

Doniece Gott

From: smbailey <smbailey@mtaonline.net>
Sent: Wednesday, March 23, 2016 2:04 PM
To: Senate Finance Committee
Subject: Restructuring Alaska Permanent Fund under Senate Bill's 114 or 128

Dear Alaska Legislators:

I urge you not to pass either of these bills. They remove the flexibility future Legislators may need to use a variety of funding mechanisms.

Scott Bailey
Eagle River, AK

March 23, 2016

Honorable Co-Chairs Senators Kelly and MacKinnon and Senate Finance
Committee Members,

Thank you for the opportunity to testify on SB114 and SB128, the Permanent Fund Dividend bills. The PFD was set up to be given to the people by the state, Governor Hammond. The companies that take our oil were and are required to pay us for taking that oil and Governor Hammond wisely set up a fund to give back to the people of this great state. There are many people in the state that depend on their dividends to pay their taxes and many of their bills. My family is not the only family that depends on our dividends. If you take this money away from us it will be financially crippling.

Don't take the Permanent Fund Dividend from the people. If you need to use some of the money, take some of the interest of the PFD every other year. Do not take it every year or it will delete our fund and there will be none left for the people which is what it was set up for. By taking the interest every other year, this allows the fund to build up on the off year. I think this would be in the best interest of the dividend holders because it was built for Alaskans.

I would not be against a state income tax like we had before but I am against a fisheries tax or any other tax. We are being taxed a lot at the city level and if you put more taxes on us a lot of cities in the state will go bankrupted. Also, I think it is very disrespectful to our Senior Citizens to say that they should move out of the state because the state pays too much for them. I heard a Representative say this on the radio the other day and was taken aback by the statement. Our State would not be what it is today if it were not for the Senior Citizens. They are the ones who built this great state and nation and they deserve everything we can give them.

I would like to thank Governor Hammond for creating the Permanent Fund Dividend for the people of Alaska. God bless him for that from my family.

Darrel Gross

PO Box 754

Wrangell, Alaska 99929

Doniece Gott

From: Christel <christel@gci.net>
Sent: Wednesday, March 23, 2016 9:15 AM
To: Senate Finance Committee
Subject: Restructuring of PFD

Let my testimony be very clear.

DO NOT RESTSTRUCTURE, REDUCE OR DO ANYTHING ELSE WITH ALASKAN'S PFD UNTIL

- 1) YOU GET OUT OF THE LIO**
- 2) YOUR REDUCE YOUR PER DIEM TO THE STATE AMOUNT WHICH EVERYONE ELSE RECEIVES**
- 3) GET RID OF THE OIL TAX CREDIT GIVE AWAY**
- 4) TAKE OUT FUNDING FOR HUGE NONSENSICAL PROJECTS (I.E. KABATA, SUSITNA WATANA ETC.)**

Doniece Gott

From: steve cothran <cothransteve@hotmail.com>
Sent: Wednesday, March 23, 2016 9:10 AM
To: Senate Finance Committee
Subject: State Budget

Instead of looking at short term measures of tapping into the Permanent Fund Earnings to meet budget shortfalls (a regressive policy that hits the poorest Alaskans the hardest), I encourage the legislature to find more long term sustainable solutions through new revenue sources. Many Alaskans are concerned that new taxes will become permanent and only lead to wasteful spending once oil prices rise again. Why not peg the rate of new taxes inversely to the price of oil?

Steve Cothran

Doniece Gott

From: Chuck Wheeler <charle10wheeler@gmail.com>
Sent: Wednesday, March 23, 2016 8:37 AM
To: Senate Finance Committee
Subject: SB 128 - Gov. Walker

Do not Support SB 128 submitted to the ASL by Gov. Walker.

To state the PF dividend would be \$1000 or more, pending the "moving target" of the State of Alaska deficit spending.,is not based on a long term "run", 2021 and on.PF dividend would drop below 900 ..!
Drawing on the ERA to fund Govt. Opns with A STATEWIDE SALES tax is unacceptable. Also unrestrictive funds are " unfair and unjust" to the remote rural communities in Northern Alaska who rely on AIR TRANSPORTATION for the very Basic NEEDS to exist. With a population of 1/7 , approximately 14% of the TOTAL STATE POPULATION, the revenues derived do NOT reflect expenditures in Remote rural communities because of POLITICAL power in the URBAN regions. Furthermore, natural resource revenues are derived from lands and areas within rural Alaska and imparts to communities' is real and damaging to the Subsistence lifestyle which is NOT recognized by the State of Alaska, Department of Labor and Workplace. Nor is the State of Alaska in compliance with federal law.

Revenues from natural resources,specifically Oil Production and Royalties' to fund govt. Operations do not fairly and justly benefit REMOTE Rural communities, on the contrary , are reduced incrementally for the past 3 decades. For these reasons I find No support for SB 128.
Emory C.Wheeler

Doniece Gott

From: Joseph Hummel <jhummel73@gmail.com>
Sent: Wednesday, March 23, 2016 7:13 AM
To: Senate Finance Committee
Subject: pfd restructure...No!

To the Senate Finance Committee:

I firmly oppose any restructuring of the PFD.

Please put this to the people for a vote. They will overwhelmingly reject it, I believe. However, if they approve, at least their voice will have been heard, and the government will have the consent of the people to take action on this powderkeg issue!

To legislatively act on this will be EXTREMELY unpopular!

The PFD is a lifeline for many people here in Alaska. Oftentimes it is the only thing which keeps people in this state.

What about the children saving for college?

Please don't take away our "dividend dance" !

Sincerely,
Joe Hummel
Fairbanks, AK

Doniece Gott

From: AL THOMAS <skinneral@yahoo.com>
Sent: Tuesday, March 22, 2016 10:22 PM
To: Senate Finance Committee
Subject: permit fund

i am told that the state government wants their cake and mine too. If the state would take away any part of the pfd's it would be devastating to a lot of folks as that we look forward to that to buy firewood,repair the house or car,or medical bills,and stock up on foods for the freezer for the winter I live a small budget and if I can so can they *I oppose any changes to the pfd*

Doniece Gott

From: joyce porte <joybaker6@hotmail.com>
Sent: Tuesday, March 22, 2016 9:47 PM
To: Senate Finance Committee
Subject: Permanent fund vs. Taxes

As a long-time Alaska resident (since just before Statehood), I have observed my fellow Alaskans in their daily financial dealings and feel very strongly that an income tax, similar to Alaska's original income tax, is the best way to solve the problems we have as a commonwealth state. Here is my reasoning.

The typical working family of four often depends on the dividend to be able to stretch the comfort one of living with higher prices in housing, food, travel etc., and sometimes as a way to save for childrens' college funds.

This typical family of four will probably pay a Federal Income tax of \$8,000. If a State income was set up to pay 10% of that amount to the State, \$800, that would be a far cry from losing the 4 permanent dividends each year.

The more wealthy would pay much more in State income tax, but the taxes are spread much more equitably between the rich and the needs.

The same goes for a State sales tax – those close to the poverty level will hurt more than the wealthier.

In conclusion, the cost to the individual to alleviate the crisis should be fairly and equitably divided. Of course, it's the wealthier segment of our society that will get to decide on this, and they would opt for losing the individual permanent fund rather than levying taxes because they would have more to lose.

Joyce Porte

41455 Crested Crane Street

Homer, AK 99603

907-235-6511

Doniece Gott

From: Wade & Amy <wadeamy@yahoo.com>
Sent: Tuesday, March 22, 2016 9:29 PM
To: Senate Finance Committee
Subject: Permanent Fund and Taxes

I will only support use of the Permanent Fund if more is done to cut the state government than has been currently proposed by the legislature. After much more has been cut, than I would support a balanced approach using the PFD, sales and income taxes.

Wade Ellis- Anchorage

Doniece Gott

From: MaryBeth Printz <printz.mb@gmail.com>
Sent: Tuesday, March 22, 2016 8:42 PM
To: Senate Finance Committee
Subject: Budget suggestions

Dear Senate Finance Committee:

Please consider the following budget suggestions and act upon them for the good of the citizens of Alaska.

· 1. Size of Government. It is too large and controls too many aspects of our lives. I would ask that you explore every means possible to reduce the size of government before considering the usage of the PFD. Please investigate if one person can do the job of two in every department. Reduce the number of departments to what is absolutely necessary to run the state. Pare down the number of employees to the bare minimum and increase efficiency by offering incentives. The elimination of aides, travel expenses, reimbursement for dining out, etc., need to be considered as well. Moving the capital to Anchorage would also save a lot of money because Alaska is the only state with 'two' capitals, which is pointless and costly.

· 2. Spending. Fund what supports the good of the population not what is politically motivated. If the project does not benefit the entire population in an area, then it should be *permanently* discarded. There are too many projects like bridges and roads to nowhere that do not make any fiscal sense. When economic evaluations show that a project (i.e., Knik River Bridge) will never pay for itself and the burden for its support falls on taxpayers, eliminate it forever.

· 3. Sales/Income Taxes.

o If a sales or income tax is going to be instituted, do not give people PDF money and then take it back as a tax because it makes no fiscal sense. It is the same principle as Daylight Savings Time. And taxes only go up.

o If there is an income tax, it should be a flat tax, say 10% of a person's income, *including investment income and out-of-state residents*. That way, it would be fair for low-income individuals. It would be simple and would not require a multitude of state employees to oversee.

o Capping the Dividend. Only after significant housecleaning is done, should using the PDF be considered. This is a last resort when budgets in all other areas have been stripped to the bone, it should be at the lowest proposed rate.

· 4. Medical care.

o Support our elderly. Most seniors live on limited incomes and need assistance with all forms of medical care. Let's take care of our old folks, our family members, and not discard them!

o Copy Canada's health care system. It works.

· 5. Education. Funding for education needs to be closely examined.

o Close UAF. The three funded programs there can be moved to UAA, Anchorage.

- o Technology in schools is antiquated and needs to be updated to keep pace with the rest of the world.
- o Now that No Child Left Behind is no longer a federal mandate, get rid of the plethora of tests. There is too much money (millions of dollars) spent on (over) testing our children. The number of days in a school year spent testing is 30 days or more (in the ASD), which is a significant loss of educational time. Testing is not learning. Years ago, students had one test a year, the Iowa achievement test. Teachers did not have to spend days of educational time in a lab prepping students for a pre-test or a post-test and missing more educational days for the actual test.
- o Return to one achievement test a year in the spring as a measurement of annual progress. That test would take no more than one day of educational time. There would be no prep because teachers instruct what is in the curriculum and that is what would be tested.
- o Funds could be spent to better prepare future teachers in our state universities.
- o Teacher assessment. Using the AMP/MAP/STAMP, etc. test scores to assess teachers is an unfair practice because students who didn't care spent minutes on a test that took others several days or more for serious students to complete. The scores from the apathetic students impact the teacher's evaluation. Principals should assess teachers, not standardized test scores.
- o Educational Choices. There are enough educational choices available to students. Several schools are losing population and those neighborhood schools might close. If there are too many options, how will any school be strong to support itself or a neighborhood? I do not support vouchers because they will undermine our current educational system.
- o Too much money is spent on over-staffed administrations. Only a small amount of the funds for education actually go to teachers who work with children everyday. Funds should be directed to benefit those teachers and their students.
- o Listen to teachers. We do our job every day and know what is needed and what is not necessary better than anyone else.

· 6. Early Teacher Retirement. Please pass the early retirement initiative. I am a veteran teacher (this is my 16th year) and highly educated. I would certainly take advantage of early retirement. This would save the state money because there are many teachers with a lot of education and experience who are near retirement eligibility. Younger, less experienced teachers are more economical! We would be buying the years.

· 7. Daylight Savings Time. Please get rid of this archaic ritual. It does nothing for the population but creates sleepy people in the spring. It is pointless, especially in Alaska.

· 8. Alaska LNG project. The state should go-it-alone and not rely upon oil companies who can leave the state at any time. However it needs to be managed by someone knowledgeable in business who will run it properly.

Thank you for your time and consideration of my suggestions.

Sincerely,

MaryBeth Printz

Anchorage, AK 99517

Doniece Gott

From: Kathy Matta <itmattas@icloud.com>
Sent: Tuesday, March 22, 2016 5:57 PM
To: Senate Finance Committee
Subject: Permanent Fund

Dear Sirs,

As a resident of Soldotna I do not want to see the permanent Fund used for any other purpose such as paying off debts because of wasteful spending. Its not the peoples fault that this debt has come about. Its the governments fault for all the grants and whatever else. We the people are not responsible for this mess and we the people should not have to continue to pick up what these politicians have done to the State of Alaska.

Kathy Matta
32940 Robert Ave
Soldotna AK
99669

Doniece Gott

From: Diamond, Kenneth A. <Kenneth.A.Diamond@tsocorp.com>
Sent: Wednesday, March 23, 2016 4:18 PM
To: Senate Finance Committee
Subject: Permanent fund

I am AGAINST doing anything with the Permanent fund as it was set up for the Alaska residence who no longer have mineral rights to the land that they own. if you want to do something with it then make it a onetime payout of 75% of the dividend to the Alaska residents and the state gets the remaining 25% to fill more offices in Juneau. if I was in charge I would get a phone book from 1965 and go to the government pages and only keep the government offices that are in that book. Then the state would not have a cash flow problem!

Just saying Ken Diamond 5th generation Alaskan !

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Tuesday, March 22, 2016 1:07 PM
To: Senate Finance Committee
Subject: FW: Permanent Fund restructure testimony....

Kristen Pratt

Legislative Aide
Office of Senator Anna MacKinnon
Alaska State Legislature
Alaska State Capitol | Room 516
(907) 694-8944

From: Clinton R Hodges II [mailto:crh911s@hotmail.com]
Sent: Tuesday, March 22, 2016 12:18 PM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: Permanent Fund restructure testimony....

Dear Members of the Alaska Senate Finance Committee,

Please accept my testimony on the Governor's and McGuire's Plans to restructure the Permanent Fund.

I don't support either plan because the existing proposed cuts are insufficient and our deficit situation is getting worse by the day. We're not going to be able to tax and spend our way out of this mess.

With the governor's recent announcement, which everyone already knew anyway, that our deficit will grow by 300 million dollars due to overly optimistic oil pricing the need to cut government spending and the size of it's workforce is more urgent now than ever.

Cut enough already? Sen. Kelly is correct that the cuts thus far have raised nary a peep. Sure, Wohlforth comments on a 36 year old PhD, his wife and child having lived and worked in Alaska for nearly three years is somehow guaranteed a life time of wages, benefits and a pension? So the PhD is packing their bags and moving to Iowa for another heavily subsidized gig; no, not oil but agriculture subsidies will fund this one. The point is, the senator makes a good point in that 10" of snow fell yesterday and no one is complaining about the idle plows. We can cut more!

We can cut 150 million from the education budget and 150 million from DHSS to address the 300 million shortfall from oil price declines. I want to see our legislators return to the problem of government spending and the size of its workforce before considering revenue and considering the Governor's Plan or McGuire's Plan to restructure the Permanent Fund.

I do remain, however, committed to Clem Tillion's Plan which is to cut government spending to affordable levels and an income tax which captures some of the Dividend and is less harmful to the elderly, students and young Alaskans. Thank you.

Respectfully submitted,

Clinton and Geri Hodges II

6930 East 11th Ave

Anchorage, Ak 99504

907 240-3535

Sent from Mail for Windows 10

Doniece Gott

From: Beau Obrugewitch <obie_1k@yahoo.com>
Sent: Tuesday, March 22, 2016 3:44 PM
To: Senate Finance Committee
Subject: Testimony in Opposition to SB 128

Alaska Senate Finance Committee:

Please accept the following as my testimony in support of modest taxation, as part of a balanced approach that must first dramatically reduce State spending in line with the United For Liberty budget proposal.

As an Alaskan by choice, I am not opposed to some taxation. I believe more than a generation of Alaskans have been enjoying (and I want to be careful not to call it a free ride) an exceptional opportunity to live in a state where budgets are buoyed, if not outright funded, by sources of revenue not from individual Alaskans. The important distinction, of course, is that individuals, unless they are business owners, do not pay to fund the State. I believe the last 30+ years of Alaskans watching the Legislature paying bills with what I euphemistically refer to as Monopoly Money has disengaged the vast majority of Alaskans from the Legislative process. I think a direct tax on individuals is the only way we can begin to see some change in not only the overall breadth of government and the rate of governmental growth, but also the wild spending on projects with little chance of success (even if they are built).

I like to use the term Monopoly Money because it accurately describes both the means of attainment and the method of appropriation. In the 11 years I have been in the State, I've witnessed the State budget essentially double. This was due primarily from the windfall income generated during a time of exceptionally high oil prices, compounded by an exceptionally aggressive tax system intentionally designed to punitively punish the oil industry for past transgressions. When I think about playing the game Monopoly, I think about unimaginable amounts of money being earned or borrowed, stolen and spent... money with no tangible value or benefit, no tangible penalties for failure, no tangible benefits to success from taking risks. The State has been spending unimaginable amounts of Monopoly Money for 30+ years, with essentially no oversight from the citizens because there have been no tangible penalties for failure, and little tangible benefit for success. The money just never stopped coming in. Until now. Now every square on the board is Park Place, and every square has a Hotel on it. The collective "we" can no longer afford to pay the rent, no matter which square we land on. Every square demands their rent, no square is willing to accept less rent.

An important part of the exceptional opportunity we Alaskans have had for the past 30+ years is the opportunity to be paid directly (to every man, woman, and child) a portion of the resources we hold in collective, the Permanent Fund Dividend. As it is a payment for our property, it cannot, under any circumstances, be negotiated away. It must live on as it has. I encourage you to resist the clarion call that the Dividend is a "Socialist" payment to the people. It is not, and that term is a scare tactic used by those that would like to confiscate it in part or in full. It is payment due for property held, nothing more and nothing less. Any attempt to take all or a portion of the Dividend is as much of an assault on an individual's property as someone breaking into one's home and stealing at will that which the homeowner has acquired through his or her own efforts. Simply stated, the Dividend cannot, under any circumstances, be used to fill the budget gap the State is facing, now or in the future.

That brings us back to our Monopoly Board, with rents no one can afford. The only path forward is two-fold: First, we must reduce the rent (lower the cost/size/scope/growth of State Government); Second, we must generate the monies required to pay the rent (impose modest taxes on Alaskans).

Many taxes have been discussed, but the taxes must be fairly and equitably dispersed across all Alaskans. We can no longer afford to live in a State of exceptional opportunity where as an individual we pay no part of the cost of government. We all must pay, at least some.

I am not a budget hawk. I do not understand the minutia of budget negotiations. I do not understand the fine print of enormous budgets spread across multiple departments and committees. Therefore, I do not understand where the cuts must be made. That said, I honestly believe an across-the-board cut of upwards of 20% is required to move us towards a balanced budget. I don't believe the horse-trading between special interest this and special interest that will allow any meaningful budget reductions. But, that's why you have stepped up and made the decision to lead this State into the future, and that's why you are being called on to make the tough decisions necessary.

I will close with a thank you for taking the time to take my input. I appreciate and understand you do not have an easy job to do. But I also close with my reiteration that the Permanent Fund Dividend cannot, under any circumstances, be used in part or in full, to help close the budget gap the State of Alaska is currently facing.

> Kind Regards,
>
> Beau Obrigewitch
> Indian, AK

Doniece Gott

From: Ken Petty <kenpetty@gci.net>
Sent: Wednesday, March 23, 2016 1:11 PM
To: Senate Finance Committee
Subject: Budget

Do not touch the PF, it's earnings, the PFD, and do not institute any new forms of taxation until the following stipulations have been met;

- 1) The Anchorage legislature has moved out of and relinquished all claim, financial or otherwise, to the current LIO;
- 2) SB21 has either been repealed or modified to the extent that it benefits Alaska and Alaskans to the level that it currently benefits the oil companies, and the opportunity has been afforded for the public to vote on any revised or new legislation regarding oil company tax credits and giveaways;
- 3) The legislative majority has dropped it's frivolous, unnecessary and costly lawsuit against our Governor's expansion of Medicaid;
- 4) Permanent changes regarding per diem, eliminating the bloated application of federal per diem amounts that legislative members routinely collect, and also to include permanent rule changes eliminating the right to collect per diem of any amount for lodging when legislators are able to stay in their own home;

Thank you.

Ken Petty
kenpetty@gci.net
216 S Sarah Circle
Palmer, AK. 99645
(907) 354-7758

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 23, 2016 12:40 PM
To: Senate Finance Committee
Subject: FW: Permanent Fund testimony

Kristen Pratt
Legislative Aide
Office of Senator Anna MacKinnon
Alaska State Legislature
Alaska State Capitol | Room 516
(907) 694-8944

-----Original Message-----

From: Lynette Clark [mailto:dclark@acsalaska.net]
Sent: Wednesday, March 23, 2016 12:31 PM
To: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: Permanent Fund testimony

Senate Finance Committee...et al.

I recently called your offices regarding public testimony to the Senate Finance Committee on the use of the Permanent Fund monies to pay to decrease the current debt of our State.

I would like for this email to be included in your deliberations.

Remembering how much debate occurred when the "Fund" and the Shareholder payment was established, we, the citizens of this State, came away with the understanding that this "Fund" would not be used, other than legal avenues already established, to fund the State Government. I guess this bill is in your hands to develop that legal avenue so this plunder can conveniently occur.

My recommendation for this Committee is to "table" this bill until next session. I am, like many others you have heard are, totally against it! I realize that our Legislature has an incredibly difficult job, however, I also realize it has been the entire Legislatures through at least the last three administrations that has made this debt occur. I truly believe, after forty plus years living here, that the Legislature cannot be trusted with Permanent Fund monies and the general public receiving the PFD checks need that money more than to fund the debt created by those Legislatures.

I also believe that the cuts made so far are lacking, and it still seem to be the clubs of special interests, of oil companies, or like the insulting CBC club, that continue to be more important than those individuals you swore an oath to represent. Again, my advice is to "table" this bill, make more cuts where there is still meat on the bones this session. But, keep your hands off the Permanent Fund and, the PFD checks that belongs to that little guy that put you in office. We should not have to pay for the carte blanc spending of other administrations. Cut, cut, then cut some more.

This debt is your debt, placed on your shoulders by those past Legislators. Clean up the two houses that caused this, or it will be done in November 2016...we have a long memory and where you stand today may not be on the floor of either house next election cycle.

Thank you,

Lynette Clark

March 23, 2016

Honorable Co-Chairs Senators Kelly and MacKinnon and Senate Finance
Committee Members,

Thank you for the opportunity to testify on SB114 and SB128, the Permanent Fund Dividend bills. I am not in favor of the Legislature taking the Permanent Fund Dividend from the Alaskans. My husband and I are on a fixed income like many others in this state and we use the PFD money every year to pay our heating bill for the winter, car insurance and other expenses that come up once a year. There are many residents in this state that are heavily dependent on the Permanent Fund Dividend check every year. I would rather have a 1% sales tax that everyone including visitors to the state have to pay.

Thank you for your time,

Freda Collins

PO Box 514

Wrangell, Alaska 99929