that's why you were elected.

--

Thomas B. Wood Eagle River, AK 99577 907.227.8844

From: TIM and NAN WHITE <poiema@ptialaska.net>
Sent: Thursday, February 04, 2016 10:25 AM

To: Senate State Affairs
Subject: Re: Gov. Walker's PFD raid

It's always the solution to any government money needs. Look for the easiest way out first. The Alaska Permanent Fund and subsequent dividends it offers has become a target for a quick fix. The price of oil is low. The actual oil itself is still a reality. The Permanent Fund was created for the day the oil supply dries up....not for the day the price of oil drops. It's time for us to honor the intent of Governor Hammond and others when the PFD was born. The solution to our state government financial woes is to CUT ... And then CUT again. Nothing should be taken off the table. We will all tighten our belts together and get through this. Don't destroy something that has put the great state of Alaska above the other 49! Leave the Permanent Fund alone .... PLEASE!!

Tim White - Alaska resident since 1958
Nancy Gugel White - lifelong Alaskan and Alaskan Native.
655 Whispering Meadows
Homer, AK 99603
(907) 299-2691

Sent from my iPad

From: Tim and Jerri <tim-jerri@gci.net> Sent: Thursday, February 04, 2016 9:30 AM Senate State Affairs

Subject: Permanent Fund Dividend (testimony)

The design of the Alaska Permanent Fund was for it to be shared proportionally between state government and residents, ensuring ALL Alaskans benefited from it on an equal basis. It was NOT designed and implemented as simply a revenue source for state government! Any governor or voting legislator who doesn't understand or respect that premise, should be immediately removed from office as untrustworthy, and therefore unfit for public service! Alaska residents are forced to manage their financial resources balancing income and expenditures, it's high time Alaska's Governor and Legislators learned to do the same!

I stand opposed to any change in/to the current methodology of managing or distributing the Alaska Permanent Fund revenue source!

Tim Armstrong

8169 Thunder Street

Juneau, Alaska 99801

From: Tom Straugh <kostas202@gmail.com>
Sent: Thursday, February 04, 2016 12:33 PM

To: Senate State Affairs
Subject: Public Testimony for SB 128

Senators Stoltze, Coghill, Huggins, McGuire and Wielechowski,

I fully support the bill to help fund state government. Regardless of the eventual fate of this particular bill, however, please enact some solution involving pfd earnings, state budget cuts, and tax revenue to close the budget gap this session.

Sincerely,

Tom Straugh

From: Marianne and Bill <mlswds@gci.net>
Sent: Thursday, February 04, 2016 9:52 AM

To: Senate State Affairs
Cc: Marianne Schlegelmilch
Subject: public comment on Sen. bill 128

#### Dear Governor Walker and Alaska Legislators,

On behalf of myself and my husband, I would like to say that we oppose any changes to how the permanent fund is managed. As long time Alaskans, we stand by Clem Tillion's assertion that the permanent fund should be left as it is. We would also like to suggest that our legislators take necessary steps to limit the excessive personal spending that we have seen so much about in the news. This includes our governor, who seems to travel widely with his spouse. Is this paid for with public funds? Although we appreciate Governor Walker's outreach to the public, we also feel that government business should remain strictly and expeditiously business oriented. In another symptom of extravagant behavior by our legislators, we were very disturbed to read of the expenses by Sen. Lesil McGuire's staff and of her apparent unwillingness to acknowledge her own excesses in travel expenditures by saying something to the effect that it was not important. Dear legislators, it is important. We believe that each of you should clean up your own house before imposing taxes and expenses on the citizens of Alaska.

We also believe that things as simple as road construction can be streamlined and better managed. All too often as we sit in long lines on our highways, we see people who are supposed to be working standing around with no obvious work in sight. We experience pilot cars for 20 miles when there is no sign of danger or construction evident. Are road construction contracts being paid excessively? Can this be more closely monitored? Why are necessary and essential winter sanding and de-icing of roads for safety are being limited while road construction contracts appear to be largely unsupervised? We believe that our police force has better things to do than to cite people for going 5mph over the speed limit downhill, as once happened to us. Although it is necessary for police to patrol our roads, how many times have we seen our police officers sitting at speed traps, while some drunk runs wildly up both sides of the road, passing unsafely and endangering everyone with never an officer in sight to stop them. Better use of our police resources should be examined. Why should people fear even driving anywhere in Alaska because of the out of control erratic drivers and the escalating crime rates everywhere? Time to streamline and re-prioritize police operations and quit wasting money on non-essential activities that produce no noticeable improvement in safety. We would like to ask you to better regulate all services that are provided to our people. To cut unnecessary expenses and streamline delivery of services where possible.

We also believe that there is a huge untapped resource in our tourists, yet so many seem to oppose things like bed taxes and the like. Be assured that when we travel from our home in Homer, we do not like paying 12% bed taxes in Anchorage, but we do it because we want to be there. Never has it stopped us from going to Anchorage. The rising crime rate has stopped us. The fear of unsafe travel has stopped us. The bedbug situation has stopped us, but never has the bed tax stopped us.

Has anyone considered a state lottery, which as we see it is a form of voluntary taxation? Has anyone considered the revenues from the new marijuana retailers, which are apparently planning to impose hefty taxes on all purchases? Or, found a way to better support this industry that has the potential to supply so much tax revenue?

And has anyone considered moving the state capital to limit travel expenses and to increase convenience? Our main population centers are in mainland Alaska. Although we hesitate to criticize those of you who are working hard for the benefit of all Alaskans, we believe that if each of you creatively examine what is possible in this state, that you will find a way to solve this fiscal crisis, that, as far as we can see, appears to have come out of nowhere. It goes without saying that this would also include better managing legislative sessions. As a matter of fact, good management should result in no overtime for both legislative sessions and state managed services.

And, on a somewhat unrelated subject—but is it really?—something needs to be done about crime, especially in Anchorage. It is out of control and it is driving law abiding people from our state and replacing them with people who are using our law enforcement, judicial system, and social services resources disproportionately. Since when have we turned our state over to punks and thugs?

Legislators, we are not in favor of you imposing more taxes on the citizens of this state nor tapping into the sanctity of the permanent fund—especially in view of the high cost of living in Alaska. We are in favor of each of you learning to better manage our state's revenues and in our state offices learning to better manage their resources ( and that does not mean

wasting the time of your citizens by having them trudge through endless voicemails and poorly structured internet pages to seek information when accessing information about our state services).

Thank you for seeking our input.

Respectfully,

William D. and Marianne Schlegelmilch 4470 Kachemak Way PO Box 2086 Homer, Alaska 99603

From: William S. Brown <coldsnap@mtaonline.net>
Sent: Wednesday, February 03, 2016 10:58 AM

To: Senate State Affairs
Subject: Cut the Budget FIRST

In any decision to tap the Permanent Fund, the decision to drastically cut our budget MUST come first. The concern is that the price of oil is way down. OK, we have seen this price of oil before. What was the budget when the price of oil was this low? Make that the starting point for the budget. Then, justify any additional expenses. Make a real budget that fits with the income we have. Do not start by raiding the Permanent Fund. Start by getting a realistic budget, based on the income we have.

William Brown

Palmer, Alaska

From: Moorzie100 . <zmoore907@gmail.com>
Sent: Wednesday, February 03, 2016 8:37 PM

To: Senate State Affairs
Subject: Comments Regarding SB 128

To the distinguished member of the Senate State Affairs and Finance Committees,

I have some comments that are critical of the Governor's <u>Permanent Fund Restructuring bill</u> and taxing plans in general. I will try to lay out a logical case without resorting to name calling or pointing fingers to make my point.

Alaska had a State budget of around 3.3 billion in 2007. Since then the budget has ballooned at a breakneck pace during the rise of high oil prices. It now stands at around 5.2 billion after a 9% cut. Now the citizenry are being asked to have their dividend cut and an income tax is being proposed to help fill the gap.

I do not feel the Legislature has done enough hard work getting to some form of fiscal sanity before it starts grasping around for more revenue to fill the gap. I will try to give some concrete examples of why I feel this way. The State of Idaho has a population twice Alaska's sitting at around 1.5MM (Alaska's population stands at around 710M) and yet has a fiscal budget that was near ours in 2007 (3.3 billion). If the State of Idaho can manage to provide services for twice as may people for the same amount of money as we spent back in 2007, I think the Legislature has some work to do cutting more fat out of the budget.

I am even willing to be reasonable and say that because of our larger state I would give you the benefit of the doubt. I could foresee a 25% larger budget than them (even though we have half the population requiring services) which leaves us a the 4 billion mark. So I see about 1.2 billion that need to go before you even consider raising revenue.

A lot of people in this state are feeling the pain from the economic downturn. There have been massive layoffs in the oil and gas sector and the support industries. Frankly, I get tired of government claiming they have cut to the bone and there is nothing left to cut, when they have basically only cut 3 yrs. worth of budget increases. If I lose my job and find another job at half the pay, I cannot continue spending 90% of what I used to make. I have to slash my personal expenditures to meet my income!

I know unfortunately what I am asking is going to affect some state & no doubt municipal employees. However, I get tired as a taxpayer of seeing constant cost of living increases for government salaries that I do not get in the private sector. Then when the rest of the economy is suffering cutting government expenditures is equated to the holocaust.

Bottom line.... if the legislature doesn't make some meaningful cuts to the budget. I will do everything in my power to vote out of office any politician who votes on this bill or any bill that raises revenue without first cutting spending. If spending were to be cut in a meaningful way (at least 20%) I would be open to changing my mind about raising revenue.

Sincerely,

Zack Moore Kenai, Alaska 99611

P.S. Anyone who want to echo these comment are welcome to add their name to it in place of mine and submit it to <u>senate.state.affairs@akleg.gov</u>. I have left links below so you can verify my points.

## Population of Idaho 1.5MM Population of Alaska 710M

https://suburbanstats.org/population/how-many-people-live-in-alaskahttps://suburbanstats.org/population/how-many-people-live-in-idaho

# Idaho 2016 Budget 3 billion

http://www.legislature.idaho.gov/budget/publications.htm

## Idaho has a surplus

http://www.spokesman.com/stories/2015/oct/24/eye-on-boise-idaho-state-budget-building-toward-su/

### 2007 Alaska Budget 3.3 Billion

http://www.huffingtonpost.com/james-love/sarah-palins-increased-op\_b\_123400.html

Senate State Affairs Committee.

I appreciate your solicitation of public opinion as you consider legislation to address Alaska's serious economic challenges.

I hope that your decisions will reflect a long term view. As you know, oil prices are cyclical. They never stay real high for long periods, nor do they stay extremely low for a long duration. That's why it is important that we not implement permanent revenue options that will be catastrophic to our economy in the near term, and may not be necessary in the long term.

More budget cutting is essential. The state had years of prosperity, and government grew accordingly. There are agencies and departments that could downsize and not be missed by the public.

The additional funding for state government needs to come from savings and the permanent fund. I would advise against setting an amount or floor for the PFD as some have proposed.

I would be totally opposed to the State implementing an income tax.

Thank you for considering my comments. Thank you for all you do and for your dedication to our great State.

Cynthia Henry 3216 Riverview Drive Fairbanks, AK

hops@gci.net 907-388-5379 To: Senate, State, affaws Re: Gov WALKENS SB128

TO: ALL ALASKAN LAWMAKERS IN THE CAPITOL REGARDING GOV, WALKERS 5B128.

THIS IS NOT ONLY WOONG BUT THE STATE IS ACTING-LIKE A ORGANIZED CVIME RING!

THE PFD THAT ALASKANS VECIEVE IS ONE OF THE BIGGEST ECONOMIC BOOSTS TO the State OF ALASKA EVERY CCT. It GIVES and Boe'S TO SMALL BUISNESSES AND WE SPEND IF ON NECESSITY'S WITH IN The State. It NILL NOT DO that IF the State gets IT. We pay for OUR WINTER FUEL, OLLY WINTER WOOD, OUR YEARLY FOOD Shopping in Fairbanks, our insurence on our cars! It is all spent with in the State!

YOU The Lawmakers now and IN the PAST Are the REASON the State is in such bad shape. You Are the version not the people of Alaska for the LAST 8 years. We are not stupid we saw where you based the Budget on high oil! and you spent it ALL like Drunken sallors on shore leave.

IF YOU TAKE THE PFD YOU WILL Never be re-elected AGAIN!! CUT 3-TO 4 BILLION and STOP FUNDING UNECESSARY programs!

Sincevely Jeffrey and Rhonda Van Zandt P.O. BOY 745 TOK ALASKA 99780 907-883-9874 114 North Orca • Anchorage, Alaska 99501 • Phone (907) 279-4519 • FAX (907) 276-7416

February 04, 2016

Dear Senator Stoltze:

Our Company has been in business in Anchorage for over 60 years. We operate a feed mill, a fertilizer blending plant, a wholesale distribution business and a retail store. The Company employs approximately 65 people. I have been with the Company 42 years. In 42 years the State economy has experienced a few lean years, but overall the State of Alaska has been very fortunate. With this current budget crisis, however, our past good fortune may be about to change unless we act quickly and decisively.

I support Governor Walker's plan to reduce the State budget deficit. I am in favor of capping the dividend, instituting a State income tax, and using earnings from the Permanent Fund. Since major cuts to State Government have already been done, I would hope that any additional reductions to the State budget would be done in a very careful and selective manner. I strongly urge you to implement the Governor's plan this year.

If we wait too long and major job losses occur, the economic situation will get out of hand quickly. All sectors of the economy will suffer and the people employed in all sectors will be at risk for additional job losses. If people have a perception that the economy is in trouble, companies will stop investing and individuals will quit spending money and the situation will become much worse. We can't control the price of oil, but we can stabilize our current economic situation with a few meaningful actions.

Sincerely,

Kén Sherwood

C. E. O.

Menor

Public Testimony to the Senate State Affairs Committee:

I understand the financial predicament facing the State of Alaska and that the Permanent Fund may be the easiest way to provide the immense support now required to fund the State's budget. I also applaud Governor Walker for making a legitimate proposal to rectify the State's fiscal crisis in the face of expected criticism. I encourage the Legislature to show the same courage, thoughtfulness, and honesty in its attempt to tackle the State's financial mess. However, I do not support the Governor's plan to restructure and siphon money from the Permanent Fund to support State spending.

- 1. The permanent fund and its dividend paid to individual Alaska residents who reside in the State at least 275 days in the calendar year is an essential source of income for many Alaskans, especially in light of its timing before the winter months when the cost of living increases dramatically. To limit the dividends paid to individual Alaskans in order to support State spending hurts only the Alaskan residents who spend the most time living in the State while not effecting seasonal employees, seasonal residents, seasonal businesses, and tourists who also utilize State services but are not asked to support State Spending. The Governor's proposed State income tax of 6% of each individual's federal tax liability does not go nearly far enough to fairly distribute new revenue generated by the State.
- 2. As I understand Governor Walker's plan, the individual dividends paid to residents would be based primarily on the steadily decreasing natural resource royalties collected by the State and thus the dividends paid to residents would be assured of decreasing steadily, if not rapidly.
- 3. How can the Permanent Fund make a stable and sustainable payment to support State Government when it does not make a stable dividend payment to residents? The individual dividends paid to residents have been far from stable from year to year and it doesn't make sense that money drawn from the Fund to support State spending could be stable from year to year if the principal of the Fund is to be maintained and protected. The Permanent Fund earnings and principle will certainly be negatively affected at times, possibly severely, by the cyclical and volatile nature of the stock market, real estate markets, or other markets in which the Permanent Fund is invested.
- 4. If the Alaska State Government is going to restructure and utilize a portion of the Permanent Fund to support State spending, the Governor and Legislature should admit that Alaskan residents will inevitably lose their entire individual dividend payments with or without the Governor's plan. Instead of threatening Alaskans with the statement that "If we don't make significant changes in how we fund government, we will drain the constitutional budget reserve within two years and the permanent fund earnings reserve in another two years. The permanent fund dividend will go to zero dollars in just four years." (quote from Feb 3, 2016 email from office of Gov. Walker), Governor Walker and the Legislature should develop a plan in which Alaskan residents keep a fair share of the Permanent Fund that was established specifically for the direct benefit of all qualifying Alaskan residents.

I will be happy to give the State government ½ of the principle amount of the Permanent Fund to use as it sees fit to support State spending in return for a one-time dividend payment to each qualified Alaska resident that would account for 50% of the Funds principal and then eliminate all future dividend

payments to individual residents. In other words, the State's government gets half and the state's residents get half.

Thank you for your time in reading and considering my comments.

Sincerely,
Matthew A Lorenz
Kenny Lake, AK
Editor/Publisher Copper River Record weekly Newspaper

Ph: 907-259-5277

Email: contact@copperriverrecord.net

# CITY OF VALDEZ, ALASKA

#### RESOLUTION #16-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, EXPRESSING URGENCY FOR THE ALASKA STATE LEGISLATURE TO TAKE IMMEDIATE AND DECISIVE ACTION DURING THE 2016 LEGISLATIVE SESSION TO ENACT A COMPLETE PACKAGE OF INITIATIVES TO PROVIDE FOR A BALANCED AND SUSTAINABLE STATE BUDGET FOR THE FORESEEABLE FUTURE

WHEREAS, Alaska has relied predominately on the development of its vast oil reserves to fund the majority of state government expenditures over the past 35 years; and

WHEREAS, production of Alaskan North Slope crude oil has steadily decreased over the past 25 years; and

WHEREAS, global oil prices have remained highly volatile over recent decades, but until recently, have trended higher over time, masking the effect of decreasing oil production; and

WHEREAS, global oil prices have dropped significantly over the past two years and are projected to remain relatively low for the foreseeable future; and

WHEREAS, the combination of reduced oil production, reduced oil prices, and an overreliance on oil as the primary source of funding for state government has resulted in a massive state fiscal deficit; and

WHEREAS, cash reserves currently being used to cover the existing deficit will be depleted in just a few years, threatening the state's annual dividend program and potentially the state's Permanent Fund itself; and

WHEREAS, the State of Alaska has been duly warned by Standard & Poors that due to the current fiscal imbalance, its credit rating will be downgraded if the Legislature fails to take appropriate action in 2016; and

WHEREAS, major business leaders in the state have warned that they would be unlikely to continue making significant commercial investments in Alaska if the Legislature fails to address the fiscal deficit during the 2016 legislative session; and

WHEREAS, Governor Walker has introduced a complete fiscal plan to provide a sustainable and predicable balanced budget, using the strength of our existing financial assets, and a balanced blend of spending reductions and additional new revenues; and

WHEREAS, while spending reductions must be a part of any balanced fiscal solution, extreme care must be exercised to not inadvertently cut our way into an economic recession as was done in the 1980's; and

WHEREAS, every dollar of cash reserves spent now to fund one-time budget shortfalls, is then unavailable to continue working for the state as an ongoing income producing asset into the future; and

WHEREAS, continuing to spend down cash reserves in the short-term, will reduce the amount of sustainable revenue we can plan to generate from our current financial assets in the future, resulting in the necessity to increase other sources of revenue (taxes) in the future to compensate; and

WHEREAS, now more than ever is the time for statesmanship, not provincial politics or electioneering rhetoric. Politically difficult decisions are required this year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that

Section 1. The City Council of the City of Valdez calls upon the Alaska State Legislature to take affirmative and immediate action this year to enact a comprehensive package of initiatives that will provide for a sustainable and predicable balanced state budget for the foreseeable future.

Section 2. The City Council of the City of Valdez appreciates the difficult work of the Administration to put forth one possible comprehensive fiscal solution; and while the City of Valdez may not support every aspect of this plan, does recognize it as an appropriate starting point for legislative deliberation.

Section 3. The City Council of the City of Valdez insists that the Alaska State Legislature engage in meaningful discussions of all fiscal options without regard to perceived negative political fallout.

<u>Section 4</u>. The Valdez City Clerk is instructed to transmit a copy of this resolution to the Honorable Governor Bill Walker and every member of the Alaska State Legislature.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 19th day of January, 2016.

CITY OF VALDEZ, ALASKA

Larry Weaver, Mayor

ATTEST:

Sheri L. Pierce, MMC, City Clerk

# **Public Opinion Message**

# Received Wednesday, February 03, 2016

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

Name: Ron Leonard

Phone: N/A

Address: 46297 Cloud Ave., Kenai, AK 99661

Message: "Regarding SB 128 and the Permanent Fund: If you're going to take away our property rights, then give us our mineral rights back on our land"