

HB111 Opposing Document – Sample Letters in Opposition

INDEX

1. Allison Griffith
2. Kevin Gunnip
3. Josie Wilson
4. Rosemary Tower
5. Guy Turner
6. Randy Akers
7. Dana and Deborah Hahn, Eagle River
8. Josie Hickel
9. Paul Friese
10. Ella Ede

1.

From: Allison Griffith [
Sent: Tuesday, March 07, 2017 11:25 AM
To: LIO Anchorage <Lio.Anchorage@akleg.gov>
Cc: Allison Griffith <
Subject: HB 111 Oil & Gas Taxes

Honorable Members – House Resource Committee,

Please consider my input in this written testimony, as an objection to the consequences that would be caused by enacting this legislation as currently drafted.

I can support, to some degree, careful modification to the current cashable tax credit formulas and the current pay-out plans.

Other proposed changes effect the fundamental tax policy that was enacted through voter supported SB21, and HB247.

Please drop or significantly reduce the proposed tax increase in HB 111. We must continue to show Alaska is open for business, and support our resource development industries.

Thank you,

Allison Griffith

Anchorage, AK 99516

2.

From: Kevin Gunnip [
Sent: Tuesday, March 07, 2017 11:22 AM
To: LIO Anchorage <Lio.Anchorage@akleg.gov>
Subject: HB111 Testimony

Honorable Members – House Resource Committee,

Please consider my input in this written testimony, as an objection to the consequences that would be caused by enacting this legislation as currently drafted.

Although I do agree that some careful modification to the current cashable tax credit formulas and the current pay-out plans may deserve some adjustments.

Other proposed changes effect the fundamental tax policy that has been enacted through SB21 (and supported by the voters), and HB247.

Please drop or significantly reduce the proposed tax increase in HB 111. We must continue to show Alaska is open for business, and support our resource development industries.

We are operating in a world economy, we must keep Alaska competitive, and not push businesses away.

Kevin Gunnip | Account Manager | Lynden Transport

3.

From

Sent: Monday, March 06, 2017 5:04 PM

To: lhsres@akleg.gov.

Subject: Opposed to HB 111

To Whom It May Concern:

I am a constituent in South Anchorage and am opposed to HB 111. Please keep oil taxes the same.

Almost exactly one year ago, my position with an oil and gas support company was eliminated due to the lack of work from clients because of the low oil prices. Please do not add any more burden to these companies who fuel jobs and Alaska's economy.

I believe HB 111 will NOT make Alaska better and will likely result in less investment, less production, fewer jobs, and a deepening recession. It will create more situations like mine: job losses to an educated workforce who contribute to the economy and community.

Unfortunately, due to my teaching schedule at UAA, I am unable to testify in person. Please accept this email as my testimony against HB 111.

Thank you,
~Josie Wilson

4.

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

From: Rosemary Tower

Sent: Monday, March 06, 2017 9:23 PM

To: House Resources <lhsres@akleg.gov>

Cc:

Subject: HB 111

I oppose HB 111

Rosemary Tower

Sent from my iPhone

5.

File HB111

From: Guy Turner

Sent: Tuesday, March 07, 2017 7:19 AM

To: Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>

Subject: Budget

Exxon makes major investment, but not in our state! No pro-business, consistent plan in Alaska! Increasing oil flowing through the pipeline can be done, but the budget committee must get their act together quickly, without taxing the people and destroying the PFD. Cut 20% across all state agencies, and we will balance the check book. The sucking sound in this state otherwise will be do to the **budget committee**.

This particular project from Exxon Mobil goes back a couple of years. However, management felt compelled to say it's confident that it can comply because it anticipates pro-business, pro-American worker fiscal policies. So yesterday it announced MAJOR investment in the lower 48. Sadly the proper actions by the budget committee does not include Alaska in their announcement.

Exxon makes major investment, but not in our state! No pro-business, consistent plan in Alaska! Increasing oil flowing through the pipeline can be done, but the budget committee must get their act together quickly, without taxing the people and destroying the PFD. Cut 20% across all state agencies, and we will balance the check book. The sucking sound in this state otherwise will be do to the **budget committee**.

This particular project from Exxon Mobil goes back a couple of years. However, management felt compelled to say it's confident that it can comply because it anticipates pro-business, pro-American worker fiscal policies. So yesterday it announced MAJOR investment in the lower 48.

Get the oil we have flowing with an increase in volume created by pro-business policies, and the increase in volume will help pay once again for our operating budget that is over bloated currently. The increase of activity to get more oil flowing will off set the jobs cut to the state agencies.

Regards, Guy

6.

From: Akers, Randall

Sent: Monday, March 06, 2017 4:17 PM

To: Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>; Rep. Geran Tarr <Rep.Geran.Tarr@akleg.gov>; Rep. Dean Westlake <Rep.Dean.Westlake@akleg.gov>; Rep. Harriet Drummond <Rep.Harriet.Drummond@akleg.gov>; Rep. Justin Parish <Rep.Justin.Parish@akleg.gov>; Rep. Chris Birch <Rep.Chris.Birch@akleg.gov>; Rep. DeLena Johnson <Representative.DeLena.Johnson@akleg.gov>; Rep. George Rauscher <Rep.George.Rauscher@akleg.gov>; Rep. David Talerico <Rep.David.Talerico@akleg.gov>; Rep. Mike Chenault <Rep.Mike.Chenault@akleg.gov>; Rep. Chris Tuck <Rep.Chris.Tuck@akleg.gov>

Subject: re: HB11

Dear Respected Members of the Alaska State House Resources Committee

I am writing this letter to fully oppose HB11. I am very cognizant of the budget deficit we Alaskans face and understand we are all “panicking” a bit. However, to take our spending woes and simply pass them onto our most valued businesses and resource is not only wrong, but quite foolish.

With the ongoing decline in oil prices and the already loss of jobs and income here in Alaska due to these low oil prices, and now to think it is sound legislation to simply tax the oil / gas industry more is just the wrong thing to do at this juncture.

As I pondered writing this letter I began to look at how many times we have changed our oil tax structure, and not surprising to many of you, but to me it was, we have changed this structure 7 times in 12 years. How do we expect anyone to plan a future with that many changes in this many years? I liken this to raising my daughter, if I gave her rules to live / abide by and every other year changed my mind and gave her a new set of rules, she'd probably need a counselor by now.

We came together as a community, and as a State and passed SB21. After which we experienced a slight revitalization in the Oil / Gas sector. And now only a year later we are again wanting to change the structure? What message does that send to any / all perspective investors or companies regarding looking to Alaska as a possible location to invest in? More importantly what message does that send to those companies that HAVE invested in our State? This is NOT the message nor the time to hamper, hinder or further erode the business we have within the Oil / Gas Sector.

We have dug a hole with this deficit, to try and fill that hole with a bunch of “oil” is not what is needed. We need these producers to increase production, increase development, increase their stake in our State, and HB11 will do exactly the opposite. Please send the right message to our biggest resource and job sector, send the message we WANT them here.

I respectfully ask that you to PLEASE REJECT in its entirety, HB11.

Sincerely,

Randy Akers

Technical Sales Representative

State of Alaska

Pentair Valves & Controls

Anchorage, Alaska 99518

United States

7.

From: Dana Hahn

Sent: Monday, March 06, 2017 4:28 PM

To: Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>

Subject: HB111

Hello Representative Josephson,

Thank you for taking my input regarding HB111.

While my wife and I do not work for the oil industry, we are very concerned about jobs for our fellow Alaskans. Increasing taxes yet again on an industry that is struggling to compete with other projects, will not encourage investment here and therefore cost even more jobs. More investment means more production and more revenue for the state.

We encourage you to look at the long term in regards to taxation on the oil industry.

Sincerely,

Dana and Deborah Hahn

Eagle River AK 99577

8.

From: Josie Hickel [
Sent: Wednesday, March 08, 2017 3:41 PM
To: House Resources <lhsres@akleg.gov>
Subject: Testimony HB 111

March 8, 2017

House Resources Committee

Alaska State Capital

Juneau, AK 99801

Dear Co-Chairs Tarr and Josephson and Members of the Committee:

My name is Josie Hickel, and I am the Senior Vice President of Energy & Resources for Chugach Alaska Corporation (Chugach). As an Alaska Native corporation, we serve the interests of the Alaska Native people of the Chugach region and represent more than 2,600 shareholders. It is our duty to provide opportunities to our shareholders to support our culture and values. As such we are committed to profitability, celebration of our heritage and ownership of our lands. A healthy Alaskan economy is key to our ability to maintain our commitment to our shareholders and to our heritage.

Chugach companies have supported the oil industry for more than 25 years. Our services include drilling support, oil spill response, project management, safety, administrative and other professional services. Chugach businesses employ more than 6,000 people worldwide, and over 600 Alaskans, many of whom are shareholders.

I am writing in opposition to HB 111, and to voice concerns over the proposal of yet another change in the oil tax structure in Alaska. Our state has long been dependent on the oil and gas industry to support our state government and to provide jobs and other economic and social support for Alaskans. Businesses look for political and economic stability when making decisions on where to invest. If Alaska can't be competitive and provide a stable cost structure, we will lose investment dollars to other states or regions that can provide stability. Less oil in the pipeline increases cost and creates greater challenges related to maintaining infrastructure.

Another change to Alaska's oil taxes will further compound these challenges, which, in turn, will lead to lower throughput.

Alaska needs the investment and stability of a healthy oil and gas industry for the future of our State and our people. Simply put, HB 111 bites the hand that feeds, with no long-term benefit. Any fiscal plan for the State should take into consideration the negative impacts we will face by driving away an industry that has long sustained our way of life.

Respectfully,

Josie Hickel

SVP Energy & Resources
Chugach Alaska Corporation

www.chugach.com



Anchorage, AK 99503

9.

From: Paul Friese [
Sent: Tuesday, March 07, 2017 10:51 AM
To: Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>; Rep. Geran Tarr <Rep.Geran.Tarr@akleg.gov>
Cc: Paul Friese <
Subject: Subject: HB 111

Honorable Members – House Resource Committee,

Please consider my input in this written testimony, as an objection to the consequences that would be caused by enacting this legislation as currently drafted.

Although I do agree that some careful modification to the current cashable tax credit formulas and the current pay-out plans may deserve some adjustments.

Other proposed changes effect the fundamental tax policy that has been enacted through SB21 (and supported by the voters), and HB247.

Please drop or significantly reduce the proposed tax increase in HB 111. We must continue to show Alaska is open for business, and support our resource development industries.

They are operating in a world economy, we must keep Alaska competitive.

Best regards,

Paul Friese |VP Alaska Sales | Lynden Transport, Anchorage

www.lynden.com

10.

From: Ella Ede

Sent: Wednesday, March 08, 2017 4:17 PM

To: Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>

Subject: NO on HB111

Dear Representative Josephson,

I strongly oppose HB111. Our state needs stable tax policy, not more changes for the 7th time in 12 years. Increasing taxes and decreasing incentives for the oil and gas industry is not the right approach to get more oil in the pipeline or more revenue for our state.

As a life-long Alaskan, I have first-hand experience working in the industry. I am also one of those over 9,000 people laid off in the past two years due to cuts. My family has made major adjustments to our personal budget and expenditures. As I have personally made hard choices, the industry has done the same. They have cut budgets, contracts, and staff because they had no choice.

HB111 would be a detriment to an already struggling industry. Raising taxes on companies that are reporting negative cash flow positions is not sound tax policy. Raising taxes and eliminating tax credits could slow or stop investment. Alaska needs that investment now more than ever to keep oil production up to protect Alaskan jobs and businesses as well as the revenue that production generates for the state.

The current oil tax system is balanced, setting a higher minimum floor than the previous tax system, while setting a stable and predictable rate when oil prices rise again. At current prices, Alaska's oil tax policy has brought hundreds of millions of dollars more in tax revenue to the state than it would have under the previous system.

It takes an annual industry investment of \$3 to 4 billion to keep production levels stable on the North Slope. This requires a durable and competitive tax policy to fund Alaska projects. The investment in Alaska and Alaskans is what we need – **more investment, more oil in the pipeline, more jobs for Alaskans.**

Please kill HB111.

Thank you,

Ella Ede

Anchorage, Alaska 99508

