

House Finance Committee

Public Testimony

HB 39 – Operating Budget FY20

Packet 4

Emails received to

HouseFinance@akleg.gov

March 27, 2019

From: Jesse Kreger [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:37 AM
To: House Finance <House.Finance@akleg.gov>
Subject: DEED Budget

Esteemed House Finance Committee members,

I am writing as a life-long Alaskan, parent, home owner, Best Beginnings board member, and moreover, concerned citizen. I support funding for all programs in the DEED budget - PreK grants, Head Start, Parents as Teachers, and Best Beginnings.

I support full funding for the AMH system.

I support additional revenues through a state-wide sales or income tax.

I support funding PFD distribution at lower amounts as was done in previous years.

I support a full repudiation of Dunleavy/Arduin's budget proposal to avoid economic calamity in this state, and to maintain Alaska as a place that will be viable for my family, my property, and my business interests.

Respectfully submitted,

Jesse Kreger
Anchorage, Alaska

From: Sharon Hunter [REDACTED]@ak.net>
Sent: Wednesday, March 27, 2019 10:33 AM
To: House Finance <House.Finance@akleg.gov>
Subject: written testimony house bill 39

My name is Sharon Hunter, I live in Petersburg Alaska and I am representing myself.
Thank you for your service to our state and your sincere efforts to support the future of our state.
I am writing to register my disagreements with the state budget plan as put forth by Governor Dunleavy and to offer my suggestions for alternative actions.
The current plan would drastically adversely affect rural Alaskans and coastal Alaskans in particular. Our children had the good fortune to go through our school system and receive an excellent education. They were well prepared for success in college and have both returned to Petersburg as adults to work in professional capacities enhancing the health of Petersburg in multiple capacities. Eliminating adequate funding for competitive teacher wages and student activities to offer a full experience will send families elsewhere than Alaska taking our future with them.
Losing the ferry system would be another nail in the coffin for economic viability in southeast communities by eliminating any alternative to expensive air transportation.
Cutting out support of public radio will eliminate the life line of our shared community experience which includes education, sharing timely emergent events and information, and involving residents in the ongoing life and decision making process in Petersburg.
Lastly, cutting support for medical services to Alaskans will adversely affect the financial bottom line of our local medical center which is again essential to the viability and growth of our community.

Alternatives to making the quality Alaskan living so poor would be to continue with the reduced PFD, introducing an equitable income tax and changing the structure of oil tax credits so the financial lifeblood of Alaskans does not go elsewhere.

Thank you for your time,

Sharon Hunter

Petersburg, AK

From: [REDACTED]@wellsfargo.com <[REDACTED]@wellsfargo.com>

Sent: Wednesday, March 27, 2019 10:33 AM

To: House Finance <House.Finance@akleg.gov>

Subject: Support for DEED budget — PreK grants, Head Start, Parents as Teachers, and Best Beginnings

Good morning House Finance Committee,

I would like to express my support for the funding of early education. As a parent and board member of Best Beginnings I feel it is critical that our youngest generations have access to materials that develop skills at an early age. Whether due to financial restrictions, access, or interest many kids and family struggle to find access to educational resources early on. Your support and funding of these budget requests provides a chance to strike passion in a kid who many not have otherwise had that opportunity. The more families we can provide with early education resources the better the foundation we create for a strong Alaska in the future.

Thank you,

Patrick C. Ryland

Wells Fargo Bank

Sr. Business Relationship Manager/VP

Juneau Business Banking

[REDACTED] Juneau, AK 99801

[REDACTED]

[REDACTED]@wellsfargo.com

From: Inga Stromme [REDACTED]@yahoo.com>

Sent: Wednesday, March 27, 2019 10:30 AM

To: House Finance <House.Finance@akleg.gov>

Subject: University Of Alaksa

Dear House Finance Comittee,

My name is Inga Stromme and I was planning on being a UAS student starting classes in September. I am writing to ask for your support in providing full funding for the University of Alaska.

I was born and raised in Sitka and moved back to this amazing town almost 2 years ago bringing my new family with me. I feel there is no better place to raise a child than in a town like Sitka. I've been a stay-at-home mom now since the birth of my son almost 6 years ago. Now that he is entering the K-12 system I feel I can start making my way back into the workplace. I was planning on training as a welder starting in the Autumn semester. I was also planning on taking some classes online allowing me to work during the day. If UAS were to close I will not be able to further my education as going to school in the lower 48 is not an option. I currently only hold a GED and would very much like to work at getting a degree to help my future job prospects allowing me to provide a secure and stable life for my family.

The University of Alaska has always been an extremely important part of Sitka, and it is important to our state's future. I urge you to support full funding for our university.

Thank you for considering my request and for your service in Alaska's state legislature.

Sincerely,
Inga Stromme

From: [REDACTED]@ak.net <[REDACTED]@ak.net>
Sent: Wednesday, March 27, 2019 10:24 AM
To: House Finance <House.Finance@akleg.gov>
Subject: written testimony for HB39

My name is Brad Hunter from Petersburg, and I'm submitting this for myself.

The governor's proposed budget cuts will be disastrous for our community, businesses, and families. Instead of these draconian cuts, I would prefer seeing:

1. a good portion of the Permanent Fund being used to fund the budget needs
2. implementing an income tax across the State
3. remove subsidies from the oil companies and reinstitute taxes that we previously had

For the long term health of our State, we need strong public education, good health coverage including Medicare, Medicaid, and medical coverage, a proactive approach to climate change, and good statewide transportation infrastructure including the Alaska Marine Ferry system. The public radio system is also critical to rural communities for safety and communications. Funding good management of our commercial fisheries with a long term strategy is critical to the health of the fishing industry.

Please do everything you can to work together for the best outcome for our State and all the people that live in it.

Sincerely,
Brad Hunter

From: LIO Fairbanks

Sent: Wednesday, March 27, 2019 10:20 AM

To: House Finance <House.Finance@akleg.gov>; Senate Judiciary <Senate.Judiciary@akleg.gov>

Subject: Public Testimony HB39/HB40

Please enter into the record the testimony below, submitted to the FBX LIO to HB39/HB40 in the HFIN committee dated 3/27/2019.

Please enter into the record the testimony below, submitted to the FBX LIO to SB23/SB24 in the SJUD committee dated 3/27/2019

Thank you,
Jennie
FBX LIO

**Governor Dunleavy got himself elected by buying votes with the promise of big fat PFDs. You should cut Oil Tax credits and do not prioritize high dividends, they are not made that way when the program was established. PFDs have turned into a way to buy votes!
Please keep our government functioning with all the services we all need.**

**Heather Koponen
Fairbanks**

From: Jeffrey Rothman [REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 10:18 AM

To: fairbankslio@akleg.gov; House Finance <House.Finance@akleg.gov>

Subject: Unacceptable budget cuts

Alaska State Legislature House Finance Committee

Community Budget Hearing

Name: Jeffrey Loren Rothman

email: [REDACTED]@gmail.com

Physical/Mailing Address: [REDACTED]

Testimony:

I strongly oppose Governor Dunleavy's draconian budget cuts. His budget, if enacted, will lead to large job losses in an already depressed Alaskan economy. Herbert Hoover made massive cuts to government spending in the recession following the stock market crash of 1929. The country collapsed into the great depression. Governor Dunleavy is trying to repeat that mistake. Alaska is not facing a funding shortfall, Governor Dunleavy is simply choosing to give away 1.6 billion dollars of state money in the form of PFDs.

Money spent on state government jobs and services is largely spent inside the state and supports our economy. By contrast, much of the money distributed as PFDs leaves the state. If the governors budget is adopted, the resulting job losses will cause a large amount of real estate to be put on the market; depressing property values all around the state.

The enormous cuts to the university, and education in general, will be devastating following the large cuts that have taken place over the last five years. The university will cease to be a place where Alaskans can get a quality education at a reasonable cost. The resulting loss of opportunity will inevitably lead to higher crime rates and other social ills. The governors choice to devastate southeastern Alaska by shutting down the ferry system is inexcusable. He clearly has no interest in serving the needs of the majority of Alaskans.

Please support the plan to reduce the PFD to roughly \$650 per person and use the balance to support jobs in Alaska.

Sincerely,

Jeffrey L Rothman

[REDACTED]
Fairbanks, AK 99709

[REDACTED]@gmail.com

From: Lori Neufeld <[REDACTED]@hotmail.com>

Sent: Wednesday, March 27, 2019 10:17 AM

To: House Finance <House.Finance@akleg.gov>

Subject: We need a more balance approach to Alaska's budget

Dear House Finance Committee,

Thank you for listening to Alaska citizens during this challenging budget season. I voted in the recent election and I truly wish more Alaskans than well under 30% would also.

Recently, Gov. Mike Dunleavey told Alaskans that the reason most of the testimony at the public events about his proposed budget has been negative "those people had the luxury of time and they are the ones most affected by the cuts". He went on to say that "most Alaskans understand and want the budget cuts." This is simply not true. Most Alaskans are very shocked at the economy-wrecking budget he has put forth.

I'm originally from Kansas and Kansans found out the hard way with their then Gov. Brownback about huge cuts in education and public services. The Koch Brothers and Donna Arduin were a part of the plans that gutted the Kansas economy. The plans were supposed to be a "shot of adrenaline" to the economy. They are still trying to crawl back from those terrible policies. The Republicans are among the ones asking for increased taxes to fund services like public education. Don't let Alaska go down this path!!

The University of Alaska is huge part of our economy and future. In my own recent experience, I was hosting KUAC's Alaska Live with the Lathrop High School Production of the musical "Newsies". One of the lead roles in the production had one of those life changing experiences when she was on the KUAC show. I asked her if she was considering UAF and pursuing music. She said she was now looking at UAF! Her parents made it a point to tell me while hugging me that being on the public broadcasting show had given their daughter drive to pursue going to UAF. KUAC is a part of the University system and we are here shaping young lives. These experiences make the community closer and the University stronger.

It is time that all Alaskans start paying their way. An income tax should be considered. Handing out large PFDs at the cost to rural, elderly, the disabled, students and the arts is the wrong direction. If we go down this scorched earth path this current budget proposal burns, we will lose the Alaska we love.

Thank you for your time and your hard work,
Lori Neufeld

[REDACTED]
Fairbanks, Alaska
99709

From: Bob Campbell <[REDACTED]@aol.com>
Sent: Wednesday, March 27, 2019 10:17 AM
To: House Finance <House.Finance@akleg.gov>
Subject: NO SALE SJ COLLECTION

Dear House Finance Members,

I am strongly opposed to selling the Sheldon Jackson Museum and its collection. As a 15-resident of Alaska and a citizen of the US (and the world) I believe this is inherently wrong and sets a bad precedent.
PLEASE DO NOT SELL THE MUSEUM AND/OR ITS COLLECTION.

Sincerely,
Robert Campbell

[REDACTED]
San Luis Obispo, CA 93406

From: Selena Hopkins-Kendall <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:13 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Please fund early learning programs!

Members of the House Finance Committee:

I write to you as a member of the Board of Best Beginnings, a member of the Board of the Anchorage Schools Foundation, and a member of Thread's Early Childhood Educator Professional Development Steering Committee, a voter, and a parent of two children who benefited from early childhood education and are now in Alaska's great public schools.

I urge you to support funding for all early learning, preschool, and childcare programs in the DEED budget, including Pre-K grants, programs with matching, grant, or pass-through federal funding, Head Start, Parents As Teachers, and Best Beginnings.

As you have likely heard from many other concerned Alaskans, early learning both at home and in a preschool setting helps Alaska's children arrive at school ready to learn and succeed. Early learning is an investment that studies have shown pays off later in life with greater educational outcomes, workforce development, and reduced crime rates. Early childhood education also allows parents to work to support their families.

Thank you in advance for supporting funding for these programs which are so vital not just to Alaska's children but to our entire state.

Sincerely,
Selena Hopkins-Kendall

From: Greg Snider <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:13 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Do not sell Sheldon Jackson Museum

Dear House Finance Committee,

I'm writing to urge you to oppose the sale of the Sheldon Jackson Museum and the museum's artifacts. The collection and museum are essential parts of Alaska's history that need to continue to exist in their current location so that both Alaskans and people visiting Sitka can learn from the rich history of the building, the impressive archival collection and the scholars who often teach classes and give public presentations there. ***It is vitally important for human access/education and small communities' economies that significant collections such as these exist outside of our biggest Alaskan cities and biggest museums!***

Please place the museum and its collection at the top of your list to support with full, continued funding.

Sincerely,
Greg Snider

Sent: Wednesday, March 27, 2019 10:11 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Funding for University of Alaska

Dear sirs,

Of all the institutions that the state of Alaska supports, education is either at the top or sharing the top billing. As the quality of living in our country has dwindled for millions of people, it can be tracked to our declining education system. Poor people are being left behind in public schools (less money goes to their local schools) and a college education is becoming more and more expensive with student loans suffocating college graduates. Training minds to explore possibilities and execute them cannot be over emphasized. We need new answers to new problems and good education is a cornerstone for problem solving. The current administration is treating our education system budget cuts like it's on equal par with other budget cuts it's proposing. It's not. I believe that this is a very short sighted and ignorant proposal.

Gary Toth
Director of Performance Operations
Davis Concert Hall
[REDACTED]@alaska.edu
[REDACTED]

From: [REDACTED]@gmail.com <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:12 AM
To: House Finance <House.Finance@akleg.gov>; Rep. Steve Thompson <Rep.Steve.Thompson@akleg.gov>; Sen. Bert Stedman <Sen.Bert.Stedman@akleg.gov>; Sen. Natasha Von Imhof <Sen.Natasha.VonImhof@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Mike Shower <sen.mike.shower@akleg.gov>; Sen. David Wilson <Sen.David.Wilson@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; Sen. Bill Wielechowski <Sen.Bill.Wielechowski@akleg.gov>; Rep. Neal Foster <Rep.Neal.Foster@akleg.gov>; Rep. Tammie Wilson <Rep.Tammie.Wilson@akleg.gov>; Rep. Jennifer Johnston <Rep.Jennifer.Johnston@akleg.gov>; Rep. Daniel Ortiz <Rep.Daniel.Ortiz@akleg.gov>; Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>; Rep. Gary Knopp <Rep.Gary.Knopp@akleg.gov>; Rep. Bart LeBon <Rep.Bart.Lebon@akleg.gov>; Rep. Cathy Tilton <Rep.Cathy.Tilton@akleg.gov>; Rep. Kelly Merrick <Rep.Kelly.Merrick@akleg.gov>; Rep. Colleen Sullivan-Leonard <Rep.Colleen.Sullivan-Leonard@akleg.gov>; Rep. Ben Carpenter <Rep.Ben.Carpenter@akleg.gov>
Subject: PFD Testimony - Alaska Fiscal Solutions Testimony - Alaska House and Senate Finance Committees

Dear Representatives and Senators:

Testimony Concerning PFD refunds and Alaskan Fiscal Plan Solutions

1. We have lived in Alaska 36 years and we have receive a PFD every year. Over the past 5-10 years we have been willing to forfeit that entitlement check in order to help the state balance our budget. The revenue forecast for the state of Alaska is dismal and we have to change things drastically or there will be a mass exodus of our state...and a never ending recession.
2. We do not support payments of past PFDs to any Alaskan as Governor Dunleavy is proposing. This was only a campaign promise and not critical thinking. Come on.

3. We can appreciate the difference between campaign rhetoric and the reality of Alaska's fiscal situation and outlook.
4. How can we on one hand reduce essential programs drastically in Alaska (schools, transportation, health, safety) and on the other hand send everyone a check each year to live here? That doesn't pass the smell test anymore.
5. I vote Republican.
6. Tax us. If not now, when? We are heading into another recession. Tax us, we are ready. In order to reduce a mass exodus of our state, we need to show that we take responsibility of our state. We contribute to it's well being and health. We need to finally put some skin into the game.
7. The majority of Alaskan's are stepping up to the plate and realize that the PFD should be reduced or done away with all together. We are in fiscal crisis and to listen to Alaskan's all over the state be willing to either support reducing their PFDs or doing away with their check each year in order to balance our budget is the honorable thing to do.
8. Balance the budget, reduce the PFD, incorporate a sales, income or seasonal tax. It is time!!! Alaskan's have come to accept this as the best option in today's day.
9. Income, growth, stability of our State is your job. Make the tough decisions, we understand. Alaskan's are ready.
10. I am stepping up to the plate, are you?

Thank you,
Jan Hazen
Anchorage

From: Dawn Smallman <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:11 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Please oppose sale of Sheldon Jackson Museum & artifacts

Dear House Finance Committee,

I'm writing to urge you to oppose the sale of the Sheldon Jackson Museum and the museum's artifacts. The collection and museum are essential parts of Alaska's history that need to continue to exist in their current location so that both Alaskans and people visiting Sitka can learn from the rich history of the building, the impressive archival collection and the scholars who often teach classes and give public presentations there. ***It is vitally important for human access/education and small communities' economies that significant collections such as these exist outside of our biggest Alaskan cities and biggest museums!***

Please place the museum and its collection at the top of your list to support with full, continued funding.

Sincerely,
Dawn Smallman

PETERSBURG LEGISLATIVE INFORMATION OFFICE

Email: lio.petersburg@akleg.gov
907-772-3741 / phone / 907-772-3779 / fax

WRITTEN TESTIMONY

YOUR FULL NAME:

Elizabeth Hart

REPRESENTING (ORGANIZATION OR SELF):

Self

BILL #:

HB39

Governor's FY20 Amended Budget Proposal

Subject:

COMMITTEE NAME:

House Finance

HEARING DATE:

03/25/19

The Governor's proposed budget is irresponsible and would be devastating to our State. The 75% proposed cut to the Ferry System would eliminate the Marine Highway, which is the "road" between Communities in Southeast, South Central & Southwest Alaska and essential to the economic health of all of Alaska.

The proposed cuts to our schools, from Preschool through the University is a drastic step that would eliminate opportunity for our future generations. Our young people need to be educated in order to be competitive in the modern workforce. Our daughter currently attends UAA with many students who are the first in their families to attend college and whose families have given all they can to make it happen. Many Professors & Staff, an estimated 1500, will face lay off in the coming months. We need to keep as many students here engaged as possible. It is a given that Art, Music, Extracurricular Activities and Technical classes help students to stay engaged who might not otherwise graduate High School.

Along with the Public Radio cut comes the elimination of the Emergency Broadcast Alert System. This is unacceptable to rural Alaskans who have no other local broadcast coverage.

I feel that the PFD is a bonus. The Fund itself was created to help State residents succeed in hard times. It's time to cut out the PFD payment and to implement a State Income Tax. It's also time to reduce fossil fuel industry tax credits.

Please keep Public Education, Broadcasting, Healthcare, Transportation and Assistance Programs fully funded.

Vulnerable Alaskans will be hardest hit. We need to be investing in our Communities and youth. It is an investment in our future.

PETERSBURG LEGISLATIVE INFORMATION OFFICE

Email: lio.petersburg@akleg.gov
907-772-3741/ phone/ 907-772-3779/fax

WRITTEN TESTIMONY

YOUR FULL NAME:

Nancy C Strand

REPRESENTING (ORGANIZATION OR SELF):

Self

BILL #:

HB39

Subject:

COMMITTEE NAME:

House Finance

HEARING DATE:

03/25/19

I would happily forego a PFD payment to retain statewide AK Marine Highway service and Public Education. I support a State Income Tax.

PETERSBURG LEGISLATIVE INFORMATION OFFICE

Email: lio.petersburg@akleg.gov
907-772-3741/ phone/ 907-772-3779/fax

WRITTEN TESTIMONY

YOUR FULL NAME:

Cynthia Lynn

REPRESENTING (ORGANIZATION OR SELF):

Self

BILL #:

HB39

Subject:

COMMITTEE NAME:

House Finance

HEARING DATE:

03/25/19

I love Alaska. If it is necessary in order to maintain our quality of life here, I am willing to give up my PFD.
In Petersburg we pay a local 6% sales tax. Anchorage doesn't collect one. I'd like to see Anchorage start charging one.
Last, if necessary, I would support a State Income Tax.

From: Lynn M <[REDACTED]@gmail.com>
Sent: Tuesday, March 26, 2019 11:31 AM
To: LIO Juneau <LIO.Juneau@akleg.gov>
Subject: Alaska Pioneer Home Budget

Please forward this email to the appropriate committee. Thank you!

Finance Committee;

My 89 year old mother has resided at the Anchorage Pioneer Home since January of 2012. My sister, brother, and I made the difficult decision to place her in the home after our father and her husband (of 61 years) passed away at the age of 85. Our father had been her sole caretaker during the early and middle stages of her battle with Alzheimer's disease. If you have ever known anyone with this disease you will know that it is an absolutely terrible and heartbreaking diagnosis to receive. My mother no longer speaks, has not recognized us for many years, does not walk, and cannot care for herself in any way. The nursing staff and aides at the Anchorage Pioneer Home have done an outstanding job caring for her and while it is not a fancy residence, it is clean and warm and the residents are well cared for. We chose the Anchorage Pioneer Home because of this.

My father had the foresight to purchase long term care insurance and that helped with the cost for the first 3 years of her living in the home, but those benefits are no longer available to her and the cost of her care falls solely on her and our family. She is considered to be a Level V resident and currently pays just under \$7,000.00 per month which, under the proposed budget, would increase to \$15,000.00 per month. I would like to know just how many Alaskan Pioneers have \$180,000.00 sitting in the bank to pay for 1 year of full time care in the Pioneer Home? The care will not change from what she is receiving now. There is not even a doctor on staff at the home. When she needs to see a physician we have to arrange for transport to a medical clinic or the emergency room. This is no easy feat considering she is wheelchair bound and does not speak.

My parents came to Alaska in 1958 when my father was transferred here as an FBI agent. He spent his entire career in service to the United States government and the State of Alaska both as an FBI agent and as the Director of the Police Standards Council for the Department of Public Safety. He and my mother were true Alaska pioneers and raised 4 children in the state and we all still reside here. My mother spent her career in various positions with the Alaska State government. To think that the state would more than double the cost of taking care of our elderly citizens who spent their lives and careers in the state is absolutely shameful. This was not the intent of the pioneer home when it was established. It was established to care for our pioneers, who built this state. Most of these people have passed on, but the elders who are still with us deserve better than financial ruin.

The average cost of an Alzheimer's care nursing home in the United States is approximately \$6,600.00 per month. That is for the highest level of care. I would like to see the data from Mr. Clinton Lasley, Division Director, which shows that each Level V resident in an Alaska Pioneer Home is receiving care worth \$15,000.00. No care facility is going to be running as a profit based facility. If these facilities were 5 star hotels, with physicians, and registered nurses on staff, with fine dining it may be justified. I am sure that you could go to any pioneer home in the states system and enjoy a meal with an elder. I believe the cost is \$7.00. Actually, if you have never been to one of our pioneer homes, you should visit and see if \$15,000/month is a reasonable cost for what you receive. Of course there are operating

costs, but each individual is not hiring a private nurse, chef, etc. I believe this is a plan to receive more medicaid funding from the federal government. Should each patient be required to give up all of the money they have earned so that the state can receive more federal money? My mother is currently paying \$84,000/year for her care at the Anchorage Pioneer Home. She is almost out of funds, She will be on the street in a few months at \$15,000/month.

I was just visiting my Mom at the pioneer home last week, and spoke to some of the residents about the increase in charges. They are very, very upset and don't know where to turn. One of the women said her husband was planning suicide before he would give up everything he had built. This really frightened me. These vulnerable people have so many sad tales, with health problems, family that doesn't visit etc, they really shouldn't have to put up with the state government raising the rent, so to speak, and having to worry about where to go if they can't stay. It is very upsetting for them. Then I sat down with one of the nursing supervisors. She had not even seen the letter that went out to the residents. I had a copy, which I let her read. She was appalled. Not only for the residents, but for her staff. I asked if the new Commissioner had come to visit the homes, she did not believe he had, but that he is just using a spread sheet for his cuts, and that the elderly are expendable. The staff are on pins and needles wondering if they will be working from day to day. Most of the staff has been there for many years and would lose their benefits and retirement. The morale is very poor.

I understand that Alaska is in a budget crisis and there are programs that need to be cut and costs that need to be passed on to residents in one way or another, but raising the rates to house our elderly pioneers to obscene levels is absolutely not the way to balance the budget. The elderly should not have to hand over all of their assets to the state so they can qualify for Medicaid to be able to remain in the Pioneer Home. The research that I have done on Medicaid shows that it costs the government more money to provide Medicaid for people than the benefits are worth, not to mention the fact that physicians and other caregivers who accept Medicaid are not paid enough, but that is a topic for another time...

I ask that when you consider the Governor's budget, that you consider the residents of the Alaska Pioneer Homes and the fact that these elderly citizens served this great state in one way or another at one time or another in their lives and they deserve to have a safe, secure, and affordable place to live out their remaining years.

Thank you for your time.

Sincerely,
Lynn Mayer

From: Gina Meucci <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:05 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Proposed Budget

To whom it may concern:

Thank you for taking the time to read my email. I am greatly saddened and disheartened by the proposed budget governor Dunleavy has proposed. I grew up in Petersburg Alaska, left the state for college and recently moved back where I have full time employment. My husband and I are at the point where we are thinking of buying a house and having children. However our plans for that are own

hold during this state of financial unease. I don't want to live in a state that prioritizes big oil business over average citizens. I want to send me children to a school with a variety of extracurricular activities and a music and art program. All of which won't exist with the proposed budget. Petersburg relies heavily on our ferry system, we don't just want it, we NEED it!

I feel like my email might fall on deaf ears when it comes to the governor because based on how he answers questions he doesn't seem to care. Which is very unfortunate. There are other options that have been proposed like a state income tax and a reduced PFD. I am a proponent for both of those things. I really don't want to have to leave this state I love. Please do what you can to reverse the proposed budget that Governor Dunleavy has put forward. It has the interests of private oil companies covered but it completely devastates rural Alaska. Which is the majority of the state.

Thank you for taking the time to read this.

Gina Uppencamp

[REDACTED]
Petersburg

From: Jodi Van Kirk <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 10:02 AM

To: Rep. Andi Story <Rep.Andi.Story@akleg.gov>; Rep. Sara Hannan <Rep.Sara.Hannan@akleg.gov>; House Finance <House.Finance@akleg.gov>

Subject: Alaska Budget Opinion

Good Morning,

I am a 3rd generation Southeast Alaskan. We have raised 4 children in Juneau, 3 of which still reside here. We also help support 1 grandchild in the Juneau public school system. Our youngest child will graduate from TMHS in May and plans to attend the University of Alaska in the fall. His plans are to obtain a degree in Emergency Management with an emphasis in Fire Science and pursue a career as an Alaskan Firefighter. One of the primary reasons he intends to pursue his degree in Alaska is due to the Alaska Scholars Program.

I write this brief overview so that representatives will understand that our family, like many others, expect to be dramatically impacted by budget decisions. That said, I am in support of several actions:

- An across-the-board reduction in funding to all Alaska departments. This includes the public school system. The state should honor prior commitments on bond funding, but not obligate any additional funds.
- A minimal state income tax, but only if it taxes all income except social security. That includes distributions from Alaskan native corporations, tribal dividends and distributions, unemployment, PFD distributions, and wages made by out-of-state seasonal workers
- An end to raiding or capping the PFD starting 2019

- I don't think it makes any fiscal sense to go backwards and re-visit prior capped PFD distributions. We should be more fiscally responsible and lower our expenses but to increase our state budget restrictions so that we can pay out a large "catch up" dividend is not good for Alaska as a whole. While it would be good for our family's personal gain I don't believe it is the correct path for the state.

Thank you for your time.

Respectfully,

Jodi Van Kirk

From: Francesca A [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:56 AM
To: House Finance <House.Finance@akleg.gov>
Subject: HANDS OFF THE PFD

Dear Committee,

Restore Alaskan's trust.
Restore our Royalties.

The Permanent Dividend Fund is owned by Alaskans. It is Alaskans royalties from shared mineral and resources rights. Taking an owners resources is theft. Return our withheld royalties.

Cut the budget. Stop the greed. Do not steal from me, my child or any Alaskan. I do not consent.

Balance the budget. Do not pass a deficit budget. It is irresponsible to spend what you do not have or own.

Thank you,
Francesca Allegrezza

No taxation without representation!

From: Katy Jordan [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:53 AM
To: House Finance <House.Finance@akleg.gov>
Subject: RE: PFD & FY20 Budget (written testimony)

To: House Finance Committee
Representative Neal Foster, Co-Chair
Representative Tammie Wilson, Co-Chair

Tuesday, March 26

My name is Katy Jordan. I was born and raised in Alaska.

I've always been proud to be an Alaskan. My college friends nicknamed me "The Alaskan" because I so fiercely shared my love of Alaska with everyone in my life. I'm providing written testimony not to defend a particular program or service, but to defend Alaska.

As a lifelong Alaskan, I am ready to defend Alaska by paying my share to fund our state services for today's Alaskans and our future generations. I think it is time for Alaskans to invest in Alaska by paying for a portion of the services that serve our communities across Alaska. In order to fund our government, I'm willing to forego a PFD check or receive a smaller check. I also fully support a tax - income, sales, or other.

Funding a robust and vibrant education system (K-12, higher education), funding a fully functioning marine highway system, funding healthcare and services for vulnerable populations (special needs, homeless, mental health) are all much more important to me than a PFD check or a full paycheck.

I'd rather see my family, friends, neighbors, and the communities of Alaska thrive and grow with these services than have a bit more cash in my wallet. Please think more about generating revenue than about budget cuts. The Governor's proposed budget cuts will have a lasting negative impact on Alaskans.

As one of my neighbors shared in her testimony, "I hope you are bold. I urge you to institute an income tax so our GREAT state can move into a solid, sustainable and bright future."

Thank you for this opportunity to testify and thank you for holding public hearings across Alaska this past week to hear from all of Alaska.

Sincerely,
Katy Jordan
Juneau, Alaska

Sent: Wednesday, March 27, 2019 9:53 AM

To: House Finance <House.Finance@akleg.gov>

Cc: Rep. Ben Carpenter <Rep.Ben.Carpenter@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>

Subject: Testimony Supporting the Adjusted Baseline & Raising New Revenues

Members of the Committee,

My name is Griffin Plush, I'm a senior at the University of Alaska Southeast and a resident and voter in Seward (District 29, represented by Rep. Carpenter). I'm writing today in support of a budget that closely resembles the adjusted baseline, as we have already seen Alaska's budget and public services severely cut over the past four years.

In order to make up for the sharp decline in oil revenue that initiated this crisis, I would ask the committee to respond to our state's deficit with new revenues, including oil tax reform and an income tax (preferably progressive, but flat is adequate as well).

If testimony around the state hasn't made it clear enough, Alaskans do not want a budget that even resembles the proposal by Governor Dunleavy's administration. Services that are already critically funded and should not be compromised on include in my eyes: **K-12, Medicaid, VPSOs, community health grants** (that support shelters & services), and the **University of Alaska**.

I would also note that cuts to **Corrections, public media, and the Ocean rangers program** have obvious and heavy-handed political motivations while not resulting in substantive reductions.

This budget should prompt the legislature to finally consider what needs to happen — **the enactment of new revenues**.

The first place that should be considered is complete **oil & gas tax system reform**. The fact that many of these companies see their greatest profits in Alaska makes it clear that the system is *deeply in the favor of Outside stockholders over everyday Alaskans*. The legislature should not be afraid of the heavy hand of the multinational oil companies, if you make them pay their fair share on our resources, **Alaskans will be there to support you**.

I know that most of my peers support an **income tax**, that could be designed so that it has **minimal impact on most Alaskans** and still put our state among those with the **lowest tax burden**.

*Shifting the tax burden to communities via seizure of the PCEF, fish taxes, and oil property taxes — as Governor Dunleavy's budget proposal does to fill about **two-thirds** of the deficit — is just hiding a heavier impact on Alaskans with the fewest resources to avoid difficult political decisions.*

Seward, and my generation's future, depends on you taking a bold stance against cuts-only approach of the Dunleavy-Arduin budget.

Thank you for your consideration,

Griffin Plush
Seward, AK 99664

From: Lisa Bykonen <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:48 AM
To: House Finance <House.Finance@akleg.gov>
Subject: State Operating Budget

House Finance Committee

As a private citizen & board member of the Friends of Sheldon Jackson Museum, I am advocating for preservation and protection of Alaska's cultural heritage by **NOT** selling the Sheldon Jackson Museum which is part of the Department of Education and Early Development, within Division of Libraries, Archives, and Museums.

I remember when the Department of Education added "Early Development" to it's title. The governor's proposed cuts to early education, K-12, and UAS would be devastating. Those responsible will regret

that action. What would the department name be then? Options for funding are school tax and income tax, which would be equitable for all who work and live in Alaska.

Thank you for your consideration,

Lisa Bykonen

Sitka, AK

From: Indra Arriaga <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 9:40 AM

To: House Finance <House.Finance@akleg.gov>

Subject: Objections to proposed budget

Dear Legislators,

I have been living in Alaska for 16 years. The entire time I have heard about the impending economic crisis but have seen our governing body do nothing to diversify the economy. We do the same things and expect different results. This is antithetical to the Alaskan spirit of innovation, risk taking, and leadership. It seems that we find ourselves in a place now where fears and shortsightedness are guiding the decisions about how to we dig ourselves out of this crisis. The current budget proposes a backward approach in which those Alaskans who need their government the most are the ones that will bear the burden. Imagine that Alaska is a beautiful field with lovely and healthy seeds, if you water it, these will grow and produce, if you decide that water is too expensive, these will wither and in the end you will have nothing and be in a worse place.

The answer to this crisis is not to gouge Alaska, but to invest in it; and to give yourselves practical goals to diversify the economy and put aside political posturing. You were elected into office to be the heroes of this state, and that takes work, putting aside differences and imagining a future of Alaska that is sustainable, with diversified economy and healthy population. I demand that you have courage and look for other answers and alternatives, because they do exist, and if they don't, we can create them-- it's what Alaskans do. Invest in education, healthcare, energy, voting accessibility, and work harder, it's the only way to create a strong future.

Thank you,

Indra Arriaga

Indra Arriaga
[REDACTED]
[REDACTED]
[REDACTED]

From: Molly Sherman <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:29 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Lifelong Alaskan UA Strong Supporter - Make changes that are enduring

Good Day House Finance Members;

Thank you for taking time to listen.

Please fight these devastating budgets cuts to the UA system. I am willing to give up my PFD. I believe that an education tax is a good idea, that increasing "sin" taxes on liquor, cigarettes and non-commercial or private individual gas usage is needed and I think an income tax is long overdue in Alaska. I also agree that the Permanent Fund earnings need to be used for the next several years as we address our state's budget deficits.

In my small, five block neighborhood there are seven people directly employed by UAF, three apartment complexes with more than 15 students renting from the building owners and more than six businesses who serve students and employees of UAF. Without UAF many more local businesses in my community and the livelihoods of many hundreds of people would be impoverished. Below I will tell you a bit about how much richer my life is because of UAF.

My UA connection began in 1975 when I was hired to work at the Patty Pool as a lifeguard. I attended classes off and on for many years, finally graduating from UAF in 1993, to become a teacher here in Fairbanks. Since then UAF has offered challenging and relevant courses that have allowed me and my community to expand our understanding of the our dynamic world.

Professionally, my teaching career has been enriched by research classes and cutting edge best practices seminars for twenty years. I am a more effective, informed educator because of the UA system.

Fight these cuts.

Molly Sherman
[REDACTED]
Fairbanks, AK 99709
[REDACTED]

From: dhnoon <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:25 AM
To: House Finance <House.Finance@akleg.gov>
Subject: budget testimony

Greetings:

I am a 17-year resident of Juneau writing on behalf of myself and my two children (13 and 9 years old), and in the hope that your committee and the legislature as a whole will produce a veto-proof budget that will allow my family to remain in Alaska for years to come.

Governor Dunleavy's budget threatens everything that I value: education, health care for seniors and those in financial need, transportation for rural communities, and the viability of local municipal government. I am sickened by the proposals set forth by temporary budget director Donna Arduin, who employs first-person plural pronouns — "we," "us," and "our" — to assimilate herself among people she does not know, towns she cannot pronounce, and a state to which she has not established (and will not make) enduring ties. This is not surprising. Just as the details of the governor's budget have been laid out by an out-of-state mercenary (one who loathes the governments whose brief contracts sustain her), the governor's vision for Alaska's future remains tethered to economic dynamics that far exceed the grasp and control of ordinary Alaskans. He remains committed to a budget that depends entirely on the casual fluctuations in the price of oil, a commodity that will evidently determine whether we can

maintain schools, transportation systems, and the means of protecting the most vulnerable among us. That is cruelty posing as sobriety and responsibility.

Like many who have testified against this budget, I have a personal stake in its outcome. I am an employee of the University of Alaska, where I have been teaching since 2002. My children are students in the Juneau school district. I have a wide social world that includes other teachers, state workers, artists, social service employees, health care providers, and — yes — small business owners and employees who depend in no small part on our patronage and loyalty to sustain their own livelihoods. I have listened to the governor propose a false and demeaning distinction between "private sector" entrepreneurialism and labor, as if they were somehow not interdependent and mutually reliant. Appearing yesterday on "Talk of Alaska," Mike Dunleavy openly dismissed the hundreds of Alaskans who have spoken out in meetings across the state to urge our legislature to carve a different path to a sustainable budget. He discounted the numbers (as if hundreds of acts of public testimony were meaningless bits of noise in the data stream); he suggested that we were somehow privileged to "have the time off work" to attend public hearings on a Friday evening or a Saturday afternoon; and he claimed that he hears nothing but support from presumably more authentic citizens of the state.

This last admission strikes me as terrifyingly accurate. I am certain that this *is* what he hears, because — as his AFP-sponsored events demonstrate — this is all he *cares* to hear. I close by asking you to do a better job than our governor at listening to the range of voices who are urging you to consider a range of options, including a small sales or income tax as well as reductions in oil industry credits, to ensure that our state budget is not abruptly shoved over the cliff.

cheers,

David Noon

Juneau 99801

From: Anne & Bill <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:09 AM
To: LIO Fairbanks
Subject: Budget priorities

Thank you for your service.

I oppose the Dunleavy budget. Alaskans need a livable state with essential services intact, strong health, education, public safety.

Please tax the oil companies as they are taxed in most other places and do not inflate the permanent fund dividend.

I work with victims of violence and for many, their PFD check is exploited by whoever controls their lives. Invest in our future, our children, with healthcare and education prioritized.

Thank you.

AnneDoerpinghaus
[REDACTED]

Fairbanks, AK 99709

From: Eric Callahan <[REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 9:20 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Funding Our State Government

To whom it may concern and
to those who care about our State,

The one thing about Dunleavy's budget that I appreciate is that it shows what is necessary in order to remain a tax-free state. Be it an income tax, a tax (reduction) on our PFD, or a sales tax, if we do not do one or a combination of these taxes then we need to cut to the bone. If we as a State decide to follow Governor Dunleavy's plan, it would cause damage to our State economy equivalent to a recession.

The funds of a full dividend will mitigate some of this recession, but it is hard to imagine by any stretch that it will be enough. For many it will be severance pay, as they seek employment outside of Alaska. That will create hardship for thousands of Alaskans, and not just the ones fleeing our State. For each resident that leaves, that affects the communities they live in. Less money spent on goods and services. Think if your business has customers that work for education in our State. These cuts will make people leave.

Those leaving will have difficulty selling their homes, because frankly there is not much incentive for people to buy homes in a State where the education is underfunded, the health system is crippled, the transportation system is crippled, the University system (a major employer) is firing its work force. That is what these cuts will do.

Sincerely,
Eric Callahan
Born and raised Alaskan

From: Moore,Emily <[REDACTED]@colostate.edu>
Sent: Wednesday, March 27, 2019 9:20 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Do not sell the Sheldon Jackson Museum

I am writing as a former Ketchikan resident who is gravely concerned about the State's proposal to sell the Sheldon Jackson Museum. As a professor of Native American art history who now works outside of Alaska, I know that the Sheldon Jackson Museum is recognized internationally as one of the world's great collections of Indigenous art, and that one of the main reasons for its importance is that this collection still resides in Alaska in its original museum setting. The museum is frequently cited in scholarship on Alaska Native art and in Native American art history in general, and its reputation for collaborating with Alaska Native artists is widely praised. The fact that the museum offers Alaskans—including Alaska Native people students from all over the state who come to school in Sitka at Mt. Edgecumb—the opportunity to engage with their own heritage is remarkable, as many collections of Native American art were historically removed from their regions and placed in urban centers like New York or San Francisco. The Sheldon Jackson Museum is the state's oldest museum and should be safe-guarded as one of the great sources of Alaskan heritage for Alaskans.

I urge the House Finance Committee to RECOGNIZE THE INTERNATIONAL IMPORTANCE OF THE SHELDON JACKSON MUSEUM by keeping it in-tact in Alaska, where it offers Alaskans one of their best spaces to engage with their history and heritage.

Sincerely,

Dr. Emily Moore
Assistant Professor of Art History, Department of Art & Art History
Associate Curator of North American Art, Gregory Allicar Museum of Art
Colorado State University

[REDACTED]
[REDACTED]@colostate.edu

From: [REDACTED]@alaskatokens.com <[REDACTED]@alaskatokens.com>
Sent: Wednesday, March 27, 2019 9:14 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Sheldon Jackson Museum

Hello,
I am passionately opposed to the selling of the Sheldon Jackson Museum.
The museum has been an integral piece of the cultural and historical fabric of our state for more than 100 years and MUST continue to be that.
Kaye Dethridge

From: [REDACTED]@alaskatokens.com <[REDACTED]@alaskatokens.com>
Sent: Wednesday, March 27, 2019 9:13 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Sheldon Jackson Museum

Hello,
I am passionately opposed to the selling of the Sheldon Jackson Museum.
The museum has been an integral piece of the cultural and historical fabric of our state for more than 100 years and MUST continue to be that.
Irene Shuler

From: Wallin, Michael D CIV USARMY USARAK (US) <[REDACTED]@mail.mil>
Sent: Wednesday, March 27, 2019 8:43 AM
To: Finance <finregs@akleg.gov>
Subject: I support full pay back of PFD (UNCLASSIFIED)

CLASSIFICATION: UNCLASSIFIED

I support the full payback of the PFD. This money belongs to the people not the government....Period. I also support very common sense spending. We've had to many years of total uncontrolled and unchecked spending by all parties and these days need to end now. I believe if we live within our means we can come out ahead.

Thanks'

Mr. Michael,D,Wallin

From: Lou Theiss <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:57 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Fiduciary Responsibility

Reps.

Common budgetary practice utilizes a two sided balance sheet: revenue and expenses.

Only cutting expenses is a false choice. It is an ideological choice. It is a poor choice, out of the realm of common accounting practice.

Transition budgets are usually provisional budgets that migrate toward new goals rather than irresponsible shocks. To cause a shock of the current magnitude to the State is height of fiduciary lapse. Alaska's aversion to taxes will keep it dependent on a single revenue, the value of which is controlled by world markets and is in secular decline.

ISER had it right 4 years ago when it showed the way to balance and prosperity:

- 1) continue gradual budget cuts
- 2) establish a trigger on the CBR for a broad based tax
- 3) POMV
- 4) eliminate all oil tax credits.

I paid SOA payroll taxes in the '70s. I felt it gave me a voice and skin in the game.

The Dunleavy budget is willfully destructive of: reason; science; humanity; and progress.

It is an insult to the people who do so much to make this a great place to live and celebrates that which is backwards, selfish and ignorant.

Lou

From: Donna Leigh [REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 8:55 AM

To: House Finance <House.Finance@akleg.gov>

Subject: Re: Education Budget

Oh and for added input.

I would most decidedly be for reducing and even eliminating PFD's or adding a fair state tax, rather than cut education and health and transportation.

Why would I want a PFD or even consider a PFD when the welfare of our state of Alaska is at risk.

I was a youth when PFD started. The goal then was to distribute money to Alaskans that was a surplus.

It is no longer a surplus. Services, education, and transportation are now needs, not wants.

PFD is a want, not necessary, not a need.

On Mon, Mar 25, 2019 at 1:35 PM Donna Leigh [REDACTED]@gmail.com> wrote:

Hello,

Thank you for taking the time to read this letter regarding the proposed budget for next year.

As you know, University of Alaska and Alaska school districts have taken cuts the past few years. UA has had major cuts in 4 of the past 5 years. Public education at schools has flatlined at best, mostly decreased, not keeping up with needs in our school districts.

We want to raise educated students locally who want to return to Alaska to be educated at local university. These students at both the public school and university level will contribute to the economy and success of Alaska's future. Great communities are built around education, health and opportunity.

If public education is cut, our undergrad students will not receive quality educations, class sizes will increase beyond what is ideal and many families and good teachers may choose to move out of Alaska. 41% cut to UA will be devastating, not even thinkable! The UA system brings in grants and economic opportunities, and research, reinforces our workforce and contributes to our high schools with dual credits and opportunities for higher education.

Personally, I was educated through elementary and high school in Alaska. Although I received a graduate degree out of Alaska, I returned to Alaska after university and have accessed the University of Alaska Anchorage and the University of Alaska SouthEast to keep my degree updated and certifications current. Our son is a student at University of Alaska Fairbanks. Beyond that I work in public education in a high school and my husband works for UA. He too has accessed University of Alaska Anchorage to update his employment certifications. In other words--- education is a vital part of my family's life.

Please make good choices and remember how important education is to Alaska and Alaskans.
Thank you for your time,
Donna Leigh

--

Donna Leigh

From: devren bennett [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:52 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

To whom it may concern -

Dunleavy's budget would absolutely devastate Coastal Alaska's economy. It is unacceptable to kill the ferry system AND remove funding from rural airports. Add to it his attempt to remove the funding that many of our communities rely heavily on (Fish Tax) and you will remove any possible economic future.

devren bennett
Petersburg

From: [REDACTED]@gci.net <[REDACTED]@gci.net>
Sent: Wednesday, March 27, 2019 8:51 AM
To: House Finance <House.Finance@akleg.gov>
Subject: 2019 Budget

Hello,

My name is Michael Mason, I am a lifelong Alaskan born and raised in Anchorage. I've owned and operated my own company here for a decade and this budget fiasco is the first time that I've legitimately considered shutting down my business or because the future prospects of the state are so bleak. Without consumers many businesses will be shutting down across the state once the impact of these austerity measures begins to hit Alaskans in their pocketbooks.

We cannot afford the hit to our economy that cuts this drastic will incur. We cannot afford to tell our children that they need to leave state to get an education. We cannot afford the social and economic impacts of this ruinously shortsighted budget proposal which the governor's office didn't even provide an economic impact analysis regarding.

Here's what we CAN afford to do:

1. Enact a broadbased income tax, not as a percentage of federal tax paid, but as a progressive tiered income tax starting at 1% of adjusted gross income up to 10% or even higher at the top. This tax should be designed so there are no loopholes for fishing, tourism, or oil industries.
2. Increase tourism-related taxes and fees, the reduction of the per head tax for cruise ships passed by prior legislatures was negligent and fiscally irresponsible.
3. Repeal some or all of the oil tax credits.

You can balance the budget without crippling our economy, stop pretending there aren't solutions just because you're too afraid to be a leader and propose actual solutions.

Thank you,
Michael Mason
ADK Events
[REDACTED]

From: Yvonne Leutwyler [REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 8:49 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Testimony in favor of University of Alaska

Hello,

I am a 20+year Alaska resident living in Homer. I am also a past and present UA student. I graduated in 2003 with an AAS in Air Traffic Control, in 2007 with a BS in Aviation Technology, and am currently enrolled in an interdisciplinary BS (Sustainable Energy).

The University of Alaska cannot sustain any more budget cuts. On the contrary, the university needs more funding to be able to train a local workforce that can live up to our state's challenges:

Economically, continuing to explore our natural resources responsibly (oil, gas, coal, fisheries), while investing in renewable energy technologies that can be integrated locally in Alaska's microgrids. Environmentally - protecting Alaska's ecosystems from irresponsible resource exploitation, and learning how to mitigate the effects of climate change. Socially - supporting remote rural communities balancing a subsistence lifestyle with a cash economy. Medically - providing access to high-quality medical care, including mental health, for all Alaskans....

The list goes on!

We cannot afford our people leaving the state for a quality education elsewhere, and risk they will never return - we need to train our own!

Please support the University of Alaska when making budget decisions.

Thank you,
Yvonne Leutwyler

ALASKA STATE LEGISLATURE HOUSE FINANCE COMMITTEE
Community Budget Hearing

Name- Tom Baran

Email- [REDACTED]@yahoo.com

Physical/Mailing Address- 1293 Viewpointe Dr., FBKS, AK 99079

1. Many people depend on the PFD so set it at \$1200 plus or minus \$200.

This is a decent amount. Use the balance to help balance the budget.

2. Start an income tax like 10% of the Federal tax rate. This would be fairer than sales tax.

Provide an advantage for Alaska residences. For example set up a negative tax credit by collecting the state tax through the PFD thus reducing the taxable portion the PFD.

3. Increase the gas and diesel tax from 8 cents to 24 cents. We need good well maintained roads. We would still be among the lowest if not the lowest tax rate among states.
4. Do not make any big budget cuts. Big cuts to education will result in large lost jobs. Highly skilled hard to replace educators along with other skilled people will leave the

state to work elsewhere. Their houses will go on the market greatly depressing property values. **Many people will end up with mortgages higher than the value of their property.** This will result further damage to Alaska's economy.

5. A dollar invested in research at UAF returns \$5 or more to our economy cutting here is like shooting yourself in the foot.

From: [REDACTED]@gci.net [REDACTED]@gci.net
Sent: Wednesday, March 27, 2019 8:45 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Do Not Pass HB 39 Petersburg, AK

My name is Kelly O'Connor Demko. I have lived in Petersburg for almost 30 years. I am a teacher and a mother of a HS aged child. I do not support House Bill 39.

We in Southeast Alaska have been living with cuts every year for the last several years to our schools, public services and our ferry system, We have struggled with how to make ends meet and have responsibly been able to piece together a stable economy and a solid public health system and school systems, but we are already operating on a bare bones budget, with a ferry system that is barely functioning.

Cuts of this size proposed by the governor will cripple our community and will result in people making plans to move out of Alaska. In the future, others will certainly not be thinking about moving to Alaska if these cuts go through.

I personally support taking a smaller permanent fund and imposing an individual tax, such as others have already stated and believe this will be a productive solution. In addition, I support taxing the oil companies their fair share, to make up the shortfall in creating a balanced budget.

Specifically, I support fully funding Public Schools, Public radio, Public Mental Health Services and the Alaska State Ferry System. These programs work in conjunction with each other in ways that are critical supports to our economy and community health and education. A 3000 permanent fund per individual will not make up the services that people will experience with these proposed cuts.

Please know that we are depending on you to be our representatives to the governor. I have to say, I find it personally degrading and insulting that the governor has not scheduled a public meeting in SE to hear our concerns as he has in other places.

Thank for the chance to speak and thank you for your work in the legislature. Again this is Kelly O'Connor Demko a community member of Petersburg Ak.

From: Kelly Cates <[REDACTED]@alaska.edu>
Sent: Wednesday, March 27, 2019 8:44 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget Comments

Dear House Finance Committee,

I am very concerned by the Governors proposed budget. I moved to Alaska in 2014 with high hopes of the opportunities and quality of life Alaska has to offer. The governors budget does not reflect this Alaska I moved to. By gutting education, medical services and transportation, Alaska will become a shell of its beautiful self. I came to Alaska for a great education in fisheries and want to stay, but if the funnel that supports skilled jobs (The UA system) in Alaska is gutted, I am afraid I, and many of my colleagues, may not have a future here in Alaska. I DO NOT support the Governors budget and wish to see continued support for education, medical services and transportation. I am 100% willing to see my PFD diminish or disappear to ensure these services.

Thank you for your time,

Kelly Cates, Graduate Student
College of Fisheries and Ocean Sciences
Juneau Fisheries Division, University of Alaska Fairbanks
[REDACTED]@alaska.edu

From: Sandra Fontaine <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:34 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Current proposed budget

Dear Congressmen and women:

In the fifty-five plus years that our family (about 35 members now) has lived in Sitka, we have weathered many different political situations.

To us, it seems clear. We do not NEED the PFDs....we do need a functioning government, ferry system, school system, and a way to preserve our cultural heritage (the Sheldon Jackson Museum).

PLEASE consider doing away with the PFD. It is truly, as the Romans once said, BREAD AND CIRCUS to keep the populace satisfied. We are not that simple nowadays. We understand what is important, and a PFD for a vacation or a new car is simply NOT the same thing as day to day quality of living.

Thank you.
Sandra Fontaine

From: Jeanine Brooks <[REDACTED]@sitkaschools.org>
Sent: Wednesday, March 27, 2019 8:34 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Testimony on HB39

Dear House Finance Committee,

I would like to submit this written testimony to your committee regarding HB39. I am a forty year resident of Alaska, a mother, and a twenty year Alaska school social worker. I urge you to fully fund our state's essential services including education, public health, environmental protections, transportation, public radio, and the arts. I am supportive of returning to our

previous taxation of oil companies, reducing our personal dividend funds to support the state budget, and putting in place a personal income tax. Our investment in our state is our investment in our future. The cuts proposed in the governor's budget would cripple our economy well into the future. Thank you for considering my testimony and for your hard work advocating for our state.

Sincerely,

Jeanine Brooks, MSW, PPSC
Sitka, Alaska

From: Susan Litman <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:30 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Governor Dunleavy's proposed budget

Dear House Finance Committee-

I live in Sitka and my husband and myself own a small boat building and boat repair business. Our clients are mainly commercial and charter fisherman. We employ nine full time employees.

Our community is going to be negatively impacted by the Governor's proposed budget. In fact, it will be a disaster.

However, I want to talk about the impact on our business. Half of our employees have children in school and all but two of our employees are graduates of Sitka High School. Two of our employees are already talking about moving south and taking their families if the cut to school funding goes through. They have marketable skills and they want as good an education for their children as they received in Sitka. Many commercial and charter have children in school in Sitka. Don't expect these families to stay in Sitka year round. There are boat stalls in Sitka and it won't be hard to relocate their families down south and leave their boat here and return only during fishing season.

Sitka will end up with vacant homes and prices of property will plummet. We will soon pay off our building after 20 years. My husband doesn't have retirement, he thought the value of business/building when he sold it, when he retired, would be his retirement money. We need to re-evaluate our retirement, because we will be lucky to get even half of its present value.

I heard Governor Dunleavy say yesterday that he wants the private sector to thrive and the only way that can happen is to contract the government. He must not be talking about small businesses like ours in the private sector because we will not prosper.

I also heard Governor Dunleavy say that the ferry was a failure and that was why it needed to be shut down. By that logic the NYC subways are also a failure because only 40% is supported by fares and the rest is subsidized by taxes. Maybe NYC should consider shutting its subway, that is used by millions of riders every day because it doesn't pay its way. Eliminating the ferries will be an economic disaster for Southeast communities and businesses.

If Governor Dunleavy's plan is to push the State into a huge recession, he is on the right track. I am very frightened for our State.

We need a state income tax and we also need to decrease the PFD. I do understand that there are some people who really depend on a PFD. That is why I think we need a progressive income tax combined with a reduced PFD. Cutting all the essential services Dunleavy proposes will cost us dearly both economically and socially as a State.

Thank you,
Susan Litman

From: Patty Owen <[REDACTED]@gci.net>
Sent: Wednesday, March 27, 2019 8:27 AM
To: House Finance <House.Finance@akleg.gov>
Cc: Rep. Sara Hannan <Rep.Sara.Hannan@akleg.gov>; Rep. Andi Story <Rep.Andi.Story@akleg.gov>
Subject: FY 20 Budget

Dear Representatives Foster and Wilson and Members of the Committee:

I am writing concerning the Governor's detrimental cuts to FY20 State budget.

I want you to know that a bonus PFD check sent to me this year would hardly compensate for the cuts to core state government services essential for the health, education and safety of Alaskans.

I would like the Legislature to put my PFD towards important government services now while working to increase revenues for the future. Personally, I am in favor of a state income tax, limiting the PFD and repealing the oil company tax credits.

My budget priorities for FY20 include funding for:

- Public Health, especially Public Health Nursing
- Medicaid & Medicaid Adult Preventive Dental Services
- Programs that support the homeless (shelters, food banks, housing)
- Early Education Programs especially Headstart
- Adequate and stable funding for Pre-k- 12 education.
- University funding

Sincerely,

Patty Owen
Lifelong Alaskan 65 years

From: Home <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:21 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Governor's Budget

Greetings,

Our names are Matt and Nicole Holta and we are residents in Anchorage. We have two daughters, Mabel a first grader and Charlie who is a preschooler at age 3. I, Nicole, am a 2nd grade teacher of 11 years in ASD. We are in support of forward funding education and do not support the proposed budget cuts to many areas, but specifically education. We are happy to use part of our PFD or pay addition taxes to pay for the services necessary to live in a safe, healthy, and educated state with a positive future for our children. If these cuts are made we must consider if we are being responsible parents raising our two daughters here. Thank you for all your hard work and dedication to the state of Alaska. We are counting on all of you to help maintain greatness in Alaska.

Regards,
Matt and Nicole Holta

Sent from my iPhone

From: Ronald Brower Sr <[REDACTED]@alaska.edu>
Sent: Wednesday, March 27, 2019 8:15 AM
To: House Finance <House.Finance@akleg.gov>
Subject: State budget issues in Alaska

Dear Legislatures of Alaska,

Recently Governor Mike Dunleavy proposed \$134 million dollars reduction in state funding to the University of Alaska for the 2019-2020 fiscal year. This would be the largest cut to the University of Alaska since the university began operations 100 years ago. I find this approach to be devastating to the welfare and economic growth of Alaska's world renowned academic, international and national research programs which have contributed to the economic growth and welfare of our great State.

My name is Ronald H. Brower, Sr. I was born at Utqiagvik, Alaska, and I remember when Alaska became a state in 1959. At that time, we had settled at Utqiagvik, abandoning our old community of Iviksuk about 30 miles south from there.

At the age of 14, I went to work at the Naval Arctic Research Laboratories operated by the University of Alaska. I spent some of my early years working on the cleanup of the Atomic Energy Commission's Project Chariot at Cape Thompson. I also worked on Fletcher's Ice Island before and after my military service. At that location, and with University of Alaska, I was involved in international Arctic research programs for the military and civilian universities. Projects included working with unmanned submersibles with University of Washington Applied Physics Laboratory, Arctic Sea Floor Mapping and Soils Analysis for USGS and the University of Alaska, Migratory crustacean studies for the University of Tokyo, and AJAX Ice Dynamics Research by an international multidisciplinary research group. These experiences formed my future into a leader of our community both through the field of science and as a faculty member at UAF. I see the positive impact and benefits this advanced and applied research has made in today's Arctic, making the University of Alaska Fairbanks an international participant in global academic growth in the sciences and wellbeing of the circumpolar north.

Today the University of Alaska Fairbanks is a member of the University of the Arctic, representing the United States in important international scientific work of the Arctic Council. This supportive role is so important in maintaining high academic and Arctic research programs for our nation. The academic and scientific research; conducted by the University of Alaska Fairbanks brings prestige to the State of Alaska

and places Alaska in at the forefront of global climate research. The budget cuts proposed by our new governor can and will have a devastating global impact to the ongoing programs at the University of Alaska in coordination with the other eight Arctic countries of the circumpolar north.

As an elder I have joined the University of Alaska Fairbanks faculty as the only instructor of the Inupiaq language. UAF is unique because it is the only university in the United States that supports Alaska Native languages with Minor and Bachelor of Arts degree in Alaska Native languages including Yupik, Qwitchin, Athabaskan and Inupiaq. The Governor's budget recommendation to cut the university's budget may just wipe out the recent progress that has been made in perpetuating and revitalizing Alaska Native languages. If we measure the health of Alaska Natives by how healthy Alaska their native languages are, we are in dire need of critical attention.

I say this because in my research, I find: In the Northwest Arctic Borough there is a population of about 7,300 residents. About 83% are Iñupiaq people. That would be around 6,060 Inuit who should be speakers of the Iñupiaq language. Out of that number, about 55% or 3,332 are children under the age of 18. That leaves us with 2,728 adults of whom about 40% speak Iñupiaq at home. This suggests that out of 6,060 Iñupiaq in the Northwest Arctic Borough there are now about 1090 or 11% fluent Iñupiaq first language speakers.

The governor's proposal to reduce educational opportunities at the University of Alaska and in School Districts, will destroy any opportunities to revitalize these dying languages. It is my hope that the state legislators do not follow through with this potentially harmful proposed budget.

We are at a time where the state and the tribes need to work closer together to find a path that is not so harmful to academia and economic conditions within our great state. It is my hope that our state will remain the last frontier in a progressive manner for all of Alaska's people. I also hope that my experiences will help guide our legislative leaders to find an alternative mechanism to resolve the state's budgetary crisis without plunging into fiscal chaos beyond repair.

Sincerely,

Ronald H. Brower, Sr.
Inupiaq Language Instructor
University of Alaska Fairbanks

Sent: Wednesday, March 27, 2019 8:15 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget Thoughts

Dear House Finance Committee Members,

I am writing to you to express my opinion. Please keep the forward funding of education whole. Extend the 30 million that was funded ahead last year. Keep the BSA the same. It is imperative that Alaska's schools are forward funded.

Thank you for listening,
Leslie

--

Leslie Fazio
School Counselor
Kenai Central High School

Alaska School Counselor Association Past President

From: renn nelson <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:11 AM
To: House Finance <House.Finance@akleg.gov>
Subject: support pfd payback

From: [REDACTED]@sbcglobal.net <[REDACTED]@sbcglobal.net>
Sent: Wednesday, March 27, 2019 8:11 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

I'm an Alaska visitor, from Ohio, which is not easy. Been reading about the budget cuts planned for your state. Really ! Dropping ferry runs which is a life line to your citizens. Selling the one of a kind, oldest museum in Sitka. What is wrong with your thinking ? Shame on you. Cut the perks that land in your pockets.

Yvonne
Cleveland, ohio

From: Mona Mametsuka <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:08 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Alaska Strong!

Dear House Finance Committee,

Alaska is a very special state that I love and am thankful to be a citizen of. It is difficult to imagine my life without Alaska had it not been for the University of Alaska. UA provided me an opportunity to obtain a valuable education that helped me to grow and prepare for the workforce. My education has allowed me to remain gainfully employed in Alaska for over 25 years.

The majority of my co-workers have taken UA courses and almost half of my office have earned degrees through the University of Alaska. We have raised families. We are active members of the community who are involved with various organizations and community groups. Many of us give back to the University through donations to our local alumni association. We believe in the UA system.

I fear the implications for our state without a vibrant university system. Decreased funding to the University the Alaska will result in fewer in-state educational opportunities. Thin the University of Alaska system and run the risk that more residents will leave the state for their education or not pursue their education at all.

I understand the challenges facing the legislature in trying to balance a budget. But I encourage that you support the University of Alaska and their efforts to remain a strong presence in educating our awesome state. We need to ensure we are growing the number of educated and skilled Alaska residents.

Please support the University of Alaska and invest in our "Alaska Strong" state!

Thank you for your time and service.

Respectfully Yours,
Mona Mametsuka

From: Chris Miller <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 7:56 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Alaska Budget Priorities

I am a Alaska business owner with 60 professionals employees. I own commerical real estate and also participate in two small businesses. All of these contribute to the Alaska economy and serve Alaskans.

1. Hold the budget steady from last year. We have been cutting for efficiency for the last few years. We see the effects of the current budget on the delivery of state functions. You do not need a constitutional amendment for a spending cap. Legislature can make a budget each year to respond to changing needs
2. Continue the pfd program but hold it at \$1,000 again this year. By no means pay out past dividends. The dividend is important to a portion of our population for basic needs. This also should not in the constitution.
3. Put in an income tax for all Workers to balance the budget. Set it as a percentage of federal income tax paid with no state deductions. Put a checkbox on the pfd application for apply my pfd to my income tax. That way I save some federal tax. And leave the tax debate to the election of legislature as we do regularly. Our system works as is.

We can not cut our way to a healthy state. We need to invest some of our individual money for the good of the whole state.

Chris Miller
Fairbanks

From: Jason Slemons <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 7:52 AM
To: House Finance <House.Finance@akleg.gov>
Cc: Lia Slemons <[REDACTED]@gmail.com>
Subject: Re: Budgeting for the social contract

Finance Committee,

I like a balanced budget as much as the next guy but part of the equation, at least for many other states with budgets, contains the ability to increase revenue. I'm open to all ways of doing this(well... all practical ways). I'm also open to cutting services for the bush(like the energy subsidy) but perhaps not entirely(they shepherd a part of Alaskan culture). I understand the need to cut spending however I value education first since that's the only reason I think democracy is any good. I value parks second(for purely selfish reasons; they are my backyard). Beyond that, I value a lot of things other people also value. I like having conversations about these things, and I think the budget drives those conversations which is fine. I don't fault the governor for his budget, but I wouldn't pass it as is if i were you.

I'd rather not have to participate as much as I do (which is why I vote for representation in government) but it's good to be engaged so I don't mind writing my legislator(which I've already done on this issue).

--Jason

PS. Income taxes or other progressive taxes are preferred. The property tax seems to work well, so maybe stick to using it if you like.

From: Megan & Walter C. Pasternak [REDACTED]@ptialaska.net>
Sent: Wednesday, March 27, 2019 7:52 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Proposed State Budget Cuts

Members of the House Finance Committee:

We could list the infinite reasons why we are opposed to the deep, deep cuts to the state operating budget but suffice it to say that our fellow Sitkans and others across the state have already stated them many times and we are in complete agreement.

Of course, some cuts and savings costs must be made throughout the entire budget but nothing as severe as proposed.

Those huge cuts will devastate the entire state. People will move away, businesses will go bankrupt and Alaska will become a ghost state. Is that what you are seeking? We are not opposed to an income tax, a small sales tax and and greatly reduced Permanent Fund Dividend check. Many people come to Alaska for seasonal work in the resources then take their money elsewhere to spend, not contributing their fair shares to the state economy.

Thank you for taking our comments.

Megan and Walter Pasternak, [REDACTED] Sitka,
AK 99835

From: Lou Theiss [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 7:39 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

The Dunleavy budget is a false choice capable of a tsunami of economic shock waves.

A budget has levers on both sides of the balance sheet.

A fair to all budget, one that has been studied and measured, is what will work the best and hurt the least.

The ISER proposal of 2015 did cost benefit analysis on 4 levers:

Continue strategic cuts.

Raise production tax net income by eliminating most oil tax credits.

Establish a trigger on the CBR for a payroll tax when the fund dips below a xyz minimum.

Establish a POMV for pfds and non-discretionary spending to draw from that is sustainable.

Let's keep the house that is laying the golden eggs healthy.

Lou Theiss Girdwood

From: Marja Smets <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 7:39 AM

To: House Finance <House.Finance@akleg.gov>

Subject: budget comment

Hello,

My name is Marja Smets and I am a resident of Petersburg, AK. My address is [REDACTED] Petersburg, AK 99833.

I think the solution to balancing our state budget lies in raising more revenue, rather than making more cuts to public programs. I am in favor of instituting a state income tax. I oppose back-payments of previous year's PFD payouts. I would like to see PFD distribution be based on income/need. If someone is low income and absolutely dependent upon the yearly payment, they will still receive it, but if you fall above the poverty line then you would not receive the PFD payment. I support increasing taxes on oil production, in order to create more income from that resource for the state's residents.

I do not support cuts to education. I do not support cuts to Public Broadcasting. I do not support cuts to Medicaid. I do not support cuts to the Marine Highway System -- I do believe it needs to be reorganized to include more small boats that are cheaper to run and a more frequent schedule so that ridership increases.

In sum, I do not support the governor's budget as laid out. I think it will devastate the state, and make it a place where no one wants to live.

Thank you for your time and consideration and for trying to make good decisions for our the future of our state.

Sincerely,

Marja Smets

From: Jessica Cochran <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 7:32 AM

To: House Finance <House.Finance@akleg.gov>

Subject: Fwd: Budget and other bills

House Finance Committee members -

I am writing to echo many of the comments you heard at Sunday's budget town hall meeting in Anchorage. I do not support the drastic budget cuts proposed by the Governor. The needs of Alaskans do not fluctuate based on the price of oil. I think oil tax credits need another look, but I also think it is time to reinstate an income tax. I am not opposed to using Permanent Fund earnings toward state government, but do feel that a progressive income tax is a fairer way to go. It is interesting to me that some of the same people who complain about Social Security and Medicare "entitlements" (not entitlements as we pay into those our whole lives for future use) scream about losing PFD dollars and refuse to consider income taxes, because they are apparently "entitled" to state services at no cost because they live in Alaska. Well, I live in Alaska for all its wonderful qualities and am willing to contribute to maintaining a good quality of life for all Alaskans.

I noted on the governor's 10 year projection that in option 4 (current spending levels, adding taxes), in ten years, I would pay about \$300 per year in taxes beyond my Permanent Fund dividend check. I'm finding it hard to get outraged about that. That cost will be more than paid off in tuition savings if my kids can attend a quality in-state University.

I realize the coalition majority may not be willing to consider income (or other taxes) this year. I think that is a mistake, but regardless -- imposing the level of cuts the governor proposed would take many many years to recover from. "Cut now and figure out if it can function" is a poor "plan" that puts much at risk and is likely to increase future costs - especially when it comes to the UA system, but also in terms of healthcare and cuts to environmental oversight.

Special thanks to Rep. Spohnholtz and Rep. Zulkosky for their recognition that Alaska's behavioral health system is already under stress and cannot withstand a 5% reduction in Medicaid rates. (Rates were just re-based after years of under-funding; some are already less than originally proposed.) Serving Alaskans with mental health issues early is the best way to reduce greater costs to our communities: more costly inpatient care, increased police/fire/emergency room use, homelessness, crime, etc., etc. Cuts to supportive housing programs will directly result in higher numbers of homeless vulnerable Alaskans.

I also do not support the Governor's proposal that any new taxes must be approved by voters. You are elected to lead. As any parent knows, making the hard decisions is not always popular -- but it is necessary for true leadership.

Thank you for taking the time to hear from Alaskans.

Jessica Cochran
Anchorage, AK

From: Dixon&Marion Jones <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 7:32 AM
To: House Finance <House.Finance@akleg.gov>
Subject: We support the University of Alaska Fairbanks

Dear Finance Committee Members,

We are proud of UAF.

We are proud of its educational excellence and research accomplishments. We are proud of its community college and job training programs, from nursing to aviation technology.

We are proud of KUAC radio and television, the UA Museum of the North, the Summer Sessions concerts and lectures (which have included a long list of nationally prominent speakers whose names are familiar to everyone), the Fairbanks Symphony, all the Nanooks sports teams, and everything that the university does to enrich our lives.

We don't want to lose any of this because the governor thinks "we can't afford it."

We are eager to play our part in maintaining the institutions and services that make our state livable and valuable for everyone. We believe that the last clause of Article I, Section 1 of the Alaska State Constitution must be taken seriously: "all persons have corresponding obligations to the people and to the State."

Sincerely,

Dixon & Marion Jones

From: Gayle Gross <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 7:32 AM
To: House Finance <House.Finance@akleg.gov>
Subject: AMHS/Alaska Budget

Dear Members of the House Finance Committee,
Please include my letter into the record.

My name is Gayle Gross. I am a 42.5 year resident of Wrangell, Alaska. My husband Harvey has resided here in Wrangell for all of his 90 years except in 1951-1953 when he was called to service during the Korean War. Harvey worked as a longshoreman for 30 years and we operated together a small fish processing plant in Wrangell for 25 years.

I can't stress enough how important the AMHS is to our household. We have relied on it heavily the past 13 years for medical travel with trips both south to Bellingham for Seattle doctors as well as trip to Juneau to clinics there.

It seems the AMHS has been set up for failure in recent years. Incentives for travel went away along with reduced schedules. With ridership declining as a result, the prices have become astronomical. Right now, round trip from Wrangell to Bellingham with a vehicle, stateroom and 2 passengers the cost is \$3800.

That is a huge chunk of change for most households and isn't sustainable.

I think it is time to reform the ferry system, not take it away. It is such a vital link for coastal travel. Jet travel is not easy for everyone, especially the elderly. Mobility and bathroom issues can make plane travel torture. If anything, the ferry system serves as a form of national security. It connects all of Alaska with the lower 48 without having to set foot on foreign soil in the event of a disaster such as the 911 terrorist attack that grounded planes.

The time has come to make a stand for our ferry system. I am in full support of using the Permanent Fund Dividend check as a means to keep our ferry system running.

The Governor's draconian cuts will set the state backwards instead of forward motion. SE Alaska and all connected coastal communities are in for tough times if we lose the AMHS.

Now is the time for vision to make the ferry system cost effective and efficient.

Thank you.

Sincerely,

Gayle Gross
Wrangell, AK
[REDACTED]
[REDACTED]@gmail.com

From: Elizabeth Lilly <[REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 7:31 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Dunleavy Proposed Budget - not in support of

House Finance Committee:

- I do not support the unconscionable budget proposal put forth by Governor Dunleavy.
- I support strong funding for education (K-12 and University of Alaska).
- I support the use of earnings from the PFD for services or a combination of a graduated income tax and PFD earnings.
- I support the repeal of tax credits for oil companies.
- I support local governments keeping the property tax revenue from pipelines passing through their lands.

I hope the legislature can present a strong budget plan, that allows Alaska to continue as a healthy place to live, learn and raise a family.

Thank you for your work representing the people of Alaska.

Sincerely,

Elizabeth Lilly of Fairbanks

From: Dave Koster <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 7:34 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Against the Dunleavy Budget

Good morning,

I would like to register my opposition to the budget submitted by Mr. Dunleavy. I DO support cutting the dividend, even to 0 to pay for necessary state services. I DO support a broad-based tax increase on both the public and oil companies. After all, if our state is 'broke', then why are we giving tax breaks to corporations who continue to cut jobs in this state? I DO NOT support an increase in the PFD at the cost of education. I DO NOT support any cuts to health care or education. Further, I think we should be spending more on education and increasing opportunities for young people in this state.

I grew up in Wasilla and went to Colony High. I went to college at UAF. My children will likely do the same, as these were solid educational choices. I demand that we keep or increase funding levels to continue and increase education in this state.

Whatever anyone is saying about this budget, it's not for us, it's for the children and young people, and this budget does nothing but awful things to our future.

David Koster

Wasilla, AK 99654

From: Fanny Bohrsen <[REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 6:53 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Education Funding

Please as legislators leave the BSA and transportation funding formulas whole. With the education proposed cuts, educators are leaving the state in droves. This will NOT be a future place for education for students. Educators are the least paid profession with a college degree, why is that?????? We must look to the future kids to run this country and state and if the education system is failing they will not stay. PLEASE don't cut education. Thank you.

Stephanie Bohrsen

From: Louis Fry <[REDACTED]@mac.com>
Sent: Wednesday, March 27, 2019 6:48 AM
To: House Finance <House.Finance@akleg.gov>
Subject: School funding support

House Finance Committee Members

As a parent, business owner, husband of a high school special education teacher, and chair of our borough planning commission I see a lot of the impact that a good school district has on our small community in Southeast Alaska. The purposed cuts will have a far reaching impact on our community and greatly affect the future of this great state. The choices made today will either enhance the ability of Alaska to thrive or doom many communities to failure.

Schools are one of the most important parts of rural Alaska communities, not only as a place to educate children but as a central part of the community. The school, in many rural locations, is the largest structure in the community and serves as a gathering place, an event center, and a meeting place as well as an educational facility. In addition to educating our children our schools hosts many community events, plays, movies, festivals, sporting events and much more. It is hard to find a day where there is not something going on during the evening at the school. Under the cuts our community will have to choose between continuing to allow this important community use with its related costs, denying the use, or increasing charges for the use which will make it much harder for groups wishing to provide community events.

School funding cuts will hit the students worst of all. The biggest impacts will be loss of programs and increased class size. Our district is well known for its programs that help prepare our youth for their roles as adults in our community. From our excellent shop program preparing our students for vocational jobs or the Alaska AVTech program, our excellent teachers preparing college bound students to succeed in their post secondary education, to our community based transition program that has become a model for the rest of the state, all of

these are threatened by the purposed cuts. Class size is a major factor in the success of students, when class sizes increase some students fall behind. This will have a long term impact on the readiness of our youth to become functional productive members of our society.

In an era where many districts across the country are increasing the salaries for teachers the purposed cuts will make it harder to obtain and keep the highly qualified teachers necessary to maintain our district. Many other states have recently increased teacher salaries to levels much higher than what is being offered in Alaska. Due to the remote nature of many of Alaska's schools districts have had to offer salaries higher than the national average to attract and maintain qualified educators. The cuts will make it much harder if not impossible for some districts to do this to maintain staff. I urge you to support our schools and not reduce state funding to this vital community resource.

Thank You for your consideration in this matter.

Chris Fry

Chair Petersburg Borough Planning Commission

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]@mac.com

From: jb99559 <[REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 6:00 AM
To: House Finance <House.Finance@akleg.gov>
Cc: Grace Kubitz <grace.kubitz@akleg.gov>
Subject: Proposed Alaska budget, 2019

Finance Committee,

I am disturbed by the thoughtless cutting of the proposed budget. The wide ranging, harmful impact is appalling. Fund education, transportation, our ferry system, food safety, local food development and production, public radio, health care and criminal prosecution which includes treatment and rehabilitation support for inmates upon release.

An increase in the Governor's office is not acceptable.

Alaska is overdue to reinstate a state income tax. I am tired of out of state workers not contributing to maintenance and expenses of Alaska. Implement a seasonal sales tax exempting food, personal hygiene items and prescriptions. Use a portion of PFD earnings to keep our state functioning. Tax oil and resource extraction. In other words, diversify revenue sources.

Please consider the long range impact of actions and make prudent decisions. Refrain from sending Alaska into a recession. Remember that state employee salaries purchase goods and services, pay for classes and lessons for kids, support restaurants and other businesses.

Thank you,

Jo Bennett

From: Liz Smarr <[REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 5:36 AM
To: House Finance <House.Finance@akleg.gov>
Subject: What in the world do you think you are doing?

What kind of idiot would think spending the money for someone else, would help them?

You have a spending problem, not a budget problem.
Adopt Governor Dunleavy's budget.

The three items that need to be curtailed or cut are the UAA, Education and Medicaid Expansion budget that could bankrupt the State. Why don't you COMBINE UAA and the education budget in one category. Get rid of Common Core, having the most expensive education systems with the lowest test scores in the nation, with UAA LOSING it's accreditation in Education of all things is not working. Most of that money seems to be going to Administration. Medicaid expansion already cost Alaska over 2 Billion in just to get started, these will BANKRUPT Alaska, then we will lose everything, including Medicare ! Universal Healthcare is not the answer
Driving 25,000 Alaskans and their families to live poor, below the poverty level by taking away their much needed PFD money to " Save it for them, by spending it for them ", is NOT the answer.

Throughout the hearing, anyone who doesn't have access to an LIO in their community can call 844-586-9085 or 907-465-4648 to testify. Written testimony submitted to housefinance@akleg.gov will be accepted until 1 p.m. on Wednesday, March 27.

Spread the word, flood that session with the truth !

Give back the money you have already removed from it, it wasn't and isn't your money to spend as you wish. It belongs to the people who voted you into your offices and pays your bills already with their taxes. Sheesh!!

Liz

From: Linda Boyle David Boyle <[REDACTED]@earthlink.net>
Sent: Wednesday, March 27, 2019 5:29 AM
To: House Finance <House.Finance@akleg.gov>
Cc: David <[REDACTED]@earthlink.net>
Subject: HB39

Representatives Neal Foster and Tammie Wilson, HFIN committee members,

I am David Boyle and am speaking for myself. Request this testimony be made part of the official record.

I fully support Governor Dunleavy's budget. For far too long this state has "kicked the can down the road" regarding needless spending on special constituencies.

The legislature has funded the K12 education system without demanding accountability for results and a return on our investment. I have followed the education industry and its annual demands for more and more funding. I don't blame them for asking for more money. But I do hold the legislature responsible

for the total lack of accountability for results. Even the NEA-National states that Alaska spends more per student than all but one other state. And the NAEP results show that our 4th grade students rank dead last in reading. There is something very broken with our K12 education system and our kids are having their futures stolen from them.

The University of Alaska system is also fraught with waste. We need to consolidate campuses, close campuses, and have the 3 major campuses focus on specific core academic programs. For example, the UAF could be the engineering center; UAA could be the health sciences center; and UAS could be the education center.

In DHSS, Medicaid should be revamped so that its reimbursement rates are NO MORE than what Medicare is. Alaska is the only state where Medicaid reimbursement rates are much higher than Medicare. This pushes seniors out of the doctors' offices in favor of Medicaid patients. The 27 Optional Services, the Cadillac of the Medicaid program, need to be reduced to be equivalent to what Medicare seniors receive. It is only FAIR.

Regarding the Marine Highway. Customers should pay the full fare with no subsidies from the State. As long as the average ferry customer only pays 33% of the fare, they are getting pretty much of a free ride. Unfortunately, this has been going on for a very long time so it is considered an "entitlement". And we all know what happens when one tries to take an entitlement away. Privatization of parts of the ferry system is possible.

You have your choice. You can help Alaskans survive and be free or you can turn Alaska into Venezuela two dot zero.

Respectfully,

David T. Boyle
Anchorage

Sent: Wednesday, March 27, 2019 3:37 AM
To: House Finance <House.Finance@akleg.gov>
Subject: HB39 comments

To all Committee members:

Thank you for receiving email comments on the State budget. I have been a resident of Petersburg for over 40 years, working as a commercial fisherman and most recently as a ship's officer for the Alaska Marine Highway. I know that the state has some difficult choices to make in order to maintain a standard of living that all of us find agreeable.

The past few years we have sustained cuts to services that have helped manage our state budget, but depleted our savings.

Now the Governor is asking us to absorb many more cuts that will significantly alter all resident's lives. I would urgently appeal to you maintain more of the services that we need to enjoy living in this great state. The youth of our state need a quality public education and university system, our elderly need affordable services and all of us need dependable transportation and social services.

I urge you to maintain the permanent fund funding formula that was put in place last year to help fund state government through a portion of it's earnings. I also support the re-introduction of the state income tax. As I travel around the state I meet many out-of-state workers who are commuting to Alaska to work in our resource extraction industries. They all take advantage of Alaska's infrastructure and services provided to them at no cost. I feel that a small income tax would be the fairest way for all of us, including these out-of-stater's to contribute to maintain a quality standard of living that will be more likely to retain our youth in state and keep the state's economy robust for years to come.

Dropping and drastically cutting services that we all need such as schools and universities, ferries, public radio for the smaller communities, and social health and elderly programs will not move our state in the direction that will maintain lifestyles of our current residents.

Thank you for considering my views,

Randal Henderson
Petersburg, Alaska

From: June Takagi <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:32 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Testimony to support Medicaid funding

Dear House Finance Committee members,

I was not able to testify in person, although I was present at the public hearing on March 24th. Thank you for being there, listening to those that did give testimonies and providing the opportunity for your constituents to provide input.

I am a speech-language pathologist in a solo private practice. I specialize in providing speech-language therapy to children with multiple needs, many of whom are medically fragile, and require long term intervention. My master's degree and 30 years of experience are what I bring to the children and families that I work with. I am one of the few providers in Anchorage that offer home visits for those children whose medical condition makes it difficult to go to a clinic. About two thirds of my caseload are children who have Denali Kid Care or Medicaid TEFRA option, which is Medicaid for children with special health needs so that they may remain at home rather than be institutionalized. I have provided my expertise to children and families in Anchorage for the past 27 years.

As it has been noted, Medicaid reimburses providers at a higher rate compared to many other states. However, over the years, the reimbursement rate has steadily gone down. Last year, I endured a 12.4% reduction in reimbursement rate. This year there is a further 5% reduction proposed. I do not have the option of reducing the number of children I see, reducing the number of minutes per session I provide, or reducing the number of therapy sessions I schedule. Doing any or all of these things is a direct reduction of services that a child with special needs receives. I am a sole provider, I cannot increase my caseload by 12.4% to compensate for the reduction in reimbursement. As it is, I have a full caseload of over 35 children per week, with each child receiving 45 minutes to an hour of direct therapy services per session. Medicaid only reimburses for direct contact with patients and does not reimburse for paperwork, preparation, or coordination of services that I provide, and yet requires that each session's progress notes or evaluation reports be completed within 72 hours of the direct contact. I do not have the option of seeing more children during the week and catching up on

paperwork on the weekend, which I had done in past instances of rate reductions before this 72 hour rule was put in place. And yet, I am fully committed to providing the best care that I can give to each of the children that I serve. I am not reducing the quality of treatment by 12.4%. When Medicaid arbitrarily reduced the reimbursement rate, the only person that was affected in my practice was me. No child or his/her family has felt the cut. At some point, however, it will become impossible to still have a livelihood if reimbursement rates keep going down, and then I will not be able to accept Medicaid patients, the most vulnerable, and most needy of our population—Alaskans with no voice, the children who have disabilities.

Here are two photos of children with Medicaid that I work with (shared with permission from parents). One child recently had neurosurgery to relieve pressure on her brain from a malformation that blocked cerebrospinal fluid from draining from her brain, which had caused loss of function and a lot of pain. I worked with her prior to surgery to reduce loss of skills and post surgery to re-teach lost skills and to teach new skills that she had not been able to learn due to the pain and neurological involvement. One child breathes through a tracheostomy tube and gets his nutrition through a gastrostomy tube. I work with him on respiratory support for speech and on chewing and swallowing his food so he can eat by mouth. These are the children on Medicaid. Please do not cut the Medicaid budget. It makes no sense.





Here is a link to the scope of services of speech-language pathology, published by the American Speech-Language-Hearing Association. <https://www.asha.org/policy/sp2016-00343/> If you take the time to read it, you will see that what I do is highly specialized, requires education, experience and skill, as well as compassion, nonjudgmental acceptance, and eternal optimism that these children will improve and make progress and be able to live to their fullest potential. This is what you are deciding on as legislators--to give these children the opportunity to live to their full potential, or to rob them of that opportunity.

Thank you for your time and I trust that you will do what is best for the children of Alaska.

Respectfully,

June Takagi

June K. Takagi, M.S., CCC-SLP

Speech-Language Pathologist

voice/text: [REDACTED]

fax [REDACTED]

From: Don Gray <[REDACTED]@mac.com>
Sent: Tuesday, March 26, 2019 7:02 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Upcoming budget

Dear House Finance Committee,

The State of Alaska has a unique geographic position which makes many economic endeavors unfeasible in comparison with other states in the lower 48. It is uneconomic to produce anything that could be produced cheaper in the lower 48. Therefore we must continually innovate and educate our population which has grown considerably since statehood. We are in a position to be leaders in the Arctic and must do research and development here in that environment. We need a highly educated population to achieve high levels of innovation and that means supporting education and training to meet the conditions faced in this northern region. We need a healthy population that can travel by whatever means-air, water or on highways/roads/trails and live in a safe community. Digital resources must be available to all communities and communication via radio, TV, and internet is part of this educational process and is enabling businesses to develop and prosper. Alaska has unique resources which if properly managed at the highest standards of the industry can bring about economic success.

The public needs to buy into this development by paying for this healthy environment and that must include income taxes. They will pay attention to policy as much as many Texans do to the details of the oil and gas industry. This can be achieved by a gasoline/fuel tax as well. Some communities have a sales tax but more need to institute one.

The Permanent Fund is not like an ordinary business when it pays retroactive dividends if the value of oil production suddenly drops as it did during the first year of the last Governor's administration. If jobs of all types are not available due to job freezes and cuts in the budget, the youth will not stay to build this state.

Please balance the budget by taxing and not privatizing services with outside companies. Boiler plate legislative lower 48 plans do not meet the unique needs of Alaska with our resources that are spread over vast areas with unique geographic conditions. Hire experts from other oil states to develop a better oil and gas tax policy. Mineral rights belong to the state and that makes us unique in generating revenue. Revenues from Boroughs which have pipelines passing through them or oil & gas wells and mines which have been developed according to well permitted and tested standards must not be taken away as contracts have already been made to share revenues with Boroughs, regional and village corporations.

Fairbanks today was inundated by tourists from China who have primarily come to see northern lights. If they see other aspects of how we live successfully at this latitude it will send a good message back to their country and change will occur that will improve the economy here. Southeast AK regularly sees tourism in the summer and profits from their visits. Explore Fairbanks has actively sought to develop tourism in the Interior. In both summer and winter and tourism is paying off. We can show them how we successfully and safely mine, manage fisheries and forests, run a top notch University of Alaska which makes contributions in research (ISER being only one department) and development as well as in the arts.

Growth in tourism, and primary industry as well as secondary services provided by government or private industry requires investment and all residents need to participate. Income from taxes is needed to close the gap that we are now facing.

Thanks,
Malie Carolyn Gray
[REDACTED]

Fairbanks, AK 99712

From: Louis Fry <[REDACTED]@mac.com>
Sent: Wednesday, March 27, 2019 6:52 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Ferry funding support

House Finance Committee Members

As a business owner who has been growing my business in Southeast Alaska for the last 6 years and the chair of the Petersburg borough planning commission I am writing you to stress the importance of maintaining the vital link that the ferry system provides. I have been relying on this system to move equipment for my business to Alaska and also to ship goods out. I also hear from many other business owners how important the ferry is to their business especially in an era of decreasing air freight service with the loss of the 737 combi service to our community and increasing barge rates (in some cases an increase of 100% in the last year).

Many fishermen find it difficult to get their fresh product to market with the once weekly air freighter service or slow barge service but can rely on transfer to either Juneau or Ketchikan via ferry to get to more regular air freighter service. I have also know of other businesses who used to rely on the ferry system but had to stop using it as cuts to service caused the schedule to become unworkable. As other options decrease the ferry becomes a more vital link to the communities of southeast Alaska.

When I first came to Alaska back in the mid 1990's it was easy to tour around Southeast on the ferry system but cuts have now made it more difficult for tourists to use the system. Back then you only had to wait at most a few days for the next ferry. Now it is hard to tour on the ferry as you may have to stay for up to a week at each stop before the next boat. This has led to the drop in use that has led us to the situation where the system is losing so much money.

I believe that the ferry could have a very bright future in Southeast Alaska with a few changes in how it is managed. Now is not the time to cut the service but to listen to the communities served by it and reorganize it to better meet their needs and the needs of the tourists who are vital to the states economy. I urge you to maintain the ferry system that is vital to so many Southeast communities.

Thank You for your consideration in this matter.

Chris Fry

Chair Petersburg Borough Planning Commission

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]@mac.com

From: Elizabeth Figus <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:05 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Don't Cut the Alaska Budget and Stop Selling our State to Outside Interests

To whom it may concern:

I am writing today to voice my concerns about the Governor's proposed budget, as well as his traveling show sponsored by outside interests.

It is clear that Governor Dunleavy does not care what Alaskans think. He is funded by outside interests (people like the Koch brothers) to push forward dangerous policies that will hurt Alaskans.

The proposed budget would harm all Alaskans, regardless of socioeconomic status, race, religion, or political affiliation. I support the need to balance the budget and I support a progressive income tax to do so.

I support increased taxation on extraction industries for non-renewable resources (oil, gas, mining) to ensure these industry groups pay for the resources they remove.

I am most concerned about key infrastructure cuts like funding for the Alaska Marine Highway System, Medicaid, the Alaska Psychiatric Institute (API), and the entire education system.

Southeast Alaska does not need more roads. It simply needs to have a supported ferry system to continue to allow families and school groups to transit the Alexander Archipelago in affordable ways.

All Alaskans need basic health services, and mental health care is basic health care. Please stop the privatization of API and increase funding for this important institution.

Cutting Medicaid funding would make Alaska ineligible for Federal funding for Medicaid. This means disqualifying the most vulnerable Alaskans from free money from the Federal government.

Please reject the Governor's irresponsible budget proposal, which would eliminate education, infrastructure, and health care from our state. The Governor's proposed budget outlines an Alaska that I do not want to live in! Please help STOP Dunleavy's dangerous plans!

Thank you for your time and consideration.

Sincerely,

Elizabeth Figus, PhD
[REDACTED]
Anchorage, AK 99511
[REDACTED]

From: Jessica Young <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:03 AM

To: House Finance <House.Finance@akleg.gov>
Subject: Support the university

Hello,

I am writing to you today to urge you to support the University of Alaska. I work for Prince William Sound College in Valdez, Alaska. I see on a regular basis, how much of an impact the college has on people's lives. People who want to change their life for the better come to us for an education that will provide them with credentials to find employment, our students enter countless fields within the state, including medicine and mining. Not only do we help produce future employees for our state's industries (which as you are all aware - is an important aspect of economic development and growth), but we also help to change these students lives on an individual basis. Because we exist in this community, students are able to come to us to get the support that they need, that they would not otherwise be able to obtain. Whether they need to obtain Basic Adult Education (such as the GED), industry-specific certifications and training, or an associates degree, the college is here for them to move in a positive direction. If you are interested in learning how we change the individual lives of students, take a look at the [PWSC Facebook page](#) where we post student stories or follow the hashtag #supportUA. Just yesterday, I interviewed another student to feature on the PWSC social media, her name is Erin Morgan. Erin has an interesting story because she is the mother of three children, who also works full-time, and is now pursuing her GED. She said that being able to come here and work with the ABE coordinator in-person has been paramount in her being able to move forward with studying and preparing for the GED exam. She told me that she had dropped out of high school at 17 and has struggled with drug addiction - her life started to go down a darker path. PWSC has offered her an opportunity to make a better life for her and her children, she hopes that after she earns her GED, she will be able to earn a college degree. She is just one story of many that I hear. I also interviewed two other students last week who are in the nursing program at the college. Both of them grew up in Valdez, Alaska. One of them said they had originally moved out-of-state to go to college, but decided to come home to Alaska to finish her education because it was more affordable, which made nursing school a possibility.

Not only do I value how much the college contributes to the lives of our local community members and the state at large, but I also value my job and the work I do here. I know my co-workers do as well and we all want to be able to continue to contribute in that way.

Our education system is important to Alaskans for so many reasons, but living in Valdez (at the end of the pipeline) has really opened my eyes to how dependent Alaskans have become on the oil industry for their financial livelihood. Many people in the town I live in, work for the oil and gas industry. This industry is such a major employer in my town (and throughout Alaska) that it has a resemblance of (and potential to become) a monopsony employer. Our state has one of the lowest college-going rates in the US. I believe a major reason for this is because people can earn a living without a college education if they work as laborers in oil and gas. Living in Valdez, I have met many

people who work for the oil and gas industry as a laborer and don't have a degree but are still able to earn a decent living. Some will eventually come to the college if they need to make a career change. Many come to earn a certificate so that they can go into industrial maintenance jobs within those industries. Through finance classes I have taken, I have learned that one of the most important actions to take toward building financial stability and success is to diversify investments because through diversification you hedge risk. As an Alaskan, I hope my legislators will see the importance of diversifying who and what we invest in. Putting all of our bets on the oil and gas industry is risky because it gives that industry even more power to dictate our future and our health. It also gives Alaskan's fewer options and opportunities for employment, and it further ties our state's economic well-being to a globally-volatile industry. The university system is a cornerstone in creating industry diversification because we give Alaskan's career and education options, we develop and train future employees for a wide range of industries, and we create an environment for innovation to occur.

Thank you for your time, consideration, and all that you do for the people of Alaska.

Sincerely,

Jessica Young

Social Media and Design Coordinator at Prince William Sound College

Personal email: [REDACTED]@gmail.com

From: Kirk & Jenn DesErmia [REDACTED]@yahoo.com>

Sent: Wednesday, March 27, 2019 10:59 AM

To: House Finance <House.Finance@akleg.gov>

Subject: Say NO to Gov. Dunleavy's budget

I am writing to implore you to oppose Gov. Dunleavy's proposed budget. It simply does not support the lifestyle that most Alaskans desire. We want good schools, safe communities, and resources for healthy living. This budget is in opposition to our needs and should be rejected.

Specifically, the cuts to education are untenable. I am aware of the cuts our Kenai Peninsula Borough School District would have to make to meet the proposed budget and it is a nightmare scenario. When they discuss increasing class size and cutting teachers, it's frustrating because my children are already in classes of 28-30 students. As a Seward resident, it makes me mad to see Seward on the list of schools that will close a school, a pool, and a theater, in addition to all of the other cuts schools would be subjected to. It's too much! This scenario would devastate our community.

I understand that the money the state needs has to come from somewhere. I am in favor of addressing oil tax credits, instituting an income tax, and lowering PFD distributions. I don't mind paying into a system that will support the vision I choose to live here in Alaska. I would appreciate it if you could represent my views in Juneau.

Thank you for your time,
Jennifer DesErmia
[REDACTED]

From: Linda Hulbert <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:17 AM
To: House Finance <House.Finance@akleg.gov>
Subject: University of Alaska is CRUCIAL to Alaska's future.

House Finance Committee:

My two children are alumni of the University of Alaska. They both live in state and are raising their families here. The University is not only crucial to the state's economy but provides education and training which retains Alaskans. Please support full funding.

Linda

Linda Hulbert, Agent
New York Life Insurance Company
[REDACTED]
Fairbanks, AK 99701
[REDACTED]
[REDACTED]

From: Abbe Hensley <[REDACTED]@bestbeginningsalaska.org>
Sent: Wednesday, March 27, 2019 11:15 AM
To: House Finance <House.Finance@akleg.gov>
Subject: operating budget

Dear Finance Committee,

We appreciate your efforts to maintain funding for early learning programs in the DEED budget and strongly encourage you to reject cuts to these programs as laid out in the Governor's amended budget.

Since its founding in September 2006 as a public-private partnership, Best Beginnings has served its mission to mobilize people and resources to ensure all Alaska children begin school ready to succeed. We have joined other early childhood organizations in the Alaska Early Childhood Advocacy Group and support the following:

- PreK grants
- Head Start
- Parents as Teachers
- Best Beginnings (includes support for Alaska's Imagination Libraries)

Thank you.

Best,
Abbe Hensley

Abbe Hensley

Executive Director

Best Beginnings

office: [REDACTED] mobile: [REDACTED]

a: [REDACTED] Commercial Dr., Ste 104A, Anchorage, Alaska 99501

w: bestbeginningsalaska.org

e: ahensley@bestbeginningsalaska.org

To: House Finance Committee
To: Senate Judiciary Committee

From: Pam Bradley, Fairbanks, AK
HD:4

This is a very short version of what I testified to HFIN on Sunday 3/24/2019 in Fairbanks:
I am a nearly 46 year resident of Fairbanks, I am a college graduate, have raised two children who are also college graduates and I am also a cab driver. I think by handing out this bloated PFD you are importing an underclass. As a cab driver, we drive everyone, so to speak, and people TELL me they moved to Alaska for the PFD. They tell me how many kids they have collecting the PDF and there are some very dysfunctional people (That is of course other people's business so I will not go on). But, TRUST ME, you are importing problems with the bloated PFD and its increase, particularly in the last ten years.

I hope you will also find ways to fund law enforcement and services for victims of domestic violence. More than 40 years ago I needed those services but they didn't exist. I was raised in a loving family so I found my way out of that situation, but many cannot and need those important services.

Thank you.

From: Gabrielle Russell [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:49 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Testimony from Fairbanks Constituent

Thank you for considering us and the future of our state as you make decisions on our budget.

My name is Gabrielle Russell and I have lived in Fairbanks for 29 years. I have a daughter enrolled in elementary school, I own a home that I pay property taxes on and I work for UAF.

I know we have been hearing that we as a state need to live within our means and this has been the over-arching message of the latest budget cuts, but the state is not a normal household, if there is such a thing as a *normal* household in Alaska.

We all have to make choices when we try to make ends meet, that is not a message that is lost on me, however, it is our values as a state that should be considered when we make these choices and we should be considering the long term impacts of these choices. With cuts as drastic as the ones being proposed, I can see nothing but a dismal future for our people and our state. When you get down to it, this budget ends up being about cutting jobs.

There is nothing being proposed that would help our economy. There are other options out there and this doom and gloom approach is starting to seep into our state's mentality.

Alaskan residents such as myself may have no other choice than to leave the state to look for jobs elsewhere. I don't want to leave my home. There will be more and more vacant homes sitting on every road and less than savory elements in our society will take over. Our prospects for our future will start to become clouded. Do we want being an Alaskan to just be about getting a dividend?

I think every Alaskan is proud of being an Alaskan and we can work to come up with solutions and options that let us avoid this dismal horizon. You all have to have faith in us as Alaskans to use our Alaskan ingenuity to come up with solutions and you have to remind us that for the most part, we all use some government services, a little selflessness is not a bad thing because no matter how much we like to say 'no taxes' every single one of us complains when we don't have basic road service, or schools for our children to be educated at, or health services or police and fire officials to help protect us and our property.

Put the call out (vote) for a sales tax, an income tax, or options for a better tax structure with the oil companies (Conoco). Put the call out for people willing to give up a portion of their dividend for the next two years or longer. I think a majority of Alaskans would be on board if it means our children have a good education, that we get to keep our jobs, have health and public safety services and we are able to leave our home for a week without having it broken into.

I have dedicated my life to my work with students across Alaska, I have given 110% to assist people from our urban hubs to village Alaska go to college and gain knowledge and skills so they can improve their lives for themselves, their families and their communities. I have seen 100's graduate and become contributing members to their communities and our state. Many of us in education give so much of ourselves to support our children's future and their children's future and to see that it is not valued by the people who represent us is more than disheartening.

These cuts mean my daughter and countless other children across the state do not have the promising future they deserve. It means their parents have to think about moving and looking for work elsewhere, it means an unhealthy future for Alaska. I ask you to consider a more optimistic future for all of us.

Thank you again for your service,
Sincerely,
Gabrielle Russell

From: Kelli Williams <[REDACTED]@akchild.org>
Sent: Wednesday, March 27, 2019 11:46 AM
To: House Finance <House.Finance@akleg.gov>
Subject: PLEASE support adequate funding for services!

I am writing to ask you to not support Governor Dunleavy's proposed deep cuts to UAA, Medicaid and behavioral health services.

I am concerned for my fellow citizens who need support to access adequate health care and for our future which requires support of our educational systems.

Please support adequate funding for Alaska's MEDICAID program that provides health coverage to eligible low-income, disabled, and senior Alaskans. Also, support funding for Medicaid Adult Preventative Dental services.

Please reverse reductions to: Medicaid (DHSS) (HB 39/SB 20) -\$225 million (GF) and -\$450 million (Federal).

I work at AK Child & Family and see first-hand the devastating effects that a lack of mental health services can have on our communities and state.

Please maintain support funding for BEHAVIORAL HEALTH programs that serve Alaskans with mental illness, substance use disorders, intellectual/developmental, and cognitive impairments.

Please maintain support for: Behavioral Health Grants for Treatment and Recovery, Prevention and Early Intervention, Public Guardians, and Court Appointed Special Advocates for children and youth affected by opioid addiction.

My son wants to attend UAA in the fall of 2020.

Please invest in our future by providing adequate funding to our university!

Please support Alaskans by supporting the above programs!

I do not want a bigger PFD- I want a better Alaska.

Thank you for your time, attention and service.

Sincerely,

Kelli Williams

Kelli Williams

Director of Spiritual Life

From: John Peirce <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:44 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

I think we need a budget that properly funds K -12 education, the University, mental health and seniors, etc. I think we should fund the government at near the current level through a progressive income tax and capping the dividend. I don't think we need back dividends. We need to eliminate deductible oil tax credits.

Thank you,

John Peirce

[REDACTED]
Fairbanks, Ak 99712

From: Krystina Scheller <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:43 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Sheldon Jackson Museum

Hello,

I am a Sitka resident and I am opposed to the Sheldon Jackson Museum being sold. This museum and staff are vital to this community. Please reconsider.

Thank you,

Krystina Scheller

[REDACTED] Sitka AK

From: Mike <[REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 11:32 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget, House Finance Committee

March 27, 2019

To the Chairs and Members of the House Finance Committee,

My name is Michael Stainbrook, I live in Petersburg Alaska, and wish to respectfully address the budget.

Our state services need to be funded. I strongly support funding our education system, our ferry system, Public Radio and Medicaid. I am in favor of reducing or eliminating subsidies to the oil companies, a state income tax, drawing on a per cent of the PFD earnings and a reduced PFD dividend. This would allow our state -yours and mine – to prosper into the future.

Thank you very much,

Michael Stainbrook

[REDACTED] Petersburg, Ak 99833

From: Susan Guritz <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:28 AM
To: House Finance <House.Finance@akleg.gov>
Subject: testimony re: budget

Hello committee members and fellow Alaskans:

I have lived in Alaska since 1970 and my husband is also a long-time Alaskan. I am now semi-retired and my husband has been retired for nearly 3 years. We have children and grandchildren who live in the state as well. I have never provided testimony to our state government before today, but then I have never been so worried about the future of our great state.

Governor Dunleavy's proposed budget would negatively affect our family in many important ways:

- our 15 year-old son and our elementary school-aged grandchildren would experience a dramatically lower quality of education, not to mention reduced opportunities for post-secondary education in their home state.
- our adult children will have fewer opportunities to grow in their careers and provide a good quality of life for their families. Why would people come to our state or remain in our state if we do not even offer the most basic services people expect?
- my mother-in-law, a long-time Alaskan who lives in the Pioneer Home and currently pays her bill (nearly \$7,000 per month) from her own savings would likely see this increase to \$15,000 per month (based on the letter she received from HSS)

These radical cuts in funding make no sense, especially considering the governor's plans to fully fund high PFD payouts to every Alaskan. My husband and I are in favor of:

- reducing oil tax credits and reducing dependence on oil revenue by diversifying the state's economy
- reinstating a state income tax

-reducing PFD payments or possibly converting the program to needs-based for lower income Alaskans

Thank you for listening,
Susan and Richard Guritz

Fairbanks, AK 99709

PETERSBURG LEGISLATIVE INFORMATION OFFICE

Email: lio.petersburg@akleg.gov
907-772-3741/ phone/ 907-772-3779/fax

WRITTEN TESTIMONY

YOUR FULL NAME:

Karen Hofstad

REPRESENTING (ORGANIZATION OR SELF):

Self

BILL #:

HB39

Subject:

COMMITTEE NAME:

House Finance

HEARING DATE:

March 25, 2019

Hello, I'm Karen Hofstad, 60-year resident of Petersburg, Alaska. I am so disgusted with the arrogant attitude of "balance the Budget in ONE year" going on. We have all worked together for years to make Alaska a better place for our families. Yes, we have all worked together and NO ONE expected not to pay taxes. We have not worked for a Permanent Fund dividend, other than to live in Alaska (believe me, that is abused too). I firmly believe we need to reintroduce a State Income Tax and have "Skin in the Game", as the saying goes. Many of us campaigned to KEEP the Income Tax, to tax the large percentage of people in all Industries who live outside. I just read a quote from a fisherman being interviewed: "As far as I'm concerned, I just come up here, kill fish, make money, and go home" ... we are subsidizing other States! I know the issue right now is how the balance the Budget, but a broad-based tax is a much-needed part of getting to a balance. If the Governor's ideas, pushed by "out of state groups/experts" are adopted we will lose population that is for sure.

Example: AK Marine Highway System. Why not ask experts, Alaskans who have had history with AK Ferry operations to work on the issues for FREE. We do not have to pay a contracted Consultant that does not have the depth of knowledge or same length of time spent on the System. I recommend Dave Kensinger from Petersburg, who has been on many Ferry groups working on efficiencies. We hold Elections and new Governors change long term plans. This Governor takes the cake!

The only one I believe has all his marbles is Larry Persily. Please READ his March 21, 2019 Anchorage daily News commentary and think about what he has to say. I nominate Persily for Governor!

From: Albert Sonafrank <[REDACTED]@alaska.edu>
Sent: Wednesday, March 27, 2019 11:25 AM
To: House Finance <House.Finance@akleg.gov>
Subject: The Governor's budget is a disaster for Alaska

Members of the Alaska State House Finance Committee,

I am one among many of your constituents who recognize that the proposed Governor's budget would be a disaster for the future of our state. Alaska should not be managed with the primary purpose of optimizing resource extraction. Alaska should be managed for the long term benefit of all the people of Alaska. Alaska needs strong state support for our university system, and public education in general to create a positive future for our young people and for our economy. Please fight the drastic cuts to these and other important public services in Alaska. I do not believe it is reasonable for Alaska to continue to expect to depend so substantially on oil revenue to fund our state government more than thirty years after our oil production peaked. Opening up new oil development is not a sustainable solution either, particularly while also offering tax breaks to the oil industry. We need to diversify our economy and our state revenue sources. I would be in support of the legislature repurposing the permanent fund, reinstating the income tax, or any other well considered solution which allows the continued funding of state programs at reasonable levels.

Sincerely,
Albert Sonafrank

From: Zhenia Peterson <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 1:15 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Oppose Governor's budget

Dear House Finance Committee,
For the record my name is Zhenia C. Peterson, I live in House District 17 and I'm representing myself. Today I'm submitting my testimony against the Governor's proposed budget because I believe that this budget is un-Alaskan, it unfairly targets our state's most vulnerable populations and it leaves no room for prosperity for our young people.

Due to the governor's proposed budget cuts we will see a 40 percent cut to Medicaid funding. For perspective that means over 200,000 low-income Alaskans might lose access to healthcare. This is deeply worrisome. As a woman living in our state, I know that access to reproductive, preventative and emergency health care is essential to my livelihood. I cannot imagine the struggles low-income Alaskans will face.

Additionally, I graduated from UAA in 2016 and I plan to go back to complete a graduate degree. I want to stay in Alaska, this is my home and I love it here. I want to contribute to the prosperity and growth of our state by working here. But with the governor's proposed budget I might not be able to do that. Just like the majority of the University students, I am deeply concerned that the attack on education means an attack on young people of Alaska and the future of all Alaskans.

Ultimately I understand what this means and I am more than happy to give up my PFD in order to fund our state and give the young people a chance to grow up here and contribute for all Alaskans.

I would like to thank the House Finance Committee for letting me submit my testimony and I encourage all of you to reject the governor's proposed budget.

Thank you

--

Zhenia C. Peterson, BSW
Pronouns: She/Her/Hers
[REDACTED]

From: Tony Kaliss <[REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 1:10 PM
To: House Finance <House.Finance@akleg.gov>
Subject: UA budget and Native Alaskans

Dear Finance Committee Members:

In defense of an adequate budget for the UA system I would like to point out its importance to Native Alaskans. Native Alaskans are inclined to seek education closer to home which is often more affordable as well. Programs that have been developed in recent years at the main and rural UA campuses that afford training and degrees in topics of importance to the survival of Native Alaskan communities. At the same time the increased numbers of Native Alaskans with college level training and degrees make an important contribution to addressing topics of concern to all Alaskans, rural and urban. I submit that these are several more reasons why it is suicidal to essentially destroy the base of the UA system as the Dunleavy budget proposes to do.

I speak to these concerns based on 53 years of involvement with issues between Native and non-Native communities including seven years teaching at Ilisagvik College in Barrow. (Utqiagvik) and as an Affiliated faculty member with the Cross Cultural Studies program at UAF.

Sincerely, Tony Kaliss Anchorage

From: Marilyn Knapp <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 1:06 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Save the Sheldon Jackson Museum for all Alaskans!

Having worked in the field of Alaska history and in museum work, I strongly urge the State of Alaska continue to preserve and support the Sheldon Jackson Museum.

Alaska is a special place for many reasons; the Sheldon Jackson Museum and its collection exemplifies one of those special reasons.

Thank you. Marilyn Knapp

--

Marilyn R. Knapp

[REDACTED]

[REDACTED]@gmail.com

From: Bill Tremblay <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 1:03 PM

To: House Finance <House.Finance@akleg.gov>

Subject: I support the House Finance Committee work on the budget

I wrote previously about wanting (needing) to raise revenue through and income tax, by increasing fuel taxes, and changing taxes for oil exploration in the State. The House Finance committee has done a good job to date addressing the Governor's proposed budget by denying the proposed cuts as this will further throw the State into a recession and basically undermine the quality of life in many communities.

Republicans have exhausted our Congressional Budget Reserves over the last few years and ignored the fiscal issue by hoping oil prices would rise enough to address the problem. We can no longer ignore the issue and cannot cut our way out of this mess.

Bill Tremblay

[REDACTED]

Petersburg, AK 998333

[REDACTED]

From: Sarah Sledge <[REDACTED]@ceequity.org>

Sent: Wednesday, March 27, 2019 1:00 PM

To: House Finance <House.Finance@akleg.gov>

Subject: Written testimony regarding HB 39

Members of the House Finance Committee:

Thank you for the opportunity to provide testimony on HB 39, the FY 2020 Operating Budget. We want to recognize the good work of the House Finance DEED Subcommittee, and acknowledge the challenges before your committee.

I am writing on behalf of the Coalition for Education Equity, a statewide organization representing Alaska school districts, organizations, and individuals to champion a quality, equitable, and adequate public education for every Alaska child. Founded as the Citizens for the Educational Advancement of Alaska's Children (CEAAC) in 1996, our organization fought and successfully settled both the Kasayulie and Moore lawsuits. These landmark court cases continue to guide our work today, and are the foundation for our organization's priority areas:

- Adequate investment in public education;
- Recruitment and retention of quality educators;
- Statewide access to quality pre-elementary programs;
- Capacity of school districts and DEED;
- School construction and major maintenance;
- Other community capacity issues that affect the ability of children to learn and the manner in which schools must allocate resources.

As you work to finalize the FY 2020 Operating Budget, we urge you to consider the items I've outlined below.

Adequate investment in public education

Our state must provide adequate investment in Alaska's public education system and public schools. We seek education funding that is reliable, equitable, and adequate, and funding decisions that are made in a timely manner so that school districts may plan efficiently and responsibly.

HB 287 is signed law that forward funded education in FY 2020 at the same level as FY 2019, plus an additional one-time funding allotment of \$30 million. We applaud the hard work that led to the passage of this funding and support you in keeping this commitment to our public schools, education system, and Alaskan families.

Statewide access to quality pre-elementary programs

Pre-elementary programs are essential to ensuring our children are ready for kindergarten and improving school performance. We seek to sustain and expand investment in and access to quality pre-elementary programs, so that all Alaska children have a strong foundation when they start kindergarten.

We ask that you retain the FY 2019 funding levels for our statewide pre-elementary and early learning grants.

Capacity of school districts and DEED

We seek to address issues that affect the capacity of our school districts to provide instruction, and the ability of DEED to provide adequate support to our schools.

In the House Finance DEED Subcommittee, an amendment was passed to eliminate all funding relating to implementation of the statewide curriculum project (SB 104, 30th Legislature). We ask for reconsideration of the three positions eliminated through this amendment (total of \$457,600.00 in Gen Fund). We believe that the State is currently in violation of the Moore vs. State of Alaska decision, which found that the State was not providing adequate oversight and support for school districts (please see attached letter and legal opinion). These positions would provide DEED with capacity to support school districts, specifically in the areas of content and curricular support, for which many of our school districts have an ongoing need.

Thank you for your consideration of these items, and thank you for all that you do for Alaskans.

Sincerely,

Sarah Sledge

--

Sarah Sledge
Executive Director
Coalition for Education Equity
@ceequality.org

From: Erik Schoen [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 1:00 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Support robust K-12 and UA education funding

Dear House Finance Committee Members,

I am writing to urge you to support full and robust funding for K-12 education and the University of Alaska in the FY2020 operating budget. I am deeply concerned about the funding cuts in Governor Dunleavy's budget proposal. I believe that these cuts, if enacted, would do lasting damage to our state and its economy.

I am a lifelong Alaskan, and I attended public schools in Juneau, Fairbanks, and Anchorage. After graduating from Service High School, I earned a bachelor's degree at Dartmouth College and a M.S. and Ph.D. in fisheries at the University of Washington. My wife is also a life-long Alaskan who graduated from Lathrop High School, earned her M.D. through the WWAMI program, and then returned to Alaska to practice family medicine. We both studied alongside graduates of expensive Lower 48 private schools, and we feel that our Alaskan public school education was second to none. I have always been proud that in Alaska, parents do not have to choose between expensive private schools or subpar public schools. Instead, we have excellent public schools. It is very important for us that our young kids have the same opportunities that we enjoyed, but I am concerned this will not be possible if Governor Dunleavy's budget cuts are approved. We love Alaska, and the only reason we would consider leaving is if the quality of our public schools is eroded by continued budget cuts.

I come from a family of educators, and I am concerned about the disrespect shown to our teachers by pink slipping, budget cuts, and even cutting funding from the current fiscal year's budget during the middle of the year.

Please vote to restore full funding for UA and K-12 education, and vote to override the Governor's veto if necessary.

Respectfully yours,

Erik Schoen, PhD

[REDACTED]@gmail.com

[REDACTED]
Fairbanks, AK 99709
[REDACTED]

From: Erin Dougherty Lynch <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 1:01 PM

To: House Finance <House.Finance@akleg.gov>; House Finance <House.Finance@akleg.gov>

Subject: Feedback on Governor's Proposed Budget

Hi House Finance Committee,

I showed up to the Anchorage hearing on Sunday and waited for two hours to testify, but I had to leave early because I had my six week old son with me and he started to cry.

I know the deadline to comment is momentarily, so quickly, I oppose the Governor's proposed budget. There is not one aspect of it that I agree with. To balance the budget on the backs of children, the elderly, and those who live in rural Alaska is unconscionable.

I support ending oil tax credits and I support other new revenue streams, such as a progressive income tax.

Warm regards,
Erin Lynch

[REDACTED]
Anchorage AK 99515

From: sabrina martino <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 12:59 PM

To: House Finance <House.Finance@akleg.gov>

Subject: budget

Dear members;

I am writing to let you know I am in opposition of any new taxes including reduction of the PFD to continue the frivolous waste in government. We cannot tax our way to a sustainable economy. Many special interests have been approaching you wanting you to put your hand in our pockets to support their pet projects and I am against it!

We spend far too much on things that are not needed in our school systems like astro-turf and a \$10,000 lost and found locker at an elementary school. We have a top heavy system as well and we have some of the lowest scores in the nation. We keep throwing money incentivising pork projects instead of focusing on student achievement. That is just in the K-12. UAA is a land grant university it has far too much land available to sell before we should be taxed to support a university that can't even maintain accreditation nationally. If people being paid \$200,000-\$300,000 plus a year can't figure out a way to keep their school afloat and accredited maybe it is time to replace them before asking Alaska for a hand out.

The ferry is not something every Alaskan should be forced to fund. Many of it's trips are not while full of passengers. As a matter of fact, it is most utilized in the summer by tourists looking for a cheap cruise. I think the Ferry should look at re-structuring their schedule so it does not make wasted trips and let the people utilizing the service pay for it.

Medicaid: While I feel disabled and SOME elderly people should get help from this social program I also feel there are many who are abusing it. I am 41 years old. When I was in my early 20's I realized I did not want to be a burden to anyone when I aged. Since then I have been working my knuckles to the bone to try and maintain self sufficiency. I joined the Air-Force to help me get out of the financial rut I was in. Through that I am lucky to have gained a college education and medical benefits. Some say I am biased because I am already in a socialistic style medical program but those people never signed up and wrote the government a blank check for any amount up to the value of their very existence/life. That opportunity was available to each and every one of them but, they just didn't take it and now they want to ask those of us that did to once again sacrifice for them. People have their whole young adult life to put away for retirement and some just chose not to and they pass the burden to their children and grandchildren. It is not the communities burden though unless they so chose it to be. You should not force the rest of us to pay for someones bad choices. These programs need to have less government involvement and more community support. Government interference will just inflate the cost and reduce the care.

We the people of Alaska voted in Governor Dunleavy to get Alaska back on track by reducing the spending problem and coming up with a sustainable budget. There are many special interest groups asking you to go against that but I ask that you keep the election results in mind and think about the repercussions that not only the state will have but you as well when you start raiding Alaskas pockets.

From: Cathy Long, Cordova Chamber [REDACTED]@cordovachamber.com>

Sent: Wednesday, March 27, 2019 12:59 PM

To: House Finance <House.Finance@akleg.gov>

Subject: Testimony for the Record on HB39

The Cordova Chamber of Commerce appreciates the ability to comment on the FY20 Budget.

While we agree in theory that a successful budget should attempt to balance revenues and expenses, we also believe a budget defines the priorities of an organization. The cuts included in the Governor's FY 2020 budget released 02.13.19 and supporting legislation like SB63 show a disregard for the well-being of our state. This approach is very short-sighted and we don't believe this timeline provides a responsible path to address the problem. This budget sends a clear message – that this administration does not value its rural communities which are integral to the economy of this state. Cuts this extreme to transportation, education and healthcare are a recipe for economic depression and leave much of our coastal communities uninhabitable. Without them, our state would stand to lose access to some very profitable fisheries; connection to some extremely rare, wild and intact ecosystems; and much of the state's history, native culture, and unique character and charm.

Our primary areas of concern with the FY20 budget are regarding the Alaska Marine Highway, loss of revenue sharing with local communities, loss of power cost equalization, and cuts to education and school bond reimbursement.

I will speak primarily to the potential loss of fish tax revenue sharing and cuts to the Alaska Marine Highway.

- Repealing revenue sharing of fish tax would be extremely detrimental to Cordova. This tactic is simply shifting the burden of increased taxation from the state to the municipality. Fish tax monies represent almost a quarter of the City of Cordova's operating budget which provides a large portion of the total funding for our community's hospital, its school district and many other organizations along with all our basic services. Our municipality has already instituted severe cuts to almost every department and support organization over the past two years. There is no more fat to be cut. At this point, we would be carving off meat. If SB63 were to pass and revenue sharing of raw fish tax were to be withheld from our community, the effects would be felt in almost every aspect of life in Cordova. We urge you to not allow this bill forward.
- The AMHS has been a successful INVESTMENT in Alaska. In 2014, the State of Alaska general fund contribution of \$117MM to the AMHS resulted in a total return on investment of \$273MM. This is a return of more than 2 to 1 to the Alaska economy.
- Businesses in communities like Cordova spend millions annually in Anchorage and with vendors statewide. Case in point, a local Cordovan restaurant & hotel owner estimates a savings of \$50,000-100,000 annually when running freight trucks directly to Anchorage via Whittier from Cordova. This business alone spends hundreds of thousands of dollars with vendors in Anchorage each year. The alternative to this option via AMHS is to buy from Seattle and ship to Cordova via Seattle barges. Not only does this expense burden small businesses relying on AMHS, but it cuts economic output to Anchorage and other statewide vendors.
- Six out of the top twelve ports in the U.S. by \$ value of seafood landings rely on AMHS to connect them to the hard road system. Seafood processing plants play a critical role in Alaska's economy and depend heavily on AMHS for transport of work crews, construction materials, and product. It is critical to maintain cost efficient transportation for the companies and peoples investing in these seafood ports.
- AMHS users hail from across the state, not only port communities. Anchorage was the #2 source of AMHS trips booked; Palmer/Wasilla was #4 and Fairbanks was #7. Please be aware of the impact AMHS budget decisions will have on all Alaskan residents.
- Finally, we recognize the fact that the AMHS does need reform; however, much of the work has already been done! For two years, the AMHS Reform Initiative committee has worked diligently, dedicating countless hours to a comprehensive study completed by the McDowell Group and Elliot Bay Design Group. This honest approach to reform must be recognized and utilized as we work together to improve and fund the AMHS statewide. For these reasons, we call upon the legislature to restore full FY20 funding at least to the dramatically reduced levels of last budget cycle.

Obviously, our state has some sizable obstacles to surmount and much work ahead of us, but surely there is a more measured, strategic approach that could be employed. We deplore you to start from the ground-up on this budget. Do not give up on Our Road, the Alaska Marine Highway System! Help us ensure our children will have access to quality education and our young adults can become skilled workers and contributing citizens. Support coastal and rural Alaska communities so they can continue to carry the economy of the entire state. Thank you for your time and your service.

Sincerely,

Cathy Renfeldt
Executive Director
Cordova Chamber of Commerce
[REDACTED]

From: Cindi Lagoudakis [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:58 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

Just a quick note to say there is nothing about the Governor's budget that I have seen to date that I can support. I am in favor of changing the oil tax credits to help balance the budget and support the re-introduction of a state income tax to better capture revenue that will be essential for municipalities and the State to function and serve ALL Alaskans, not just the ones who agree with Governor Dunleavy.

Cynthia Lagoudakis
Petersburg, AK 99833

From: Kayla Boettcher [REDACTED]@smallstones.net>
Sent: Wednesday, March 27, 2019 12:57 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget comments

Hello,

I listened to most of "Talk of Alaska" yesterday and heard Governor Dunleavy's comments about his budget proposals. And while I am not thoroughly opposed to the philosophy of cutting some spending, I strongly disagree with some of the services the Governor apparently views as non-essential. As the Executive Director of a non-profit organization, I'm familiar with a budgeting process. Yes, there needs to be some consideration toward "living within the means". But that should also be balanced with strategies to find revenues that sustain the needs.

We need to grow revenues. Period. I know there are several ideas being discussed and I know everyone has strong opinions for and against all those options. But something needs to change and the state needs to make more money, because

These cuts are draconian. The proposal on the table robs Alaskans of education, transportation, health care, and quality of life.

Education: I agree that it's disappointing to have spent more and more money on education with no results. HOWEVER, I think Dermot Cole hit the nail on the head with [this editorial yesterday](#). Specifically, I believe there is a significant portion of Alaska students who suffer from other factors (emotional,

historical, economic) that impact their ability to learn. As Cole said, "The state's own test results confirm the crisis, which is political, cultural and most pronounced in rural areas of the state where low incomes, teacher turnover, the abuse of alcohol and other drugs, an absence of community support services and a lack of formal schooling tradition all work against the chances of student success."

Perhaps we need to think more broadly about where funding is needed — maybe it's not all for the schools, specifically, but also to address contextual issues.

I also think it's ridiculous to cut the WWAMI program when it's providing opportunities for Alaskans to return to Alaska as well-trained medical professionals.

Transportation: Ferries in Southeast Alaska ARE THE HIGHWAYS!! And the last time I checked, Southeast Alaska is part of Alaska. If the DOT can't afford all the highway maintenance, maybe it's time for a toll booth between the MatSu and Anchorage. The Governor's comment about how transportation is an issue in other parts of rural Alaska and makes access difficult/expensive for folks in Western and Northern AK is not untrue ... but WHY TAKE AWAY PART OF THE SYSTEM that already exists and increase that disparity, instead of maintaining what we have and working to improve access for other parts of the state?!?!?!?

Health Care: The cuts to Medicaid are heartless and again seem to be biased against rural Alaskans. Small hospitals have small cash on hand - they would be crippled by these huge provider cuts.

Thank you for your time and consideration of these comments.
Kayla Boettcher, Sitka

From: Frank Williams <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:53 PM
To: House Finance <House.Finance@akleg.gov>
Subject: FY2020 Budget considerations

House Finance Committee:

Given the current budget situation, looking to more flexibility in generating revenue and possibly creating a more sustainable fiscal picture for the State of Alaska, I strongly encourage you and your Legislative colleagues to:

Create a State Income Tax based upon a percentage of Federal income taxes owed by individuals earning income in Alaska and corporations operating in Alaska. A modest percentage (perhaps 5% or 10%) would not balance the FY2020 budget, but establishing that source of income would provide flexibility in meeting future budgets.

Keep the PFD payments to individuals to a modest amount on the order of what we've experienced the last few years. Again this source would not balance the FY2020 budget. However at this modest level we would not create a wasteful tax burden on those receiving a PFD, nor would we drain the PFD holdings.

Responsibly reduce the FY2020 budget with ample consideration of our core values and consequences upon the quality of life we wish to maintain.

I oppose implementation of a "head tax" to fund K-12 education. Such a tax would not produce much revenue relative to the needed expenditures and administration for collection.

I oppose a statewide sales tax because of its regressive nature.

Frank Williams

Ester, AK 99725

frankbanksfrank@gmail.com
907-388-0468

From: S Wikan <wikan@gci.net>
Date: March 27, 2019 at 12:49:49 PM AKDT
To: rep.jonathan.kreiss-tomkins@akleg.gov
Subject: Alaska budget

Hello:

I am Sharon Wikan, born and raised in our state for 70 years. I represent myself. I am very strongly opposed to The Governors budget. I have never felt the permanent fund dividend was a good idea. Don't get me wrong, we all love our extra money but I feel like we have become a welfare state because of it. I am appalled that the Governor is even suggesting to pay back what we supposedly should have gotten. I'd like to see capital projects done in our state to boost our economy with the dividend. Also to help pay for our government.

I would like to have an income tax reinstated. We have so many folks work here and live elsewhere and contribute very little monetarily to our economy I don't support a sales tax.

I am a conservative and do believe we can make cuts in various programs throughout our state but you can't do it all in one or two years. Governor Walker was making headway in slowing the spending in various areas. I do like and appreciate the good schools, we have, great harbors, libraries, radio, etc. We make all these cuts and what is it going to do to our economy.

I am very concerned and I hope all options are being looked at.

Respectfully,
Sharon Wikan
Petersburg, Alaska

From: liangdosu <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:53 PM
To: House Finance <House.Finance@akleg.gov>
Subject: testimony to the state budget

Dear Sir/Madam,

I've been a resident of Alaska for almost 6 years. Originally from China, I now call this beautiful state home after living in Ohio, Texas, and Louisiana. I call Alaska home not only because I have a job here, my daughter Scarlet was also born here and I even became a US citizen in Alaska. I enjoy what this beautiful state has to offer.

Recently, I was in a shock after learning about governor Dunleavy's budget plan for the state of Alaska. The level of budget cut to the public services (such as education, health and medicaid) in Alaska is simply too big to ignore. I do recognize the challenges for this state - the economy is heavily focused on oil and gas. The location is very remote for most of the Americans. With the oil price still relatively low, Alaska is still in somewhat an economic crisis. However, I firmly believe that education / health are basic civil rights and the state government should take its responsibility for its residents.

In my honest opinion, there are several solutions to the state budget.

1. I do believe a decent level of budget cut is needed but it should never be this level.
2. A graduated income tax that will include the slope/seasonal workers
3. A higher sales tax
4. A high alcohol tax
5. A higher property tax

I sincerely hope that the house finance committee can listen to the voice of the people and make the right decision for the people.

Regards,
Don

From: [REDACTED]@netscape.net <[REDACTED]@netscape.net>
Sent: Wednesday, March 27, 2019 12:52 PM
To: House Finance <House.Finance@akleg.gov>; [REDACTED]@netscape.net
Subject: Govenor's Budget My Input

Transparency.....transparency
definitely lost with secret/partial meetingsso assist public radio
as you insist democracy is maintained in Alaska. KEEP Public RADIO.

SEND a Permanent Fund check and our population of workers
leaves town!!!! Last year 45 students left school district with their parents who
told us they couldn't afford to live in (Sitka) rural Alaska. It costs MONEY
to bring people to Alaska.....we try & have done..so we KNOW!! Upwards

of \$8,000 per person to bring new people to AK. And AK legislature can stop this catastrophe w/o chasing away new business & workers. IMPOSE a SCHOOL TAX ...we had one before! Once a year an item collected as school tax....\$35-45 per person.....on their 1st paycheck-yearly or your choice.....just DO IT!

PRIVATIZATION is gone when companies fail to find good schools and vibrant community members who don't hate living here. Gov.Donleavy said on public radio (Mr,26)but do not let the politicians get hands on money.

I say So then.....

make sure North Slope communities get OIL tax money...they know best how to use it. Also do same for Rural fishing municipalities get FISH TAXES (In Sitka we use that money for ports & harbors so fleet comes)!

LEVY INCOME TAXES we want it! (As long as reasonable- we sent you to work for us-what's the hold up?.....we want a vote only when the legislature is unrealistic, unreasonable, & privately benefitting)!

SAVE MUSEUMS! We're growing tourism-to give folks a rich experience.

CUT PFDs to \$500. No matter how much PFD checks are they can't buy a teacher, nor buy a ferry, nor buy a city government with utilities, nor buy a swimming pool, nor a new roof for a school, nor a pier repair, nor train our own people to be much needed DOCTORS!

There is a disproportionate CUT, CUT, CUT for rural Alaskans!!

Why pit RURAL against NON-RURAL. We can feel it here in Sitka!!

INDIVIDUALISM doesn't work in budgets nor getting "things done."

Believe in a "UNITED" effort with REVENUES included.

Marcia Strand, Box 795, Sitka, AK and (402 Baranof Street)

From: [REDACTED]@TonkaSeafoods.com <[REDACTED]@TonkaSeafoods.com>

Sent: Wednesday, March 27, 2019 12:49 PM

To: House Finance <House.Finance@akleg.gov>

Subject: Written Testimony on HB39

Hello,

I am part owner of a small family owned seafood processing plant in Southeast Alaska.

I support fully funding the ferry system, public schools, public health care and public radio in Alaska. I support paying for these services, services we depend on in Southeast Alaska, by eliminating the oil tax credits created by SB21.

Oil tax credits are not needed by the oil companies operating in Alaska to be profitable. Oil companies in Alaska don't need the extra money, they just want it.

Instituting a policy for a state sales tax, state income tax or reducing the PFD, instead of eliminating the oil tax credits, would just be funneling money straight from middle class, and poor Alaskans, to some of the richest, most profitable, corporations in the world.

That's wrong. It's wrong to cut State services to be able to afford oil tax credits. It's wrong to increase taxes on individuals to be able to afford oil tax credits. It's wrong to propose eliminating, or permanently reducing the PFD to be able to afford oil tax credits. It's wrong to suggest taking fish tax revenue sharing away from coastal communities to be able to afford oil tax credits.

Please do the right thing and fully fund our state services. Please do so by temporarily reducing the PFD for this cycle, and then please work towards eliminating the oil tax credits. Our state was fully funded before the introduction of SB21, it can easily be fully funded again.

Thank you,
Seth Scrimsher

Seth Scrimsher CFO Tonka Seafoods, Inc.
Petersburg, Ak 99833

From: Elaine Lawrence <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:48 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Alaska's budget

Honorable Representatives Tammy Wilson, Neal Foster, and members of the House Finance Committee,

Thank you for the opportunity to comment on the Governor's proposed budget. I do not support his approach to attaining a balanced budget. Spending out the Permanent Fund and limiting new revenue sources may bring short term gain, but more Alaskans will suffer in the long run. While I am troubled by the Governor's budget, I am delighted that House Finance Committee members are working together to find reasonable solutions. Thank you.

Cutting or outsourcing core governmental functions do not provide long term solutions, nor will it allow Alaska to advance. Educational funding at the community and university level is vital for our future. Adequate funding for health and behavioral health services ensures public health and quality of life for us all. Cutting needed transportation infrastructure will doom our economy.

Look to a modest income tax so those working Alaska's best jobs share in the cost of infrastructure. Exempt large groups of Alaska residents. Look to increase oil taxes on oil companies that benefit most from our resources. Keep working together. Unlike our Governor, you're on the right path to ensure Alaska has a bright future.

Best Regards,

Elaine Lawrence

[REDACTED]
Fairbanks, AK 99701
[REDACTED]

From: David Lefton <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:42 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Written testimony

Hello,

My name is David Lefton, I'm a Homer resident, [REDACTED] Homer, Ak.

I am writing to advocate that education be fully funded and last year's allocations be left untouched.

Our school district needs to provide certainty to families and those working for the school district. In my 8 years of working for the KPBSD I've seen funding uncertainty cause a great deal of chaos in people's lives. Getting pink slipped as an aide and seeing my colleagues have to wait far too long to get a contract is no way to encourage teachers to stay in the profession and incentivize young families to move here. It is discouraging to hear the governor talk about our schools as though they are failing and then pull the rug out from under them with a draconian budget. The truth is, we have wonderful schools and staff that care deeply for our students and work for them tirelessly. The governor's budget is no solution, in fact it is a manufactured crisis, this is not a problem we can cut our way out of. Cuts have already been made and further cuts will harm the quality of education and of life here in the peninsula. For our children and our state's future we need to fund education to the cap and not abandon our promise to the future generations by taking away their opportunities.

Personally, I support reducing tax credits for oil companies, a reduced PFD, a bed tax and or an income tax to cover the budget shortfall instead of what will amount to devastating cuts. Alaska is a challenging place to live in, but those who live here are proud to call it home, we need to keep the promise of a bright future alive and well for our residents and work to increase opportunities and outcomes. We can't keep giving money away without bringing enough in, it is not sustainable. While compromise is important, we can't abandon our values which is exactly what the governor is asking us to do. We need to pull together to ensure a bright future for our children, schools, and state.

This was written during my lunch break, thank you for reading!
Sincerely,
David Lefton

From: Maila Bischoff <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:40 PM
To: House Finance <House.Finance@akleg.gov>
Subject: AK budget

Dunleavy's budget is a prescription for failure.
COME ON!!!

I believe a responsible budget reflects the values of a state, as reflected by what individuals want to fund and support.

We need revenues to cover expenditures that constituents (not oil companies) believe are important. Please see Matt Claman's constituent survey results. This is the Alaska I want to live in.

Here are my opinions, please consider.

REVENUE possibilities;

state income tax

state sales tax (on luxury goods only, not necessities)

EXPENSE REDUCTIONS (and increases):

REDUCE PFD- but PLEASE continue to protect and pay to those below certain income levels. Elimination of that is a regressive tax and impacts our most vulnerable citizens the hardest.

INCREASE Support for the police prosecutors and fire departments, including infrastructure. Laws and treatment facilities VPSO.

INCREASE funding for schools and teachers

INCREASE Education, Safety, Health and Social Services

INCREASE Roads, UAA funding, Assistance for Seniors, Highways and Parks

INCREASE-EXPAND medicaid.

DECREASE Tax Credits to Oil companies

Thank you,
maila bischoff
99517

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Maila Bischoff

cell (915) 680-5460

From: Ursel Schuette <[REDACTED]@alaska.edu>

Sent: Wednesday, March 27, 2019 12:40 PM

To: House Finance <House.Finance@akleg.gov>

Subject: budget testifying

To whom it may concern,

I would like to express that the University of Alaska Fairbanks is vital to our lives as a family. As a spouse it is not always easy to find a job in the same area as your spouse. Fairbanks is special that way because it offers a large number of opportunities to puzzle together a job.

UAF is one of the places in town where that is possible, and I know numerous people here who get their income this way. By cutting the budget of the UA system these opportunities will decrease tremendously, which makes living in Fairbanks as a family a lot more challenging! Most of the families I know that obtain their income like that are families with young children, and these families are all active in the community. They are active in the pre-schools, schools, music programs, and sports programs.

They all love living in Alaska and they enjoy the lifestyle that you cannot find easily in the lower 48. Loosing a lot of these families because of lost jobs would decrease vital members of the Alaskan communities.

I urge you to reconsider cutting the budget!

Best wishes,
Ursel

From: Judy and Frank Williams [REDACTED]@alaska.net>
Sent: Wednesday, March 27, 2019 12:39 PM
To: House Finance <House.Finance@akleg.gov>
Subject: State budget

Members of the House Finance Committee,

I find the Governor's proposed budget to be short-sighted in its narrow approach to future management of Alaska's fiscal situation. The massive cuts he has proposed unfairly target areas which many Alaskans consider of value to our quality-of-life and sense of compassion. Two of those areas are education pre-school through post-high school, and social services, which aid the vulnerable.

I would like the Legislature to consider increasing revenue streams in combination with modest, well-thought-out cuts in state government spending:

- increase the gasoline tax
- reinstate a head tax dedicated to education spending
- reinstate a state income tax
- cap future PFD's at a reasonable amount. Do not "pay back" what some perceive as "past cuts". This pay back seems like political revenge, and is very costly.
- eliminate per-barrel tax credits for oil companies

It would be refreshing for the Legislature to look at a mixed plan which includes increased revenue sources and some moderate, considerate cost-cutting measures. I am willing to accept that there would be areas of impact to my personal budget. I hope legislators are bold and look widely for solutions besides this drastic proposed budget.

Sincerely,
Judy Williams
Fairbanks, Alaska

From: gail mcbride [REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 12:37 PM
To: House Finance <House.Finance@akleg.gov>
Subject:

My family and I want to receive our full PFD. We are fully supportive of the Governor's budget. Thank you.
Gail McBride

From: Juliet Shepherd [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:18 PM

To: LIO Fairbanks
Cc: julietshepherd
Subject: Public Testimony - HB 39

My name is Juliet Shepherd. I live in the Goldstream Valley, and am a resident of Fairbanks, Alaska. I am writing to voice my opposition to Governor Dunleavy's proposed budget as presented in HB 39. Where as I do support a balanced budget, Governor Dunleavy's budget, prioritizing cash disbursements to the population at the expense of vital services at a time when the state is operating at a deficit, is both irresponsible and unacceptable. It undermines Alaska's ability to sustain a population. In shaping a new balanced budget, we must prioritize investment in Alaska's future.

Instead I support a balanced budget approach achieved by increased efficiencies in state funded institutions, including an emphasis upon actual delivery of quality services and implementation of innovation processes to streamline efficiencies in state funded institutions; as well as increasing revenues, including (but not limited to) a fixed minimal PFD disbursement, increased oil tax revenues, and the implementation of a state income tax to capture revenue lost from rotation workers who live outside of the state.

Thank you for your hard work to fund a budget solution that supports the needs of a healthy and productive Alaska population, and sustainable natural resource management.

Sincerely,

Juliet Shepherd

[REDACTED]
Fairbanks, AK 99709

From: Amy Sweeney [REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 12:32 PM
To: House Finance <House.Finance@akleg.gov>
Cc: Amy Sweeney [REDACTED]@yahoo.com>
Subject: Testimony on Governor Dunleavy's Budget

Dear House Finance Committee Members:

My name is Amy Sweeney, I am testifying as a private citizen on my own behalf, and I live in Sitka.

Thank you for the opportunity to submit written testimony concerning Governor Dunleavy's proposed state budget.

I am opposed to the extreme cuts proposed by Governor Dunleavy, opposed to his plans to pay supplemental PFDs and larger future PFDs, opposed to his plans to usurp municipal shares of raw fish taxes and oil infrastructure property taxes, opposed to his plans to end state sharing of school bond debt. I am in favor of the re-institution of a

graduated state income tax, payment of modest PFDs, and consideration of modest cuts to state government and government services where it makes sense.

Governor Dunleavy's budget is too drastic, and cuts too much into essential public services. The level of cuts he proposes to services like K-12 schools, the university system, Medicare, and the ferry system will devastate Alaska. His proposals to take municipalities' share of raw fish taxes will mean harbors will have to be shut down, destroying fishing communities. Likewise, his proposal to remove from communities the right to tax oil infrastructure in their jurisdictions will remove dollars needed for those local communities. The Governor meanwhile plans to continue large tax credit payments to oil companies!

Alaska should take steps to fund state government the way almost all other states do: with a graduated state income tax. Continuing to pay modest PFDs, as well as re-instituting an income tax would allow those who depend on the PFD as their main cash income to pay little or no income tax, while those with more income will pay more to fund statewide services. A state income tax will also gather revenue from out of state workers who now pay only their home state's tax on their Alaska earnings

Dunleavy's cuts are draconian and will destroy our economy, forcing parents to leave Alaska to find decent schools for their children, forcing hundreds of talented teachers leave for jobs elsewhere, forcing regular citizens to move out of state to live in communities with adequate public services. Yet, oil companies will receive tax cash credit payments, even payments beyond statutory minimums. Our citizens will suffer, while oil companies get more.

Governor Dunleavy does not have a broad mandate for his extreme plans. Only about 50% of the registered voters voted in 2017, and of that 50%, only about half voted for him. Not a single voter (or non-voter) knew the extreme, economy-destroying measures he would take in order to make the large cash payouts he promised.

I am fully willing to pay state income tax, and give up even my entire PFD in order to fund essential services we all need. But Alaska should follow these watchwords: Modest Income Tax, Modest PFDs, Modest Cuts, Lower Oil Tax Credits.

Thank you for the opportunity to testify

Sincerely,

Amy Sweeney

Sitka, AK

From: Burns Cooper <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:57 AM
To: LIO Fairbanks
Subject: house finance testimony

Please forward to the house finance committee--thank you!

Dear budget committee chair and members:

I have lived in Fairbanks since 1990. During that time, I have come to see how critical the University of Alaska is to the well-being of our city and our state. Quite frankly, although I have chosen to devote almost my whole adult life to Fairbanks, without a robust university, I would not want to live here. It is critical to the local economy, and also to the development of local talent, to the recruitment of talented people from other places, to our cultural climate, to preserving and rejuvenating Alaska Native culture, and to providing the research that we need to make good decisions and to govern ourselves wisely.

Governor Dunleavy's proposed budget and other actions since taking office have been the opposite of governing wisely. They will be absolutely disastrous to our state and especially to my city. We have dealt with budget cuts many times before—always painfully—but never at this completely reckless and, quite frankly, hateful level. Dunleavy hates education; there's no other way to interpret his actions. He clearly values extremist right wing ideology over the well-being of the state.

I'm not suggesting UA should be exempt from the pain that K-12 education or other critical state functions are threatened by. Rather, I'm saying **it is our responsibility to maintain a healthy, functional state, and to find ways to fund it.** This is quite possible; as UA president Rogers pointed out, refusing to fund higher education is a political choice, not a necessity. I believe a state income tax would be the fairest and most efficient way to increase state revenue, for a number of reasons. But if the Legislature finds that too big a step, there are other options: the Permanent Fund, reworking the oil royalty/tax system, or other taxes and fees. However you choose to do it, it is absolutely essential that you do it.

Thank you.

Burns Cooper

Fairbanks, AK 99709

@gmail.com

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From: Rainbow Chaser <@yahoo.com>

Sent: Wednesday, March 27, 2019 12:32 PM

To: House Finance <House.Finance@akleg.gov>

Subject: written Testimony on HB39 Budget Bill - PLACE IN RECORD

Public Testimony

HB39

House Finance Committee

My name is James Squyres. I am from Rural Deltana. I support the Governor's budget, SCENARIO ONE. This is outlined in the Governor's State of Alaska Fiscal Plan, which you have all seen. This plan "...envisions a smaller State government that distributes the people's share of oil wealth to Alaskans as prescribed by existing law."

Over time, Alaska politicians have created a LARGECESS in excess of anything that can be maintained with our limited population. The BASELINE DEPENDENCY has been artificially shored up by drawing down savings accounts and succumbing to special interest groups whose goal is to have others pay for their prosperity.

We have an interesting case in the North Slope Borough where they are pulling 372 million per year off the pipeline for a population somewhat over 9,000. That alone is 23.25% of the 1.6 billion that you will be asking Alaskans to pay with a reduced PFD so a few can receive benefits of over \$41,000 per head. The Governor seeks to correct this to fairly help all Alaskans, but many of you resist the CURE because you seek to protect a much smaller amount for your district.

NOW is the time... to structurally DOWN BUILD TO SIZE. The Governor was elected by Alaskans for this task. Many of you stand in obstruction with a short sighted vision of "helping" those about to be effected by cuts. You are not helping them and you are not helping Alaskans as a whole with this reactionary view.

If you maintain this level of spending now we will quickly outgrow the ability to sustain it even after sacrificing the full PFD. It requires a long term approach that reaches out past the next 2-year election cycle.

All roads eventually lead back TO a smaller Government that allows us to live within our means. Anything else continues the FISCAL SLOW MOTION TRAIN CRASH that we have been witnessing. You are either part of the problem or part of the solution. I ask you to fully support SCENARIO ONE.

That concludes my Testimony.

James Squyres

From: Michele Vasquez <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:31 PM
To: House Finance <House.Finance@akleg.gov>
Subject: re: Budget testimony - Reject Governor's budget

Chair Foster & Wilson and members of the House Finance Committee:

There is a popular saying in politics; "Don't tell me what your priorities are. Show me your budget and I will tell you what your priorities are."

Well, Alaskans have seen Governor Dunleavy's budget, and now, we know exactly what he considers important; oil tax credits for the wealthiest multinational corporations and paying a full PFD.

Everything is on the chopping block except oil tax credits. His proposed budget eviscerates K-12, the university system, Pioneer Homes, ferry system, early childhood programs and countless other programs and services that help Alaskans from all walks of life including the most vulnerable people in our state.

In short, the governor's budget is immoral, cruel, mean-spirited and heartless. Dunleavy keeps saying Alaska is open for business, but I wonder, what company would dare invest in a state where the public education system is short on teachers with overcrowded classrooms due to school closures? And any new business would want their employee's families to have access to the best healthcare providers who practice at fully staffed hospitals and clinics.

A new industry would expect necessary infrastructure like roads, bridges, airports, ports and the marine highway to be in top shape and fully funded because all of these things are crucial to running a successful business.

A full PFD would be great, and I know there are many who depend on it to pay for fuel, groceries and other essentials so although I am personally willing to forgo mine, I am not willing to make that choice for others. I believe the simplest and easiest thing to do would be to eliminate the per-barrel oil tax credit immediately and implement a progressive income tax and perhaps a sales tax.

We must have other revenue streams so we can have budget certainty in years to come. The governor's draconian budget proposal is bad for Alaska and extremely short-sighted. Alaskans deserve better than this.

Thank you,
Michele Vasquez
HD 30/ District O
Soldotna, AK

From: Chris Turletes <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:26 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget testimony

Attached is my written testimony advocating for UA and against the Governor's budget.

Thanks

Chris Turletes
[REDACTED]
Anchorage, AK 99515

26 March 2019

Dear House Finance Committee

Thanks for this opportunity to advocate on behalf of the University. I live in the Bayshore area of Anchorage; I am retired from the Army and recently retired from the University of Alaska Anchorage where I worked for 14 years as the Facilities Director. I am a donor and an Alum of UA. My daughter is a UAA Engineering graduate and is working locally as a licensed professional engineer. I have hired several UA graduates over my career with excellent results. I am writing to urge you to support the University's budget as submitted by the Regents. The University is a gem for our state. It's a bargain compared to outside universities and keeps Alaskan's in Alaska; it helps provide our industries with qualified employees in many fields including: health care, arts, social and economic areas, education, engineering, business, and technology fields. In short the University is creating employees and leaders for Alaska's future.

When I started working at the University in 2003 we were just beginning to recover from the last funding drought. Infrastructure all over campus was patched not repaired, major items of equipment did not work, and redundant systems were reduced to a single system the other stripped for parts. It was a very fragile campus infrastructure. Up until about 2015 you could see the improvement in physical conditions on campus; now you can again see the degradation. The University has sustained cuts to the operating budget four out of the last five and has insufficient capital funding in the last several years. My own retirement is in part a result of accumulated cuts. Here in Anchorage we have respectable campuses; we have some very capable facilities for research, business, aviation, health, science, and engineering. Our Library is world class. Our facilities serve students, staff and faculty for UAA and APU and the community at large. A budget cut to the University impacts the safe operation of every dimension of our campuses.

I urge you to keep our University system robust. It is the key to our states' future. The governor's \$134 million cut is the single largest reduction in the university's 100-year history.

The Governor's budget is a devastating budget for University and for Alaska. Achieving a sustainable budget for our state is a complicated and difficult task. Cuts are part of it; but if cut too deep we collapse. I urge you to consider a balance between cuts, new revenues, including taxes, and wise use of our income streams, including reduced dividends, to help run government.

I want you to know I am willing to be taxed and to relinquish my dividend in order for the State to provide education, health, transportation and social services to Alaskans; and to keep our University System strong. Thanks for this opportunity to share my thoughts and concerns with you. Thanks for those of you who were in Anchorage on Sunday to listen to us.

Respectfully

Chris Turletes,
@gmail.com

[REDACTED]
From: Elinor Jane <[REDACTED]@gci.net>

Sent: Wednesday, March 27, 2019 12:28 PM

To: House Finance <House.Finance@akleg.gov>; Senate Finance Committee <Finance.Committee@akleg.gov>

Cc: Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; Sen. Mike Shower <sen.mike.shower@akleg.gov>; Sen. Bert Stedman <Sen.Bert.Stedman@akleg.gov>; Senator.Natasha.VonImhoff@akleg.gov; Sen. Bill Wielechowski <Sen.Bill.Wielechowski@akleg.gov>; Sen. David Wilson <Sen.David.Wilson@akleg.gov>; Rep. Jonathan Kreiss-Tomkins <Rep.Jonathan.Kreiss-Tomkins@akleg.gov>; Rep. Ben Carpenter <Rep.Ben.Carpenter@akleg.gov>; Rep. Neal Foster <Rep.Neal.Foster@akleg.gov>; Rep. Jennifer Johnston <Rep.Jennifer.Johnston@akleg.gov>; Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>; Rep. Gary Knopp <Rep.Gary.Knopp@akleg.gov>; Rep. Bart LeBon <Rep.Bart.Lebon@akleg.gov>; Rep. Kelly Merrick <Rep.Kelly.Merrick@akleg.gov>; Representative.DanielOrtiz@akleg.gov; Representative.Collleen.Leonard.Sullivan@akleg.gov; Rep. Tammie Wilson <Rep.Tammie.Wilson@akleg.gov>

Subject: Governor's proposed budget

Hello. I was unable to participate during the teleconference hearings regarding the governor's proposed budget, so I write you now.

My husband, Jeffrey Robinson, and I are commercial fishers, homeowners in Petersburg, (where we raised our two children, and continue to live) and committed residents of our community and our state. We do not know one person in favor of the governor's budget proposal.

On Talk of Alaska, aired on public radio Tuesday, March 26th, I listened to Governor Dunleavy say he is not considering any new state revenue proposals, until he gets the state budget balanced and government spending "under control". This makes no sense to me. Sounds like tearing down the house because you cannot afford your bills. How do you get back on your feet again once you are homeless? We need to think of the Common Good, and how to fund programs, services, and agencies that work to this end. I do not support the governor's proposed budget and his cuts to education, the ferry system, public broadcasting, and healthcare.

I do support using a portion of the Permanent Fund to meet budget shortfalls this year. Though individual PFD payouts help with an infusion of cash, receiving this individual payout cannot possibly replace the economic activity resulting from ongoing programs that employ so many and also benefit so many. Perhaps a needs-based dividend could be considered.

I also support a statewide progressive income tax, so all who work in the state can help fund the state. And most importantly, I hope the legislature will work together to roll back subsidies to Big Oil in the form of tax credits. We should not be subsidizing wealthy corporations at the expense of education, health care, ferries, and our people.

I feel deeply concerned about the future of our fisheries, rural communities, and environment, the sharing of information throughout the state via public broadcasting, and the Governor's priority of a balanced budget before the wellbeing of our citizens and our state.

1
We are all counting on you.
Thank you for all your work!

Suzanne Fuqua
[REDACTED]
Petersburg, AK 99833

From: Justin Parish [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:28 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Testimony

The governor's proposed budget would kill people. Any time there is a rise in unemployment there is an increase in suicide rates. Any time there is a rise in uninsured people, there is an increase in sickness and death. If ferry service is cut it will have a tremendous impact on people who must travel to receive medical care. These are only a bare fraction of the overall impact of an inhumane budget.

I oppose the proposed budget. I support an income tax. I support increasing revenues from the oil industry.

Good luck and good spirits to all of you in these trying times.

Justin Parish, HD 34
[REDACTED]
Juneau, AK
99801

From: Justin Parish [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 12:27 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Governor's proposed budget

The governor's proposed budget would kill people. Any time there is a rise in unemployment there is an increase in suicide rates. Any time there is a rise in uninsured people, there is an increase in sickness and death. If ferry service is cut it will have a tremendous impact on people who must travel to receive medical care. These are only a bare fraction of the overall impact of an inhumane budget.

I oppose the proposed budget. I support an income tax. I support increasing revenues from the oil industry.

Good luck and good spirits to all of you in these trying times.

Justin Parish, HD 34
[REDACTED]
Juneau, AK
99801

From: Glenn Helkenn [REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 12:27 PM

To: House Finance <House.Finance@akleg.gov>

Subject: Budget cuts to the University of Alaska system. Support for Dunleavy's cuts.

I am currently a UAF employee (maintenance & science support, 7 years employed) and a lifelong Alaskan (born and homestead/farm-raised), and I have to say that (even though I voted for Begich) I strongly support Governor Dunleavy's proposed cuts (including cuts to the UA system) in order to preserve Alaskan's PFDs. Sadly, I see too much excessive spending and waste of public money in the bureaucracy of the UA system, and feel that a state of 700,000 people experiencing declining oil revenues simply cannot afford 3 public universities... and I especially don't think it makes sense to take a subsistence trapper's PFD gas money in Huslia, or a single mother's PFD food money in Anchorage (2-3 PFD's when you factor in the child's and child-support paying father's) to pay for three different public universities (again, in a state with only 700,000 people) when top administrators are making as much as \$350,000 year, and routinely over \$100,000 per year.

President Johnson does not speak for me, and is, in my working-class opinion, blinded by his privilege when he suggests that PFD money should be appropriated to keep UA budgets at current levels. In past decades when the state was flush with high oil revenues, such extravagances were fine. But no more. Our politicians and bureaucrats have gotten used to too much money under oil, and that expectation needs to come to an end before we start disproportionately burdening low-income Alaskans to keep these bureaucracies flush with dollars. The fact is, that even if new additional taxes are eventually implemented, budgets will have to be cut. Alaska just doesn't produce enough economic activity outside of the oil industry to keep high oil-era budgets going in a declining oil-era Alaska. If Alaska doesn't get it's bureaucratic spending under control the state is going to be crippled under their administrative weight in the not-too-distant future. Now is the time to make cutting the budget and preserving the PFD priority one.

Thank you for reading,

Glenn Helkenn
Nenana, AK

From: [REDACTED]@gci.net <[REDACTED]@gci.net>

Sent: Wednesday, March 27, 2019 12:27 PM

To: House Finance <House.Finance@akleg.gov>

Subject: My opinion on the Governor's Proposed Budget

Ladies and Gentlemen:

I am very much opposed to the Governor's proposed budget. Paying \$3,000 for this year's PFD to every qualified Alaskan citizen is irresponsible, based on the size of our budget deficit, and based upon the Governor's proposal to slash the budgets of so many worthwhile and necessary departments.

I live in Southeast Alaska, in Ketchikan, and *we need the Marine Highway!* Those in small towns and villages need the Marine Highway even more than we do in Ketchikan. In fact, its services are CRUCIAL to those folks. Legislators who live in the Interior may not understand just how important the Marine Highway is to the citizens of Southeast. They have roads to drive from place to place, we don't. Cutting the Marine Highway is a really, really bad idea.

And cutting funding for education, both K-12 and the University, is also a terrible idea. You've heard the phrase: "Our children are our future"? Educating our citizens is an investment, an investment for them and for our State. If the university's budget is cut to the extent the Governor is proposing, after several years of experiencing deep budget cuts already, the consequences will be disastrous. The university will be forced to layoff faculty and staff in large numbers, and classes and programs will be cut at all campuses. We want our students to go to Alaska universities, don't we? We want those students to stay in the State after graduation and contribute to their communities and to our economy. If the university is forced to cut faculty, programs and classes, or double the current tuition, which someone proposed, the university will lose students by the droves to schools Down South, and I'm guessing that many of those students won't return to the State. How shortsighted is that?

I am in favor of a reasonable PFD; I am in favor of an income tax. We HAVE to create revenue, not cut our state's valuable services to our citizens to the bone. What quality of life is left if you do that? Not only will our students leave the state to seek higher education, but many of our citizens will leave. I love this state, but if you drastically cut funding for education, the Marine Highway, public radio, funds for programs for our most vulnerable citizens, who will want to stay here? Forget the \$3,000 PFD and bring back an income tax.

Thank you.

Kathleen Wiechelman

[REDACTED]

Ketchikan, AK 99901

From: Cheryl R Westley [REDACTED]@gci.net>

Sent: Wednesday, March 27, 2019 12:16 PM

To: House Finance <House.Finance@akleg.gov>

Subject: Comments on Governor's Proposed Budget

Honorable Representatives,

Our Governor stated yesterday that the average Alaskan is in favor of his proposed budget for FY 2020. I am an average Alaskan who is NOT in favor of his drastic cuts to our State budget. I support the efforts of the House Finance Committee to change his proposal to be reasonable and allow State money to support our University, education, the marine highway system, Medicaid, seniors, and the needs of many Alaskan citizens. In my volunteer work I see many who are living on the edge NOW. Many who are hungry and can barely afford shelter. We Alaskans have always supported our communities. It is the only way we can all live well together in this State. Please use your wisdom to create a State budget

that includes everyone and doesn't result in the extreme hardship that his austerity plan would bring.
Thank you.

Cheryl Westley
[REDACTED]

Anchorage, AK 99502

Resident of Alaska since 1976

From: Arlot Hall <[REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 12:16 PM

To: House Finance <House.Finance@akleg.gov>

Subject: State Budget

- The State Budget has been cut over the last four years by 40+%.
- That is enough. There should be no more cuts.
- A personal income tax should be enacted that will generate about \$570 million as proposed by former Representative Paul Seaton.
- Oil Tax credits should be eliminated or, at least, reduced by 50% which would allow the state to retain about \$500 million
- PFDs should be capped at \$1200 to \$1500.

We need a fair budget in which everyone contributes.

Arlot "Bill" Hall
[REDACTED]

[REDACTED]@gmail.com

From: LIO Sitka

Sent: Wednesday, March 27, 2019 12:14 PM

To: House Finance <House.Finance@akleg.gov>

Subject: HB39 Public Testimony

Please accept this public testimony submitted to the Sitka LIO for HB39 - State Operating Budget:

My name is Renee Trafton. I own a small business with thirteen employees. Education fuels opportunity, growth and economic prosperity. Education is a core responsibility of the state. UA is established in the Alaska Constitution. Almost everyone who works for me is either a student of UAS, the Sitka School District, or has kids in the Sitka School District, myself included. The Governor's proposed budget cuts would be catastrophic for the state. There have already been large cuts, and more would permanently damage the state's education system. The library at the middle school has been closed because of lack of funding. My UAS students are very concerned that their college will lose programs, and maybe close. Same with

my high school kids, who have been thinking about college, but are even more unsure now. My daughter and her classmates are worried about losing teachers who have been part of their lives, and never seeing them again. I support a progressive income tax, and a modest PFD. Thank you.

-Renee

From: karin mccullough <[REDACTED]@yahoo.com>
Sent: Wednesday, March 27, 2019 12:11 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Comments on Budget

March 27, 2019

To the Chairs and Members of the House Finance Committee,

My name is Karin McCullough. I am a resident of Petersburg Alaska. I have two grandchildren 6 and 2 who live in this town also with their parents. How we maintain the services in our state and in our town moving forward in time is very important to me. Navigating the financial/budget considerations in a fiscally and socially responsible way is vital.

I do not believe this year that there should be an increased payment of the Permanent Fund, but rather a considered payment of 1,000 to 1,500(- with consideration also to using permanent fund funds for programs and services of the state of Alaska. I also feel we should start up state income tax again and study critically oil industry taxation.

State services and programs need to be funded.

In our town we pay property taxes and city sale taxes. We support our children and community members by active fundraising. We believe in a sense of community. As we move forward with the state budget I hope the sense of "community", our state community of all residents of all ages, all incomes and rural as well as urban are given funding consideration.

Thank you for your difficult work of keeping Alaska fiscally stable.

Sincerely,

Karin McCullough

[REDACTED] Petersburg, Alaska 99833

From: Sue Thorsen <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 11:56 AM

To: House Finance <House.Finance@akleg.gov>
Subject: Governor's proposed budget

Hello,

Thanks for an opportunity to voice my view's on Governor Dunleavy's proposed budget.

- I do not support Dunleavy's proposed budget.
-
- I do support the Senate Finance Committee alternative proposed budget that provides restored funding for state services, and a reduced PFD of \$630.

I have lived and worked in Alaska for the last thirty years - twenty-seven years in Sitka. Shutting down the Alaska State Ferry system, and selling the Sheldon Jackson Museum are among the many objections I have to the governor's proposed budget. These actions would be disasters for the people of SE Alaska - as would be the cuts in education and health and social services.

I support the following actions to balance the state budget, long term:

1. Eliminate oil production tax credits. (Support SB 14.)
2. Implement a graduated state income tax.
3. Use the PFD per year as needed. Personally, I would gladly give all my PFD per year for the services the state provides.

I heard the governor say recently that the deluge of folks who have voiced objection to his proposed budget don't represent the majority of everyday Alaskans. He is wrong.

It's hard for me to write this without using exclamation points at the end of every sentence, but I'm hoping to make my message short enough that you can't overlook the bottom line of what I want to get across.

Sue Thorsen

[REDACTED]

Sitka, AK 99835

[REDACTED]@gmail.com

From: Jana Peirce <janapeirce@gmail.com>

Sent: Wednesday, March 27, 2019 11:54 AM

To: House Finance <House.Finance@akleg.gov>

Subject: Written testimony on state budget for House Finance Committee

Members of the House Finance Committee,

I was not able to attend one of the hearings on the FY2020 state budget. Please accept my written testimony. I am deeply opposed to the steep cuts in the Governor's proposed budget. I believe they are not responsible. In fact they are highly irresponsible and possible unconstitutional in that they threaten to deepen the state's recession, cause additional unemployment and outmigration that will hurt Alaska businesses, and further weaken the economy, reduce property values, and significantly reduce the quality of life for Alaskans, especially the most vulnerable. They also do not live up to the state's constitutional responsibility for education, from K-12 through the University of Alaska system. I could lose one or both my jobs in the event of a deepened recession - one is in the private sector and one in the public sector. As much as I like my PFD, it does not replace a paycheck. Nor will it help if the value of my house falls as a result of a weak economy and additional outmigration.

Alaska has been a vibrant place to work and raise a family. That is more valuable than any PFD. Though, I support a balanced approach to meeting our structural fiscal challenges that includes 1) a cap on the PFD, 2) no back PFD payments, 3) a progressive income tax, and 4) elimination of deductible oil and gas tax credits. It's time Alaskans paid our way, to a small extent at least, for state services.

Thank you for doing the hard work to make the right decisions for Alaskans and for our state's future.

Jana Peirce

[REDACTED] Fairbanks AK 99712

On Wed, Mar 27, 2019 at 1:05 PM Marilyn Knapp <marilynknapp@gmail.com> wrote:

Having worked in the field of Alaska history and in museum work, I strongly urge the State of Alaska continue to preserve and support the Sheldon Jackson Museum.

Alaska is a special place for many reasons; the Sheldon Jackson Museum and its collection exemplifies one of those special reasons.

Thank you. Marilyn Knapp

--

Marilyn R. Knapp

[REDACTED]

marilynknapp@gmail.com

From: Homer Hunter <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 4:50 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Gov. Dunleavy's Proposed budget cuts

My name is Homer Hunter, Jr. and I am a lifelong resident from Scammon Bay from Senator Donny Olson and Representative Neal Foster's legislative district. I am vehemently opposing many of Governor Dunleavy's proposed budget cuts that are about to hurt many Alaskans, both urban and rural peoples. To narrow it down, I am urging the Alaska Legislators to vote no to his proposed cuts to medicaid. According to the CEO of the Yukon Kuskokwim Health Corporation, 19,000 medicaid recipients from my region will be heavily impacted. How does the Governor expect the poor, young and old who cannot afford without medicaid to be seen in the hospital for their primary health care? The other program that all Rural Alaskans depend is the Power Cost Equalization and I am very alarmed Dunleavy is planning to eliminate it. We who are all from Rural villages pay as much 4 times more for electricity than the urban city dwellers. If this happens, a very devastating impact will hit all rural Alaskans. This cannot happen! Governor Dunleavy is aiming to widen the gap between the rich and poor regardless of where people live and he is also in favor of dividing the rural and urban by taking the PCE endowment fund and putting it into the general fund. For this, I am opposing his PFD plan of \$3,000. I do not mind getting a smaller PFD as long as sensitive services and programs are in place to keep people healthy, safe, and protected. If he really wants to balance the state budget, re-instate the State Income Tax - that's what former Governor Jay Hammond wanted to see - reinstate it to balance the budget so that services and programs for the needy and middle income will continue. Thank you for hearing my concerns.

Sincerely,

Homer Hunter, Jr.
Scammon Bay

From: Pam Swedberg <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 4:32 PM
To: House Finance <House.Finance@akleg.gov>
Subject: PFD

Hello
My name is Pam Swedberg
I reside at 34670 Silver Weed St. Soldotna AK 99669

I am for Gov Mike Dunleavy cuts. I think it is about time someone does the hard thing and cuts gov spending. I feel the Legislators see the PFD as their way out. If they keep spending our money they will soon dip into the real thing. They have not learned to stay with-in their means. I would like to have our PFD restored.

I am really not for dipping into the PFD until I see that our gov cuts their spending and they have not proved themselves trustworthy. For example the fiasco that just happened at the beginning of the sessions. How many wasted days and money spent because someone claimed to be a Republican and voted with the democrats. And the Republicans lost the house!! That was a lot of wasted money that we should not have to pay for. Those elected should not be paid if they can't work! That's only one instance. The last 4 years our gov then was going to cut the budget and all I remember is he cut things that hurt us as people but they still had money for special sessions!

Only after we cut gov spending am I willing to have a flat tax. That way every one pays what they can afford. For the poor they will only have to pay a little and for those well off they have to pay more. With using the PFD as a tax you are hurting poor people and large families and college students. When college students can only make 4000- 5000 a summer they should not loose their PFD. With a flat tax of 6% they would only have to pay \$240 instead of \$1000 or \$1600. A flat tax is more fair then taking our PFD out of our families!

Read why the PFD was set up for in the 1st place - For the People to live here!
It's not for our Gov to Spend beyond their means

Thank you
Pam Swedberg

From: Kellie Jones <[REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 3:41 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

Dear Committee Members,

Here are a few ideas I wondered if anyone had looked into for cutting budget costs for our state:

Retired State employees paying for their medical insurance...Senior Citizens receiving their Social Security pay for their Medicare.

State employee travel- maybe average hotels instead of 5 star; simpler meal vouchers; more online meetings.

State employee retirement age, or at least eligibility age for receiving retirement, extended. Those in the general public wait until 62 to 65 before receiving their benefits.

Just a few ideas. Of course, if we could look at the State checkbook, we might be able to help cut some costs there. That's what we do at home under financial crunches...fine tooth our spending by seeing where we spend.

Thank you for your time,

Kellie Jones
[REDACTED]
Petersburg, AK

From: Jim Gifford <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 3:35 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Written testimony against Governors Proposed Budget

Written testimony apposed to Governors Proposed Budget
March 27, 2019

I am Jim Gifford, Valdez Alaska

I do not support the Governors proposed budget cuts.

The process the Governor has chosen to cut budgets, while awarding no bid contracts for services, all while proposing to pay record Permanent Fund Dividends will cause long term damage to Alaska society, communities and the citizens of Alaska for a generation or more.

I ask the legislature to take a measured approach, take reductions where appropriate, reduce or suspend the Permanent Fund Dividends, reduce the funding to oil companies (if necessary, not eliminate), re-introduce school tax and income tax as necessary.

The State receives adequate funds counting all sources, its just that we, Alaska society chooses to save it (25 % to PF), give it away to oil interest and our citizens (PFD).

Please do not destroy our Alaska society with the Governors draconian budget cuts.

Again I urge you to take a measured approach, lets build Alaska not tear it down.

Thank you,

Jim Gifford
[REDACTED]
Valdez Alaska 99686

From: Karin Halpin <[REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 2:12 PM
To: House Finance <House.Finance@akleg.gov>
Subject: state budget

Greetings --

Please count me as a resident who is utterly dismayed at Gov. Dunleavy's proposed state budget. I am willing to pay state income tax, sales tax and have a reduced PFD in order to restore government services such as education, transportation, health and safety.

Regards --

Karin Halpin
[REDACTED]
Anchorage, AK 99507
[REDACTED]

From: Brandy Auldrige [REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 5:52 PM
To: House Finance <House.Finance@akleg.gov>
Subject: FULL PFD and PAYBACK STOLEN PFD

To Whom It May Concern,

As a life long Alaskan, my family DEPENDS on the PFD to get thru the winter. The PFD was NEVER meant to pay for BIG Government. Please PAY OUT FULL PFD and PAY BACK the money that you stole from the citizens.

Sincerely,
Brandy Auldrige

[REDACTED]
Wasilla, AK
99654
[REDACTED]

From: Maica Sherman <[REDACTED]@alaska.edu>
Sent: Wednesday, March 27, 2019 5:24 PM
To: House Finance <House.Finance@akleg.gov>
Subject: University of Alaska

To whom it may concern,

Please reconsider budget cuts to our university and schools.

Our education is vital to the economic growth of our state and provides incentive for our children and adults to continue contributing to local communities as they learn.

My mother was able to return to college and earn a degree while she raised a family, and maintained multiple jobs. Long distance classes enabled her to continue studying while contributing directly to our village.

I am now an adult full-time student who works multiple jobs. One of these is as a student assistant for the King Salmon Center of UAF. My other jobs include house-sitting, walking dogs, co-owner/barista/baker for our family business (Heart O' the Shire), and ETT and volunteer fire fighter. Taking classes through UAF has allowed me to study while continuing to live, work and volunteer in my community. If funding for UAF disappears, programs being cut and jobs lost seem inevitable.

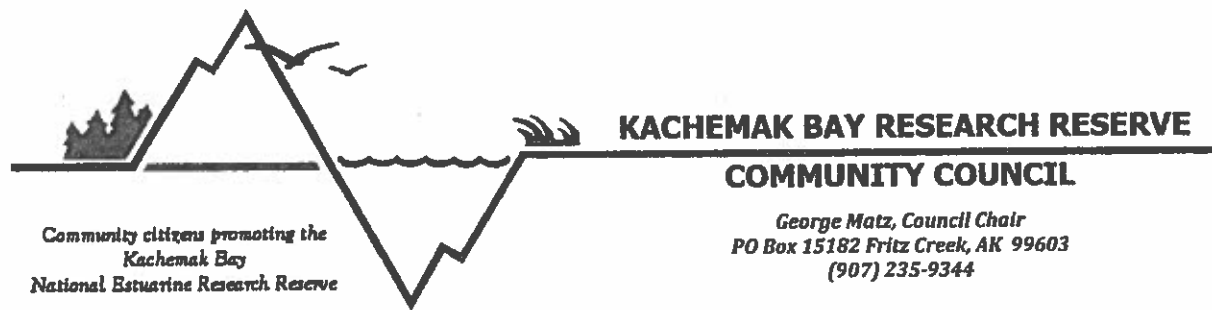
If UAF classes were no longer available, I would not be able to continue to work with my family, I would not be available to turn up for fire or medical tone-outs, and I would not be able to continue working nor studying in Alaska.

With the loss of funding, employment, educational opportunities, and the amount of Alaskan residency is at risk.

Please, please, please reconsider the citizens of Alaska.

Thank you very much for taking the time to read this e-mail.

With great hope for the future of our state and best regards,
Maica Sherman



To: House Finance Committee
From: George Matz, Chair of the KBRR Community Council
Re: University of Alaska Budget
Date: March 26, 2019

The Kachemak Bay National Estuarine Research Reserve (KBNERR) based in Homer, Alaska is part of a national network of 29 reserves that are supported through the National Oceanic and Atmospheric Administration (NOAA) and a state partner. KBNERR's state partner is the Alaska Center for Conservation Science (ACCS) at the University of Alaska, Anchorage (UAA). Our work is dedicated to conducting research, monitoring, education, trainings and community engagement that bring understanding of regional ecosystems, and to assist people in making informed decisions that promote conservation and stewardship. We serve as a magnet and platform for researchers and students from the state of Alaska and around the country.

The Kachemak Bay Research Reserve (KBRR) Community Council, composed of appointed local citizens, works with KBNERR to enhance understanding and appreciation of the Kachemak Bay estuary and adjacent waters to ensure that these ecosystems remain healthy and productive. The KBRR Community Council provides an organized structure for substantive and meaningful dialogue and recommendations between agencies, local governments, researchers, environmental educators, conservation groups, and others interested in natural science research and education and Research Reserve staff.

I would like to present to the House Finance Committee some important budget information that was presented to the Community Council at our quarterly meeting March 8, 2019 by the KBNERR manager Coowe Walker.

- Slide 1 - State funding for KBNERR is via the Alaska Center for Conservation Sciences at UAA. This year, KBNERR hopes to receive approximately \$60-70,000 in General Funds that will be used as a match for funding from NOAA. This match is essential for KBNERR to receive an operations grant of \$703,800. Note that this is a 10:1 return for the state. This is money that will be spent in Alaska that would be spent elsewhere if KBNERR's operations were not funded.
- Slide 2 - With an operations grant secured, KBNERR expects to receive a number of additional grants that are more project related. These grants will bring KBNERR's budget up to about \$1,225,000. This increases the return to the state to about 20:1.
- Slide 3 - The list of projects includes groundwater studies, nearshore fish studies, harmful species, aquaculture, blue carbon projects etc.

- Slide 4 – These funds will be spent on salaries, fringe benefits, travel, supplies, and contracts, all helping the local and regional economy.
- A number of these project grants will bring Lower-28 researchers and students to Homer to work in collaboration with KBNERR on a number of projects that will help in our understanding the natural and physical factors that influence Kachemak Bay and Cook Inlet. Each of these Lower-48 researchers and students will be spending money on travel, supplies, charters, etc. Again, these expenditures that not would benefit the Alaskan economy if it were not for the initial General Fund support that KBNERR receives.

KBNERR federal

- Base funding of \$703.8K
- \$100K addition requested
- Margaret Davidson Fellowship
Passed by Congress

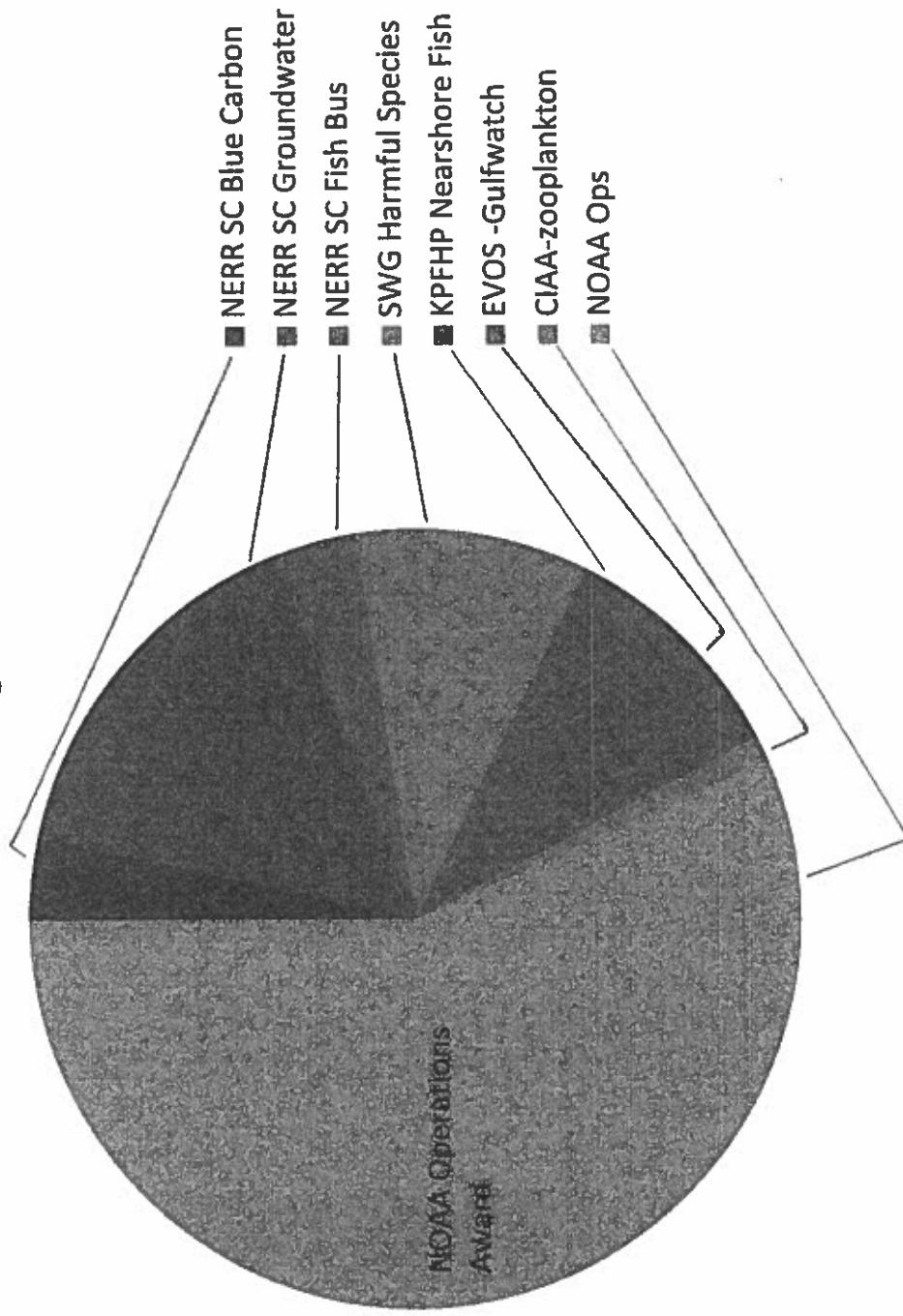
KBNERR state

- Matching Funds of \$60-70K
needed (ACCS staff)
University budget cut 40% by Governor



Must be a Partnership

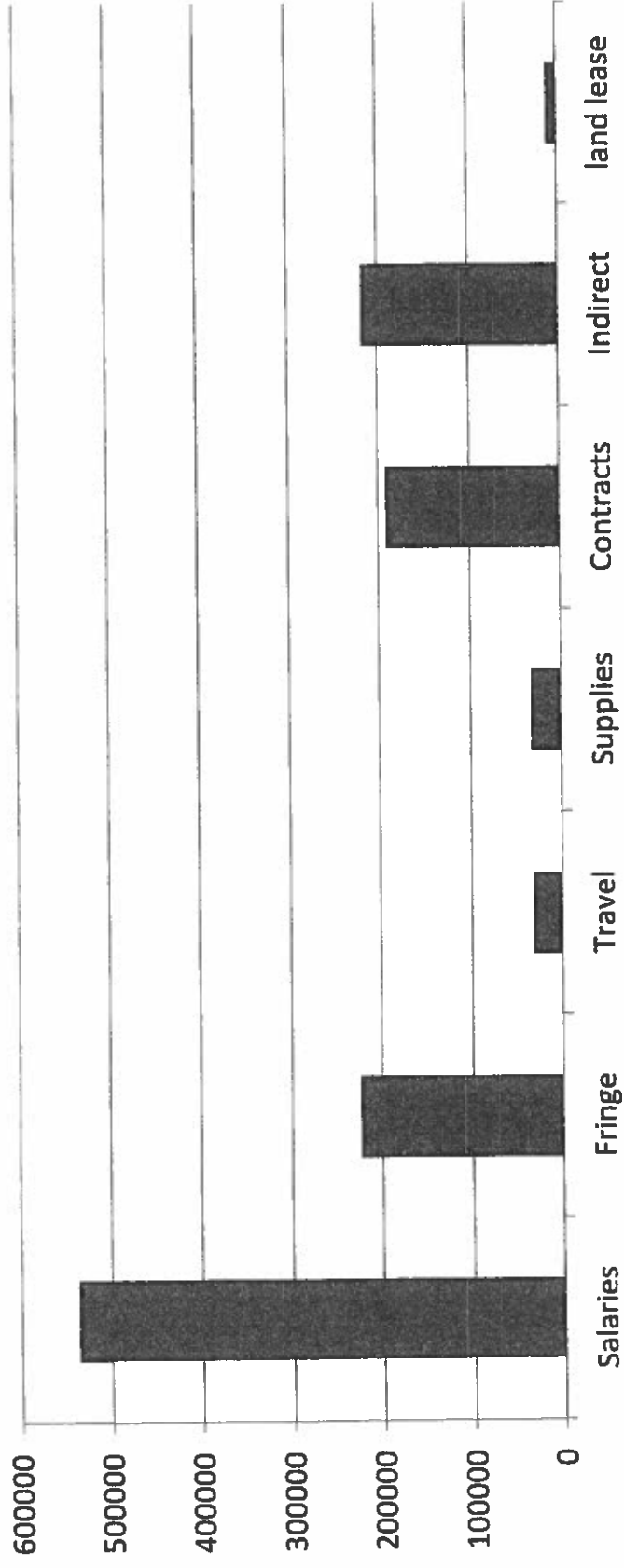
KBNERRs annual budget ~ \$1,225,000



Projections for FY20

- NOAA Operations award(\$703.8 +)
- Continuation of groundwater (\$90K)
- Nearshore fish studies (\$30K)
- Gulfwatch (\$42K)
- SWG Harmful Species (\$125K)
- US FWS Coastal Program support for Blue Carbon work (\$35-50K)
- NMFS support for nearshore productivity work (\$150K over 2 years)
- Smithsonian Working Lands and Seascapes for watershed work (\$50K)
- MERHAB proposal for monitoring HABs (\$450K over 5 years)
- SeaGrant for aquaculture studies (\$150K over 2 years)
- NFWF for blue carbon, reservoir protection work (\$160K over 2 years)
- CIAA for zooplankton monitoring (\$10-15K)

Where does the money go?



Sitka Legislative Information Office

Email: lio.sitk@akleg.gov

Phone: 907-747-6276 / Fax: 907-5807

WRITTEN TESTIMONY

NAME:

Julie Phipps

REPRESENTING:

BILL # or SUBJECT:

Budget

COMMITTEE:

House Finance

DATE: 8-27-19

NOTE: This testimony is considered part of the official record and will be posted online with the hearing documents

HAVING been born and raised in Alaska, planning to retire in AK, + eventually figure to live out my days at a Pioneer home, I feel all that is in jeopardy. With what is proposed now with a severe hike in the cost it doesn't seem possible. My mother is in the Sitka Pioneer Home at the moment, and our family fears for her future, what will become of her and others. She is already at the top tier 3. If two more tiers are added, the cost of her care ~~is~~ would most likely be a 4 or 5, which is a huge cost, 100% more than my family is paying now. I'm angry because my father is 85 years old and worried to death about the possibility of the price hike. He should be enjoying his life and not worrying about his + my mother's future. We understand inflation + are willing to pay more, BUT not what is proposed. There are less than 500 residents throughout Alaska, and these homes seem like a drop in the bucket compared to the big picture. Bottom line, I do NOT support the proposed increase in cost of The Pioneer Homes of Alaska. My family and many others could be in ruins if this happens. Lifelong Alaskans do NOT deserve this.

I also do not support cutting the ferry system. I am in SE AK on an island. We are already isolated enough. You would make it very difficult getting about SE AK, since we are all connected. No ferry would cripple us.

Sitka Legislative Information Office

Email: llo.sitka@akleg.gov

Phone: 907-747-6276 / Fax: 907-5807

WRITTEN TESTIMONY

NAME:

Lou Phipps

REPRESENTING:

BILL # or SUBJECT:

Budget

COMMITTEE:

House Finance

DATE: 3-27-2019

NOTE: This testimony is considered part of the official record and will be posted online with the hearing documents

I have lived in Southeast Alaska for the last 17 years. The proposed budget cuts would cripple many people in our state. These cuts would force people and their spending out of our state. If families can't get an education here they will be forced to move or send their children down south for education. The cuts to the pioneer home are the worst since they take money from a group that doesn't have it and can't get more. These people are past the point of acquiring new revenue streams. You are going to force them out of the home or on Medicaid (which is being cut as well). The benefit of keeping the PFD payout does not outweigh the loss of these services. I would gladly take the cut in PFD to avoid these drastic cuts.

From: Alan Batten <[REDACTED]@acsalaska.net>

Sent: Monday, March 25, 2019 4:32 PM

To: LIO Fairbanks

Subject: Fairbanks hearing at LIO, March 24

Dear Members of the House Finance Committee,

Thank you for holding a hearing in Fairbanks. I'll try to keep my comments on the budget brief.

I would like to live in a strong and vibrant state, with opportunities for all and a strong sense of community. I think that demolishing the state infrastructure, as Governor Dunleavy's budget proposes, will lead to economic collapse and cultural stagnation. We have been cutting government spending for 6 years or more. Governor Walker made substantial cuts (\$2 billion I believe) that were quite painful. More cuts are going to translate directly into lost jobs--a large number of them. Our community has already felt the effects of these cuts. Our much-beloved independent bookstore (Gulliver's) and the 2nd Story Cafe inside it were forced to close when their customer base shrank as people left the University because of its uncertain future. It takes years to build these important institutions up (University, K-12 system, libraries, parks) but they can be dismantled in a very short time. Our university is highly respected internationally. It provides an excellent program of teaching and conducts world-class research. We are uniquely situated geographically to conduct some of that research. We cannot maintain high standards of excellence if the state cannot provide the physical facilities, administrative environment, and at least those

salaries directly involved with teaching students. Needless to say, the future of our state also depends on having a strong K-12 education system, with competent well-paid teachers and low student to teacher ratios.

I think we are well past the point where Alaska needs a broad-based tax to support itself. I feel that a progressive income tax is the best solution. We've had one before and I feel certain that we'll have one again. It would be nice to institute it now before we completely demolish our savings (we really needed it 4 years ago as your chart shows). With a properly calibrated income tax we could afford traditional state services and have the full PFD (or one with a reasonable cap as determined by the legislature). I personally believe that a PFD capped at \$1,000 is more than ample, but I will leave that for the legislature to hash out. An income tax also makes us owners (in a sense), as well as citizens, of the state and gives us a reason to pay attention to how the state spends the money we give it.

I think the \$30 annual head tax proposed by Senator Bishop is a good idea.

I don't like sales taxes and I feel that one would be inappropriate for the state government. A sales tax hits the poorest people hardest, it involves more expense and trouble to set up and operate than an income tax does, it would be an extra chore for merchants, my understanding is that unless the rate is set really high it wouldn't produce enough revenue by itself to solve our problems, and (most importantly) some communities already have a sales tax and I think we should reserve that concept for use by local governments if they really need it.

A "progressive" PFD might be a viable idea, but with an income tax there

would be no necessity to go through the expense and labor to set up that architecture. Everyone could get the same PFD--just pay different taxes.

I think the idea of paying out the missing portions of the PFD from the last 3 years (I understand that is the idea behind SB 13, 23, and 24) is totally inappropriate. Those years have gone by. We can't add to our current woes by trying to re-write political decisions of the past.

Oil tax reform is an essential part of the picture. Oil taxes are exceedingly complex, and I'm not certain which of the many different statistics I've heard bandied about are the most realistic and meaningful. However, it seems clear that the authors of SB21 from so many years ago failed to anticipate the possibility of a years- to decades-long run of low oil prices such as we have been experiencing. I believe that it is also well established that the oil companies are making more than ample profits from their Alaskan operations. We should eliminate the oil tax credit, or at least seriously restructure it, as per Joe Paskvan's Community Perspective in the Fairbanks Daily News-Miner

(https://urldefense.proofpoint.com/v2/url?u=http-3A__www.newsminer.com_opinion_community-5Fperspectives_alaska-2Dshould-2Dstop-2Dgiving-2Dcostly-2Doil-2Dtax-2Dcredits_article-5F0031a4a4-2D4799-2D11e9-2Db163-2De7d4a7ae800e.html&d=DwIDaQ&c=Q8IJasR7RZ-J0Fd9RXD9ZA&r=mXLRjp7W3D9i_ejdFb0Wc2hk1mbYKVOGa8vT6HoYG8Y&m=Rh6BoZsrkykoSLAtsluZhulmTCBy2tFqtkX-lt55Lfs&s=jl0aSEu4jGzyQ2xjr5QEgNqMH9IbJ4MbX01icfUTCf0&e=.)).

I also think that more could be done to have the mining industry carry more of the weight of our current fiscal problems. The road to Ambler seems to be a free state give-away to the mining industry, costs us a lot of money, and is against the expressed self-interest of the local people.

The state ferry system is an iconic hallmark of our whole tourist industry and is also indispensable to locals. We interior residents also use it a lot. I'm wondering if I should give credence to the idea that the plot to demolish the ferry system is part of a bigger plot to entirely disenfranchise Southeast Alaska and use that as an argument (again) to move the capitol to Anchorage.

I am against privatization of government services of any kind. In particular I am opposed to private prisons. Alaskan prisoners should never be incarcerated out of state.

Making cuts to Medicaid is like cutting off our nose to spite our face. Aren't we getting back 90 cents from the Feds for each dollar we spend on Medicaid (or something like that)?

Cutting traditional state services is not really saving the state money. It is merely transferring fiscal responsibility for traditional state services to local communities, while simultaneously usurping revenues that local communities have come to rely on. I think it is shameful for the state to abdicate on its commitments to debt servicing made in previous years to local communities. It is also shameful to usurp the ability of the North Star Borough to tax the part of the pipeline that runs through the borough. We count on this revenue as part of our tax base. I condemn the Dunleavy budget for also usurping many other revenue streams traditionally available to local communities (e.g. commercial fishing permit fees)

I think Carl Benson's point at the hearing should be well taken. It

seems ironic that the two biggest items in the state budget (tax credits to the oil companies, and the PFD to the citizens) are give-aways. Why do we have money to give away, but we don't have money to support state functions?

I'd like to put in a final plug for Ed Linkous's Community Perspective

(https://urldefense.proofpoint.com/v2/url?u=http-3A__www.newsminer.com_opinion_community-5Fperspectives_a-2Dway-2Dforward-2Dfor-2Dalaska-2Ds-2Dbudget_article-5Fd9ecb688-2D4d1c-2D11e9-2D9830-2D23d15f6b8a0b.html&d=DwIDaQ&c=Q8IjasR7RZ-J0Fd9RXD9ZA&r=mXLRjp7W3D9i_ejdFb0Wc2hk1mbYKVOGa8vT6HoYG8Y&m=Rh6BoZsrdykoSLAtsluZhulmTCBy2tFqtkX-lt55Lfs&s=8ymsFRRAp_Bif2VLNXbpkVC3Hm5mGbsKSGWm8c2ziek&e=)

I agree with all his proposals.

I'm sorry this message is so long, but there is a lot wrong with the Dunleavy budget and I fear I have only scratched the surface.

Thank you,

Alan Batten


Fairbanks, AK 99712

Testimony for State House Finance Committee

(in lieu of oral testimony March 24, 2019)

I'm sure you've all got the message that a large majority of Alaskans are not in favor of the proposed drastic cuts to education, medical services, elder facilities, public safety and transportation. As a former FNSB assemblyman, I am outraged at the notion of the state grabbing the only source of revenue we can rely on, when the state no longer helps municipalities, and keeps pushing essentials like schools onto local government.

These essentials are impossible through random volunteering. And most of us by far are willing to pay reasonable taxes, reasonably distributed, to provide them.

So these comments are about what kind of taxes. It seems obvious that any one source will not be enough to close the gap. I think the fairest way is to raise operating revenues a number of ways, but not too much of any.

1. The permanent fund dividend is not a birthright, it is a dividend on returns. We had a system of 5-year averaging to smooth the bumps somewhat, and it worked. Go back to that. So it's smaller now – maybe our investments aren't yielding so much – that's capitalism.
2. Find a way to stop paying more in credits to oil companies than they are bringing into our treasury – that is a huge drain.
3. Raise the tax on gasoline; it is lower than almost anywhere in the country.
4. A small head tax from the first paycheck isn't too painful. It does catch some of the out-of-state workers. But it doesn't total much.
5. After all this, there is still a big gap. We seem to be choosing between sales tax and income tax, and I'd like to compare those from my viewpoint.

Sales Tax

- Requires expensive bookkeeping by thousands of merchants, mostly small. Regulations change and proliferate, and every tiny entrepreneur is required to keep track of them and fill out complex forms with which to deposit the tax, monthly to daily depending on volume.
- Requires a large department of bureaucrats at the state level to check those calculations, investigate possible cheaters, bring them to court, and collect fines.
- Any time a change is made, every little owner must get their software changed.

- Many municipalities are already relying on sales taxes. Adding 2% or 3% on top will often put them out of business.
- Hits poor people, who must spend nearly all their income to live, disproportionately to the better-off folks, who need to use only part of their monthly income on taxable goods.

Income Tax

- Fairly distributes the tax load among those who can pay. Taxes on each person's means, not what he buys with it.
- As a per cent of the federal income tax, it is exceedingly simple. When our state income tax was calculated this way (before oil, for you cheechakos) we filled out an easy one-page return each year. All the deductions, etc. are already figured in filling out the federal tax form.
- Companies with payrolls withheld the correct amount and deposited it with the state. The IRS routinely sent the state the list of taxpayers and their federal tax obligation for that year. All the state requires then is to run the list through a computer for the correct state obligation, then check to be sure that comes in. A small fraction of the staff required for sales tax!
- If more revenues appear from oil or any other resource, it is easy to lower the state income tax percentage for that coming year. Or the legislature can raise it if they find it necessary. That is used as the excuse for avoiding income tax entirely, but nearly every state in the Union has an income tax and the "liberal crazies" have not taken over any of them.

I appreciate Reps. Wilson, LeBon, and Wool for coming to Fairbanks and sitting through four hours of comments, ignorant and thoughtful, polite and rude, and holding your peace. (Been there, done that.) I hope you all had a drink and a good dinner afterward. Thank you, and good luck building a rational budget for our present situation!

Karen Parr

[REDACTED]@gmail.com

[REDACTED]
[REDACTED]

Testimony for House and Senate Finance

March 24 and 26, 2019

Subject: 2019-2020 Operating Budget

Testifier:

Patricia M. Ivey, age 78, 44 year resident of Fairbanks, retired, email [REDACTED]@gmail.com, [REDACTED] Zip 99709

Do what?

Save our university

Save our seniors, families, children and communities and the services we need to function

Save Alaska

How?

Cap the PFD at \$500 in perpetuity. Permanent fund architects meant for Alaskans to benefit from the permanent fund earnings.

Nobody said we should have all of it at the expense of our beloved country and our people.

Reinstate a graduated income tax

Restore Medicaid, senior benefits and funding cut from university and k-12, early childhood, public safety, community block grants and the Marine highway

Eliminate oil tax giveaways

Eliminate SB21 and go back to ACES.

What we could be throwing away if we are not careful

UAF ranks 10th in the WORLD among top universities with student enrollments under 5,000 and 3rd in the nation. UAF is among the top 3 economic drivers in the Fairbanks North Star Borough. For every dollar spent on the university anywhere, four dollars flow back into the local economy in any community in which a UA campus resides. A 41% cut to the university system as a whole actually means a cut to UAF of way over 50%. Do the math.

Elmendorf AFB will see an influx of F35s and the pilots and crews to go with them. Those pilots and crews are on orders; they have to come. Their families do not and will not if there are not adequate resources, housing and schools to support their families. How big an economic driver is JBER I wonder?

Alaska citizens 60 and older, aka senior citizens, represent over 18% of the total Alaska population. In FNSB borough, approximately 20,000 citizens (20%) are 60 and above with the largest component of seniors 70 and above. This is not because we all flew up here to take advantage in our senior years, but because we aged in place. According to FEDC, FNSB seniors are the seventh largest economic driver in the borough. Those of us who can help those of us who can't but age appropriate goods and services are still required. We volunteer and give back. We raise and give a LOT of money for our services but not enough. The Fairbanks Senior Center provides over 60,000 Meals on Wheels per year in a 13x13 kitchen to homebound seniors and successfully so because of senior volunteers and with help of the local food bank. To deprive services to our seniors also shoots us in the economic foot.

THESE REPRESENT JUST THE TIP OF THE ICEBERG OF WHAT WE MIGHT BE THROWING AWAY IF WE DON'T FIND A RATIONAL SOLUTION. THANK YOU.

Fwd: Testimony

Gordon Williams <[REDACTED]@me.com>

Sun 3/24/2019 2:38 PM

Deleted Items

To: House Finance <House.Finance@akleg.gov>; LIO Fairbanks <Lio.Fairbanks@akleg.gov>;

Oops, I forgot to include my address:

[REDACTED]
Fairbanks, AK 99709

Best wishes,
Gordon

Begin forwarded message:

From: Gordon Williams <[REDACTED]@me.com>
Date: March 24, 2019 at 2:35:54 PM AKDT
To: fairbanks.lio@alaskaleg.gov, housefinance@akleg.gov
Subject: Testimony

This is my testimony from today. I was the second speaker.

Hello, my name is Gordon Williams.

In my view, there is no budget crisis. Well, there is, but only to the extent that we don't have the will to do what is necessary

There are two sides to a budget, as anyone who has struggled to come up with rent money on time can tell you. There is revenue, and there are expenses. For too long in this state we have focused on cutting expenses. When spending is profligate, there is wisdom in this approach. But, continuing to cut essential services that the government provides — the roads, the schools, the prisons, the cops, the care of the indigent, the incapable and the infirm, the biologists, the regulators that protect us from the excesses of industry and unethical business actors — at some point that becomes self defeating. We have passed that point.

Tax me. Tax us. Tax the income generated in this state for the benefit of its citizenry. Use some of the earnings on the permanent fund — that's what it was set up for.

Support all levels of education. To do otherwise is to eat our seed corn. We need researchers, and highly trained professionals, and high quality education for our young people if we want to expand and diversify our economy in this state, and to have people equipped to solve the very real problems we face.

And for gods sake, do not privatize the prisons. The profit incentive is incompatible with rehabilitating offenders, it aligns instead with putting more people than necessary in prison, keeping them there as long as possible, and with treating them as poorly as can be gotten away with.

Thank you for your time and attention.

Fwd: Please forward this testimony on proposed budget to House Finance Committee members

[REDACTED]@mosquitonet.com

Mon 3/25/2019 2:46 PM

To: LIO Fairbanks <Lio.Fairbanks@akleg.gov>; House Finance <House.Finance@akleg.gov>;

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

Subject: Please forward this testimony on proposed budget to House Finance Committee members

Date: Mon, 25 Mar 2019 03:10:41 -0400

From: [REDACTED]@mosquitonet.com

To: Fairbanks.lio@alaskaleg.gov

My family and I do not support Governor Dunleavy's proposed budget. Our values align with public support for education from pre-K through university, libraries, parks and recreation opportunities, health care, senior citizen living, the environment and the arts. We want to live in a community where these opportunities are available for everyone. I agree with the perspectives expounded in recent editorials published in the Fairbanks Daily News Miner and written by Joe Paskvan and Larry Persily. The proposed budget will undercut the very fabric of our community that we value so much. The legislature must lead the state in setting a budget that provides for the best future of Alaska, which is one in which revenue is raised. Revenue options are available and should be established now. Find the compromise, find the middle ground. Be leaders of the citizens of the state!

Elizabeth Schaffhauser
Fairbanks, Steese District

Budget testimony

Phyllis Morrow <[REDACTED]@gmail.com>

Mon 3/25/2019 8:28 PM

To: LIO Fairbanks <Lio.Fairbanks@akleg.gov>;

I would appreciate you forwarding this testimony to the members of the House Finance Committee.

As an Alaskan resident for well over 40 years, through the state's changing administrations and shifts in priorities, I have never been more concerned about a governor's budget proposal. I urge the members of the the finance committee to focus on these things: 1) adequately fund the essential health, education and social services that underpin Alaskan society (including pre-school, K-12 schools, the university, Medicaid and other physical and mental health-related programs) as well as the services that make the state attractive and livable (including arts, public broadcasting, parks and public spaces). To do otherwise would jeopardize both population viability and stability; 2) recommend no cuts without an understanding of their full effects, seeking out and paying close attention to the results of impartial study and getting direct input from those who would be affected; 3) look to revenues from fairly applied taxes (such as a graduated income tax, taxation of oil companies, sales taxes, ways to tax non-resident Alaskan workers); 4) do not make preserving the PFD, or guaranteeing any particular dividend level, a priority in the overall budget plan.

Thank you for all your hard work in this difficult process.

Phyllis Morrow

[REDACTED]
Fairbanks, AK 99709

Proposed state budget

Anna Godduhn <[REDACTED]@gmail.com>

Sun 3/24/2019 4:59 PM

To: LIO Fairbanks <Lio.Fairbanks@akleg.gov>;

I struggle for words to express my frustration with the willful negligence of societal need and arrogant theft of collective resources embodied by the governors budget. I hear about efficiencies and living within our means, but I don't hear about how the oil industry is breaking profit records while coastal communities wash to sea. I am disgusted with the priorities and policies set forth and join the chorus of Alaskans calling for transformation away from fossil fueled destruction, with grotesque profits for a few, toward sustainable local economies, with education and housing for all. Sea level rise is upon us, and our lack of preparation astounds and frightens me. I don't have kids, but I do have 3 degrees from UAF and want to live in an educated and equitable state. I have a great job and would be glad to participate in progressive income taxes, but our first step needs to be cutting off the hemorrhage of collective wealth in the form of tax credits for exploitative, for-profit extraction industries that all major cities in the world.

I deeply oppose the proposed cuts to education, public safety, and medicaid. The oil heyday is behind us, and we can't drill our way out of this hole, we have to stop paying big oil to pretend it can help.

Anna Godduhn

[REDACTED]
99709

FY20

Alaska's Educational Crisis

Governor Dunleavy's proposed State of Alaska budget cuts and the impacts on education in TCC villages.

AN IMPACT STATEMENT ON THE PROPOSED FY2020 STATE OF
ALASKA BUDGET CUTS

Tanana Chiefs Conference | 122 1st Ave., Fairbanks, AK, 99701

Overview of the Governor's Proposed Budget Cuts

Governor Dunleavy's proposed budget targets education and medical care as the major sectors which are going to be cut, and these cuts will have disproportionate impacts on rural Alaska schools particularly. The cuts to education are the largest cuts in Alaska's history and will have devastating impacts on all of the schools throughout the interior. Education in rural Alaska and for Alaska Natives in the interior have been in crisis with very low graduation rates, for some areas, for quite some time. The Governor's proposed budget will cause crisis in a number of schools and homes throughout the interior.

Here are some key takeaways:

- **The K-12 cut statewide is proposed at \$340,000,000.00**
 - The following is a breakdown of cuts in the TCC Region for the Base Student Allocation specifically:
 - Alaska Gateway School District is cut from \$8,368,637.00 to \$6,864,492.00 a cut of **\$1,704,987.00**.
 - Fairbanks North Star School District is cut from \$110,565,543.00 to \$84,133,903.00 a cut of **\$29,375,063.00**
 - Galena City School District is cut from \$24,881,275.00 to \$20,461,258.00 a cut of **\$4,912,229.00**
 - Iditarod Area School District is cut from \$6,526,227.00 to \$5,329,395.00 a cut of **\$1,330,111.00**
 - Nenana City Schools are cut from \$8,883,025.00 to \$7,300,108.00 a cut of **\$1,759,190.00**
 - Tanana City School is cut from \$1,174,827.00 to \$958,810.00 a cut of **\$240,073.00**
 - Yukon Flats School District is cut from \$5,615,392.00 to \$4,289,105.00 a cut of **\$1,473,982.00**
 - Yukon Koyukuk School District is cut from \$16,131,455.00 to \$13,102,058.00 a cut of **\$3,336,750.00**.
 - The total cuts to the TCC Region total more than \$10 million annually not including Fairbanks.
 - The cuts will likely go primarily to instruction as the Districts have fixed costs that they can't cut, which could double the student-teacher ratio, and cut the number of teachers in half across the region.
 - The cuts listed don't include other parts of educational cuts, like cuts to broadband, cuts to early childhood education, cuts to the ability of local governments to be able to contribute, and other cuts that are hidden (like the rising cost of health care).
- **The University system is slated for a cut of \$134 million, which will result in the termination of many programs of study, the possible closure of campuses across the state, increased expense for our students, and outmigration of young people.**

TCC Region Impacts and Considerations

As we consider the impacts of the budget cuts, because there have been so many and at such large amounts, we have to first think about a few things: fixed costs to operate schools, instructional costs, and hidden costs and benefits to communities of schools. These all are heavily impacted in the proposed budget by the Governor.

It's also important to understand that the cuts to our rural schools are disproportionate, and urban schools and communities aren't as heavily impacted because of the way the Governor is approaching the budget. For example, in Fairbanks 1/3 of the cuts will be directed towards teachers, while this is high, in the villages almost 100% of the cuts will come from instruction as there are very few fixed costs or administrative costs that can be cut to spare teachers in those communities.

Fixed Costs

There are fixed costs in our schools that we can't adjust:

- Diesel fuel and heating
- Electricity and water costs
- Maintenance costs (pumps, mechanical, vehicles, etc.)
- Benefits like health care and retirement.
- Internet access

These fixed costs can also be required practices like:

- 185 days in the school year
- Following certain curricula
- Following certain testing regimes.
- All of these fixed costs can't be altered, so the school has to pay these costs. They can't take the cuts here. The schools, particularly rural schools will have to take the cuts in the classroom by cutting instructional staff.

Impacts to the classroom

A cut of this size, 24%, actually looks like a cut greater than 50% when it is applied solely to the classroom in some of our school districts (particularly the smaller school districts). We've created a series of graphs utilizing data from the State of Alaska, and our school districts, showing how much money these districts receive from the state, what their costs for instruction are annually for the last five years, and how much instructional capacity they will lose district-wide if the cuts were applied solely to instructional costs. Those graphs are available by school district in the back of this document.

It is important to note that these are projections and that these cuts haven't been made yet, though Superintendents from across the region are preparing for the realization of the cuts by preparing measures like:

Impacts to Students

- Shortening the calendar year by requesting waivers.
 -

TCC Region Impacts and Considerations continued...

- This could dramatically affect academic performance as the American school calendar is already much shorter than comparable countries around the world.
- This shortened calendar may leave students unprepared for the challenge and rigor of vocational schools and Universities.
- Increasing class sizes, the Fairbanks North Star Borough has projected 42 students per high school classroom for the next school year if the cuts are adopted. The impact in rural schools may even be higher.
 - Students may not receive adequate instruction in a variety of topics their teachers may not be certified in, will degrade instructional quality.
 - Activities will be curtailed and instruction will focus only on pure academic attainment, causing additional stress in the student body as things like physical education, music, and art are cut even further.

Impacts to Teachers

- Proposals for going to single teacher school sites instead of multi-teacher sites.
 - This would increase class size and possibly leave one person teaching all subjects to all grade levels simultaneously. Teachers aren't trained to teach both secondary and primary course work, for example a high school math teacher isn't trained on teaching kindergarten reading.
 - This will greatly increase turnover of teachers in schools, harm recruitment efforts.
- Teachers may choose to teach somewhere else as a result of these funding cuts.

Teachers already receive virtually no retirement funding, and receive no Social Security at all, teachers facing these hurdles combined with these cuts may leave the state for schools where they can get support, stability, retirement and social security, and professional respect.

- Eliminating large portions of instructional staff.
 - Some estimates for some school districts can place this number as high as eliminating 50% of instructional staff.
 - Eliminating teachers will increase class sizes which will lead to lower academic performance, greater disciplinary problems, and will greatly degrade the quality of instruction and-or available course offerings in our villages.
 - May jeopardize ability to have schools in some villages.
 - Many teachers in multi-teacher sites rely on each other heavily as they can work 12-14 hour days. Losing valued colleagues can demoralize staff causing them to seek employment elsewhere.

Secondary Cuts and Impacts

The Governor's proposed budget also cuts a number of other things that will have an impact on public education directly or indirectly:

Additional cuts affecting K-12 education

- Cuts broadband matching funds which jeopardizes federal matching dollars which pays for internet access to every community.
 - For example, Alaska Gateway will lose \$80,000.00 in state funding which jeopardizes \$1,000,000.00 in federal funding for internet access.
 - This could end internet access to schools in different regions.
- Cuts the entire state portion of early Head Start education funding, which jeopardizes the federal matching funding for Head Start.
 - This includes cutting a substantial amount from TCC Communities directly, and causing the potential loss of federal matching dollars.
 - This may result in layoffs, closure of facilities, and may mean the end of the program if substantial matching dollars (\$500k +) aren't found.
- Switches bonding responsibilities back to boroughs and local entities.
 - This will increase the cost of building school facilities greatly, and may hurt the ability of borough's to borrow money to build facilities.
- Changes property tax laws regarding oil and gas infrastructure from benefiting local entities to benefiting the state.
 - The revenue taken from the Borough here will impact property taxes more generally, and could cause an increase in the costs of goods and services.

Other cuts affecting villages

- The amount of money flowing into communities generally will be lessened.
- Power Cost Equalization is terminated.
 - This will hurt communities generally by increasing the cost of electricity dramatically, and hurting families, elders, and community members as they pay for their basic utilities.
 - Recruiting efforts for teachers and skilled personnel will also likely be hurt.
- Public radio/media is terminated.
 - This would greatly affect the ability of KZPA, KIYU, and KSKO to continue to operate at all.
 - Public radio plays a key role in educating the public about news, current events, music, and community life, without it community bonds will suffer.
- Community assistance is terminated.
 - Revenue Sharing to communities helps support libraries, Emergency Medical Response, Search and Rescue, and other community needs, and the program is targeted for termination.
- Many other cuts across the Governor's budget could make life harder in small rural communities.

Secondary Cuts and Impacts Continued...

Cuts affecting the University System.

- The University is facing a 41% cut in state funding, the largest cut in state history also.
 - The Governor has claimed that this cut is only 17%, but that figure is misleading in that it is 17% of the University system as a whole. The accurate figure is 41% of State funding is going to be cut, the Governor doesn't control federal funding or student tuition.
- The \$134 million dollar cut is equivalent to closing the UAA and UAS campuses entirely.
- Thousands of students will be impacted.
 - As campuses and programs are cancelled we will see an exodus of young people from the state as they are unable to pursue their studies here. It will exacerbate "brain drain" from our region.
 - WWAMI is targeted for termination impacting our students in Health fields and the ability of our students from the villages getting into Medical Schools in the future.
- UAF might be the targeted campus to cut, impacting the Fairbanks and interior economy.
 - Forcing our students out of the region and possibly impacting their return later.
- Rural campuses may be closed and the opportunity to take classes in village communities may dissipate, be harder to coordinate, or be eliminated entirely.
 - This would hurt certification attainment and job opportunities in our communities.
- Could harm recruitment efforts for qualified personnel.
 - A strong University helps us to grow certified personnel for many of our programs, particularly in Health. Without it we could see service delivery impacted.

Get Involved Now

- Now is the time to get involved by contacting our School Board members, and Representatives and our Senators in the State Legislature.
- If your community can pass resolutions opposing the cuts and send those to your Representative and Senator that would be helpful.
- Rep. David Talerico represents most TCC villages and is a part of the House Minority which has been aligning with the Governor on the cuts, you calling his office helps.
 - Call, email, and visit Rep. Talerico and try to secure his commitment to fully fund education. You're in a position to make him change.
 - We need votes from the House Minority in order to avoid a Governor's line item veto on schools.
- Contact Marna Sanford, TCC's Intergovernmental Affairs Manager for more details on getting involved and advocating for your school.
- Contact Edward Alexander, TCC's Education Manager, at 452-8251 ext. 3032, Edward.alexander@tananachiefs.org for any questions or concerns about this report.

By School District

Cuts will affect every school district differently. We have an impact sheet from the Fairbanks North Star Borough School District sharing how that district will be directly impacted, but for the other districts we had to compare the past five years of funding and the impacts of some of the cuts to get an idea about what they might do. We've also talked with Superintendents directly. The following pages of this report reflect those numbers taken from the State of Alaska Department of Education and Early Development and the FY20 budget proposed by Governor Dunleavy, the cuts to instruction are projections based on conversations with rural superintendents.

The first page is from the Fairbanks North Star Borough laying out the impacts to the schools in Fairbanks. PTR means Pupil Teacher Ratio, the number of students to each teacher, and FTE means Full Time Employee, so they're talking about the number of positions cut.

The second page lays out the budget, the Governor's proposed cuts, and on the far right column you'll see how much each district is affected.

The following pages are projections and graphs that we created showing the impact of cuts by school district within the TCC Region.

2019-20 GOVERNOR'S AMENDED BUDGET

POTENTIAL IMPACT

	FTE	
2019-20 Proposed Budget	1682.77	\$ 208,395,392.00

DISTRICTWIDE SUPPORT

Total Reduction	-42.50	\$9,304,586.40
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SCHOOL AND STUDENT SUPPORTS

Total School and Student Supports	-107.50	\$10,458,945.00
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CLASS SIZE ADJUSTMENT

	FTE	PTR
Kindergarten	-2.25	24
Grade 1	-6.5	28
Grade 2	-5.5	28
Grade 3	-5.25	28
Grade 4	-5	30
Grade 5	-4.75	30
Grade 6	-5	30
Grade 7	-7.2	34
Grade 8	-7.4	34
Grade 9	-10	42
Grade 10	-9.6	42
Grade 11	-9.6	42
Grade 12	-6.8	42
PTR FTE Total Reduction	-84.85	\$9,611,468.60
Total Budget Reductions	-234.85	\$29,375,000.00
ADJUSTED BALANCE	1447.92	\$179,020,392.00

CURRENT PTR	
Kindergarten	22.5
Grades 1 thru 3	24
Grades 4 thru 6	26
Grades 7 thru 8	27
Grades 9 thru 12	29.5

Transportation - Information Only

Current Cost	\$14,482,907.00
State Funding	\$11,667,370.00
Total Savings	\$2,815,537.00

Alaska Association of School Business Officials
Comparison of FY 2020 Foundation Formula and Additional Funding
Prepared February 13, 2019, Corrected February 20, 2019

School District	ADM	State AID	Quality Schools	FY2020 PROJECTED Total State Entitlement	FY2020 PROJECTED Total Gov Amended	FY2020 PROJECTED Reduction	Additional \$30 million Funding for FY2020	FY2020 PROJECTED Combined Reduction
Alaska Gateway	385	8,375,260	23,377	8,398,637	6,864,492	1,534,145	170,842	1,704,987
Aleutian Region	23	1,148,344	3,201	1,151,545	941,503	210,042	23,390	233,432
Aleutians East	217	4,679,477	15,624	4,695,101	3,669,808	1,025,293	114,177	1,139,470
Anchorage	45,325	321,765,236	1,175,954	322,941,190	245,769,182	77,172,008	8,593,863	85,765,871
Annette Island	300	3,536,656	14,057	3,550,713	2,628,193	922,520	102,732	1,025,252
Bering Strait	1,767	31,645,903	116,328	31,762,231	24,128,238	7,633,993	850,120	8,484,113
Bristol Bay	88	945,236	5,166	950,402	611,389	339,013	37,752	376,765
Chatham	185	3,816,459	10,631	3,827,090	3,129,428	697,662	77,692	775,354
Citugach	495	4,144,326	11,274	4,155,600	3,415,749	739,851	82,390	822,241
Copper River	440	6,817,889	19,368	6,837,257	5,566,200	1,271,057	141,545	1,412,602
Cordova	353	4,306,243	14,120	4,320,363	3,393,759	926,604	103,186	1,029,790
Craig	502	4,554,789	14,055	4,568,844	3,646,471	922,373	102,715	1,025,088
Delta/Cireely	821	10,170,301	28,075	10,198,376	8,355,931	1,842,445	205,174	2,047,619
Denali	972	6,959,187	21,382	6,980,569	5,577,370	1,403,199	156,260	1,559,459
Dillingham	452	5,985,795	18,867	6,004,662	4,766,512	1,238,150	137,880	1,376,030
Fairbanks	13,194	110,162,775	402,768	110,565,543	84,133,903	26,431,640	2,943,423	29,375,063
Galena	4,196	24,813,922	67,353	24,881,275	20,461,258	4,420,017	492,212	4,912,229
Haines	242	2,283,318	9,127	2,292,445	1,693,515	598,930	66,697	665,627
Hoonah	115	2,307,550	6,941	2,314,491	1,858,991	455,500	50,724	506,224
Hydaburg	102	1,872,604	5,189	1,877,793	1,537,236	340,557	37,924	378,481
Iditarod Area	346	6,507,990	18,237	6,526,227	5,329,395	1,196,832	133,279	1,330,111
Juneau	4,636	37,109,629	139,273	37,248,902	28,109,093	9,139,809	1,017,808	10,157,617
Kake	103	2,205,528	6,659	2,212,187	1,775,209	436,978	48,662	485,640
Kashunamiut	313	3,222,989	15,168	3,238,157	2,242,778	995,379	110,845	1,106,224
Kenai Peninsula	8,681	79,009,719	287,358	79,297,077	60,439,182	18,857,895	2,100,012	20,957,907
Ketchikan Gateway	2,274	25,233,473	81,130	25,314,603	19,990,473	5,324,130	592,894	5,917,024
Klawock	114	2,179,020	7,855	2,186,875	1,671,367	515,508	57,407	572,915
Kodiak Island	2,251	24,326,439	80,318	24,406,757	19,135,894	5,270,863	586,963	5,857,826
Kuspuk	367	6,213,788	23,492	6,237,280	4,695,638	1,541,642	171,677	1,713,319
Lake & Peninsula	313	9,089,140	26,188	9,115,328	7,396,709	1,718,619	191,385	1,910,004
Lower Kuskokwim	4,065	64,356,411	216,137	64,572,548	50,388,581	14,183,967	1,579,524	15,763,491
Lower Yukon	2,001	31,535,736	118,018	31,653,754	23,908,817	7,744,937	862,475	8,607,412
Mat-Su	19,074	169,024,757	542,131	169,566,888	133,989,560	35,577,328	3,961,886	39,539,214
Nenana	1,290	8,858,904	24,121	8,883,025	7,300,108	1,582,917	176,273	1,759,190
Nome	689	8,819,824	26,909	8,846,733	7,080,822	1,765,911	196,652	1,962,563
North Slope	1,983	19,364,424	98,435	19,462,859	13,003,059	6,459,800	719,362	7,179,162
Northwest Arctic	1,986	37,240,982	110,913	37,351,895	30,073,211	7,278,684	810,553	8,089,237
Pelican	11	535,858	1,556	537,414	435,312	102,102	11,370	113,472
Petersburg	461	6,054,481	19,662	6,074,143	4,783,850	1,290,293	143,687	1,433,980
Pribilof	70	1,116,884	4,299	1,121,183	839,048	282,135	31,419	313,554
Saint Mary's	185	3,429,786	9,491	3,439,277	2,816,407	622,870	69,363	692,233
Sitka	1,187	12,281,572	42,411	12,323,983	9,540,738	2,783,245	309,942	3,093,187
Skagway	122	982,266	4,643	986,909	682,209	304,700	33,931	338,631
Southeast Island	211	6,018,001	16,237	6,034,238	4,968,656	1,065,582	118,663	1,184,245
Southwest Region	611	10,041,610	37,592	10,079,202	7,612,217	2,466,985	274,723	2,741,708
Tanana	48	1,171,535	3,292	1,174,827	958,810	216,017	24,056	240,073
Unalaska	430	4,395,097	16,816	4,411,913	3,308,342	1,103,571	122,893	1,226,464
Valdez	657	4,780,272	23,646	4,803,918	3,252,123	1,551,795	172,808	1,724,603
Wrangell	330	4,118,414	12,782	4,131,196	3,292,383	838,813	93,410	932,223
Yakutat	83	1,071,646	3,458	1,075,104	848,157	226,947	25,273	252,220
Yukon Flats	222	5,595,182	20,210	5,615,392	4,289,105	1,326,287	147,695	1,473,982
Yukon/Koyukuk	1,871	16,085,293	46,162	16,131,455	13,102,058	3,029,397	337,353	3,366,750
Yupik	464	6,078,601	26,013	6,104,614	4,397,534	1,707,080	190,100	1,897,180
Mt. Edgecumbe	430	3,408,316	11,625	3,419,941	2,657,021	762,920	84,959	847,879
TOTALS:	128,053	1,181,754,837	4,105,094	1,211,887,231	916,462,994	269,396,937	30,000,000	299,396,937

NOTE: FY20 Projected Total State Entitlement includes Military/Other costs at \$26,027,300 in the Totals row. Source of data: DEED

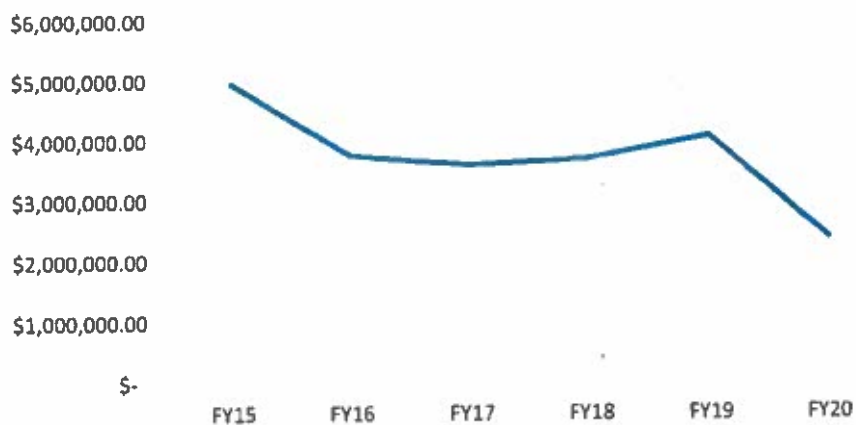
Alaska Gateway	FY	State Revenue	Instructional cost	Total instruction related costs
		\$	\$	
	FY15	10,403,264.00	4,980,938.00	\$ 7,142,021.00
		\$	\$	
	FY16	8,226,538.00	3,775,376.00	\$ 6,687,946.00
		\$	\$	
	FY17	8,983,488.00	3,616,763.00	\$ 6,761,427.00
		\$	\$	
	FY18	8,477,707.00	3,717,275.00	\$ 6,952,469.00
		\$	\$	
	FY19	9,426,365.00	4,091,465.00	\$ 7,677,381.00
		\$	\$	
Projected	FY20	6,864,492.00	2,386,478.00	

Alaska Gateway State Budget



Note the projected FY20 State revenue is more than 30% less than FY15. \$1,704,987.00 is the Governor's projected cut for the AGSD in FY20

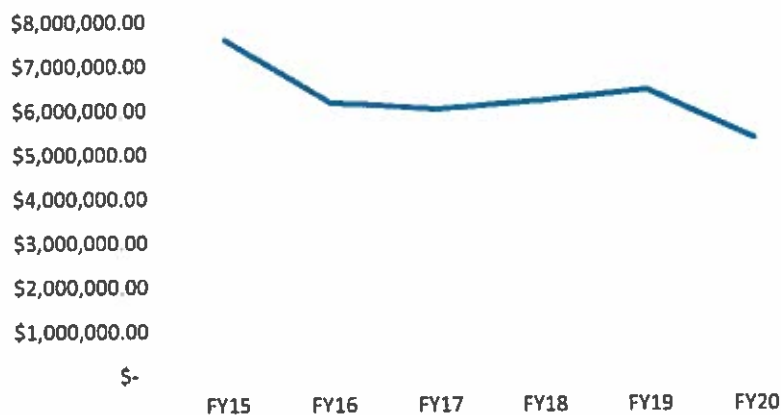
AGSD instructional funding levels and projected FY20 cut to instruction



Cuts to instruction are unavoidable at this point, the district has fixed costs like oil, electricity, etc., with minimal amounts of funding spent on admin. Note the projected FY20 amounts to a 50% cut in since FY15.

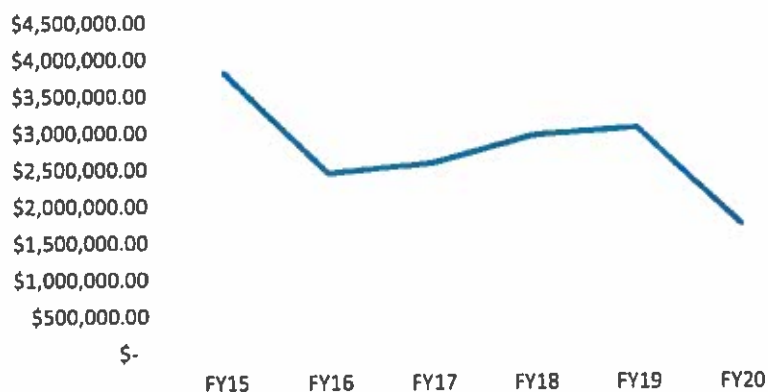
Iditarod	FY	State Revenue	Instructional cost	Total instruction related
		\$	\$	\$
	FY15	7,609,730.00	3,813,454.00	5,286,330.00
		\$	\$	\$
	FY16	6,171,390.00	2,438,579.00	4,196,201.00
		\$	\$	\$
	FY17	6,022,695.00	2,574,412.00	4,703,286.00
		\$	\$	\$
	FY18	6,199,736.00	2,944,971.00	5,167,310.00
		\$	\$	\$
	FY19	6,436,141.00	3,049,199.00	5,720,750.00
		\$	\$	
Projected	FY20	5,329,395.00	1,719,088.00	

Iditarod State Revenue FY15-FY20



Note the projected FY20 State revenue is 2.5 million less than FY15 \$1,330,111.00 is the Governor's projected cut for the Iditarod in FY20.

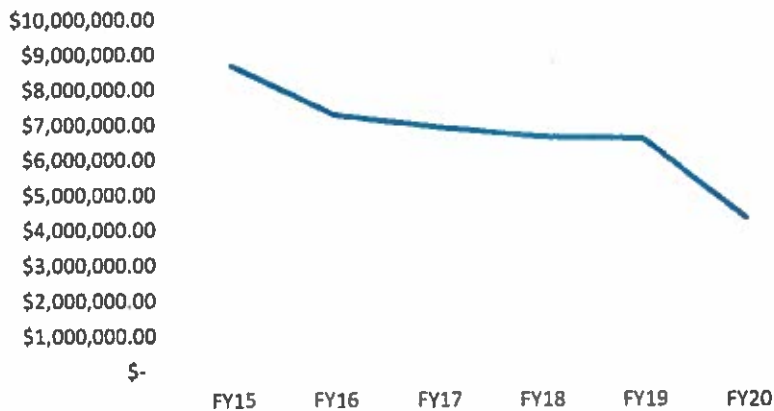
Iditarod instructional funding levels and projected FY20 cut to instruction



Cuts to instruction are unavoidable at this point, the district has fixed costs like oil, electricity, etc., with minimal amounts of funding spent on admin. Note FY 20 is projected at less than half of FY15.

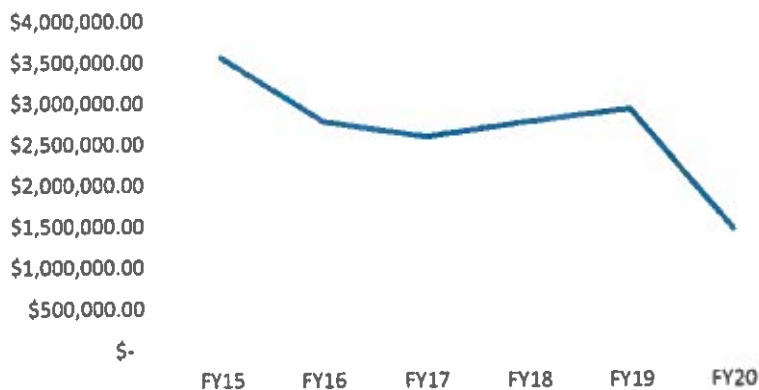
Yukon Flats	FY	State Revenue	Instructional cost	Total instruction related
		\$	\$	\$
	FY15	8,701,761.00	3,571,606.00	7,452,173.00
		\$	\$	\$
	FY16	7,288,677.00	2,786,536.00	6,350,829.00
		\$	\$	\$
	FY17	6,928,027.00	2,594,115.00	5,558,375.00
		\$	\$	\$
	FY18	6,646,698.00	2,773,834.00	6,216,822.00
		\$	\$	\$
	FY19	6,582,352.00	2,926,766.00	6,257,282.00
		\$	\$	
Projected	FY20	4,289,105.00	1,452,784.00	

Yukon Flats State Revenue FY15-FY20



Note the projected FY20 State revenue is less than half of FY15. \$1,473,982.00 is the Governor's projected cut for the YFSD in FY20.

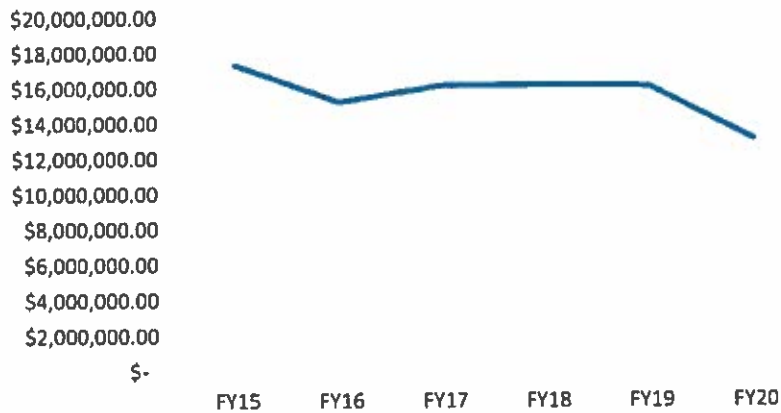
YFSD instructional funding levels and projected FY20 cut to instruction



Cuts to instruction are unavoidable at this point, the district has fixed costs like oil, electricity, etc., with minimal amounts of funding spent on admin.

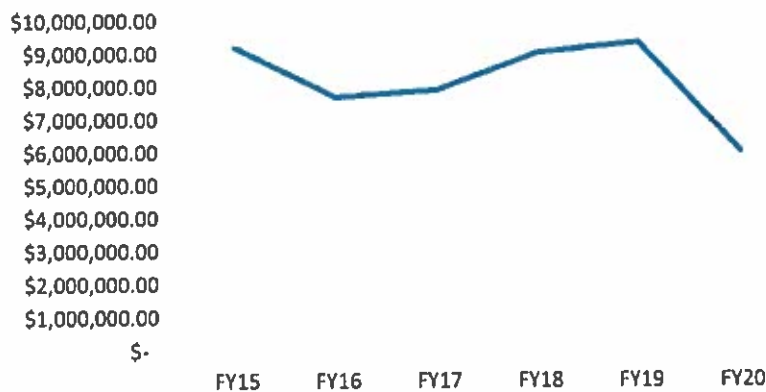
Yukon Koyukuk	FY	State Revenue	Instructional cost	Total instruction related
		\$	\$	\$
	FY15	17,392,274.00	9,196,318.00	14,289,744.00
		\$	\$	\$
	FY16	15,257,232.00	7,676,989.00	12,030,702.00
		\$	\$	\$
	FY17	16,176,499.00	7,880,831.00	12,529,474.00
		\$	\$	\$
	FY18	16,207,053.00	9,007,514.00	13,710,362.00
		\$	\$	\$
	FY19	16,131,455.00	9,318,827.00	14,023,012.00
		\$	\$	
Projected	FY20	13,102,058.00	5,982,077.00	

Yukon Koyukuk State Revenue FY15-FY20



Note the projected FY20 State revenue is less than half of FY15. \$3,336,750.00 is the Governor's projected cut for the YKSD in FY20.

YKSD instructional funding levels and projected FY20 cut to instruction



Cuts to instruction are unavoidable at this point, the district has fixed costs like oil, electricity, benefits, etc., with minimal amounts of funding spent on admin., cut assumes all of the cut goes to instructional

**ALASKA GATEWAY SCHOOL DISTRICT
RESOLUTION #19-01
RESOLUTION IN OPPOSITION TO SB39 A REVERSE APPROPRIATION**

WHEREAS, the current Administration proposes SB39, a reverse appropriation of educational funding that will withdraw from Alaskan schools \$20,000,000.00 this fiscal year; AND

WHEREAS, the Alaska Legislature approved these funds in May as part of a budget resolution to school funding during the 2018 Legislative Session for FY19; AND

WHEREAS, during 2018 session the Alaska Legislature further approved \$30,000,000 for FY20 as part of a budget resolution to forward fund schools; AND

WHEREAS, AGSD was informed in June, 2018, that it would receive \$117,000.00 of these appropriated funds for the FY19 fiscal year; AND

WHEREAS, these funds were then properly budgeted by AGSD School Board for the purpose of improving instructional programing that directly improves opportunities for student learning; AND

WHEREAS, the district has contractually obligated these funds to serve students; AND

WHEREAS, withholding these funds will become an additional cost the district in real dollars an amount twice that of the of \$117,000, because of \$117,000.00 encumbered funds that must now be honored, and the \$117,000.00 that must be removed from our approved budget; AND

WHEREAS, AGSD believes that this re-appropriation constitutes a violation of both trust and law, in that these funds have already been properly appropriated to schools by the legislature, and and signed into law by the Governor, and subsequently were encumbered to impact educational program improvement as intended; AND

WHEREAS, AGSD believes that the Administration does not have the authority to withhold funds properly allocated by the Legislature, AND

WHEREAS, it is the mission of the Alaska Gateway School District as established by the Board to work in partnership with our communities to educate all student to be responsible contributing citizens; AND

WHEREAS, losing these already appropriated funds negatively impacts that mission.

THEREFORE, BE IT RESOLVED, that the Board of the Alaska Gateway School District strongly opposes the re-appropriation of educational funds as outlined in SB39.

ADOPTED by the Alaska Gateway School Board this 18th day of February, 2019.


Peter Talus, Board President
Alaska Gateway School District



March 27, 2019

Dear House Finance Committee,

I do not support Dunlevie's budget nor do I support budget reductions to any aspect of Alaska's education system (early education systems, K-12, the University of Alaska, WWAMI, or the state's student loan program). Education is a key component to the State's success. It fuels our workforce which boots our economy, it provides opportunities for our children to become well educated, and the University fills a job market niche that is not found elsewhere in Alaska. Cutting education will be detrimental to the long term success of Alaska, especially when considering that the University educates much of our workforce.

I am a product of Alaska's education system. I was born and raised in Fairbanks, Alaska where I enjoyed a high quality K-12 education. Highlights of my K-12 education included excellent programs in art, music, math, and science. My passion for science inspired me to participate in the Alaska Statewide High School Science Symposium where I had the opportunity to be part of a University of Alaska research project. Loving science and biomedical research, I applied to the University of Alaska Fairbanks (UAF) and was accepted. I spent the next nine years earning my B.S. followed by my PhD in my home town where I could be close to my family and give back to my community. When it came time to find my next research experience (a post-doctoral fellowship position), I was pleased to discover that I competed well at the national and international levels receiving offers from every job I applied to. During my post-doctoral fellowship, I become acutely aware of how well my UAF education prepared me to work in my field. After about four years at the position, I decided that it was time I attempted to have my own research laboratory as a faculty at a university. I applied for a position in UAF's Department of Chemistry and Biochemistry, and after a rigorous interview process I was delighted to be offered the position that I now hold. The education system of Alaska provided me with the skillset and knowledge to be able to successfully pursue my passion for science and education. Without the excellent education that I received in my home state of Alaska, my story life story thus far would likely have been very different.

With the proposed cuts to the University system, my future in Alaska is in question. Budget cuts of \$134 million are likely to cripple the University to the extent of closing an entire campus. The only way that this will be accomplished is by eliminating those positions. The University supplies employment diversification in Alaska by offering job opportunities that are not found in other employment sectors. I expect that the people who lose their University employment due to budget cuts will have to either find employment in areas not directly in their expertise or they will leave Alaska. With budget cuts to Alaska's education system, I may not have employment and there are very limited opportunities in Alaska for my expertise. I may be forced to leave Alaska and be a part of the "brain drain". This is not the outcome I want or support. I want to stay in Alaska, in my home, where I can give back to my community.

As the economy continues to decline, so does Alaska's population. My fear is that with budget cuts to all levels of our education system will continue this decline, perhaps at an increasing rate. Parents want the very best outcome for their children. A key component of a child's success is their education. If our education system is crippled by budget cuts, I envision

many of the people who can will move away from Alaska to provide a better education to their children. Currently, I do not have children but I in the future I may. I want my children to have the education experiences that I had and that provided me with a foundation to be successful.

Our young, middle, and aging population will also be affect by budget cuts to the University as all of these populations utilize the University of Alaska either through acquiring education, by employment, or enjoy services provided by University alumni. I foresee a future where prospective students will not want to attend a poorly funded University and thus will seek opportunities elsewhere, taking their resources, interest, and future expertise out of Alaska.

Please support all levels of our education system including our state student loan program and Alaska's medical program WWAMI. Our state loan program allows students have a mechanism to help fund their education. Programs like WWAMI that allow Alaskan's to become medical doctors that are sensitive to Alaska's aging population needs. Without these programs, Alaska will not be able to retain its population.

Please support our education system fully. I am in favor of generating funds from other means such as a reduced or no PFD, no PFD "reimbursement", and a state income tax (or another tax mechanism). Thank you for your consideration and please do not hesitate to contact me with questions.

Respectively,

Maegan Weltzin

Maegan Weltzin

@gmail.com

Fairbanks, Alaska



AKCHILD & FAMILY

Thank you for the opportunity to provide public testimony. This letter is written on behalf of AK Child & Family and the families we serve. We have been providing care to Alaskan youth and families since 1890 with our services evolving over time to best meet the needs of our community. Our continuum of care includes services at the least restrictive level of care (community based, outpatient) through psychiatric residential treatment for youth that are stepping down from acute care hospitals. We provide cost effective services at the least restrictive level of care possible. We also offer statewide training on a variety of topics (suicide prevention, trauma informed care, etc.) to strengthen the behavioral health workforce and quality of services offered.

The Governor's proposed budget for FY20 (HB 39/SB20, HB 40/SB21 and SB19/HB38) contains several changes to existing funding levels that will have a negative impact on Alaskans. The majority of individuals we (and other providers similar to us) serve have high ACE Scores (Adverse Childhood Experiences). High ACE scores are strongly correlated to the development and prevalence of a wide range of health problems throughout a person's lifespan, including an increased risk for suicide, substance misuse, behavioral problems, family dysfunction (including child abuse and neglect) and physical health problems (disease, premature mortality). Eliminating or reducing access to services has consequences – both immediate and long term, ultimately increasing costs to the state. While we are in full support of a responsible budget and wise spending, additional cost containment measures such as rate reductions or rate freezes to behavioral health providers will negatively impact both access to necessary behavioral healthcare services and the behavioral health workforce. Often entry and intermediate level behavioral health providers work two jobs just to make ends meet and many agencies struggle to fill vacant positions, despite the increasingly recognized need for such services in our communities.

Please maintain support and funding for behavioral health grants for treatment and recovery. These behavioral health programs provide vital services to Alaskans with mental illness, substance use disorders, intellectual/developmental and cognitive impairments.

Please support adequate funding for Alaska's Medicaid program that provides health coverage to eligible, low income, disabled and senior Alaskans by reversed reductions to HB39/SB20, 225 million (GF) and 450 million (federal).

Respectfully,

Anne Dennis-Choi

President & CEO



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Office of Superintendent

Sean Dusek, Superintendent of Schools

148 North Binkley Street Soldotna, Alaska 99669-7520

Phone (907) 714-8888 Fax (907) 262-9132

March 27, 2019

State of Alaska
House of Representatives Finance Committee
Representative Neal Foster, co-chair
Representative Tammie Wilson, co-chair
State Capitol Room 505
Juneau, Alaska 99801

RE: Testimony on budget to House Finance Committee

Dear Representative Foster, Wilson, and House Finance Committee members:

On Saturday, March 23, 2019, our district communications liaison provided verbal testimony to House Speaker Edgmon, Representative Johnston, and Representative Knopp in person at the community budget conversation in Kenai. This letter serves to put our testimony in the official record.

We are living in unpredictable times. The proposed budget from the Governor fueled important conversations. We are educating youth for jobs that do not yet even exist.

Over the past seven years, to meet annual deficits, the district has:

- Spent \$9.1 million from general fund balance savings
- Found and implemented \$8.5 million in reductions over the past five years through district initiated efficiencies, district office reductions, staff reductions, etc., with a focus to keep cuts as far away from classroom as possible and protect the pupil-to-teacher (PTR) ratio

This totals \$17.5 million use of savings and reductions in KPBSD to meet the deficit over past seven years. For perspective to wrap your mind around this figure: every \$1 million is approximately ten teachers.

It is uncertain if the district will receive the FY19 one-time funding of \$1.4 million.

The proposed state cut is a 25.7% reduction to the district. The budget the Governor proposed for FY20 is a \$20.9 million reduction in state funding to our district, and also triggered a \$1.5 million reduction to the amount the Borough can fund. There could be even more cuts if other state reductions and pending legislation impact Borough revenue, and the Assembly does not vote to fund to the maximum allowable, or cap. The proposed state reduction is a \$22.4 million cut to the school year that begins in August.

A comprehensive analysis is underway by district leadership to meet the potential budget cut. Valuable discussions about priorities are taking place with the Board of Education. A flyer listing the cuts that would be necessary include raising PTR in classes, elimination of sports and co-curricular activities, school closures and consolidations, among other things. The flyer is not a scare tactic. If the district did everything on the list, it is still \$5 million shy of a \$22.4 million cut.

The district has more than 100 non-tenured teacher contracts that cannot be offered to staff the district invested time and resources in, and who are valued in their school settings. There is unpredictability with our staff, who we hear are seeking alternate employment now, and assessing their personal options.

Our district is diverse: 43 schools over 25,600 miles, includes small community schools, neighborhood schools, charter schools, a homeschool, and four schools accessible only by boat or plane.

Our state experiences the highest costs in the nation for health care, workers' compensation, and heating fuel. This contributes to the claim our state has the highest cost of education in the nation. An idea for legislative action is to address the continued rise in health care costs for school districts through statewide pooling, or incentives.

Adverse Childhood Experiences—ACES are rising. Our school district does have positive outcomes and we continually improve through personalized learning, and educating the whole child. Weekly stories highlight our graduate successes.

We do not have the answers to solve the fiscal limitations the state is experiencing. If implemented, the outcome of these cuts would devastate our communities.

Sincerely,



Sean Dusek
Superintendent of Schools

\$ 22.4 million

A sobering look at what the Kenai Peninsula Borough School District would have to cut to begin to meet the Governor's proposed reduction to state funding



- The Governor Michael J. Dunleavy 2019-2020 State Budget proposed drastic cuts to education funding
- Alaska State Legislators could honor the FY20 education funding put into law in 2018 by the 30th Legislature
- KPBSD schools are funded by the State of Alaska and the Kenai Peninsula Borough



**CLASS SIZES
AND
STAFF REDUCTIONS**

Increase Pupil-To-Teacher (PTR) ratios:

- Plus 7 students to high school classes
- Plus 6 students to middle school classes
- Plus 2 students to elementary school classes
- Plus 2 students to K-12 school classes
- Plus 2 students to Connections Homeschool
- Reduce administrators
- Eliminate professional development support for new teachers

Support staff reductions:

- Eliminate some job classifications
- Reduce hours for some positions
- Reduce contract days in annual work calendar



**SPORTS AND ACTIVITIES
DISTRICT PROGRAMS**

- Discontinue and eliminate all sports in high school and middle school, athletic directors, coach stipends, extra-curricular activities including music, yearbook, DDP, etc., ASAA, and KPSAA activities
- Eliminate the District Mobile App
- Eliminate FY21 School Technology Plan purchases
- Discontinue in-service meals and snacks
- Reduce funding to Student Nutrition Service (SNS)
- Reduce school funding to charter schools: Aerors Borealis, Fireweed Academy, Kaleidoscope School of Arts and Science, Soldotna Montessori
- Cut school supplies by 10%



**SCHOOL
CONSOLIDATIONS
AND CLOSURES**

- Close Chapman School
- Close McNeil Canyon School
- Close Moose Pass School
- Close Nikiski Middle-High School
- Close Seward Middle School
- Close Soldotna Prep School
- Additional consolidations and closures are under review

Close Pools in:
Kenai, Homer, Ninilchik, Soldotna, Seward, and Soldotna

Close Theaters in:
Kenai, Homer, Nikiski, Seward, and Soldotna

In addition to this list, \$5 million further in cuts would be needed to meet the deficit the Governor's proposed budget would create. State funding reductions link to how much the Borough can fund, creating an even further reduction to education funding. Current bills before the legislature may also affect Borough revenue. This creates an even larger deficit.

WHAT CAN YOU DO?

- Contact your state legislator via phone, email, or attend a town hall meeting
- Testify at a legislative hearing in a LIO office, make a phone call, or write a letter
- Attend Borough Assembly meetings, talk to Assembly members about "local" Borough funding
- Talk to your principal or school site council about the impact of education funding reductions to your school
- Advocate for a realistic state fiscal plan, speak up and share your positive stories about education

www.KPBSD.org

The mission of the Kenai Peninsula Borough School District is to empower all learners to positively shape their futures.



Written Testimony
of
Rebecca Knight
Petersburg, AK
March 27, 2019

HB 39
APPROP: OPERATING BUDGET/LOANS/FUND

Hello Finance Committee Members,

I fully understand that the State of Alaska is in a dire fiscal crisis and budgetary cuts are needed and inevitable. As Governor Dunlevy has proclaimed, State spending must be cut. The question is where and how much to cut, as well as serious consideration to a reduced PFD and an income tax, which I support.

However, I question the double-standard, frivolous spending by Governor Dunlevy for *his* favored projects which will have little to no sustained benefit to Alaskans. For instance, a common sense State spending reduction, should include cancellation of the contract award for the Sitka Katlian Bay Road Project DOT project #67672¹. **It is the epitome of wasted government spending which Mr. Dunlevy so publicly disdains.** Construction costs for the approved road-to-nowhere were estimated to be \$16 million however the successful bid came in at \$32 million—double the estimated cost! The State would also be responsible for maintenance costs for this foolish remote roadway. As I understand, the Katlian Road construction contract was wisely put on hold by Governor Walker, but that hold was reversed by Mr. Dunlevy and has now been “tentatively” awarded to an Oregon based company with an office in Sitka.

I believe the cost of this project is shamelessly exorbitant— especially during this time of fiscal austerity and the apparent limited usefulness of the rudimentary roadway. As depicted on the map² of the project, the road would be a road-to-nowhere. As described in the SoA DoT press release³, “The Katlian Bay Road project would construct approximately nine miles of new single-lane, unpaved road with bridge crossings, beginning at the northern end of Halibut Point Road, extending east along the south shoreline of Katlian Bay, crossing the Katlian River, and ending four miles east of the Katlian Bay estuary at the boundary between Shee Atika and U.S. Forest Service Lands.”

¹ http://dot.alaska.gov/sereg/projects/sitka_katlianbayroad/index.shtml

² http://dot.alaska.gov/sereg/projects/sitka_katlianbayroad/assets/Figure_1.pdf

³ *Id.*

Moreover, the road apparently fails to access the materials/gravel sources referenced⁴ in the Purpose and Need statement for the project. According to an informed commenter on the website, “Must Read Alaska”⁵:

“A bit of history on this boondoggle project: 1) It was approved through a general obligation bond on the ballot, a measure that included greatly larger-cost must-pass transportation projects in Anchorage. It was an easy-rider, free pass for the Katlian road. 2) After that, during preliminary design the project and its originally stated “purpose and need” (as stated on the ballot) proved to be infeasible due to cost. That purpose and need was to access gravel in the area where the road would end, and it required a budget-busting multi-span bridge across the mouth of the river. (3) So, Alaska DOT moved the river crossing way up the river, and changed the purpose and need statement to be to access a trailhead for a trail had not had previously planned – the trail was invented to justify the project. (By the way, the gravel deposit can’t be accessed from there.)

So this is an initial allocation of money that is just chasing a project, and now with a bunch of extra money heaped on just to make that a “go”. A waste of money at Alaska’s worst of times for that, just to satisfy Sen. Stedman and DOT’s momentum. The money is still in the bank. The state should terminate the contract, and after paying to terminate it should put the many millions that will be leftover into transportation infrastructure that is REALLY needed, elsewhere in the state.”

On Alaska Public radio “Talk of Alaska”⁶ yesterday, Mr Dunlevy seemed confused about the road project. When asked whether he thought funds for the project could be better spent on other needy [transportation] projects, Mr. Dunlevy responded:

“My understanding is that was in the DOT Transportation STIP that’s been in there and the idea of building roads and some on the islands in SE Alaska—gonna help us with the transportation issue. And so my understanding if I’ve got the right road in mind, is that this is money that’s already been in the hopper— before I got into the administration.”

This approved dead end road does not “help with transportation issues.” There was no mention in the Purpose and Need statement of that goal. Further, if news accounts are accurate, Mr. Dunlevy has the power to reinstate the previous hold (and even cancellation) put in place on the project, whether or not the funds were secured during a previous budgetary cycle and reallocate them to

⁴ “Purpose & Need: Sitka currently has a finite road system that provides limited passenger vehicle access for recreation and subsistence activities. Furthermore, Sitka has a shortage of developable material sources for future projects on the existing road system. The purpose of the proposed Katlian Bay Road project is to provide increased recreational and subsistence opportunities on Baranof Island within U.S. Forest Service (USFS) Sitka Ranger District managed lands, provide access to Native Corporation (Shee Atika) lands, and provide access to potential new material sources on State, Federal and Native Corporation lands for possible future development.

⁵ Sitka road project awarded. <http://mustreadalaska.com/sitka-road-project-awarded/#comments> (these comments can easily be fact checked, but I believe them to be accurate)

⁶ <https://www.alaskapublic.org/2019/03/21/the-governors-budget-proposal-2/> (last question at end of show)

for a better use. Perhaps he was unaware of the reversal of the project's hold, but if not—Mr. Dunlevy failed to acknowledge during the radio show, his recent action to reverse the hold. Even if the contract was finalized, the SoA would still be money ahead by paying out any cancellation penalties.

I request the legislature to do whatever it takes to stop this unwise expenditure of funds for a project that appears to be pork barrel spending at its worst. The funds could be shifted to other genuine transportation needs.

Finally, as a member of a long time Petersburg commercial fishing family, I oppose the Governor's proposed retention to the State coffers of all raw fish tax monies from communities. If enacted, this would devastate our community and is downright unfair. These funds, traditionally shared with the SoA, have greatly bolstered maritime communities such as Petersburg and should remain for the use of those communities.

Sincerely,

Rebecca Knight

Rebecca Knight

Scott Ciambor

Juneau, Alaska 99801

(907) 209-3661

RE: Public testimony on the Governor's proposed operating and mental health budgets: revenue, housing and homeless programs, and autism

Dear State of Alaska House budget subcommittee:

Here are a few comments on random parts of the Governor's proposed budget.

Revenue

The State of Alaska should address the revenue side of the budget to provide stability to residents and the programs and services for the most vulnerable.

Housing and Homeless Programs

In the United States, the financing model to provide affordable housing and housing and services for the homeless is one of shared responsibility between federal, state, and local government, philanthropic and faith-based entities, and includes a heavy reliance on individual donations and volunteer time.

The proposed Governor's budget that includes 88% and 90% cuts to the Alaska Housing Finance Corporation Special Needs Housing Grant (SNHG) & Homeless Assistance Program (HAP) and eliminates the DHSS Human Services Community Matching Grant and Community Initiative Grants *basically indicates that the State of Alaska has hardly any role in the provision of funding for emergency shelter, transitional housing, case management and supportive housing for the homeless and the state's most vulnerable individuals.* (See attached information on these programs)

Other thoughts:

- This is the second time in four years (2016, 2019) that these housing and homeless programs have been targeted for elimination in the budget process;
- The AHFC SNHG & HAP program have been flat-funded since 2010, meaning agencies and programs that have added housing and services around the state and developed best practice strategies are tapping into other funding sources;
- Housing and homeless programs lost another significant State funding source when the budget crisis began in 2015 with the loss of direct legislative requests.

Finally, state budgetary support for the housing and services programs for the homeless is unstable and unreliable. It is hard to build programs or serve more people or improve the housing and services system for the homeless in communities under such fiscal uncertainty. In fact, the State of Alaska really should be adding significant money to improve the housing and living conditions in the State:

- The State of Alaska is 1 of 3 states without a Housing Trust Fund;

- The 2015 Alaska Supportive Housing Plan noted the need to create a pipeline of 465 to 615 permanent supportive housing beds – AHFC SNHG is the primary funding mechanism that is not consistently funded to allow more units. This year SNHG has an 88% reduction – putting recently built units in jeopardy.

For all of these reasons the State of Alaska should pursue budget revenue solutions so that it can actively develop and pursue a statewide housing and homelessness strategy.

Autism and Medicaid limits to physical, occupational and speech therapy

When my son was diagnosed with autism when he was 2.5 years old, we had to shift our family focus and numerous resources to understand his needs and link him to a wide-range of therapies, so that when he reaches adulthood, he will be employable and can lead an independent lifestyle.

We learned that early intervention is absolutely essential, that behavioral treatment is intense and highly individualized, and that the window to retrain the brain based on brain plasticity research is really most impactful between the ages of 0-9. Luca will be 8 next month and is doing well (with the occasional hiccup) after years of intensive physical, occupational, and speech therapy through the school district, private-pay sessions, and the DHSS TEFRA Medicaid program.

His current schedule includes:

- Minimal therapy through the school district because he no longer reaches the threshold to get limited school resources (Lunch Bunch, writing assistance);
- 8 hours per week of Applied Behavior Analysis through Behavior Matters (in-school, at-home)
- Peer relations occupational therapy session at Bartlett Regional Hospital (1 hour)

This line about the DHSS Medicaid budget proposal is a cause for concern: “The proposal also would limit Medicaid recipients to 12 visits per year for physical, occupational and speech therapy.” ([KTOO, Medicaid cuts](#))

In Luca’s case, he would be considered as having a milder form of autism on the spectrum. This type of proposed visit limitation would have impacted us greatly financially (more than it already has), surely have been an ineffective level of therapy for our son, and limited the progress we have seen in the last six years. The availability of these services is integral to treating autism and especially important in years 0-9. The proposed limitation really targets those with even more severe special needs and that likely need the most assistance.

This is another example of the State needing to address revenue solutions so that Alaskan residents receive the services they need.

If you have any questions, please feel free to contact me.

Thanks, 
Scott Ciambor



Impact of the Loss of AHFC Basic Homeless Assistance Program (BHAP) Funding

The Basic Assistance Homeless Assistance Program (BHAP) provides shelter and services to Alaska's neediest. To eliminate ALL funding for this essential program - especially with the impending impacts of a downturn in the economy - will actually cost the state more, while leaving increasing numbers of Alaskans homeless. (An \$8 million dollar loss in funding)

Capital Budget: Department of Revenue: AHFC Basic Homeless Assistance Program

Fund Source	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
GF				\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 0
GF/MH	\$ 500	\$ 500	\$ 500	\$ 850	\$ 850	\$ 850	\$ 850	\$ 0
MHTAAR	\$ 1,500	\$ 1,150	\$ 1,150	\$ 850	\$ 850	\$ 850	\$ 850	\$ 0
AHFC	\$ 3,500		\$ 3,350					\$ 0
Fed		\$ 2,000	\$ 2,000					\$ 0
AIDEA			\$ 3,000					\$ 0
Statutory designation	\$ 2,500	\$ 1,000						\$ 0
AK Capital Fund		\$ 4,000						\$ 0
Total (in thousands)	\$ 8,000	\$ 8,650	\$10,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 0

Eliminating BHAP will be costly to Alaska

- Federal matching funds will be jeopardized; HUD Continuum of Care(\$3.6 million), Administration of Children & Families, and more.
- Cuts will result in shelters closing down, staff reductions, the elimination of prevention services (e.g. rental assistance), and poorer quality food and services.
- Also expected: displacement/loss of housing, increased emergency service utilization, increased recidivism, elimination of all youth outreach in Anchorage, and more deaths on the street.
- BHAP is the primary source of funding for 5 agencies.

Anchorage: Partners for Progress program would be eliminated; 40-50 homeless prison reentrants each month would be unhoused and more likely to recidivate.

Fairbanks: Cuts jeopardize the operation of the Fairbanks Rescue Mission that houses 150 people per night—the only adult emergency shelter in the Interior region.

Mat-Su: BHAP funds the collaboration of 8 agencies to prevent homelessness, elimination will endanger the 2,700 households currently being served.

Nome: The NEST Shelter has saved lives and created a 32% drop in alcohol-related police actions & corrections admissions, and 25% decrease in alcohol-related emergency room visits during winter months. All NEST's homeless prevention services will be cut.

GOAL: RESTORE FUNDING FOR BHAP TO THE FY2015 LEVEL OF \$8 MILLION

BHAP Funding can be restored in Capital Bills SB 26 and HB 71 & Mental Health Bills SB 28 and HB 73

Agencies Impacted: Funding Lost

Organization	Community	Award
Alaska Mental Health Consumer Web	Anchorage	\$96,496
Alaska Youth Advocates	Anchorage	\$56,079
Anchorage Community Mental Health	Anchorage	\$180,508
AWAIC	Anchorage	\$251,502
Catholic Social Services	Anchorage	\$837,213
Covenant House	Anchorage	\$387,075
New Life Development	Anchorage	\$245,858
Partners for Progress	Anchorage	\$144,267
RurAL CAP	Anchorage	\$74,237
Safe Harbor Inn	Anchorage	\$217,037
Shiloh Community Housing, Inc.	Anchorage	\$148,444
The Salvation Army - McKinnell	Anchorage	\$80,124
Tundra Women's Coalition	Bethel	\$62,930
Fairbanks Rescue Mission	Fairbanks	\$293,838
Fairbanks Youth Advocates	Fairbanks	\$183,040
Interior Center for Non-Violent Living	Fairbanks	\$50,000
The Salvation Army - Fairbanks	Fairbanks	\$148,769
South Peninsula Haven House	Homer	\$94,380
GHS ,Glory Hole, & 3 other agencies	Juneau	\$589,883
Love INC of the Kenai Peninsula	Kenai	\$307,260
The Lee Shore Center	Kenai	\$50,509
Love INC Gateway Affiliate	Ketchikan	\$97,034
Kodiak Brother Francis Shelter	Kodiak	\$231,126
Valley Charities, Family Promise(8 agencies)	Mat-Su	\$894,286
Nome Emergency Shelter Team - NEST	Nome	\$115,355
The Salvation Army - Sitka	Sitka	\$72,160
The Salvation Army - Small Community	Southeast	\$27,825
Unalaskans Against Sexual Assault - USAFV	Unalaska	\$27,571



Impact of the Loss of AHFC Special Needs Housing Grant (SNHG) Funding

The Alaska Coalition on Housing and Homelessness stresses the importance of the Special Needs Housing Grant to providing a permanent solution to ending chronic homelessness in Alaska. Cuts to this program will have substantial negative impacts on the communities and agencies working to end homelessness. (A \$1.75 million dollar loss in funding)

Capital Budget: Department of Revenue: AHFC Special Needs Housing Grant

Fund Source	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
GF				\$ 1,074	\$ 1,074	\$ 1,750	\$ 1,750	\$ 0
AHFC	\$ 1,750	\$ 1,750	\$ 1,750	\$ 677	\$ 677			\$ 0
Total— in thousands	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 0

Permanent Supportive Housing is the Solution to Ending Chronic Homelessness

Permanent supportive housing (PSH) is considered an evidence-based best practice by the Substance Abuse and Mental Health Services Administration (SAMSHA), US Interagency Council on the Homeless, and the US Department of Housing and Urban Development (HUD). In recent years, HUD has prioritized funding for permanent supportive housing units in its Continuum of Care (CoC) program due to the effectiveness of the approach in stabilizing residents and ending homelessness.

The Anchorage and Balance of State Continuum of Care programs have indicated to the Governor's Council on the Homeless that the development of additional permanent supportive housing units throughout the state is the top priority.

On the federal level, President Obama's FY16 budget calls for resources to create 25,500 new units of permanent supportive housing – the proven, cost-effective solution to chronic homelessness.

AHFC's Special Needs Housing Grant is the only source for development of additional PSH units.

Eliminating SNHG Funds Will Jeopardize Current Permanent Supportive Housing Units

Current grantees rely on SNHG for operating costs:

- **RurAL CAP:** SNHG provides 80% of the operational and supportive service budget for the 46 unit Karluk Manor Housing First project. 18 additional PSH units in Mountain View operate with SNHG funding. **A total of 64 units risk closure without funding.**
- **Tanana Chiefs Conference:** 47 unit Housing First program would be severely diminished without SNHG funding, to the point of closure. Without Housing First, the **47 tenants most likely would return to homelessness** and over-using of emergency crisis services such as ER, Detox or the jail.
- **New Life Development** would be able to offer **zero supportive housing units** for reentrants from the prison system in Anchorage without SNHG.
- **Anchorage Community Mental Health Services** has SNHG operating and supportive service funding for 6 highly acute, frequent users of institutions. Loss of SNHG would result in less support for this high risk population and likely increase institutionalization use.

Communities Impacted

Organization	Community	Award
Anchorage Community Mental Health	Anchorage	
Catholic Social Services	Anchorage	
New Life Development	Anchorage	\$1,298,295
RurAL CAP	Anchorage	
Tanana Chiefs Conference	Fairbanks	\$547,969
Interior Center for Non-Violent Living	Fairbanks	
Kenai Peninsula Housing Initiatives	Homer	\$32,404
Reach, Inc.	Juneau	\$21,185
Valley Residential Services	Wasilla	\$195,612
Kenai Peninsula Housing Initiatives	Soldotna	\$60,500

More federal, state, local, and community investment is needed in the development of permanent supportive housing in Alaska

Prior to the budget downturn, advocates in Anchorage and the Balance of State were prepared to campaign for significant increases in development funds to increase the number of permanent supportive housing units in Alaska.

GOAL: RESTORE FUNDING FOR SNHG TO THE FY2015 LEVEL OF \$1.75 MILLION AND PREPARE FOR INCREASED INVESTMENTS IN SUBSEQUENT YEARS.

SNHG Funding can be restored in: Capital Bills SB 26 and HB 71 Mental Health Bills SB 28 and HB 73

STATEWIDE HOUSING AND HOMELESS PROGRAMS POSITIVELY IMPACT THE HEALTH AND SAFETY OF THOUSANDS OF ALASKANS IN COMMUNITIES AROUND THE STATE



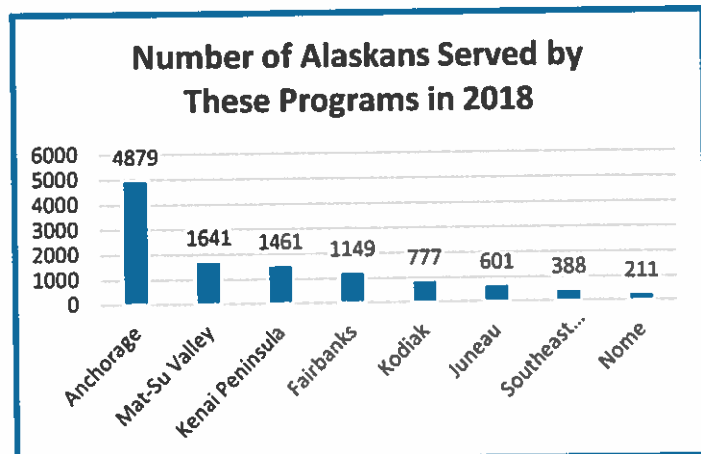
The Alaska Coalition on Housing and Homelessness, the Anchorage Coalition to End Homelessness, and more than 50 statewide partners manage programs that make sure that Alaskans' experience with homelessness is rare, brief, and non-reoccurring. In 2018, our state funded programs served and housed over 10,000 Alaskans. Participants in our programs include youth, veterans, families, persons experiencing job loss or a domestic violence incident, and the most vulnerable chronically homeless Alaskans.

Governor Dunleavy's proposed budget will disrupt or close many of these statewide programs. This budgetary action will lead to an **immediate and significant increase in homelessness**. It will also decrease the availability of housing and assistance for those that may experience homelessness throughout the state.

Devastating Cuts to Core Housing and Homeless Programs

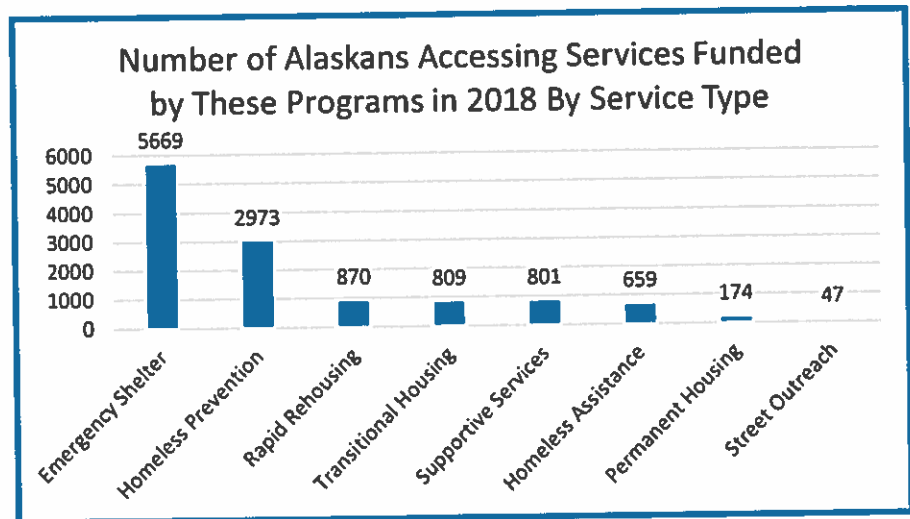
Talking Point #1: Any cuts to the AHFC Homeless Assistance Program (HAP), AHFC Special Needs Housing Grant (SNHG), DHSS Human Services Community Matching Grant (HSCMG), or DHSS Community Initiative Matching Grants (CIMGP) will immediately increase homelessness in Alaska. The proposed 90% in cuts reduces funding from nearly \$12 million in FY19 to \$1.1 million across these four essential programs in FY20.

- In 2018, **10,934** Alaskans accessed emergency shelter, prevention services, supportive services and housing vouchers funded by these grant programs.
- Access to housing and homeless services improves public safety as well as individual outcomes.
- Housing and homeless services are less costly than emergency or other public services (Institutions, prisons, hospitals, fire and police)
- Housing and Homeless programs are great stewards of State funds, leveraging these dollars with private philanthropy, connections with faith-based organizations, and the use of additional local and federal funds. These funding partners cannot make up the proposed \$10.6 million State budget reduction.



Talking Point #2: These core housing and homeless programs are efficient and effective.

- Recent improvements in data collection, targeted outreach, and permanent supportive housing strategies have sharply improved outcomes of housing and homeless programs in the State – keeping people housed and off the street.



- Since 2017, **89% of Alaskans who accessed services funded by HAP, SNHG, HSCMG, and CIMGP did not return to homelessness.**

Funding Long-Term Strategies to End Homelessness

Talking Point #3: In 2016, these same core housing and homelessness programs were targeted and zeroed out of the state budget.

- The State needs to develop a fiscal plan that incorporates investment into housing and homeless services programs for those most in need in Alaska.
- Improvement and development of best practice housing and homeless programs is stunted by fiscal uncertainty.

Cuts to Healthcare and Supportive Services

Talking Point #4: Housing and Homeless programs connect individuals experiencing homelessness with key and timely healthcare services and supports.

- Additional cuts to mainstream supports will **increase homelessness**, and/or limit the effectiveness of housing and homeless programs.
- Programs such as: Medicaid Expansion, Public Assistance, Domestic Violence programs, Behavioral Health Supports, Legal Services, Employment Programs, Public Housing, Rental Assistance, Housing Vouchers, Youth Programming, and Recidivism Efforts.

For More Information Contact:
Brian Wilson - director@alaskahousing-homeless.org
Alaska Coalition on Housing and Homelessness
907-523-0660





House Finance Committee

Rep. Neal Foster, Co-Chair

Rep. Tammie Wilson, Co-Chair

Rep. Jennifer Johnston, Vice Chair

Rep. Dan Ortiz

Rep. Andy Josephson

Rep. Gary Knopp

Rep. Bart LeBon

Rep. Cathy Tilton

Rep. Kelly Merrick

Rep. Colleen Sullivan-Leonard

Rep. Ben Carpenter

March 25, 2019

RE: HB39

Dear Representatives Foster and Wilson, Co-Chairs,

The Alaska Municipal League (AML) is comprised of nearly 165 incorporated municipalities, who work with us to describe and respond to the impact of State policy and budget decisions. State budget appropriations and allocations are of extreme importance to the health and well-being of local governments.

AML is the advocacy arm of Alaska's municipalities, incorporated to support legislation beneficial to local governments, and oppose legislation injurious thereto. We believe that House Bill 39, proposed by Governor Dunleavy as an Operating Budget for FY20, includes items that impact the ability of local governments to deliver services on behalf of the State and local residents, maintain stable tax rates, and ensure community sustainability.

The Alaska Municipal League encourages your inclusion of, at least, levels of funding consistent with the FY19 management plan as it relates to:

- School Bond Debt Reimbursement
- Education and early learning
- Harbor Matching grants
- OWL Broadband grants
- Local Emergency Planning Services
- Transit Matching grants
- Health Service Community Matching Grants
- Alaska Marine Highway System
- University of Alaska
- Medicaid and Public Assistance
- Capital project reimbursement

Each of these programs are critical for communities, and which contribute to the quality of life for Alaska residents and economic development in Alaska.

The Alaska Municipal League objects to the preemption of the:

- Petroleum Property Tax
- Shared Fisheries Business Tax
- Shared Fisheries Resource Landing Tax

These are local taxes applied to local economic activity, and which are used to mitigate impact and are leveraged to strengthen infrastructure and services locally.

The Alaska Municipal League objects to the move to the General Fund of:

- Power Cost Equalization Fund
- Community Assistance Fund

These statutory programs contribute to Alaska's sustainability, affordability and predictability. They literally keep the lights on.

The Alaska Municipal League supports the Legislature's consideration of:

- State-levied broad-based taxes vs. increases necessary at the local level
- The concept of a Community Dividend

Please find included in this communication a copy of municipal impact statements and resolutions that have been sent to AML by municipalities across Alaska. Clearly, local governments are concerned and clear that the capacity of Alaska's communities is threatened by the Governor's proposal.

AML encourages this body to evaluate the FY20 proposed operating budget in terms of cuts and cost-shifting that negatively impact Alaskans, the economy and local governments. As the State considers its priorities, we advocate for a more complete analysis of local and socio-economic impacts.

Respectfully,

Nils Andreassen
Executive Director

CC:

- Suzanne Cunningham, Legislative Affairs, Office of the Governor
- Donna Arduin, Director, Office of Management and Budget

Support HB39 – Governor Dunleavy's Budget

Since 2013 I've watch a slow motion train wreck of Alaska's Fiscal situation due to Legislative and Gubernatorial negligence and fiscal irresponsibility under the Parnell and Walker administrations. Their behavior and those of the legislator's overspending and draining of 16 billion in savings was nothing shy of criminal.

Finally, Alaska elected a Governor who was tired of witnessing the same thing from the inside as a prior Senator and is ready to do something about it. Help him do what is needed.

Also, right a wrong that has been taking place for decades by shifting all resource dollars collected to all Alaskans, not just the select few that happen to live in the areas they area generated from. It is unconscionable for over \$350 million a year to go to less than 10,000 Alaskans just because they happen to live in a resource area. This is just one egregious example. In conjunction with this needed realignment, stop the mandatory contribution for education. It's not fair. All the billions of dollars the government squandered while individual Alaskans were continuously being forced to pay needlessly for education they don't support at a total income to government of less than \$250 million. That is far less than what the North Slope is receiving each year for less than \$10,000 on top of the other areas that keep resource dollars in their local area. This also sets a valuable precedence moving forward of equal sharing.

Keep the PFD and cut other programs that disproportionally redistribute resource dollars. Let the people decide how they want to spend their money for families, friends and the local economy.

- With a full PFD, individuals can pay full price for hunting licenses. This would also bring in over a million annually in Pittman-Robertson Act funding, matching from the federal government that Alaskans are currently losing to another state.
- With a full PFD, individuals can pay full price for hunting licenses.
- With a full PFD, individuals can pay their own Healthcare, Medical and Dental.
- With a full PFD, individuals can pay their own Higher Education.
- With a full PFD, individuals can pay their own Extracurricular Activities.
- With a full PFD, individuals can pay their own Travel costs.
- With a full PFD, individuals can pay their own Heating costs.
- With a full PFD, individuals can pay their own Energy costs.
- With a full PFD, individuals can pay their own etc.

Government needs to do what is stated in the Declaration of Independence, secure life, liberty and happiness which is apart of an oath of office. Mandatorily taking from one to give to another is not liberty, not happiness and not constitutional. I do not support a statewide broadbase Tax. Have the government live within it's means and allow and encourage the people to be charitable for unfilled needs, wants and nice to haves. Think long term. Brainstorm.. individual saving accounts held with the state to avoid federal income taxes... ability to transfer from one account to another without claiming on Fed taxes, pay medical or dental with these accounts, ... etc. With little effort, how can the state help the individual, if they want it, be self reliant with skills and disciplines they don't have or have not yet acquired?

There are two levels of medical cost classes in Alaska, those on the 5-star state medical and medicare plans and the others. The 5-star medical plans have driven up the costs to a point that medical care is virtually unaffordable. I recommend a "Cafeteria Plans" for state employee benefits. Give them the money and allow them to select the plan best for them. If there is money left over, they get it. If what they want costs more, they can pay the difference. This allows employees to actually see how much they are receiving above and beyond what they see in their paychecks.

While some Alaska's are saving, working or doing with little, limited or no medical and dental care due to the high costs, others are receiving it for free while those costs are being paid for by all, including those doing without. That is not right. The dependency baseline must continuously be lowered for the sake of the individual and future generations.

I support HB39 and the injection and preservation of liberty back into Alaska with responsible spending. Anything else only adds to it's destruction.

Regards,
Pamela Goode
Interior Alaska

Alaska House of Representatives



House Finance Committee Public Testimony – Operating Budget HB39 March 25-26, 2019

Name Cheyenne Cuellar

Address [REDACTED]

Town Juneau

Comments:

Why are we being put into the ~~choice~~ position of choosing between an adequately funded education system and an oversized PFD check? Education is a fundamental and constitutional right of our State, yet we are having to decide on drastic cuts because of an unfounded notion that the PFD should be a constitutionally protected right. End these unneeded budget cut talks but instead cutting the PFD.



March 26, 2019

The Honorable Tammie Wilson
Representative
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

The Honorable Neal Foster
Representative
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

Subject: Tribal Health Organizations and State General Fund Savings in the Proposed FY20 Budget

Dear Rep. Wilson, Rep. Foster and Members of the House Finance Committee:

Southcentral Foundation urges the legislature to scrutinize the impact of undesigned, multi-hundred million dollar cuts to Medicaid in the Governor's proposed Fiscal Year 2020 budget, and compare them to potential cost savings to the general fund that do not have a negative impact on service. Tribal Health Organizations (THOs) have found innovative ways to work with the State of Alaska to expand services on tight budgets and we would like to continue to partner with the State to provide much needed services to Alaska's most vulnerable populations.

Southcentral Foundation is the Alaska Native tribal health organization designated by Cook Inlet Region, Inc. and eleven Federally-Recognized Tribes – the Aleut Community of St. Paul Island, Igiugig, Iliamna, Kokhanok, McGrath, Newhalen, Nikolai, Nondalton, Pedro Bay, Telida, and Takotna – to provide healthcare services to beneficiaries of the Indian Health Service pursuant to a compact with the United States government under the authority of P.L. 93-638, as amended, the Indian Self Determination and Education Assistance Act.

Southcentral Foundation provides services to more than 65,000 Alaska Native and American Indian people living in the Municipality of Anchorage, the Matanuska-Susitna Borough and 55 rural Alaskan villages. Services provided by SCF include outpatient medical care, home health care, dentistry, optometry, psychiatry, mental health counseling, substance abuse treatment, residential treatment facilities for adolescents and for women, suicide prevention and domestic violence prevention. We employ numerous staff, all of whom work in harmony to treat patients for the best access to quality care.

Southcentral Foundation is recognized nationally and internationally for its Nuka System of Care. Nuka is a relationship-based, customer-owned approach to transforming health care, improving outcomes, and reducing costs. Recognized as one of the world's leading examples of healthcare redesign, SCF offers health care organizations value-based solutions for data and information management, integrated care, behavioral health, workforce development, improvement, innovation, and more. Alaskans already benefit from innovations born in THOs, such as Nuka, and we believe that more can be done.

Together with our peer THOs and partners in Alaska's healthcare sector, Southcentral Foundation is prepared to do the hard work of maximizing the trust relationship with the federal government – through maximization of 100 percent Federal Medical Assistance Percentages (FMAP) tribal claiming through Care Coordination Agreements (CCAs), for example – thereby reducing overall Medicaid costs to the state.

In FY17 the state saved \$35 million through CCAs, in FY18 the state saved \$44.7 million through CCAs, and in FY19 the state is projected to save up to \$84 million. So, to date, since FY17, the state has saved \$125.7 million in Medicaid general fund state match. It makes good sense from a patient perspective, a quality care perspective, and it also makes good fiscal sense for the state to continue to work with tribes and tribal organizations to make sure these kinds of arrangements continue.

However, expanding upon this work will take time. We've seen demonstrable benefits of tribal claiming efforts over the past three years, and there are additional areas where CCAs could expand, for example: pharmacy, long-term-care, out of state residential psychiatric treatment facilities, tribal providers in non-tribal facilities, non-IHS mothers with IHS newborns, waiver services, service authorizations with date spans on travel itineraries, optical services.

Given the potential growth in savings to the general fund by expanding CCAs to the universe of possibilities listed above, we request the legislature work with the administration to craft a more measured timeline approach to cost containment, not seek to make massive multi-hundred million dollar undesignated cuts that will damage the system of care in our state.

The alternative is disruptive and very likely damaging. Medicaid preventative and optional services, which the state currently supports, decrease more expensive services down the line. We know, for example, that routine screenings can catch issues that otherwise might develop into an emergency health issue. And we know that preventative dental care can forestall massive health issues later in life. Investing resources in preventative healthcare makes good economic sense. Eliminating those services, on the other hand, or passing the cost of service onto providers, as contemplated in the proposed FY20 budget, does not.

In closing, Southcentral Foundation requests you to consider the many ways that partnerships with tribal health organizations can innovate health care programs and take pressure off the

March 26, 2019

Page 3 of 3

state general fund by maximizing tribal claiming. We stand ready to work with you and your colleagues to address the state's fiscal challenges while also providing exceptional health care services and protecting residents.

Thank you for your important work in this subcommittee. We are available to provide additional thoughts or specific comments if you would like.

Sincerely,
SOUTHCENTRAL FOUNDATION

A handwritten signature in black ink, appearing to read 'Katherine Gottlieb', written over the printed name.

Katherine Gottlieb, MBA, DPS, LHD
President/CEO