From: <u>Kay Keller</u>

To: <u>Senate State Affairs</u>
Subject: Alaska State Budget

Date: Tuesday, February 21, 2017 9:16:16 AM

We would like to understand why the legislatures are not focused on reducing the budget more. The bills that are being introduced are focusing on restructuring the PFD and an income tax. Alaska is heading for a recession with all the layoffs and the legislatures are causing more financial burden to the people of Alaska at a time that most people can't afford it and potentially could be one of those that are laid off. The end result will be even more of a recession and people leaving the State to find jobs in the lower 48. It is something that all of us are looking into as the costs continue to rise in Alaska. Please focus on reducing the state budget first.

We also don't understand why the legislatures continue to allow the Walker Administration spend millions on the LNG pipeline project when the State can't afford the cost or the risk. Why is there not more over site on this project? Very disappointing to hear that they just spent \$50,000 on the Iditarod for trying to convince buyers to sign on to purchase the gas. Boy, I would welcome the opportunity for a free trip to Alaska, who wouldn't? This has to be stopped, we can't afford this project.

V	V	e support	vour effor	ts to do	the right	things for	the Stat	e of Alaska.

Regards,

Kay & Scott Keller

February 15, 2017

Dear Senators & Congressmen,

Please vote against and strongly resist any legislation that includes more government raids on the Permanent Fund. (HB 115). This is bad legislation for the following reasons:

- 1 A PFD tax is the worst and most unfair kind of tax a regressive one. A progressive tax causes higher wage earners to pay a larger percentage, a flat tax causes everyone to pay the same percentage, but a regressive tax causes the poorest people to pay the highest percentage. Loosing \$1000 a year might not matter much to people who make \$250,000 a year or more, but to a low income person earning less than \$40,000 a year \$1000 is a large percentage of their income. Anyone who votes for this is putting the needs of the wealthy ahead of the needs of the middle class.
- 2- A PFD tax is just adding fuel to the same problem. The legislature has greatly expanded the budget and Alaska spends more government money per capita than any other state. The legislature already gets 75% of the oil revenues and they have mismanaged that. Why would any reasonable person conclude they will be more responsible if we give them the other 25% of the oil revenue. This is like giving a person who has a gambling problem more money because they need it to pay bills without ever addressing their gambling addiction. It is likely just going to be used for more gambling and not help the person in the long run.
- 3 A PFD tax without addressing all the tax benefits the oil companies are getting will show that the legislature is more interested in protecting the interests of the oil company lobbyists at the expense of the people of Alaska. Stand up for the voters, not the lobbyists. Make sure the oil companies are paying their share before coming to the people.
- 4 A PFD tax will do nothing to address the millions if not billions of dollars that are leaving state through out of state workers in the oil, fisheries, tourism, and mining industries. Let's address that issue before taking more from the residents of Alaska who face higher costs of living while these out of state workers benefit from our resources and pay nothing for the infrastructure and management.
- 5 Anyone versed in economics knows that it is the private sector that generates wealth. The public sector (government) is dependent on taxes generated by a booming private economy. Confiscating the PFD will shift would be spent in the private sector to government, thereby weakening the private economy of Alaska. The legislature is charged with helping to generate prosperity, not stifle it. In the long run using the PFD to fund government is like A fisherman selling his nets to pay for expenses on his boat. He is cripling his revenue stream to solve short term expenses and this isn't wise from an economic standpoint.
- 6 Senator Dunleavy has submitted a plan to balance the budget in 2 years without taking the PFD. Please support SB1 & SB2 for Permanent Fund Restoration. Let's look for those kind of solutions before turning to a punitive tax on the people who can least afford it.

Thank you for your time,

Arne Erickson 368 Hillside Drive Fairbanks, AK 99712 907-723-1041 From: <u>Mark Parmelee</u>
To: <u>Senate State Affairs</u>

Subject: Fwd: SB 21 and SB 26 - Yes to establishing a POMV use of the Permanent Fund

**Date:** Monday, February 20, 2017 1:33:08 PM

Subject: SB 21 and SB 26 - Yes to establishing a POMV use of the Permanent Fund

To: senate.state.affairs@akleg.gov

Cc: "Sen. Cathy Giessel" < Sen. Cathy. Giessel@akleg.gov >,

representative.Jennifer.Johnston@akleg.gov

## Senate State Affairs Committee,

I understand you have a hearing tomorrow on two bills that discuss POMV changes to the Permanent Fund, PF. I want you to move out of your committee either of the bills as part of the solution of getting Alaska state's budget in order. Tapping the PF and developing other revenue sources is necessary to get Alaska out of the recession it is falling into. Uncertainty for another year will not help Alaska and Alaskans. I have a new college grad daughter working outside because in recent Anchorage interviews she has been told firms are not hiring.

I leave it to you to decide which bill should be moved out of your committee. In my looking at the one page summaries I prefer SB 26 over SB 21.

The PF was set aside for use when needed. The PF is needed now in one form or another for government operations. We cannot cut our way out of the Alaska's budget problem. A POVM use of the PF is a smart move at this time. Please act before the state reserves are expended and the recession gets worse.

Sincerely,

Mark Parmelee

18630 Snowy Plover Circle

Anchorage, AK 99516

From: Gabby Hodges
To: Senate State Affairs
Subject: Leave our PFD alone.

**Date:** Tuesday, February 21, 2017 2:36:48 PM

## For Sirs and Madame

I respectfully ask you to leave The People's Share of the PFD alone. Please find alternative means to balance the budget instead of hurting us, the members of this great State.

It would be my suggestion that the massive tax breaks given to the oil and gas industries stop immediately. You are giving huge tax breaks to mega companies and in turn, taking away The People's money. Makes no sense.

Please do the right thing and vote to return the The People's Share of PFD money back to us, the Alaskans that struggle to survive in our beautiful yet expensive state.

Thank you Gabby Hodges Anchorage From: reese blasky
To: Senate State Affairs

**Date:** Tuesday, February 21, 2017 9:28:09 AM

I think that the pfds should not be touched and that last years gets restored I know for me I am a single mom that's disabled I use mine and my daughters Pfd to pay for things she needs and to help my 73 year old grandma pay her bills and what money I have left I I help my mom and I pay for small repairs on my car and do to last years Pfd cut I was unable to get my daughter what she needs I was unable to get some of my bills payed or get my car repaired due to the cut my grandma fell behind on her bills so I say no more taking from the pfds and restore last years find the money some where else

From: Beau Obrigewitch
To: Senate State Affairs

Cc: Sen. Cathy Giessel; Sen. Mike Dunleavy

Subject: No on SB 26, SB 21, HB 115: We Have a Spending Problem, not a Revenue Problem

**Date:** Tuesday, February 21, 2017 11:10:37 AM

Good afternoon Senate State Affairs Committee,

I chose to send this email to this Committee in addition to Senators Giessel and Dunleavy in the hopes it will be seen by a larger audience.

I am an Alaskan not by birth right, but by choice. I have been in this great state for 11 years. I did not move up here for the "free money" (a term which I despise, because it simply is not) lure of the Permanent Fund Dividend. Actually, I did not move up here for the limitless opportunities to explore the wild, live a semi-subsistence lifestyle, or to take a chance that this is the place I could make my mark, to live, prosper, give back, and generally enjoy life. I did not move up here for those, but those are the reasons I chose to stay. I didn't receive my first Dividend until 2009, because I wanted to make sure I fully intended to stay and make Alaska my home before applying. Today Alaska is facing a financial crisis. There are two paths forward: 1) Call it a revenue problem and remedy that by instituting new revenue streams to fund the current size and scope of State government or 2) Call it a spending problem and remedy that by trimming government's size and scope to a level that fits within revenue streams currently available.

To call our current crisis a revenue problem is inherently dishonest. When I moved up here in 2005, the Operating Budget was a little more than ½ of the budget enacted in 2017. The economy was strong, there was an explosion in housing, the State offered essential services at levels that kept everyone safe, protected the rights of businesses to grow and prosper, provided for the education of our children, and ensured the poorest among us received the care and attention they needed. In 2008, with many parts of the country experiencing nearly complete financial implosion, our statewide economy sustained, holding flat. Of course, 2008 also brought us unprecedented oil prices. Thanks to the coupling of this with the regressive and punitive ACES Oil Tax, the State's coffers were stuffed with so much cash no one could have imagined we could be facing such a problem as we do today, only a handful of years removed from those wild windfall heydays. And so we spent. And we spent wildly, nearly doubling the State Operating budget by FY 14, not to mention an exceptionally robust Capital Budget. It's understandable. It's human nature to "spend it while you've got it". But now, with revenues from oil equal to or below the oil revenues in 2005, 2006, and 2007, we are looking at what can too easily be distorted to be a revenue problem. Understand this: we are not facing a revenue problem, we are facing a spending problem.

Once the financial crisis is correctly identified as a spending problem, we can start to do the hard work required to bring spending back in line with revenue. You don't have the luxury of simply stating "We've cut the budget 44%", as many in State Government have proudly proclaimed recently. No, you did not cut the budget by 44%, you simply chose to spend the minimum required on the Capital Budget, mostly to maintain the Federal Match. This is not a discussion on the merits of the Capital Budget and infrastructure spending, however. This is a discussion on the disingenuous, but more likely outrightly deceptive, claim that spending has been reduced 44%. The part of the budget that matters, the annual Operating Budget, that's the one that has not been reduced, or has been reduced only a few percent since the price of oil collapsed 2 years ago. Through more smoke and mirrors and deceit, the term Unrestricted General Fund (UGF) is happily tossed out to Alaskans, as if that's the "Budget". I am not a budget wonk, and I don't have the time to become one. But through cursory glances at the true and total budget, presented by those that have taken a deep dive into the budget, there is much more complexity, along with financial shell games, that make up the totality of the budget, than just the UGF.

Now that the problem has been correctly identified as a spending problem, and not a revenue problem, we can cut to the chase. Many people across the State have committed a great deal of time and effort to address the spending problem. In 2016, United for Liberty presented a balanced, sustainable Operating Budget to the legislature, and to most any legislator that would take a copy. The UFL budget is balanced at \$40 oil. This year, at the onset of the 30<sup>th</sup> Legislature, Senator Mike Dunleavy submitted a plan that has already been vetted through the Legislative Finance Office and the Permanent Fund Corporation that proves the State Operating Budget can be reduced \$1.1 Billion over the next 4 fiscal years. At the same time we continue to offer essential State services, and our savings accounts will be replenished. Since Senator Dunleavy's plan correctly identifies our financial crisis as a spending problem, not a revenue problem, it includes no new revenue (taxes), and the People's Dividend will be protected now and into the future, as it is currently calculated. To my knowledge, this remains a plan, with no bill yet put forth. Other work has been generated and presented to the Legislature regarding the use of Permanent Fund

Earnings to fund State government while still paying full Dividends, ie: from Alaskans for Sustainable Budgets. The director of the Permanent Fund Corporation is on public record stating that the inflation proofing we've historically reinvested in the Permanent Fund Corpus is no longer necessary due to the built-in inflation proofing in the Fund's investments. Use these ideas as your starting point.

The Permanent Fund, the Earnings Reserve Account, and the Permanent Fund Dividend. Wow, \$55 Billion just sitting there, wanting, waiting, needing to spent. Unimaginable in its magnitude. Unimaginable in its persuasion. Unimaginable that when oil first started flowing through TAPS 40 years ago the Fund balance was \$0.00. What is very imaginable, however, is the very reason the Permanent Fund exists at all. After vaporizing the \$900 Million windfall from the original Prudhoe Bay lease sales in just a few short years, some in the state had the foresight to protect and preserve the future revenue, making it off limits from the ever-reaching hands of State Government Largess. The idea of the Permanent Fund is eclipsed by the concept of the Permanent Fund Dividend. The Dividend is often maligned as a "Socialist Payment" by those intent on eliminating the annual disbursement to the people, its rightful owners, preferring to maintain it under Government control and distribution. The Dividend is a Socialist Payment only in as much as it the Royalty payment due to the landowners from which the oil is produced, and in the case of Alaska, the landowners are every legal resident of the State of Alaska. There is no government ownership, the land is owned in the collective. State government only manages the land, and corresponding revenue, on behalf of the citizens. The Permanent Fund, and its Dividend as currently calculated, must be preserved into perpetuity for the benefit of all future Alaskans.

Which brings me to my close. There are no "Protect the Permanent Fund" proposals on the table that reduce State spending while protecting BOTH the Permanent Fund and the Dividend. Most all proposals from this year, and last, put forth by the Governor, the Senate, and the House, sought primarily to provide a modicum of protection to the Permanent Fund itself, while providing little to no protection to the Dividend beyond some pre-determined timeline, after which the Dividend was provided as a "may issue" line item in the State Operating Budget. It is not now, nor can it be in the future, a line item in the State Operating Budget. The Dividend is a "shall issue" disbursement already vested in State Statute. If we are to have a serious discussion regarding use of the Permanent Fund Earnings Reserve Account (ERA), we must begin with Governor Hammond's original idea that the ERA must first pay 50% to the citizens in the form of the Dividend, and then the other 50% may be used to fund essential government services. It is under this essential idea from which the proposals noted above are drawn. It is under this essential idea that the State can continue to function and provide constitutionally mandated services, ensure a full and fair Dividend is paid to every eligible Alaskan each and every year, and ensure that there are no new or additional taxes levied against everyday Alaskans.

While I am encouraged by the release of SJR 2 on the Constitutional Spending Limit, SB 26, SB 21, and HB 115 primarily focus on our current fiscal crisis in the wrong direction, by misidentifying it as a revenue problem. For the reasons described above defining this as a spending problem, I encourage you to oppose these (and any other userfee or tax) bills on their merit. Turn from identifying new taxes, and instead focus on reducing spending.

Thank you, Beau Obrigewitch Indian, AK From: <u>Tina Allen</u>

To: <u>Senate State Affairs</u>

Subject: PFD

**Date:** Tuesday, February 21, 2017 9:26:27 AM

Keep your money hungry fingers off the PFD!

You have money your not willing to break into! Pull out your pockets, look under the couch cushions, and under the car mats! Look to reduce not abuse the system. Find your money somewhere else! And not from taxes either! I'll turn my property back into the State from where Im buying it from, DNR.

SO GO SOMEWHERE ELSE FOR THE MONEY & CUT BACK ON SPENDING! Tina

Sent from Yahoo Mail on Android

From: merrill briggs
To: Senate State Affairs

Subject: PFD

**Date:** Monday, February 20, 2017 3:05:10 PM

To those who are in favor of keeping the PFD "sacred" and untouchable from the hands of would-be legislators, PLEASE, PLEASE, PLEASE do all within your power to see that this is indeed protected now and in the future!!!

We fully depend upon this fund to assist us in the increased cost of living that is required for those of us who live in Alaska. We will need to leave Alaska If this fund is taken from us.

## PLEASE PRESERVE AND PROTECT IT FOR OUR FUTURE!

Thank You!

Merrill & Janet Briggs

From: <u>German Baquero</u>
To: <u>Christa McDonald</u>

Subject: Public Testimony for SB 21 & SB 26

Date: Tuesday, February 21, 2017 1:09:24 PM

To the Members of the Senate State Affairs Committee,

I am sending this to encourage you to object and reject both Senate Bill 21 and Senate Bill 26. At this time, considering any Permanent Fund restructuring is inappropriate. Any restructure to the Permanent Fund without addressing further state spending issues will negate any just reason to appropriate from the Fund. The legislature must tackle spending reductions, specifically in administrative costs in both education and health & social services. When appropriate reductions are made in those departments to leave sate spending sustainable, I as a state citizen would be more amenable to supporting fund restructuring, but not before. Utilizing funds from a proverbial "raid" to compensate for unsustainable spending is simply imprudent, and as Senators I urge you to deliberate among yourselves to discover what it is you should only be funding as a state government.

Once again, I call upon you not to entertain either of these pieces of legislation until after spending reductions have been agreed upon. As members of a Senate, you are encouraged to take your time and thoughtfully consider all options until your deepest curiosities about these questions are satisfied. Thank you for your service and best of luck in your endeavors.

Kindly,

German Baquero

From: Chad Omar

To: Senate State Affairs

**Subject:** Public Testimony SB21 & SB26

**Date:** Tuesday, February 21, 2017 10:03:34 AM

Good morning Senate State Affairs,

My name is Chad Samskar, I'm a Nikiski resident and wanted to comment on the proposed changes with SB21 & SB26.

First, I'd like to say that legislature needs to trim the budget so it is manageable without raiding the Permanent Fund. Luxurious spending on non-critical projects should be postponed until a later time, and only critically essential services should be funded at this time. A sales tax should be implemented before raiding the Permanent Fund or implementing an income tax, and if the Permanent Fund does get tapped into it should be a matter voted on by the people. If an income tax were to be instated as well, I'd like to see non-residents taxed at a higher percentage than Alaska residents.

In my opinion the steps needed to correct this mess is; realigning the budget so essential services are covered, eliminate wasteful spending on projects and luxuries, encourage new income sources and quit strangling industries with regulations, incorporate a sales tax, possibly incorporate a temporary income tax, and give Alaskan's the opportunity to vote on using the Permanent Fund.

Several times in the past the people of Alaska have voted to move the capital to a more centralized location. Due to legislature failing to see this thru the end, I would propose this be up for discussion again so that the majority of Alaskans can have drivable access to the capital and the majority of tax payers will only be covering travel expenses for the remote representatives as needed, video conferencing can also suffice in todays society for most meetings. These costs may seem extreme up front, but will result in drastic savings long term.

I would also encourage more effort in developing Alaska's resources and reducing the stringent regulations that cripple many of these industries that can generate revenue and create many jobs.

On SB21: I strongly encourage legislature oppose this bill, as the existing laws in place work fine and this system is not broken, it's the government lacking oversight for many years. The existing 21% over a 5-year period average is better for the people, than the "generally acceptable accounting principles" mentioned in the proposed changes of SB21. I also do not support the commissioner "appropriated" of funds, as these funds should remain automatically transferred as previously written.

On SB26: I strongly encourage legislature oppose this bill, as the existing laws in place also work fine and this system is not broken, once again it's the government lacking oversight for many years. Changing the mineral rights from 50% to 25% as proposed in SB26 changes, will shift more funding to the government and less money to the people of this state. I also do not support the corporation determining the "Net" income of the fund, nor do I support replacing the existing "21% over a 5-year period" with "generally acceptable accounting principles" as mentioned in SB26.

As I stated above, the Permanent Fund is not a broken system and it has worked for many years for the people of this state and does not require change, the change required is due to government negligence which needs to be corrected. Thank you for your time, and please vote against both of these bills; SB21 & SB26 when you get a chance.

Sincerely, Chad Samskar Nikiski, AK From: Kent Kohlhase

To: Senate State Affairs

Subject: Public Testimony SB21

**Date:** Tuesday, February 21, 2017 1:08:33 PM

I am writing to express my opposition to formula changes to the PFD and instituting an income tax on Alaskans at this time.

It is imperative that state spending be brought under control. Once state government has access to income tax revenues and Permanent Fund earnings, the impetus to further reduce the size and cost of state government will be gone.

It is telling that the Chamber of Commerce and coalitions of businesses are supporting taxes and reducing the PFD. They, too, see that increased access to the Permanent Fund for operation of state government will mean increased spending benefitting their business interests.

Please, fulfill your responsibilities as public servants. Apply pressure through appropriations to reduce state spending. Use the CBR to balance the budget, and adopt an approach to moderate the size of government over the next 2-3 years. When you can demonstrate that has been done, I and many others would then support a renewed discussion about revenue, and use of Permanent Fund earnings.

Thank you.

Kent Kohlhase 907-440-6907 Anchorage

Sent from my iPad

From: Bill Goodwin

To: Sen. Mike Dunleavy; Sen. David Wilson; Sen. Cathy Giessel; Sen. John Coghill; Sen. Dennis Egan

 Subject:
 SB 21 - Testimony for 02-21-2017

 Date:
 Tuesday, February 21, 2017 1:21:19 PM

Importance: High

Greetings All,

I say "NO!" to SB21.

This bill not only justifies a PFD grab for this fiscal year, but proposes a repeated grab into the indefinite future. This is not creative, responsible, or a professional move by those who have been elected to legislate for Alaskans.

This legislation punishes Alaskans of ALL ages, now and in the future. This bill is not disguised in any way, shape, or form .... it is a blatant, long-term raid on the PFD and should not have ever been proposed. The arguments and reasoning for several legislators to support this bill are flat, at best.

Alaskans are looking for creative solutions for state fiscal management. For some legislators, it seems the word 'management' is being ignored and the word 'responsible' seems non-existent. Proposals and solutions have been presented from the public have been totally ignored by the supporters of this legislation.

\*\*\* Alaskans have yet to hear any valid or plausible explanation as to WHY THE PEOPLE'S PROPOSALS WON'T WORK!!!!! \*\*\*

The Alaska Legislature needs to regroup and LISTEN to the people, not the lobbyists and politicians who pander with questionable motives.

I REPEAT ... "NO!" to SB21.

Sincerely & respectfully,

William John Goodwin Jr. & Family 401 S. Jerome Dr.

Wasilla, AK 99654

H: 907.373.1274

M: 907.841.1040

 From:
 Ellen Leisner

 To:
 Senate State Affairs

 Subject:
 SB 21 & SB 26

**Date:** Tuesday, February 21, 2017 1:33:56 PM

# Senate State Affairs Committee:

I am opposed to any restructuring of the PFD as in SB 21 & SB 26.

Senator Dunleavy has introduced a plan to cut the state budget over three years to a sustainable level with NO taxes or restructuring of the PFD.

I support Senator Dunleavy's bills to restore the PFD, and request that you vote NO to SB 21 and SB 26.

Please support Senator Dunleavy's bills to restore the PFD, and cut the size of our government to a sustainable level with **NO** change to the PFD, and **NO** new taxes.

Please include this for the record with the public testimony on SB 21 & SB 26

Sincerely,

Ellen Leisner

Palmer, Alaska resident

ellyleis@mtaonline.net

 From:
 Boyd Morgenthaler

 To:
 Senate State Affairs

 Subject:
 SB 21 (2017)

**Date:** Tuesday, February 21, 2017 1:27:11 PM

I support SB 21 as described in Senator Stedman's Sponsor Statement.

The essential elements that should be retained in any event are:

- 1) <u>Establish a maximum annual draw based on a percent of market value (POMV).</u> In my opinion 4.5% is aggressive; I believe that a truly sustainable rate would be closer to 3%. Either way, the important step is to move to a POMV approach.
- 2) Establish the minimum annual dividend for residents to be no less than 50% of the total annual draw.

Boyd Morgenthaler

1180 Shore Drive

Anchorage AK 99515

907-349-6523

From: <u>and.czk@gmail.com</u>
To: <u>Senate State Affairs</u>

Subject: SB 26

**Date:** Monday, February 20, 2017 9:58:39 PM

Governor Walker you should be ashamed of yourself for stooping so low to even consider further fleecing and raping the very taxpayer who supports a lot of this so called government especially since you already took 50% of the permanent fund as another form of tax to support your already top heavy bureaucracy which never seems to get or have enough to spend. You have plenty of areas to cut the budget without further cutting the throats of the hardworking taxpayers who are the very backbone of your budget spending. I know we don't pay a so called state tax but we do pay federal tax and many hidden taxes that go directly to our state government as well. It doesn't take a genius to spend money but it does take discipline to save and look ahead into the future and plan for adverse conditions and down turns. You can start by not calculating your phony budget with unrealistic income. Rather come in on the low side with your projected income and if you happen to have more then expected start your own governmental permanent fund to spend on your rainy day shortfall. You can also start cutting deeper on every department of the government instead of allotting them an unrealistic budget for today's economy and making it mandatory that they spend every penny of it and beg for more or risk taking a budget cut in the future. That's an incentive program alright but it's incentive is leading us in the exact wrong direction. Be a leader and cut spending and government even though you will hear complaining from various groups but stand up and take it like the man you should be and represent the people of the state and not the government, special interest groups or other cronyism that's going on in the state government as well as every government that exists today from the smallest city government to the federal government or even international government. You may say the government can't save since its against the law. Make laws that change that or are you just along for the ride and to get what's in it for you. Outlaw lobbyist and he who has the most money wins. This country is formed on a republic not a democracy that goes with the flow of the most money. Take a look at the web page that shows the millions of dollars paid to lobbyists by all the complaining companies who are taxed too much and governmental agencies which are funded by taxpayer dollars and tell me there isn't enough money to plentifully fund the important things to keep this state running. No instead you use the methodology of trying to hurt the people first by cutting road maintenance because that's your big leverage point too show them how cut to the bone you are. You haven't even given yourself a raiser burn yet alone a cut. Leave the permanent fund alone and show the people that you're really trying to bring government spending under control and then maybe the people will rally around you, but the direction you're headed shows no good faith effort on your part at all. We already have proof positive what happens when government gets their hand into the cookie jar. Just look at the social security system. Not one dime of that was ever paid in by any governmental agency but yet government repeatedly raped it and the people in the process and they still continually need more and on top of it all put this nation in debt \$20 trillion plus conservatively. Sounds like a den of thieves to me. So more money isn't the answer. Controlled spending is and that should be your top priority and not further fleecing the people. Look at the school budget. Another broken governmental agency which is never satisfied yet returns the taxpayer with some of the lowest learning performance ever recorded. More money isn't the answer again. I get taxed by the borough for the failing school system. I get taxed by the federal government for the failed school system. What ever happened to no double taxation yet alone with no representation. Every time I turn around I'm getting some additional form of tax added on my back and it rarely decreases and it causes further hardship when it takes up my additional time to combat things like this senate bill which will only increase my burden if not confronted. Yet I have never even sent my children to public school. What a fair system. I must say it wouldn't be nearly as bad if it was producing some good fruit but it's minimal at best. The list can go on and on but hopefully even you can get the point by now. You use our tax dollars against us to support your whole legal staff so you can have these fancy lawyerese laden senate bills written to try and make it extremely hard to understand and so discourage and intimidate the taxpayer from responding due to lack of understanding and the inability to hire lawyers to refute the government which has unlimited taxpayer funds which are used in a way not appropriate with the intent of taxes to further take advantage of the people. Sounds like a story of David and Goliath. Well shame on you for taking advantage of these hardworking people who are struggling as well yet don't allow themselves to go further in debt to supposedly get ahead in life. No they bite the bullet and make due with what they have and say no to the things they can't afford. Yes they sacrifice so you likewise need to do the same and live within your means and furthermore treat this money that isn't yours to just piss away with utmost respect when it comes to spending it since hardworking people sacrifice to give so their money can be used wisely and show some kind of recognizably profitable return as well. That will encourage the people and build them up which is also your job as governor and

leader of this great state. To sum it all up government needs to diminish and get much smaller as the economy diminishes instead of continually growing and outgrowing the rest of the means to support it. Think ahead a ways and figure out who will support the government when it grows to the point that there are no more nongovernmental people paying taxes. It's called the law of diminishing returns and it just doesn't work.

Keep looking up... Even though they're making it tough. God is the only answer!

Andy Cizek 33060 Baylor st Soldotna, ak. 99669 9072521704 
 From:
 Bill Goodwin

 To:
 Senate State Affairs

 Subject:
 SB21 & SB26

**Date:** Tuesday, February 21, 2017 1:47:01 PM

Importance: High

# Greetings,

I say "NO!" to SB21 & SB26.

These bills not only justify a PFD grab for this fiscal year, but proposes a repeated grab into the indefinite future. This is not creative, responsible, or a professional move by those who have been elected to legislate for Alaskans.

This legislation punishes Alaskans of ALL ages, now and in the future. These bills are not disguised in any way, shape, or form .... They are a blatant, long-term raid on the PFD and should not have ever been proposed. The arguments and reasoning for several legislators to support this bill are flat, at best.

Alaskans are looking for creative solutions for state fiscal management. For some legislators, it seems the word 'management' is being ignored and the word 'responsible' seems non-existent. Proposals and solutions have been presented from the public have been totally ignored by the supporters of this legislation.

\*\*\* Alaskans have yet to hear any valid or plausible explanation as to WHY THE PEOPLE'S PROPOSALS WON'T WORK!!!!!! \*\*\*

The Alaska Legislature needs to regroup and LISTEN to the people, not the lobbyists and politicians who pander with questionable motives.

I REPEAT ... "NO!" to SB21 & SB26.

Sincerely & respectfully,

William John Goodwin Jr. & Family 401 S. Jerome Dr. Wasilla, AK 99654 H: 907.373.1274 M: 907.841.1040

From: jon eric thompson
To: Senate State Affairs
Subject: SB21 and SB 26

**Date:** Tuesday, February 21, 2017 1:29:45 PM

My family and I disapprove of the state stealing our pfd's. They were set up for us to use in the Alaskan economy as we saw fit, not leeched away by imprudent spending government politicians. More should never be wasted during a boom, but saved and stored for a rainy day. If Government wants to be over-bloated that's their problem, it shouldn't be allowed to spend the people's money, PFD's without a people's vote. Hand's off our dividends, unless we give you permission. Most Alaskans look forward to receiving as much as the PFD has to offer. Now we have politicians raping the account. That sucks for all except the rich, which most politicians are. Leave our money alone.

#### **Thanks**

Jon Eric Thompson Family +

From: Scott K. Smith
To: Senate State Affairs
Subject: SB21 Public Comment

**Date:** Tuesday, February 21, 2017 12:07:07 PM

Attachments: <u>image003.png</u>

# To Whom It May Concern:

I would like to voice support for the concept of SB21. Using 4.5% of the updated POMV is an excellent way to bridge the current State revenue gap and provide long term stability for Alaska.

While the 2.25% formula for dividends/State funding is elegant, I believe it leaves too much to dividends and too little to bridge the budget gap. I would prefer to see 1.5% to dividends and 3% to State funding. This would allow the bulk of the current deficit to be covered with a manageable shortfall that could be bridged with taxes/fees. After all, a \$1000-ish dividend is larger than the average payout since the fund's inception.

With the current recession creating greater fear than is really called for, a quick resolution to the fiscal uncertainty will save jobs.

Please move aggressively to enact SB21 and consider my voice as it relates to how to split the earnings.

Regards,



 From:
 Boyd Morgenthaler

 To:
 Senate State Affairs

 Subject:
 SB-26 (2017)

**Date:** Tuesday, February 21, 2017 1:27:13 PM

I oppose SB 26 as described in Governor Walker's January 17, 2017 letter for the following reasons:

- A. <u>A POMV draw of 5.25% is not sustainable</u>. Morningstar investments did a study several years ago that demonstrated that an annual draw of 3.3% might be sustainable, but even that is questionable. World and National economics do not sustain the idea of a perpetual bull market in stocks and bonds, so the concept of a high POMV draw is not prudent.
- B. The Governor's plan allows that the legislature "may appropriate" a dividend for residents. The personal PFD should not be an option. Whenever there is a withdrawal from the permanent fund a major portion of the draw should accrue to the residents.

I agree with the POMV concept in general and support the following key elements:

- 1) Establish a maximum annual draw based on a percent of market value (POMV).
- 2) Establish the minimum annual dividend for residents to be no less than 50% of the total annual POMV draw.

Boyd Morgenthaler

1180 Shore Drive

Anchorage AK 99515

907-349-6523

From: Scott K. Smith
To: Senate State Affairs
Subject: SB26 Public Comment

**Date:** Tuesday, February 21, 2017 12:13:54 PM

Attachments: <u>image001.png</u>

# To Whom It May Concern:

I conceptually support the concept of SB26. The idea of using a portion of the Permanent Fund (along with judicious cuts and other revenue sources such as a broad based tax) is our only road to a sustainable Alaskan feature.

My concern, however, is that a 5.25% POMV draw down could be too great a draw to safeguard the Permanent Fund. I am in favor of the \$1000 dividend cap but that, combined with a 5.25% POMV withdrawal "overfunds" the State of Alaska. We need a prudent budget, a healthy Permanent Fund and alternate revenue sources to put Alaska on firm ground. If the POMV draw was closer the 4.5% proposed in SB21, this would be an excellent concept.

Lower the draw and I would be 100% supportive.



 From:
 Vernon Osborn

 To:
 Senate State Affairs

 Subject:
 Senate Bill 26

**Date:** Monday, February 20, 2017 2:38:11 PM

Importance: High

As soon as AK State Government gets into the PFD, they will not stop until it is depleted!

This is a fact, the AK State Gov. will spend every dollar just as the pissed away the 600 some million when the pipeline started producing in the 80's.

In the first year, and the second year wasn't any better.

Give the State a set amount to assist with government, get the capital relocated (when the funds were there), this will save Juneau millions!

The People deserve their PFD that the Gov. Walker stole while session was out.

Use homeless Native Tribe money to pay for "Their People" street people's cost for sheltering, legal affairs, and hospital attention.

The Anchorage residence should not be required to pay their bills!

I am a disabled Vet, and no one pays my way and yes I could have used the rest of "My Family" PFD.

I earned my way and medical care by serving our State and Nation.

Vernon Osborn

MSgt. Retired

(907) 227-0101

From: Annette R. Erickson
To: Senate State Affairs
Subject: Stop bills 21 and 26

**Date:** Tuesday, February 21, 2017 9:27:56 AM

I live in unalakleet Alaska and I do not want you to pass SB 21 and 26.

Annette erickson 907-625-1653

Sent from my GCI smartphone

From: <u>Karen Perry</u>

**Subject:** URGENT: SB21 and SB26

**Date:** Tuesday, February 21, 2017 12:53:07 AM

## To Senate State Affairs Committee members:

I am vehemently opposed to both SB21 and SB26.

I do not like the idea of changing the formula for calculating PFDs which will lead to lower PFD amounts. ISER has already stated how taking the PFD out of local economies is detrimental not only for business, but also will push many more Alaskans over the poverty line.

I would prefer to see both these Bills held while we wait for some specific language on Senator Dunleavy's budget proposals.

I am asking for you to MAINTAIN an objection on both of these bills, along with a **roll call vote** and a **NO vote** on <u>both</u> of these Bills.

Please send me a written reply to this email.

Sincerely, a very concerned citizen, Karen Perry