From: <u>Barbara Baker</u>

To: Rep. Mark Neuman; Rep. Steve Thompson; Rep. Dan Saddler; Rep. Bryce Edgmon; Rep. Lynn Gattis; Rep. Cathy

Munoz; Rep. Lance Pruitt; Rep. Tammie Wilson; Rep. Les Gara; Rep. David Guttenberg; Rep. Scott Kawasaki;

Rep. Mike Hawker

Subject: I Do Not Support Funding Cuts to University of Alaska Research and Outreach programs

**Date:** Thursday, March 03, 2016 9:15:32 AM

Representative Neuman

Representative Thompson

Representative Saddler

Representative Edgmon

Representative Gattis

Representative Munoz

Representative Pruitt

Representative Wilson

Representative Gara

Representative Guttenberg

Representative Kawasaki

Representative Hawker

Dear Honorable Members of the House Finance Committee:

I am writing you to express my concern over the crippling reductions to the University of Alaska Research and Outreach funding in the proposed operating budget. I do not support this for many reasons.

These reductions will result in the loss of the Cooperative Extension Service (CES), potential elimination of the Plant Materials Center and the loss of the potato certification program (and by association damage Alaska's potato enterprises). I consider these "essential" services to the economic well being of our state and maintaining our independent capabilities.

There is tremendous rhetoric about solving the states fiscal gap, yet these cuts serve to eliminate the safety nets that will help us ride out these uncertain times. For example: the Cooperative Extension Service has provided me with training and information to smoke and can salmon. I have also utilized their services to calibrate my pressure cooker so I can preserve food safely.

I've also been trained as a Master Gardener through the Extension Service. These classes have given me the essentials to grow my own food that, in my estimation, is essential to my own food security. This program (that has graduated several thousands in its 40 year history) has also created a volunteer base that shares its knowledge throughout the state, since every graduate spends at least 40 volunteer hours in the community. Our presence can be seen in the development of community gardens, school gardens and educational programs and the Alaska State Fair, for example. Why would you want to dismantle a program that preserves Alaska's neighbor helping neighbor ethic?

Furthermore, the Master Gardener program has been a launching pad for new entrepreneurs. Many of the people operating garden nurseries, landscaping and lawn services and agricultural businesses had their start with the Master Gardening program and other services offered through Cooperative Extension Services.

It seems to me we should be preserving programs that will help maintain and grow our economy. The proposed cuts will eliminate funding for the potato certification program and cut back the Plant Materials Center, which is an essential service to the agricultural community's survival.

Continuing research is also crucial to our future. We can thank the University of Alaska for the research conducted in potatoes, making Alaska unique in growing virus-free seed crop without the need of insecticides and fungicides. And, the development of the cut-peony industry is the result of research conducted in Fairbanks. There are many other examples such as the emerging Rhodiola industry. Without research and plant certification none of these enterprises would have moved forward.

I think it is a poor decision to cripple university services in Outreach and Research. These resources have a proven track record of being cost effective, providing essential services to Alaskans and have helped create jobs in our economy. I look forward to your rejection of this proposal and examination of proposals that offer savings that do not harm so many Alaskans and its emerging economies.

Sincerely,

Barbara Baker

1543 E. 26<sup>th</sup> Avenue

Anchorage, AK 99508

Email: bbaker@alaska.net

Phone: 907-274-6385

From: <u>Maureen Baker</u>
To: <u>House Finance</u>

Subject: Cut the State Operating Budget!

Date: Thursday, March 03, 2016 9:19:29 AM

### Dear House Finance Committee General,

I am writing you today because I am concerned about our state deficit.

Right now it looks like we will be running a deficit of \$3.5 billion for the second year in a row.

But please do not raise my taxes in order to fix this problem. Instead, we should cut our state operating budget by at least \$500 million.

I am asking you today to please cut the state operating budget!

Thank you, Maureen Baker 9877 W Schulz Dr Wasilla, AK 99623 From: <u>Brandt Lomen</u>
To: <u>Rep. Mark Neuman</u>

Subject: Budget cuts to the UA System

Date: Thursday, March 03, 2016 9:39:05 AM

#### Hello,

I am currently a student at the University of Alaska Fairbanks and behalf of our student body and faculty I must voice my trepidation and dislike of the new plans put in place. As an engineering student who enjoys both the music programs and my curriculum, I have several issues with the proposed plan.

Currently, we have a multimillion dollar building sitting empty that was promised to be finished by the beginning of this year. It is now just a very expensive hallway. The old equipment from our current building is falling apart, broken, or outdated. The building itself suffers from overcrowding and failures, such as pipe burst.

In addition to cutting our funding for our new engineering building, you plan on cutting so much of our funding that valuable faculty lose their jobs. I must say this is the worst part of this entire plan. This is because the faculty are the most amazing part of this school. They make up for all the faulty equipment and budget cuts. If you decide to get rid of this schools only remaining asset then the UA system will fail entirely.

You are dooming students like myself, who have never lived outside of Alaska, who think of Alaska as home, to have to leave the state, paying additional tens of thousands of dollars just to receive a proper collegiate education.

I implore you to reconsider. Tuition increases are expected and I understand that with the current state of the Alaska economy finding the needed funding will be challenging. But almost everyone in my school stays in Alaska. We provide an invaluable recourse to the economic system of Alaska. This is why so many companies invest in the UA programs such as engineering and the sciences. If you take that away, you'll ruin Alaskan's chances of getting a solid education and even getting jobs.

Please understand that despite the University being an "easy fix". Providing quick cuts with little or no immediate after affects to the state, it will be one of the most damaging things you could possibly do to secure long term economic stability for the state.

I do not want to leave this state. It is my home. Please don't make it impossible for me to stay. Sincerely and with the utmost respect,

Brandt Lomen

From: Goggins Kendall

To: Sen. Pete Kelly; Sen. Anna MacKinnon; Sen. Gary Stevens; Sen. Johnny Ellis; Rep. Mark Neuman; Rep. Steve

Thompson; "Representative.Dan.Sadler@akleg.gov"; Rep. Bryce Edgmon; Rep. Lynn Gattis; Rep. Cathy Munoz; Rep. Lance Pruitt; Rep. Tammie Wilson; Rep. Les Gara; Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Mike

<u>Hawker</u>

Subject: RE: We need your help.

**Date:** Thursday, March 03, 2016 9:42:03 AM

Hello again, all.

My apologies, this email should have come to you from my UAA student union account.

I have been a long-time proponent of endorsing government cost saving measures.

Respectfully,

Kendall M. Goggins

From: Goggins\_Kendall

**Sent:** Thursday, March 03, 2016 9:38 AM

**To:** 'Senator.Pete.Kelly@akleg.gov'; 'Senator.Anna.MacKinnon@akleg.gov';

'Senator.Gary.Stevens@akleg.gov'; 'Senator.Johnny.Ellis@akleg.gov';

'Representative.Mark.Neuman@akleg.gov'; 'Representative.Steve.Thompson@akleg.gov';

'Representative.Dan.Sadler@akleg.gov'; 'Representative.Bryce.Edgmon@akleg.gov';

'Representative.Lynn.Gattis@akleg.gov'; 'Representative.Cathy.Munoz@akleg.gov';

'Representative.Lance.Pruitt@akleg.gov'; 'Representative.Tammie.Wilson@akleg.gov';

'Representative.Les.Gara@akleg.gov'; 'Representative.David.Guttenberg@akleg.gov';

'Representative.Scott.Kawasaki@akleg.gov'; 'Representative.Mike.Hawker@akleg.gov'

**Subject:** FW: We need your help.

We can no longer afford to do business as usual – the state is in a severe fiscal crisis that will result in a reduction in services to all citizens. Cuts to programs and services must be made.

From: USUAA\_News [mailto:usuaa\_news-bounces@lists.uaa.alaska.edu] On Behalf Of

Union of Students

Sent: Thursday, March 03, 2016 9:12 AM

**To:** Union of Students

**Subject:** [USUAA\_News] We need your help.

Greetings, All!

We're writing because we need your help. The University of Alaska is facing massive budget cuts that could spell the end of the academic programs and extracurricular opportunities that you value. Your voice can make a difference.

The tuition you pay UAA only accounts for about 20% of the entire budget of the university; the rest primarily comes from the state of Alaska. The cuts being proposed to our budget by the House Finance Committee are catastrophic. University of Alaska President Jim Johnsen stated cuts of that magnitude could result in the loss of 600-1000 faculty and staff positions, and countless programs that benefit students. The impacts of this at UAA would likely include:

- longer wait times at the University Center for form
- processing and test administration
- no academic advisors
- fewer student jobs across campus
- outsourcing and privatization of University services
- reduction and/or elimination of many academic programs
- closure of and loss of access to buildings

It is important that students speak out about what this could mean for us. I encourage you all to **contact your Representatives and Senators in Juneau**, and tell them just how important UAA is to the state, and to you personally. If legislators don't hear from you, they'll think you don't care about your education or your university. Don't give them a reason to believe that.

USUAA Student Government has postcards available in the Student Union (SU 201) for you to write a message to your legislators, which we will mail at no charge to you. If you'd like to drop off a letter, we would also be happy to send it on your behalf. Of the nearly 22,000 students attending UAA, only 500 have written to their representatives—your voice as a student is crucial.

Or send them an email. The email addresses for the legislators on the House Finance Committee and Senate Finance Subcommittee on the University are below. You can also find the contact information for your <u>senator</u> or <u>representative</u> here.

# **Senate Finance University Subcommittee Members**

Senator Pete Kelly (Chair) -

Senator.Pete.Kelly@akleg.gov

Senator Anna MacKinnon -

Senator.Anna.MacKinnon@akleg.gov

Senator Gary Stevens -

Senator.Gary.Stevens@akleg.gov

Senator Johnny Ellis -

# Senator.Johnny.Ellis@akleg.gov

House	<b>Finance</b>	Comm	ittee	M	emhers
HUUSC	rmance	COMM		TAT	

Representative Mark Neuman (Co-Chair) -

Representative.Mark.Neuman@akleg.gov

Representative Steve Thompson (Co-Chair) -

Representative.Steve.Thompson@akleg.gov

Representative Dan Sadler -

Representative.Dan.Sadler@akleg.gov

Representative Bryce Edgmon -

Representative.Bryce.Edgmon@akleg.gov

Representative Lynn Gattis -

Representative.Lynn.Gattis@akleg.gov

Representative Cathy Munoz -

Representative.Cathy.Munoz@akleg.gov

Representative Lance Pruitt -

Representative.Lance.Pruitt@akleg.gov

Representative Tammie Wilson -

Representative.Tammie.Wilson@akleg.gov

Representative Les Gara -

Representative.Les.Gara@akleg.gov

Representative David Guttenberg -

Representative.David.Guttenberg@akleg.gov

Representative Scott Kawasaki -

Representative.Scott.Kawasaki@akleg.gov

Representative Mike Hawker-

Representative.Mike.Hawker@akleg.gov

Sincerely,

Jonathon Taylor & Matthieu Ostrander

President & Vice President

USUAA Student Government

uaa\_usuaa@alaska.edu

uaa.alaska.edu/unionofstudents

From: Josh Keaton Alaska
To: House Finance
Subject: Fully Support Education

**Date:** Thursday, March 03, 2016 9:42:35 AM

I am a resident of Juneau, Alaska for over 15 years. My wife was born in Anchorage and spent here entire childhood on St George Island. We have family throughout the state in mostly rural communities. We are also parents of two young children in the local elementary schools. I am also a member of the Juneau School board though my testimony here is my own.

First I recognize the immense job you have to do and I appreciate all the hard work you are putting into it.

If my family has one priority for the budget, it is to urge you to continue to support full funding of education and to establish a stable fiscal plan for education in the future. Every year we are seeing class sizes in K-2 Increase as the local school district deals with the challenges of declining revenue. That is the primary reason i ran for school board.

I am happy to see that the \$50 BSA has been included in the budget as that will likely protect many of the essential educational opportunities for children in this community however we are concerned that you have eliminated pre-K funding. Pre-K funding is necessary to ensure that our children are prepared for Kindergarten and multiple studies have shown that investment in Pre-K results in savings in the future.

http://www.centerforpubliceducation.org/Main-Menu/Pre-kindergarten/Pre-Kindergarten. Educating our youth is necessary and very important. I could list the many reasons to support education but we are confident you understand this is a priority for many Alaska residents and we trust that you will keep this a priority. Additionally it is important to us that you continue to support rural schools.

We are not opposed to new income sources like using some of our PFD to support education however we believe that any new income source should ensure that it is fair to all families in Alaska. We are a single income family and we love Alaska. Using the governors proposed income generation, PFD and income tax, I have determined that my family would lose approximately 7% of our annual income to additional taxes. As proposed our share of the tax burden represented as a proportion of our family's annual income is not equitable to others.

We are willing to shoulder this additional burden because we are a direct consumer of education, but we need to make sure that education is fully funded. We personally prefer state sales tax because we can control spending to reduce the impact to our family. Even though Juneau has a sales tax we are more comfortable with that option than an income tax.

Once again thank you for your work and please continue to FULLY SUPPORT EDUCATION.

Robert and Crystal Keaton 8402 Decoy Blvd Juneau, AK 99802 From: Gary Freitag

To: Rep. Mark Neuman; Rep. Steve Thompson; Rep. Dan Saddler; Rep. Bryce Edgmon; Rep. Lynn Gattis; Rep. Cathy

Munoz; Rep. Lance Pruitt; Rep. Tammie Wilson; Rep. Les Gara; Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Mike Hawker; Sen. Pete Kelly; Sen. Anna MacKinnon; Sen. Gary Stevens; Sen. Johnny Ellis; Sen. Peter

Micciche; Sen. Click Bishop; Sen. Mike Dunleavy; Sen. Lyman Hoffman; Sen. Donny Olson

Subject: Univ. Budget Comment

**Date:** Thursday, March 03, 2016 9:45:21 AM

### Members:

I respectfully request the Alaska House and Senate consider abiding by Gov. Walker's recommendation of a \$16M cut this next fiscal year. Cutting \$63M that is in the proposal being considered that targets research and outreach removes one of the most important functions of the University. The State is facing tremendous financial strain because of our dependence on relatively few industries that have economics outside of AK control. Cuts to University programs that diversifies the economy is simply wrong at this time.

I work for the University MAP program now after working 27 years in the private sector helping to develop the fisheries enhancement program here in southeast Alaska. The SSRAA program is a huge economic driver for the fisherman of SE Alaska and that is due to the diversification of opportunity it provides to the commercial and sport fishing industry. Without the University research and outreach, we would not have succeeded in such a beneficial way. I had a fisherman come into my office to thank us since he told me he would have had to sell his boat if he was depended on only the wild stocks.

The University research and outreach is still helping to diversify the fisheries, examples include, the emerging oyster farming and macro algae industries, both with the potential for millions of dollars of economic activity for the state. Concentrating only on the educational function of the University will have minimal impact to this type of economic development.

After 27 yrs, I left my job at the Southern Southeast Regional Aquaculture Association(SSRAA) to work for the University MAP program since I benefited while at SSRAA from the MAP program outreach. The research that was being conducted helped us develop new economic opportunities as well as to help diversify the economy in Alaska.

The extreme cuts in the proposal being considered are truly short sighted. We need to expand economic opportunities, not cut off the fuel that helps them flourish. Cutting research and outreach will result in cutting off the fuel for economic diversification.

Thank you for your hard work and your consideration.

Gary Freitag

Ketchikan

--

 $\underline{https://sites.google.com/a/alaska.edu/gary-freitag/}$ 

Thanks Gary

From: Goggins Kendall

To: Sen. Pete Kelly; Sen. Anna MacKinnon; Sen. Gary Stevens; Sen. Johnny Ellis; Rep. Mark Neuman; Rep. Steve

Thompson; "Representative.Dan.Sadler@akleg.gov"; Rep. Bryce Edgmon; Rep. Lynn Gattis; Rep. Cathy Munoz; Rep. Lance Pruitt; Rep. Tammie Wilson; Rep. Les Gara; Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Mike

Hawker

**Subject:** FW: We need your help.

**Date:** Thursday, March 03, 2016 9:38:13 AM

Attachments: ATT00002.txt

We can no longer afford to do business as usual – the state is in a severe fiscal crisis that will result in a reduction in services to all citizens. Cuts to programs and services must be made.

From: USUAA\_News [mailto:usuaa\_news-bounces@lists.uaa.alaska.edu] On Behalf Of

Union of Students

**Sent:** Thursday, March 03, 2016 9:12 AM

To: Union of Students

**Subject:** [USUAA\_News] We need your help.

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- fewer student jobs across campus
- outsourcing and privatization of University services
- reduction and/or elimination of many academic programs
- closure of and loss of access to buildings

It is important that students speak out about what this could mean for us. I encourage you all to **contact your Representatives and Senators in Juneau**, and tell them just how important UAA is to the state, and to you personally. If legislators don't hear from you, they'll think you don't care about your education or your university. Don't give them a reason to believe that.

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to write a message to your legislators, which we will mail at no charge to you. If you'd like to drop off a letter, we would also be happy to send it on your behalf. Of the nearly 22,000 students attending UAA, only 500 have written to their representatives—your voice as a student is crucial.

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Senator Gary Stevens -

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Senator.Johnny.Ellis@akleg.gov

### **House Finance Committee Members**

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Representative Lynn Gattis -

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Representative Scott Kawasaki -

Representative.Scott.Kawasaki@akleg.gov

Representative Mike Hawker-

Representative.Mike.Hawker@akleg.gov

Sincerely,

Jonathon Taylor & Matthieu Ostrander

President & Vice President

**USUAA Student Government** 

uaa\_usuaa@alaska.edu

uaa.alaska.edu/unionofstudents

From: <u>vegas.girl@yahoo.com</u>

To: House Finance; Sen. Pete Kelly; Sen. Anna MacKinnon; Sen. Peter Micciche; Sen. Click Bishop; Sen. Mike

Dunleavy; Sen. Lyman Hoffman; Sen. Donny Olson

Subject: Operating and Capital Budgets

Date: Thursday, March 03, 2016 10:06:52 AM

3/3/16

Senate and House Finance Committee Members:

I strongly oppose the passage of ANY income or sales tax. Alaskans are already in a financial slump. We've been in a recession for quite a while. Taxing citizens more will result in the inability of people to keep their housing, forcing foreclosures, more homelessness, and a big exodus. This will mean even less of a tax base, with fewer people. I would much prefer earnings from the PF be used to supplement the budget if necessary, but only after even deeper cuts have been made to our out-of-control budget.

Public assistance programs must be cut entirely. Any funds going to rural Alaska and Native programs must be cut entirely. This includes subsidizing their housing, utilities, internet, and education. The Native corporations are wealthy. It is time they stepped up for their own people and took on the costs for what all of us throughout the state have had to bear. My motto: If you can't afford to live there, MOVE.

Education funding for UA, public school programs (Parent as Teachers/Best Beginnings, Pre-K Grants and any other grants, etc.) must be cut into the double digit millions of dollars. UA is one of the biggest wasters of money. They are heavy on staff, both educators and administrative. They get millions of dollars in grant money each year; they get tuition and have many other fees charged to students. One prime example of waste is the Justice center spends money to formulate, print and mail out surveys to the public throughout the year on a variety of social topics. The results of these surveys are tossed into a drawer or file and produce absolutely no benefit. In each survey they send a \$2.00 bill and a postage paid envelope. Within a 4 month period, our household received two surveys on marijuana.

Public broadcasting, OWL, and broadband state-wide internet service must be cut entirely. Again, the Native corporations should be picking up these costs to rural Alaska. Public broadcasting should exist solely on their own fund raising. If they can't raise enough funds to sustain themselves, so be it. Most of the programming is underwritten by corporate and national grants.

Dept of Corrections: Under no circumstance should 100 (or any) new positions be funded. If existing funds need to be shifted around, get rid of the top-heavy administration and put the money into the prison officers.

HHS: All programs across the board need to be cut back equally...at least 40%. This will eliminate many unnecessary administrative jobs and welfare programs. People need to get off their butts, get to work and stop sucking off the government. We don't need to provide housing, medical care, food, drugs, etc. to able-bodied people who are just too lazy to work. All funds to behavioral health treatment should be cut.

RE: Nome Dept of Juvenile Justice Youth Facility. Cut all funding. Let the Native corporations pick up the funding or put the kids in the Nome Correctional Facility.

All departments need to be cut at least 30%. Fish and Game should be cut to the point where they eliminate many administrative jobs and should get NO money for their continued predator control programs. The only area in Fish and Game where there should be an increase should be in field enforcement officers, since we have such a huge problem with illegal hunting, trapping and guiding.

NO pay raises or health benefits for ANY state worker, legislator or their staff. Legislators also need to pass a moratorium on any travel outside of Alaska and stop spending so much money on fancy office furniture and other accessories and furnishings.

It's time for the Senate and House to "man and woman up" and stand up to the lobbyists and bleeding hearts and say NO MORE!

The hard-working, already financially burdened men, women and small business owners of Alaska should not be forced to give part of their income (which is already shrinking) to pay for all of these unnecessary programs, high state salaries and benefits, corporate and personal welfare, and subsidizing rural Alaskans.

A sales tax (which is also being considered on a local level in Anchorage) would kill our economy, as people would scale back their spending to bare necessities and order everything else on line. Many small local businesses would be put out of business. This would ultimately decrease state income because fewer sales would be made, fewer businesses would be operating, and fewer people would remain in Alaska due to fact that they simply could not afford it. Once again you'd be hurting the hard working citizen in order to give their money to people who don't want to work and contribute to the economy. All they want to do is take take take. THIS HAS TO STOP!!

Thank	you.
-------	------

Carol Jensen

 From:
 Bryan Murphy

 To:
 Rep. Mark Neuman

Subject: University of Alaska Anchorage

**Date:** Thursday, March 03, 2016 10:14:27 AM

### Mr. Neuman,

I am writing you this letter as both a student of UAA and a concerned citizen. My understanding of the proposed budget cuts to our local college is that they are steep, steep enough to result in the significant loss of services and support, as well as faculty jobs. Honestly I find this unacceptable. I am not going to write an email with a lot of strong language or anything about how you do your job but I am going to ask you this; if you weren't able to complete your education would you be in the place that you are now? I spent 12.5 years in the U.S. Army while deploying in support of the war on terror 3 different times, each time out of the state of Alaska. This is a great place to be and one that I am proud to call my home after my service to this country instead of moving back to Chicago. Part of my life post-military has been school, and when I say part I mean a majority of it. One of my largest goals was to go back to school and earn my bachelor degree, this is something I am now fearful of if there is a significant budget cut to our school. Is this the message that we want Alaskan youths to have? That they need to go out of state to get the best education they can? I certainly don't think so, and I would be willing to be that most of your constituents (including me) would agree with me. I have been a resident of this state since 2002, I would hate to have to leave to pursue my education in another place and lose my "home" state. Please feel free to contact me anytime if you would like me to add anything or clarify anything that I have said here.

Sincerely,

concerned citizen and veteran Bryan Murphy

To Members of the Finance Committee

I wanted to share my story as to advocate for the value and impact of <u>state grant funding administered</u> through SDS for those experiencing disabilities.

I was born with high functioning autism. I was nonverbal until I was five years old and showed all the characteristics of a of a young child with autism. My mother was a single mother and she decided to bring me to Alaska because of the special education was better here than where we came from.

We arrived in Alaska when I was seven years old. My mother had tried to get me on the medicaid waiver, but there was a long waiting list. I was in severe need of early childhood intervention. At the time the wait list was about two years long before I would be able to see any kind of services. My mother had to make a difficult decision at that time. That was either wait and possibly and miss my chance for growth or give her child up to the state. My mother made them very difficult decision to release me to the state

I was able to get the early childhood intervention that was needed to help me become the man I am today. I am no longer nonverbal, and have worked hard to be a participating member of the community.

Families with kids with disabilities should never have to face this decision. State grant funding provides Critical support for those waiting for waiver services or for those who don't qualify for the Medicaid wavier but still experience disabilities.

I know these are difficult time and adjustments have to be made. Without the support I received from the grant, I would likely have cost the state more money because of behavior challenges I was experiencing

I leave You with this what we do in life Will echo for for generations to come it is our responsibility our duty to protect and serve the people without a voice.

Thank you for listening!

Chad Niewendorp Anchorage, AK chadniewendorp@gmail.com From: Miriam Dunbar
To: Rep. Mark Neuman
Subject: Alaska State Library

**Date:** Thursday, March 03, 2016 10:16:55 AM

### Dear Mr. Neuman,

I have heard that OWL funding may be completely cut out of the operating budget. I understand that cuts have to be made with the declining revenues, but a 19 % reduction of the **Alaska State Library budget is extreme**. Our library received \$3300 from OWL this year to help pay for high speed internet. Many of our patrons do not have internet access at home and therefor depend on the library for this service. Since IRS forms, most job applications, and many other government services are only available via internet, this service is critical. The OWL program has also assisted us in receiving \$22867 from the E-Rate program for this year. Since the cost of high speed internet is about \$2000 per month, the E-Rate program allows us to purchase it. Please restore as much funding as possible to the OWL program so that libraries across Alaska can continue to provide high speed internet to their patrons. Thank you for your time.

Miriam Dunbar

Library Director

Cordova Public Library

Cordova, AK 99574

(907)424-6667

From: mike rozak

To: House Finance

Subject: You"re joking, right?

**Date:** Thursday, March 03, 2016 10:19:04 AM

## To whom it may concern,

Tell me you're not considering cutting funding to the University of Alaska...an institution that has shaped the leaders, teachers, scientists, and events of our "Great Land." Tell me I misunderstood, that it was an early April Fools Day Joke, anything other that what I'm hearing about some very signifigant proposed cuts to the UA budget (\$16 million? \$51 million? How about 0 million). Sounds like you folks may be forgetting (temporarily, hopefully) about the vital role the University system plays in Alaska, about the many different things it represents to our broad spectrum of residents.

To some of us the U of Alaska is a means to an end, typically in the form of a degree or certificate which has the ability to elevate a persons earning power, influence, confidence, and self-respect. We have some truly top-notch programs, some quite unique, but we need to always be looking to grow the U's resources (not strip them!) in order to continue offering more options to students in terms of classes, technologies, facilities, etc. This not only promotes in-state students remaining here for more of their collegiate career, but attracts out-of state interests as well (bringing in signifigant out-of-state tuition).

Others see the U as their livelihood, whether employed as by the U as an instructor, tradesperson, administrator, researcher, or whatever else. These folks work hard to keep the U system maintained, clean, current, and accessible and we need to take care of them and their families by keeping their jobs and wages stable. I mean, if the State doesn't set an example by displaying ethics, wisdom, and long-term vision by taking care of their workers then we can't very well hold any private entity to a higher standard, can we?

I've enjoyed the benefits of the U's presence in the form of 1)classes, 2)outreach resources and events (AYFS, specifically, and other fisheries or seafood-related workshops/conferences (absolutely invaluable). 3) a better informed/educated citizenry 4) increased incomes/revenues/controls within the State 5) increased respect from other entities and institutions which share some common element or have a relationship with. and 6) keep Alaska sharp and independent. My college education (BA in International Studies, Linguistics) cost me a huge sum of money (80% in other states) and took me 5 thousand miles from home and while I strongly encourage young folks about to graduate high school to do some traveling, I believe that many students would be better served by finding programs closer to home where their networks are established and they have a better "lay of the land" than I did when I left to find suitable academic resources.

While I realize that creating and balancing the budget requires some tough calls and some difficult decisions must be made, but come on...we can simply not afford to lose the very positive and real momentum that the University of Alaska has going for it...and going for us.

-MT Rozak

3-3-2016

# Commentary on SB 114 and the Concept of a Sustainable Budget:

Submitted by Frank McQueary, February 26, 2016

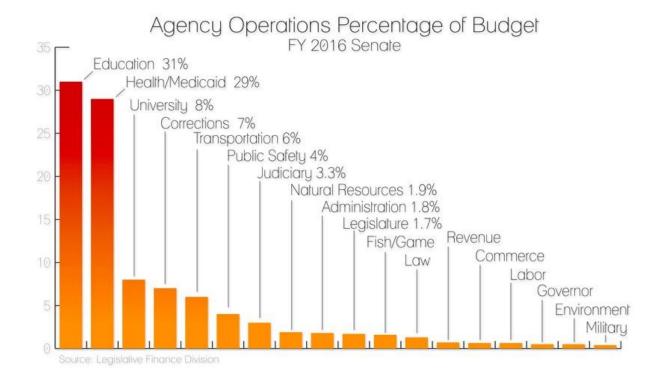
My name is Frank McQueary. Most of you know me, but for those who don't let me briefly summarize my experience and qualifications. Currently I am an owner of a small technology company, the Vice Chair of the Alaska Republican Party and my curriculum vitae includes managing a transportation company multiple times since 1972, working as a VP of Commercial lending in 2 different Alaska banks, a stint with AIDEA in 1981 setting up the small business lending program, a number of years working for a telecommunications company as well as being in the horse boarding and training business simultaneously for 20 of those years. In my younger days, while attending college, I worked summers as a grade checker out of Laborer's Local 341.

The diversity of my experience qualifies me to share some observations with you today.

I wish to speak in favor of SB114 as part of a strategy which will help you ameliorate the economic damage which we will suffer over the next few years as a direct result of the collapse of oil prices and the slowing global economy and I will tell you why it is inherently superior to both the Governor's and Representative Hawker's bills.

The premise of what I wish to propose is that SB 114 alone will help but not solve our current crisis and without additional measures to curb the growth of government we will soon be facing additional crises.

If you will look at the graph below, prepared by your own Legislative Finance Department, you will graphically see what I propose to call "The Little Shop of Horrors: Feed me Seymor" model of government. On the left side of the graph, two of three major impediments to successfully coping with and minimizing the current crisis are very obvious. For as long as I can remember in my 25 year history of pilgrimages to Juneau, Education and Health/Medicaid expenses have been growing and compounding. A third major component of controlling the budget is buried in **all** of the departments: programmatic increases in labor costs.



With each of these three components historically growing and compounding at from 5-15 percent a year the static 2 dimensional budget analyses seen thus far are very deceptive. If your model continues the 5-15 % annual growth in these three components over a short 5 year period it becomes obvious that you will never achieve a "sustainable" budget given current revenue expectations.

Only the combination of **targetted** cuts in the areas of education, medicaid and state labor costs combined with an SB114 type of conversion of the permanent fund will both assure the continuation of permanent fund dividends and give you enough control of the budget to begin to call it sustainable.

As you grapple with these issues constantly remind yourselves that Government does not create wealth. Only the private sector and free market investments do that successfully. The easy cuts were made last year, and unfortunately virtually all capital investment was curtailed. That is the part of government spending which flows into the private sector, ideally providing jobs and the infrastructure necessary to grow our economy.

A government centric bias is inherent in the very Juneau air that you breath. The fact that in your jobs today you are totally focussed on the State budget, rather than the State's broader economy is a testament to that bias.

When I met with the Governor last week he said he wanted to get outside of the closed loop of government and get other opinions as to how to solve our current dilemma.

What I told him, and what I will tell you, is that an opportunity has been missed. The messaging of what is happening should have been something like this: "Lifeboat Alaska, we are in this together and we will get through it together. We will ration our resources wisely and with scrupulous fairness. No one of us

will prosper at the expense of the rest." I told the Governor that he thinks he is captaining a cruise ship rather than a lifeboat and that he had simply moved the crew into the first class cabins and asked the rest of us to move into steerage.

Without any labor contract increases the programatic raises for merit and longevity average between 34% per annum. Continued wage inflation in state labor costs, continued exponential growth in Education and Health and Human Services budgets will guarantee the failure of any budget plan.

There is an old adage that "in adversity there is opportunity".

Your opportunity now is to choose the one plan that converts the Permanent Fund into an endowment while still guaranteeing a significant flow of dividends into the private sector, shoring up the larger economy of the state, while still contributing significantly to closing the state government budget gap. That bill is SB 114.

Why is SB 114 superior to both the Governor's plan and Representative Hawker's bill? It is simple two step logic:

- It guarantees that more dollars are dedicated to dividends, hence leaving a larger gap to
  close in the budget. What I am proposing is that you do not take the easy way out by taking
  most of the dividend to fill the gap. This means that you will have to attack the real
  structural budgetary issue of unrestrained growth in education, health and labor costs. Both
  the Governor and Hawker's approaches open the door to eventually taking all of the
  earnings without solving the problem.
- 2. SB 114 is more palatable to the public. It signals that you are not trying to solve the gap at their expense while protecting the vested interests of the bureaucracy.
- 3. It guarantees that more dollars are dedicated to dividends, hence leaving a larger gap to close in the budget. What I am proposing is that you not try to take the easy way out by taking most of the dividend to fill the gap. This means that you will have to attack the real structural budgetary issue of unrestrained growth in education, health and labor costs. Both the Governor and Hawker's approaches open the door to eventually taking all of the earnings without solving the problem.
- 4. SB 114 is more palatable to the public. It signals that you are not trying to solve the gap at their expense while protecting the vested interests of the bureaucracy.

# FRANK E. MCQUEARY 7810 ASCOT STREET ANCHORAGE, AK 99502

# 907-223-7528 FMCQUEARY@GCI.NET

Your real mission is to harness the cancerous growth of Education, Health and Labor costs within state government. As long as you ignore this rapidly growing segment of the budget you will never resolve the budget issue or "right size" government.

IF our education was improving commensurately with its increasing costs and IF access to health care was better and less costly, we would have no room to complain. But neither education nor health care access has improved with ever more costly programs. In fact the opposite has happened. When I graduated from East Anchorage High School in 1963, Alaska schools were considered to be among the best in the nation. Now we rank near the bottom. When Governor Walker pushed Medicaid expansion the premise was that more Alaskans would have better access to more affordable health care. Our Medicaid plan has 17 optional "Cadillac" services which are provided at no cost to the very poor. Meanwhile the not so poor have been saddled with large monthly premiums for insurance and have seen their deductibles rise to the point where for all practical purposes they only have major medical coverage. Deductibles of \$5000 to \$9000 are becoming common as more and more people are forced into the world of Obamacare.

Governor Walker has been aiding and abetting this economically and socially destructive transition and it is time for you as our elected representatives to show courage in correcting the course of government.

- 1. Cut and Reform Education
- 2. Cut and Reform Health Systems
- 3. Remove automatic increases from state employee contracts and ask them to share the pain 4. Pass SB 114.

# And remember that unallocated cuts will simply allow bureaucracy to punish both you and the public.

While it is not my intent to get too far into the weeds, I cannot resist making two points: The immediate fiscal problem may not be as critical as alarmists make it out to be: e.g., correcting the overprovisioning for inflation in the permanent fund would free up an additional \$900,000,000 towards this years deficit...

And there are pockets of privilege in State government that need to be rooted out now. One of the more egregious examples being the highly compensated and underworked line haul ferries.

Transportation subsidies for highways are calculated in the range of cents per vehicle mile travelled. The subsidy for Alaska Marine Highway line haul ferries is in excess of \$10.00 per vehicle mile travelled. Five years ago the overall subsidy was over \$120,000,000.00 (yes that is millions). That level of subsidy is indefensible and is nothing more than an invincible barrier to competition from the private sector handling the longer runs.

Thank you Mr. Chairman and Members, if you have any additional questions or want more detail or documentation please feel free to contact me at : <a href="mailto:fmcqueary@gci.net">fmcqueary@gci.net</a> or call me at 907-223-7528.

From: <u>Carol Kaynor</u>
To: <u>House Finance</u>

Cc: Sen. Click Bishop; Rep. David Talerico

**Subject:** Please fund the University of Alaska, and please tax us!

**Date:** Thursday, March 03, 2016 11:16:48 AM

### Dear legislators,

I am a staff member at the University of Alaska Fairbanks, as well as an alumna, but I'm writing to you today as a nearly 40-year resident of Fairbanks. I'm opposed to the proposed deep budget cuts to the University of Alaska and concerned about what this portends for the budget in general.

I was here for the severe economic downturn of the late 1980s. Frankly, it frightens me to hear legislators say that we need to focus much more on trimming the budget before looking for new sources of revenue.

Alaska is now officially in a recession, according to Moody's Analytics. "The failure of energy prices to rebound has pushed Alaska into recession. Job growth is among the slowest in the nation....The jobless rate, at 6.4%, is more than 1 percentage point above the U.S. average even though the labor force is at a five-year low." (1)

The university has been working hard to adopt a budget based on Governor Walker's proposed \$16 million cut that would protect as many jobs as possible. The House Finance Subcommittee's proposed cut of \$51 million—an increased cut of \$35 million, more than twice as deep—will force the university into major reductions in staff, faculty and programs. Such a deep cut to the university will have a direct negative effect on jobs, sending us even further into recession. "The deeper cuts proposed by the University of Alaska House Finance Subcommittee... to the university budget are a jobs killer—not just for jobs at the university, with job losses estimated at 500-900, but also to jobs in the private sector." (2)

Beyond jobs, the university serves everyday Alaskans in countless valuable ways that positively affect the economy, including applied research that creates new jobs and new industries, workforce training and development that creates and maintains jobs in Alaska for Alaskans, and information on thousands of different topics that help Alaskans be healthier, live more safely, use energy more efficiently, and cope with climate change (just to name a few).

To help bridge the budget gap, I would be happy to pay an income tax or a state sales tax, as would a clear majority of us in Alaska. According to a study by the Rasmuson Foundation, 65 percent of Alaskans would prefer to see the fiscal gap filled by both cuts and new revenue as opposed to just cuts. (3)

I also would be happy to see our PFDs restructured so that our individual payouts are more stable and the state can use more of the earnings.

I believe it's possible to carefully trim the budget to do the least harm, while also instituting modest taxes that will help increase revenue. This is the direction I hope you will consider.

Please adopt the governor's budget figure for the University of Alaska. Please protect the state's long-term investment in our students, staff, faculty, instruction, research and outreach—and in everything the university gives back to the state.

Thank you very much for your consideration.

Carol Kaynor Fairbanks, Alaska

(1) Moody's Analytics as cited by Alaska Dispatch News

### http://www.adn.com/sites/default/files/MA%20-%20Alaska.pdf

- (2) "Private sector at risk with proposed university cuts," Fairbanks Daily News Miner <a href="http://www.newsminer.com/opinion/community\_perspectives/private-sector-at-risk-with-proposed-university-cuts/article\_b1b4cb4c-df65-11e5-8527-636b12b7829e.html">http://www.newsminer.com/opinion/community\_perspectives/private-sector-at-risk-with-proposed-university-cuts/article\_b1b4cb4c-df65-11e5-8527-636b12b7829e.html</a>
- (3) Public Opinion on the State's Fiscal Crisis, Rasmuson Foundation <a href="http://www.rasmuson.org/wp-content/uploads/2016/01/RAS-Juneau-Presentation-Final-Edits.pdf">http://www.rasmuson.org/wp-content/uploads/2016/01/RAS-Juneau-Presentation-Final-Edits.pdf</a>

From: GREGG TERRY
To: Rep. Dan Saddler

Cc: Rep. Lynn Gattis; Rep. Cathy Munoz; Rep. Lance Pruitt; Rep. Tammie Wilson; Rep. Les Gara; Rep. David

Guttenberg; Rep. Scott Kawasaki; Rep. Mike Hawker; Rep. Mark Neuman; Rep. Steve Thompson; Rep. Bryce

Edgmon

Subject: University of Alaska Funding

**Date:** Thursday, March 03, 2016 10:56:36 AM

Representative Saddler and other members of the House Finance Committee:

I normally do not write letters to my Legislative Representative. I am writing now because of my grave concerns about the proposed budget cut to University of Alaska funding which includes Cooperative Extension Service (CES).

I have been connected with the University as an employee, a student, and as an Adjunct Instructor. Cooperative Extension Service provides vital services to the citizens of Alaska in the areas of; Agriculture and Horticulture, Community Resource and Economic Development, Energy Education and Housing, Health, Home and Family Development.

Because of necessary reduction of the state budget, citizens of Alaska will be asked to accept reduced services in some areas. CES provides the classes, training, workshops, conferences, and publications that allow citizens to become more self sufficient.

I could write volumes about how I have benefited from CES programs and how I have helped as a volunteer and as a paid staff member. I would like to highlight two examples.

Starting January 1998 through July of 1999 I was Program Assistant for Mat-Su/Copper River District Office in Palmer. Clients were very grateful when they called with Land Resources (mainly horticulture) questions and they received answers and additional helpful information. It was one of the best jobs that I have ever be privileged to have.

I moved to Seward in July 1980. The next summer I started landscape maintenance business. When my daughter was four years old she decided that she loved to ride horses at different events in Seward. These rides were not free. I made arrangements with the owner of the horses to trade lawn clippings for rides. It was the only way that I could afford to meet her insatiable desire to ride. Before I proceeded with the arrangement, I became concerned that the herbicides that I had applied on the lawns might be detrimental to the health of the horses. I call Anchorage Cooperative Extension Service and spoke with the statewide horticulturist and found out the time I needed to wait until I could feed the clippings to the horses.

If you have any questions as to the value of CES and the University to the people of Alaska please call and I will make every effort to further explain my experience with UA. With the uncertain times we are facing as Alaskans, it is imperative that the budget for the University of Alaska not be reduced below the proposed 4.5 % decrease from last years funding included in Governor Walker's Budget. During uncertain economic times in Alaska, the role of University of Alaska becomes even greater to provide relevant knowledge and classes both for becoming more self-sufficient and job re-training. It is my belief that the University of Alaska Budget should be increased rather than cut during these uncertain times. An increase may not be realistic at this point. A decrease in funds for the UA is definitely not warranted.

Very sincerely, gregg

Gregg R. Terry 16905 Mercy Drive Eagle River, AK 99577-7611 From: Nicole Niemann
To: Rep. Mark Neuman
Subject: UAA finance

**Date:** Thursday, March 03, 2016 11:11:49 AM

### Dear Senator,

It's my understanding that there will be many budget cuts within UAA. As a student of UAA, I'm hoping they can find a way around this because many opportunities for the students will decrease and make UAA not an outstanding university. It would only be mediocre. Please consider finding a new way to help UAA's budget that doesn't include cutting important financial positions, jobs, and business.

Thank you for your prayerful time and consideration.

~Nicole Niemann

From: <u>Julie Matweyou</u>

Subject:

To: Rep. Mark Neuman; Rep. Steve Thompson; Rep. Dan Saddler; Rep. Bryce Edgmon; Rep. Lynn Gattis; Rep. Cathy

Munoz; Rep. Lance Pruitt; Rep. Les Gara; Rep. David Guttenberg; Rep. Scott Kawasaki; Rep. Mike Hawker Fwd: Please keep our University of Alaska system strong - A unified mission of teaching, research and service

**Date:** Thursday, March 03, 2016 11:15:56 AM

Dear Co-Chairs Neuman and Thompson and members of the House Finance Committee,

I contacted the House Finance Committee - University of Alaska Subcommittee last week as you can see from the email below. I cc'd the entire House Finance Committee and I have even heard back from some of you. I thank you very much for your time, consideration and your replies.

Again I come to you today as a UAF alumni, UAF professor and proud resident of the State of Alaska. I came to Alaska over 16 years ago and Alaska is my home and my heart.

I am privileged to work on a daily basis with state resource biologists, fishermen, tribal organizations, K-12 educators, UA faculty and staff (including UAF, UAA, and UAS collaborators), and other Kodiak and statewide residents.

It is in our state's best interest, now and in the future, to keep our University system strong!

I know our state has some tough fiscal challenges, however I urge you to support gradual reductions to the University budget, as proposed by Governor Walker. The House Finance - University of Alaska Subcommittee recommendations are too severe and risk long-term impairment to the University system and the Alaska economy.

Thank you as you work for our state's best interest. Sincerely, Julie

----- Forwarded message -----

From: **Julie Matweyou** <<u>jamatweyou@gmail.com</u>>

Date: Wed, Feb 24, 2016 at 4:41 PM

Subject: Please keep our University of Alaska system strong - A unified mission of teaching, research and service

To: Representative.Tammie.Wilson@akleg.gov, Representative.Neal.Foster@akleg.gov,

Representative.Paul.Seaton@akleg.gov, Representative.Liz.Vazquez@akleg.gov,

Representative.Jim.Colver@akleg.gov, Representative.Andy.Josephson@akleg.gov,

Representative.Adam.Wool@akleg.gov

 $Cc: \underline{Representative.Mark.Neuman@akleg.gov}, \underline{Representative.Steve.Thompson@akleg.gov},$ 

 $\underline{Representative. Dan. Saddler@akleg.gov, Representative. Bryce. Edgmon@akleg.gov,}$ 

Representative.Lynn.Gattis@akleg.gov, Representative.Cathy.Munoz@akleg.gov,

Representative.Lance.Pruitt@akleg.gov, Representative.Les.Gara@akleg.gov,

 $\underline{Representative. David. Guttenberg@akleg.gov, Representative. Scott. Kawasaki@akleg.gov,}$ 

Representative.Mike.Hawker@akleg.gov

Dear Chair Wilson and Subcommittee Members of the House Finance University of Alaska Subcommittee,

I respectively request the House Finance University of Alaska Subcommittee approach carefully and with deliberation, the budget reductions to the University of Alaska system. Governor Walker has recommended \$16M cut this next fiscal year, a very different recommendation to the \$62M reduction on the table now. It is important to maintain the strength of our university system during these fiscally challenging times.

I write to you today as an UA alumni, UA faculty and most importantly a resident of our wonderful State of Alaska. I am both a graduate and now an Assistant Professor with the UAF School of Fisheries and Ocean Sciences. I came to Alaska to conduct applied research on marine biotoxins, specifically Paralytic Shellfish Poisoning (PSP). My research brought me to Kodiak Island in 1999 and have been a member of the Kodiak community since. I commuted between the UAF campus in Fairbanks to attend graduate level classes and Kodiak for field and laboratory work performed at the Kodiak Seafood and Marine Scince Center (formerly Fisheries Industrial Technology Center). I have many fond memories of excellent instruction and inspiring mentors in the University system. Upon graduation in 2003 with a MS in Biological Oceanography, I remained in Alaska pursuing a career in environmental science, commercial fishing and most recently as Assistant Professor with the UAF SFOS Alaska Sea Grant Marine Advisory Program.

I feel privileged to be part of the institution with which I studied. I remain connected to the SFOS while pursuing instruction and outreach in the community of Kodiak. I have specifically dedicated much of my time to my area of expertise and the ongoing problem of PSP in the Kodiak region. I have been involved in applied research and implementation of reduced cost testing for PSP toxins and development towards a safe shellfish harvest program in the Kodiak region.

I partner with tribal organizations, the UAA Kodiak College and UAF faculty, the Kodiak Island Borough School District, the community at large and in-state/out-of-state researchers to inform Alaskan students and residents of the risk of PSP. I recently assisted The Aluttiq Tribe of Old Harbor in securing grant funding to compare toxicity and environmental parameters of two local subsistence shellfish sites to inform harvest, and have a collaborative proposal out to further develop and integrate a new toxin test kit. I have spent the last 3 days at the Kodiak Middle School 8th grade science class bringing age-appropriate hands-on PSP lesson with laboratory, that directly ties students with community, statewide and national research partners. I host another lesson on the undergraduate level that again ties student engagement to larger research priorities.

My work with PSP is just one component of a larger outreach and education mission, but these examples demonstrate the University service and the Alaska Sea Grant outreach model, in which research is extended to and derives from the needs of the community. All three tiers, teaching, research and service are important components of this system. I encourage careful and considerate deliberations as you decide on a budget that will maintain the strength and allow for growth of our University system. It is also very important for the University to maintain presence in our remote and rural communities and maintain a strong unified face amidst our state budget deficit.

Thank you for your time and consideration. Sincerely, Julie Matweyou

Please find attached (1) photo of myself working with Kodiak Middle School 8th grade

science students.

This lesson alone reached approximately 150 students on an important food safety concern for Kodiak residents. This is the fourth year I have extended the lesson and classroom teacher and I plan to continue this exciting collaboration in the future; (2) photo of PSP rapid test results - Positive for PSP toxins from samples collected December 2015 at a local Kodiak beach. All 6 class periods produced the same positive results.

From: LIO Petersburg
To: House Finance

**Subject:** written testimony HB 256

**Date:** Thursday, March 03, 2016 10:57:55 AM

Please distribute to HFIN Members & add to HB256 record Thank you,

Petersburg Legislative Information Office 11B Gjoa St PO Box 1470 Petersburg, AK 99833 907 772 3741 907 772 3779 FAX From: <u>Carol Kaynor</u>
To: <u>House Finance</u>

Cc: Sen. Click Bishop; Rep. David Talerico

**Subject:** Please fund the University of Alaska, and please tax us!

**Date:** Thursday, March 03, 2016 11:18:10 AM

#### Dear legislators,

I am a staff member at the University of Alaska Fairbanks, as well as an alumna, but I'm writing to you today as a nearly 40-year resident of Fairbanks. I'm opposed to the proposed deep budget cuts to the University of Alaska and concerned about what this portends for the budget in general.

I was here for the severe economic downturn of the late 1980s. Frankly, it frightens me to hear legislators say that we need to focus much more on trimming the budget before looking for new sources of revenue.

Alaska is now officially in a recession, according to Moody's Analytics. "The failure of energy prices to rebound has pushed Alaska into recession. Job growth is among the slowest in the nation....The jobless rate, at 6.4%, is more than 1 percentage point above the U.S. average even though the labor force is at a five-year low." (1)

The university has been working hard to adopt a budget based on Governor Walker's proposed \$16 million cut that would protect as many jobs as possible. The House Finance Subcommittee's proposed cut of \$51 million—an increased cut of \$35 million, more than twice as deep—will force the university into major reductions in staff, faculty and programs. Such a deep cut to the university will have a direct negative effect on jobs, sending us even further into recession. "The deeper cuts proposed by the University of Alaska House Finance Subcommittee... to the university budget are a jobs killer—not just for jobs at the university, with job losses estimated at 500-900, but also to jobs in the private sector." (2)

Beyond jobs, the university serves everyday Alaskans in countless valuable ways that positively affect the economy, including applied research that creates new jobs and new industries, workforce training and development that creates and maintains jobs in Alaska for Alaskans, and information on thousands of different topics that help Alaskans be healthier, live more safely, use energy more efficiently, and cope with climate change (just to name a few).

To help bridge the budget gap, I would be happy to pay an income tax or a state sales tax, as would a clear majority of us in Alaska. According to a study by the Rasmuson Foundation, 65 percent of Alaskans would prefer to see the fiscal gap filled by both cuts and new revenue as opposed to just cuts. (3)

I also would be happy to see our PFDs restructured so that our individual payouts are more stable and the state can use more of the earnings.

I believe it's possible to carefully trim the budget to do the least harm, while also instituting modest taxes that will help increase revenue. This is the direction I hope you will consider.

Please adopt the governor's budget figure for the University of Alaska. Please protect the state's long-term investment in our students, staff, faculty, instruction, research and outreach—and in everything the university gives back to the state.

Thank you very much for your consideration.

Carol Kaynor Fairbanks, Alaska

(1) Moody's Analytics as cited by Alaska Dispatch News

### http://www.adn.com/sites/default/files/MA%20-%20Alaska.pdf

- (2) "Private sector at risk with proposed university cuts," Fairbanks Daily News Miner <a href="http://www.newsminer.com/opinion/community\_perspectives/private-sector-at-risk-with-proposed-university-cuts/article\_b1b4cb4c-df65-11e5-8527-636b12b7829e.html">http://www.newsminer.com/opinion/community\_perspectives/private-sector-at-risk-with-proposed-university-cuts/article\_b1b4cb4c-df65-11e5-8527-636b12b7829e.html</a>
- (3) Public Opinion on the State's Fiscal Crisis, Rasmuson Foundation <a href="http://www.rasmuson.org/wp-content/uploads/2016/01/RAS-Juneau-Presentation-Final-Edits.pdf">http://www.rasmuson.org/wp-content/uploads/2016/01/RAS-Juneau-Presentation-Final-Edits.pdf</a>

From: kcbak1

To: House Finance

Subject: Alaska Budget

**Date:** Thursday, March 03, 2016 11:22:06 AM

My name is Ken Barnes and I have been an Alaska resident for almost 40 years. I currently reside in the Wasilla area. I am writing to you about the state of Alaska Budget and closing the budget gap.

Permanent Fund - The Alaska permanent fund was never intended to be a permanent entitlement and while it significantly benefits the local businesses through an infusion of cash in the fall, it doesn't make any difference whether the permanent fund is reduced or an income tax is implemented, it is going to reduce the spendable income of most Alaskans and impact local businesses bottom line. One real advantage of reducing or eliminating the PFD, is the amount of money that goes to the federal government through income taxes on the PFD distributions. This money is never seen in Alaska. My family loses 15-20% of these funds to taxes. If the state reduces or eliminates the PFD, all of the tax money will stay in Alaska. With the implementation of a state income tax, I will be taxed on the PFD twice.

Reduce the PFD distribution to \$500 (if the only political viable solution) or eliminate if completely. I have heard a reduction to \$1000 bandied about. In reviewing the state budget shortfall, I don't think this is enough. The legislature will take a lot of heat for reducing the PFD, but if you reduce it twice, it won't be very pleasant.

Income Tax - implement the Governor's 6% of federal tax recommendation effective January 1, 2017, and make sure it is applicable to non residents working here, particularly seasonal and oil patch workers.

Sales Tax - immediately implement a 3% state sales tax. The advantage of this is that we get non resident visitors (tourists) to pay for some of the services and infrastructure that they use. They are here for 5-6 months per year and outnumber residents.

Mega Project - pick one that will benefit most of the state and finish it. This will create jobs and economic opportunity until oil prices come back. Oil prices are not going to stay where they are for more than a couple of years. They probably won't get back to \$100, but they should increase to \$55-\$60 eventually.

In closing every one in the state is responsible for the explosion in the state budget because we ignored what the Governor and the Legislature were doing. However, you folks have spent money like drunken sailors and the increases in the budget since 2000 are criminal, but cutting your way back to even won't work and will do more harm than good.

Include in the budget legislation - Limit state government increases over the next 5 years to 1% per year, and after 5 years, can only increase at the rate of national or Alaska inflation rate, whichever is less.

Ken Barnes, Wasilla, Alaska 907-315-0912

Late Comment on Representative Gattis's elderly comments: While I don't agree with Ms. Gattis's comments, no group or individual should receive state money just for living here and the relevant program should be eliminated. Programs that are implemented to help low income families should be available to everyone and taxes implemented to support them.

Additionally, Rep. Gattis should be asked to resign her position, to single out the elderly is discrimination, plain and simple.

# PETERSBURG LEGISLATIVE INFORMATION OFFICE

Email: petersburg.lio@akleg.gov 907-772-3741/ phone/ 907-772-3779/fax

# WRITTEN TESTIMONY

(Please Write Clearly and Legibly)

YOUR FULL NAME: Celoste Modona 15 Circle one: Support Opposed
REPRESENTING (ORGANIZATION OR SELF):
BILL#: HB256 Subject:
committee name: House Finance HEARING DATE: 3/2/2016
From Tarking to the people we are willing to sacrefice 1/2 of our PED with a check for \$900-800 to keep the state going for another
year,
News apticles state that seniors are becoming a burden to the state well buy us out of the PFD programs for one lump sum 925,000 and well leave,
\(\frac{1}{2}\)
Thank you for submitting my written comments to the record.
Sincerely,  (Updated 4/9/2013)

From: Alissa Seely-Kipp
To: Rep. Mark Neuman
Subject: University Budget Cuts

**Date:** Thursday, March 03, 2016 12:13:17 PM

Hello. I'm a student struggling to put myself through college. I already pay thousands of dollars each year in tuition and fees. The things that I am paying for are important to me. I rely on advisors to help me get the most out of my degree program and keep me on track to graduate. I have access during the school year to health care and mental health care (I see a counselor for stress and anxiety). Those programs that I and many other students on an increasingly tighter budget may get cut. The degree program that I am almost finished with may be affected by the cuts. Thousands of dollars later, am I supposed to change my degree? Further more, I work as a mental health associate for Hope Community Resources. Helping others is my passion. I'm furthering my education to help others in need. These cuts will not only affect me, but those individuals I serve or may serve (if I finish school) in the future. Do the right thing. Have some compassion and empathy for others. You are affecting a huge part of the Alaskan community. Think about it.

Alissa Seely-Kipp

From: Karie Wilson
To: House Finance
Subject: OWL Funding

**Date:** Thursday, March 03, 2016 12:13:31 PM

#### Good afternoon,

I am just writing to provide testimony in support of the Online With Libraries, OWL funding. In rural communities, such as Unalaska, our children and community members are often at a disadvantage because of the lack of opportunities that other people can take advantage of in other larger communities. For example, our students cannot tour local college campuses, but thanks to the OWL funding, our local high school students were able to take a virtual tour. This was a great opportunity for our students to get a feel for what they could expect in college. And because we have a small school, we cannot always offer all the classes that students request, but with the OWL funds, students can take online classes that meet their needs. In addition, with all the State mandated testing, the OWL funds have made it possible for students to take online assessments from STAR Reading, to AMP, to WorkKeys testing that we otherwise would struggle with if we had slower internet connections. OWL funding has given our community an opportunity to try to stay connected to the world, as it is the only source of free internet that is open to the public. Many community members use the library to stay connected to family back home, apply for jobs, pay their bills, and the list could go on and on. Please consider saving the OWL funding and helping to keep the small community of Unalaska connected to life off the island.

Thank you for your consideration.

Best regards,

Karie Wilson

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## Karie Wilson

Eagle's View Elementary School Unalaska City School District P.O. Box 570 Unalaska, AK 99685 (907) 581-3979 kwilson@ucsd.net

Let their success be your inspiration!

From: Andy Varner
To: House Finance

Subject: House Finance Testimony for state budget Date: Thursday, March 03, 2016 12:16:33 PM

# Greetings,

I want to provide a few comments on the state budget.

I am in favor of "re-plumbing" the Permanent Fund to make it work more for our State's future, while restoring the PFD. I am in favor of precision, targeted cuts. And I am in favor of an income tax, and perhaps other industry taxes as long as they are spread over multiple industries.

The Legislature seems committed to continuing cuts to expenditures, and I applaud you and the Governor for already making the tough choices in which you have slimmed the budget. I agree that cuts needed to be part of the solution for the next FY budget, but only up to a point. Since all the talk these days is about right-sizing the government, and many majority members (in both houses) seem SOLELY focused on cuts, cuts, and more cuts, you all have to decide *where* these reductions come. Because that is no easy task. You have staff and consultants and economists and spreadsheets galore, so if anyone is going to have the best information on where our dollars go, it is you. But I implore you to proceed cautiously.

The Governor already offered up reductions, and if some don't think he went far enough, that was likely for a reason. I am afraid that if you continue to bleed the budget and "starve the beast," Alaska will plunge into a recession. We have recent history to point to on this. The US is one of the few major world economies to climb out of the great recession from a few years back and avoid continued economic calamity. Most of Europe and major Asian powers are all mired in slumps. A lot of Europe and Japan's issues stem from too much cutting and austerity measures. The US went the other direction. I would bet every single majority member was against the stimulus on bedrock fiscal conservative principles, but it is likely the main mechanism that spared our economy.

Here at home, I especially believe that the Legislature should not tiptoe about raising new revenues. I am in favor of raising (or instituting) broad based taxes, particularly an income tax. A sales tax would be a burden to administer, and besides already being a regressive tax, it would be EXTREMELY regressive in rural Alaska where many communities already institute a sales tax. When you layer a state tax on top of a local tax, it forces many to go to the internet for their shopping, so those local communities lose more dollars, and the lower income folks that don't use the internet are further punished with a new tax. Bad idea.

An income tax is a no-brainer. It is more fair, captures outside workers (some of whom are my Lower 48 relatives working on the N Slope that don't spend ANY money in this state), and could be deducted from our Fed tax liability. I particularly like the concept of keeping the dividend and using it as a credit against our state tax liability. That keeps the PFD sacred, and also brings down our Federal taxable income.

So, in short, I support an income tax, measured and precise cuts that avoid plunging us into a recession (heed Gunnar!), and re-jiggering the Permanent Fund.

Thanks for listening, and for making the tough choices that you were elected to office for.

Best,

Andy Varner Anchorage HD 17

#### SITKA LEGISLATIVE INFORMATION OFFICE

#### WRITTEN TESTIMONY

Respectfully submitted by: Marita Bailey, Clinical Director

Representing: Sitka Counseling

Bill# HB 256/257

Committee & Hearing Date: Finance Committee 3/2/16

Thank me begin by expressing my appreciation to the Finance Committee provide testimony today. I wish to comment on HB 256/HB 257, specifically on the proposed cuts to the Behavioral Health budget. I understand everyone wants to keep their share of the pie, and frankly I do not envy your positions as you face these difficult times. However, when evaluating where to draw down or cut funding, please consider the issues related to quality of life. Last fiscal year Sitka Counseling served 267 individuals, and that number has grown 25% this year alone. What that boils down to, is children being provided the necessary services to remain in school, reduced expulsions, reduce out of home treatment placements, and most importantly development of skills to cope with behavior and challenging life circumstances; families being spared separation as the whole unit is provided treatment to address mental health, substance use, and behavioral related issues so they can successfully remain intact; for those suffering with serious mental illness they receive regular support to live independently, remain in their communities and out of institutional care. Behavioral Health providers deliver wrap around services for the whole person and the family. This increases their success to be better adjusted, contributing members of our state. By looking at a budget, we can potentially loose perspective in what that translates into for future impact. I strongly urge the committee to consider the future dollar impact as a result of cutting the Behavioral Health Budget; with less financial resources we will have to look at reducing the quantity of services and the number of individuals provided those services. There is a cost long-term related to them not being served; increase in crime, increase in substance use related disorders, school dropout rates, children being removed from families, institutionalization, and ultimately the cost of ones lives to suicide and substance addictions. Therefore, I urge the committee to re-evaluate the proposed 3 million dollar cut to the Behavioral Health budget and continue to investigate alternative options.

made sailey



Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

March 3, 2016

House Finance Committee Members Alaska State House State Capitol Building Juneau, Alaska 99811

**RE: Operating Budget Testimony** 

Dear Representatives Neuman, Thompson and other Committee Members,

With this letter, I wish to offer testimony on behalf of the Alaska Municipal League on issues related to the FY2017 Operating Budget, which could have severe impacts on Alaska's municipalities. Rather than anecdotal information, I will provide actual numbers that show real impacts. Thank you for all of your hard work with regards to this budget and I know the hours of testimony are difficult and can make your task even more difficult.

As I testified on Tuesday, March 1<sup>st</sup> during the committee hearing, a decrease in Revenue Sharing will be difficult for larger communities and catastrophic to smaller ones. However, these impacts cannot be viewed in a vacuum, as many other impacts have recently affected municipalities in a large way.

First, two years ago, upon the passage of HB 385, the final version as passed was changed in the last few hours of the session, leaving municipalities with \$2.5 billion in additional PERS costs. HB 385 extended the amortization of the unfunded liability, which meant that municipalities would pay 22% of payroll for an extra nine (9) years. This cost shift radically altered the 2008 agreement which led to the passage of SB 125.

Secondly, we hear rumors that the 22% of salary cap is in jeopardy. That was an agreed upon rate between the municipalities and the state, due to the state's inability to determine the actual pension liability for each employer. Municipalities had originally advocated for 18%, but the Legislature chose 22%. Raising the rate by 1% represents a 5% increase in municipal contributions.

If the Legislature should choose to raise the 22% rate, municipalities will pay an additional \$5.5 million per year with every 1% rate increase......for approximately 34 more years. For municipally owned entities such as hospitals, municipalities will have to pay an additional \$525,000 more per year. Boroughs and cities that are required to support local school districts will see their contribution rates increase with a rise in the PERS rate. The total impact on school district PERS contributions will be approximately

\$3.3 million per year. Municipalities will end up funding more than \$2.6 million of that increase.

Thirdly, an increase in the cap will also affect pension liability allocations, resulting in a larger portion of total liability being reported on municipal balance sheets. This shift in cumulative pension liability would severely curtail local governments' ability to finance local infrastructure, including public services and facilities. It would also undoubtedly result in much higher local tax assessments on municipal property owners.

Changing the contribution rates will cause them to float with the unpredictable market conditions and investment returns and shift all the financial risk on local governments. Gone will be the ability to budget, as we will never be able to determine the rate from year to year. Those rates are subject to population changes, retirements and the market.

Municipalities have already seen many changes due to the State budget situation and cost shifting. These shifts have come through in areas such as airport maintenance, jails, policing and others. A lack of capital projects will start to impact municipalities as local infrastructure begins to crumble. Education cuts will put more emphasis on municipalities to fund to the cap in order to have a well-educated population.

The bottom line is that municipalities are unable to positively respond to decreases in Revenue Sharing coupled with a huge cost shifting of debt and an increase in financial responsibilities.

Under the above scenario, we would have no choice but to either severely curtail services/personnel or increase taxes. When the general public advocate for more cuts in government, I am confident they do not mean unplowed municipal roads which allow them to access their place of work; no response from a call to 911; no response when their house is on fire; a water system that cannot meet state or federal standards; or trash collecting on the streets for days at a time.

Please take a holistic view of what municipalities provide to YOUR constituents. They provide the services the state will not or cannot provide. Please, fully understand the consequences of your budget decisions. AML can help with this understanding, if given the opportunity.

(ather) Wasserman

Thank you,

Kathie Wasserman Executive Director

From: The Dochertys

Subject: Regarding the UAF Cooperative Extension Service and the Seed Potato Program

**Date:** Thursday, March 03, 2016 12:01:01 PM

# Dear Alaska State Representative,

I am writing in regards to the possibility of the UAF Cooperative Extension Service and research funding being cut. CES and/or MAP are part of UAF and are funded through the University budget request. The CES and Research programs provide a service that is vital to our community. Please do not cut this service!

The Seed Potato Program is vital to ensure disease free potatoes - farmers need this safety measure! They grow disease free plants in test tubes to make the disease free potatoes that we eat & sell to local farmers. Remember the Irish Potato Blight? This program prevents major crop losses such as this. If we don't have a safe place to purchase potatoes from, people will import them or grow store bought potatoes, which increases the risk of potato blight and massive crop losses.

The Cooperative Extension is the heart of the gardening community throughout the state. In Anchorage, the gardening and general public community relies on information and assistance from the Cooperative Extension. There have been so many losses in the Agriculture arena already, this cut would effectively gut the gardening community completely. This would also be a huge blow to agricultural research and food security in the state. With "Food Security" being a safety issue in our semi-isolated state, it would be a big mistake to remove these programs. Better to be safe than sorry.

The Cooperative Extension in Anchorage assists the public in so many ways:

- 1. Working with refugees to help them become self sustaining by raising & selling produce at the Farmer's Market
- 2. Working with home gardeners to teach & guide them in growing food; the Master Gardener Program has taught 1000's of people gardening techniques throughout the state to grow food as well as ornamental plants to make Alaska beautiful. Food banks benefit from local farmer's extra produce as well.
- 3. Nutritionists help the public to handle and prepare foods safely. Think botulism from incorrect storage of foods; Think pressure cooking safety.
- 4. It is well documented as to how the 4-H program helps youth development, and those benefited by these programs excel in their lives. These are yours and my children we're talking about.
- 5. The IPM program assists gardeners by helping to identify pests and use pesticides safely. There is nothing else available that provides this service.
- 6. Master Gardeners provide thousands of hours of volunteer time each year. Anchorage alone trains 50 new MG's per year, with 40 hours of mandatory volunteer service, which is 2000 hours of FREE service. Not to mention the many hours provided by seasoned master gardeners. These figures represent unseen (unpaid) benefits, and I believe they also have a monitory value. These will disappear without the CES. We can't afford this.

There is a tremendous interest in gardening & local food production throughout the state. Anchorage CES gardening programs are bursting at the seams. I am the editor of the Alaska Master Gardener Anchorage newsletter; we have over 300 members in our group alone. I have been a master gardener for 21 years, and belong to many other gardening groups in

Anchorage. I, personally, volunteer many volunteer hours per month, and have done so for at least 21 years, as have many of my colleagues. The Rock Garden Society, the Herb Study Group, Master Gardeners, Native Plant Society, Anchorage Garden Club, Wildflower Garden Club, the Alaska Botanical Garden - all of these groups rely on the Cooperative Extension for support and many of them are also master gardeners. We interact with 1000's of people on a yearly basis. This is a valuable asset to the state of Alaska.

The UAF has already experienced many budget cuts in the past, losing many valuable people involved in agriculture and research. If you cut this budget, you will be cutting the heart out of the gardening community. Outreach and Research are vital parts of the UA Mission, and serve a much larger group of Alaskans in a given year than does the Education mission, which serves our students.

These type of programs are essential to the public. If you cut them now to save a few dollars, eventually they will be deemed a necessity & will be reinstated at a much greater cost. In the meantime, the state of Alaska will have lost all the resources that have been here all along.

Please do not cut your nose off to save your face. I strongly oppose this cut. Thank you,

Gina Docherty Master Gardener, Retired Nurse, Registered Voter From: Alexander Smith
To: House Finance
Subject: UA Budget Cuts

**Date:** Thursday, March 03, 2016 12:01:15 PM

## Hello,

I am concerned that the savings from these proposed cuts will do more harm than good. I do think that there are aspects of the university that can do with reduction, but the Alaska Sea Grant Marine Advisory Program ought to remain fully funded. This organization contributes to safe practices and methods of growing and maintaining our businesses in the fishing industry. If Sea Grant services are cut, the people most affected will be those who need it most, like the younger fisherman that need the information and community services that the Marine Advisory Program provides. I hope to grow alongside my community in these fisheries, and this service is essential.

Thank you for the opportunity to testify.

Alexander Smith Aleknagik, AK

From: <u>Lauralee Honkola</u>
To: <u>Sen. Pete Kelly</u>

Subject: Funding for the University of Alaska Anchorage Date: Thursday, March 03, 2016 12:10:32 PM

## Hello,

I am writing because I am a graduate student at UAA and I am concerned about state funding cuts to our university. UAA has played a huge role in my education as an undergraduate music student and now as a graduate College of Education Student. Please be reasonable when you are reviewing this budget cut. UAA is very important for Alaska and is a huge asset for Alaskan residents. I have seen UAA grow over the last 15 years since my undergraduate studies and it is very positive for Alaskans who are able to attend and better themselves and their careers!

I am even willing to pay state income taxes over unreasonable funding cuts to the University.

Thanks for your service,

Laura Honkola

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-Piano Lessons by Lauralee-(907) 830-1052 www.lauraleemarie.com