

Doniece Gott

From: George Nagel <ggnagel@alaska.edu>
Sent: Wednesday, April 06, 2016 7:37 PM
To: Senate Finance Committee
Subject: citizen feedback re PFD restructure

Using Permanent Fund earnings to pay for State government services is a great idea. And I wouldn't mind if that reduced the size of the PFD (nor would I mind a sales or an income tax).

George G. Nagel
citizen of Alaska since 1989

Doniece Gott

From: Sen. Pete Kelly
Sent: Saturday, April 02, 2016 3:06 PM
To: Doniece Gott
Subject: FW: SB 114/SB 128

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

From: Michael O'Meara [mailto:mikeo@horizonsatellite.com]
Sent: Thursday, March 31, 2016 4:38 PM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Cc: Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>
Subject: SB 114/SB 128

Dear Finance Committee Chairs Kelly and MacKinnon and members,

I live off the road system and, unfortunately, couldn't get to a computer early enough this morning for your committee meeting on SB 114 and SB 128. I have been following the the proposals and issues involved however. Let me share my thoughts here.

I agree with the Governor's basic idea of working toward a sustainable state government through a combination of carefully crafted budget reductions and new revenue sources aimed at spreading the burden evenly among individual Alaskans and various business interests.

Let's use the Permanent Fund as an endowment. Using some of the fund's earnings to fuel government is sensible but I don't support making complicated changes in the way the fund works. To me the so-called "Goldsmith Plan" seems superior to both SB 114 and SB 128 because it is straightforward, strengthens the fund by depositing all O&G revenues into it, and doesn't modify the dividend program. Please consider adopting it or something very similar.

In my opinion the Permanent Fund dividend should continue to be paid out of fund earnings and not directly from oil revenues or royalties.

Linking the dividend to oil and gas revenues, or to any single industry for that matter, would increase the likelihood it would decline in value. More importantly, it would probably diminish citizen appreciation of the fund's importance to their well being.

If changes are made to the way in which the annual dividend is calculated, the amount should be based on a sensible, predetermined percentage of the annual revenues. This would be superior to placing some arbitrary cap on the dividend amount. For one thing, experiencing fluctuations based upon market changes helps reinforce citizen interest in seeing the fund managed well. For another, it is fair. As I'm sure you appreciate, the annual dividend has become more than a welcome perk for all of us. It is an important source of income for rural families and others who lack high paying jobs. With the "pick, click, give" program it is a boon to Alaska's many non profit organizations. And, of course, the dividend now nurtures the wider Alaskan economy to a significant degree.

Please consider these things as you continue to discuss these bills.

Sincerely,

Mike O'Meara
Anchor Point/Homer

Doniece Gott

From: Bert Bell <bert@ghemm.com>
Sent: Monday, April 04, 2016 11:12 AM
To: Senate Finance Committee
Subject: Revenue

Finance Committee

I encourage the use of the Permanent Fund as a partial solution to the budget deficit. I value living within our means, which will require further cuts and additional revenue, whether income taxation, sales tax or other means. The end result should provide a sustainable budget that does not take from future generations. I do not think savings should be spent as a temporary solution without a total fiscal plan of sustainability.

Sincerely,

Bert Bell

Doniece Gott

From: Dennis Gall <gall_dennis@yahoo.com>
Sent: Saturday, April 09, 2016 7:19 PM
To: Senate Finance Committee
Subject: long-term budget plan

Hello,

I really can't express how truly disappointed that I am in your work and the work, or lack thereof, of the legislature this session. It seems like you are just dinking around the edges of the budgetary situation in an attempt to run out the clock on the session without having taken any steps toward establishing a long-term and stable source of funding for our state and our communities.

Rather than facing the reality of the current situation, as expressed by an overwhelming majority of the public and the business community who are asking for a POMV plan for the permanent fund, along with modest budget cuts and new revenue, you and your committees seem to be want to put your head in the sand, ignore reality, and play budget cut games in the hopes that hard decisions may not have to be made. The uncertainty caused by this lack of action just increases the difficulties for our economy and willingness for businesses to invest...

Please wake up and face reality. Hard decisions need to be made. We need a long-term financial plan that will put our economy on a stable footing, now and in the future. Putting this decision off will only draw down reserves that could be invested to create revenue long into the future, and made future decisions harder not easier. Please act now.

Sincerely,
Dennis Gall

I support

Representatives need to work TOGETHER. Not everyone gets it all their way but the fighting and non-compromising is sacrificing our states future for our children and generations to follow!!!!

CUT STATE WASTE FIRST then look at means of revenue. First state waste (and there is waste. No more yearly MERIT raises and colas. Really merit raises in the public sector? No one gets a raise without working for it and it is NOT every year) .

UAF needs to also cut spending on projects non-essential, look at better ways to manage. See how we can provide education with less per student. Look at other universities in country that educate for less \$ per student.

An income tax

PFD only go to full time residents tighten the time allowed to be out of state

PFD commercial to pick click and give says it can generate millions for non-profits. Why not take just \$100 of everyone's PFD's. The money from PFD's puts money back into the economy and helps support people like me, working poor. I need all the \$ that was created to give to the residence of Alaska. Just tighten up who gets. Why do able bodied welfare recipients get? They receive tens of thousands of dollars in benefits and we pay too? If they won't work, if they won't do community service or take drug test, then no PFD.

It's time for communities and churches to help take up slack for people that need help

If any able bodied person on welfare they need to do 20 hours community service for the benefits they receive

ALL welfare recipients have drug tests

Need tax for tourists

Figure our marijuana issue so taxes can bring in revenue

What about a lottery

What about building a casino instead of people leaving the state to hit Las Vegas

Debbi Ramer

376-3860



April 8, 2016

Representative Mike Chenault, Speaker of the House
Senator Kevin Meyer, President of the Senate
Alaska State Legislature
Alaska State Capitol
Juneau, AK 99801

Dear President Meyer and Speaker Chenault,

The Greater Fairbanks Chamber of Commerce has taken a very thoughtful and deliberate approach in engaging our membership in important issues facing this state. Our number one priority this year is supporting a comprehensive, long-term sustainable fiscal plan for the state of Alaska.

We shared this with members of the legislature during our annual legislative fly-in last month. To reiterate, *we encourage the Alaska State Legislature, the administration and state leaders to ensure the effective use of state resources by delivering essential programs as efficiently as possible, and to make strategic investments that promote long-term economic growth. We encourage government leaders to build a fiscally responsible budget that aligns revenues with expenses. While reductions have already been made to state budgets, we believe additional reductions are necessary. A consistent and predictable fiscal policy is integral to an overall plan and vision for business development and job growth in Alaska.*

Likewise, *Alaska's Future* encourages government leaders to build a fiscally responsible budget. They believe that the cornerstone of any plan this legislative session should incorporate the use of Permanent Fund earnings to significantly reduce the deficit, support essential public services and maintain a sustainable dividend and healthy Permanent Fund.

We believe the mission of *Alaska's Future* aligns with the Fairbanks Chambers' position in this regard. The Chamber recognizes that a long-term, sustainable fiscal plan cannot be accomplished without considering other revenue sources, such as the use of permanent fund earnings reserve. While we do not endorse any particular plan, we encourage you to forge ahead with deliberations to come up with a sustainable budget structure to address our long-term fiscal stability. The Chamber board agrees that the state's fiscal issues are urgent and that action must be taken this session.

On Monday, March 28, the Chamber board officially joined the *Alaska's Future* coalition to encourage legislators to do something this year to address the growing state budget deficit. The vote was unanimous. We all agree we need a comprehensive solution to fix Alaska's budget challenges now. The Chamber is now taking its advocacy one step further in supporting the *Alaska's Future* mission to utilize the Permanent Fund Earnings Reserve, support essential services and maintain a sustainable dividend and healthy Permanent Fund to address the fiscal gap.

The Fairbanks Chamber does not take this action lightly. The Chamber has been very engaged in bringing important issues in front of our membership at every opportunity - from a special meeting with the Governor last week to multiple presentations by ISER's Gunnar Knapp, to the board of directors' actions last fall and carrying through the

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legislative session, Chamber members have been exposed to the gravity of the current budget deficit. While it is unrealistic to expect the legislature to solve a \$4 billion deficit and settle on a practical long-term fiscal plan in ninety days, moving forward now with using the earnings reserve of the Permanent Fund will be a large step in the direction of long-term fiscal stability.

We respectfully ask for your action this session to address the growing budget deficit with a long-term plan to utilize the Permanent Fund Earnings Reserve as one of the key components. Please do something now to address this issue before it is too late.

Respectfully,

GREATER FAIRBANKS CHAMBER OF COMMERCE

Lisa Herbert
President and CEO

Bill Bailey
Board of Directors, Chair

Doniece Gott

From: J. Cassellius <jcassellius@gmail.com>
Sent: Monday, April 04, 2016 12:40 PM
To: Sen. Anna MacKinnon; Rep. Lora Reinbold; Senate Finance Committee
Subject: Comments on Alaska's budget plan and SB114, SB128, HB224

Comments on the Budget Plan - SB114, SB128, HB224

From:
Juanita Cassellius
17606 N. Eagle River Lp.
Eagle River, Ak 99577
Ph. 441-3683

To:
Sen. Anna MacKinnon
Rep. Lora Reinbold
Senate Finance Committee

Date: April 4, 2016

I'm a long-time Alaska resident in Eagle River who is aware of our State Constitution and residents' rights to share in resource wealth as shareholders in the Owner State. The bills in the Legislature that change the Permanent Fund and PFD undermine our rights as Alaskans and there are other, better solutions needed.

We have a budget deficit that needs to be reduced. Efficiencies need to be found and oil tax credits reduced before you ask for Alaskans to pay. STOP THE SECRECY ABOUT OIL TAX CREDITS. Transparency in government is critical to our democracy. The Legislators actions do not inspire confidence regarding the LIO illegal contract, refusing the Governor's call to adjust oil tax credits, and refusal to make information about the oil patch more transparent. Whose interest is the Legislative majority serving?

STOP THESE BILLS TO CHANGE THE PERMANENT FUND AND PFD. Use earnings in the short term. This panic and pressure to change the Fund, endorsed by Alaska's Future group, is not in the public interest. Educating Alaskans about policy by a PR campaign run by big business is a really bad idea and disservice to Alaskans.

DO NOT CAP THE PFD. This is an unfair, regressive tax. ISER has a study that shows cutting the dividend is worse for the economy than instituting income tax.

DO NOT CONVERT THE FUND TO A POMV before we have a Constitutional guarantee for the PFD. Alaskans need to be educated on the POMV and agree on the payout calculations proposed. The calculations for the PFD in SB114 for not acceptable.

The Legislature needs to go back to the drawing board and come up with a more fair, efficient budget plan. We have the reserves to do this. The urgency in this matter is getting it right not rushing to make hasty cuts and changes to the Permanent Fund that the public does not understand.

Please take a look at this Facebook page to see the Alaskans who support protecting the PFD without a cap or paying it out of a royalty Fund. We can pay fair taxes and fees. Even low income folks can contribute with sales tax. Take time to make more deliberate, careful cuts and ways for everyone to contribute. Do not pass these bills to restructure the Permanent Fund and cut the PFD. There are other options for a workable budget plan.

<https://www.facebook.com/Save-Our-Permanent-Fund-2016-Act-Now-1577980452527975/>

Thanks,
Juanita Cassellius