

Greetings Alaska Lawmakers,

I want to express my strong belief (as an economist with 30 years experience in Alaska) that the State fiscal situation can be best fixed by a combination of actions. Those include restructuring and using part of the Permanent Fund earnings (but not above 5%, lest we deplete it), an income tax (for its progressive and inclusive nature), budget cuts (but not so much that it further impacts the economy through job losses), and increases in other taxes, such as fuel taxes and taxes on the oil industry. Please work to get some resolution to the situation this year. We live with too much uncertainty already.

Thank You,

Linda Snow
Douglas, AK 99824

Written testimony

April 10, 2017

Co chairs Foster + Steaton
members of House Finance Committee

My name is Laura Bonner. I have lived in the Anchorage area since 1975.

I support the House version U of SB26

I favor these parts of this House version of SB26 over the SB26 passed by the Alaska Senate:

- Changing the draw of POMV from 5 1/4% to 5% a year earlier in the House version

- The House version of disposition of income AS.37.13.145 ap (b) and (e).

- deletion of the appropriation limit provision. Spending caps make for good sound bites but don't work in real life. In Anchorage, it resulted in not enough police on the streets. Proposition 13 in California decimated their public schools. Prop 13 was their version of spending limits

- I whole heartedly agree with the conditional language in Sect 19

For a complete and responsible fiscal plan, our great state needs all 3 parts

i.e. changes to the PFD, changes to oil/tax/credits in HB111 and broad base tax like the income tax in HB115. Thank you for the opportunity to speak.