

House Finance Committee

Public Testimony

HB 39 – Operating Budget FY20

Packet 5

Emails received to

HouseFinance@akleg.gov

March 28, 2019

On Mar 27, 2019, at 6:08 PM, Lisa Villano <[REDACTED]@gmail.com> wrote:

Dear Representative Foster,

My name is Lisa Villano. I am a constituent and super voter in your district.

I am a special education teacher in Shishmaref, however I am writing to you today, on my own behalf, to voice my opposition to Governor Dunleavy's cuts to public education. What he has said about his plans for educating Alaska's children, particularly Rural Alaska's children, concerns me greatly.

I'm sure you know very well the challenges that people in places like Shishmaref face. Resources are limited, and school staff is asked to do so much more than just teach. We're asked to be coaches, facilitators, after-school tutors and coordinators, etc. etc. We do it willingly of course, because we love the kids. But I feel that we are cut to the bone, and can't take much more.

Please fight for the people of District 39, and don't vote to pass any budget that includes these cuts to public education.

Thanks so much for your time and consideration,
Lisa Villano

From: Holly Rose [REDACTED]@hotmail.com>
Sent: Thursday, March 28, 2019 11:20 PM
To: House Finance <House.Finance@akleg.gov>
Subject: AK Budget Proposal

Hello, thank you for this opportunity to comment and for listening.

Please eliminate the oil industry tax credit.
Please continue funding the Alaska Marine Highway year round.

I'm from Juneau, own Property in Thorne Bay and currently temporarily residing in Fairbanks.

Thank you, Holly Adams
Sent from my iPhone

From: Julie Maier <[REDACTED]themaier.org>
Sent: Thursday, March 28, 2019 9:58 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

Dear Honorable Representatives,

I'm going to get straight to the point. I am opposed to the budget cuts proposed by Governor Dunleavy. I do, however, think that his proposal has been very useful for getting Alaskans to talk about the things that are important to us and to the future of Alaska and so, for that, I am grateful. Here is what I believe should happen:

1. The \$1.8 billion dollar cut to the state budget should not happen. Instead, we should repeal SB 21 and the oil tax credits that we supply to the oil industry. Currently, the oil industry is making twice the profits from Alaskan's oil than they do anywhere else in the world. Whereas the oil companies should make a healthy profit, there is no reason that they should make such excessive profits! Let us cut the oil company's profits to a reasonable level

and keep more of the money to pay for services for Alaskans. That will go a long way to solving our budget deficit.

2. We should institute a progressive income tax, no loopholes. The first \$20,000 (or some amount) should be tax free for all Alaska residents. We can call it the "cost of living in Alaska rebate". That way, poor Alaskans won't be disproportionately hurt, as they were by the Permanent Fund dividend cuts. We will finally recoup some of the money taken out of the state by nonresidents who work in Alaska.
3. We should use some of the Permanent Fund earnings to support certain parts of state government such as education. But, we should be very careful about how much we take out of the fund. I would follow the Permanent Fund managers lead on what percent of the Permanent Fund can be used to help pay for state government. I would never exceed that percent and that percent may change in some years, depending upon the behavior of the stock market.
4. Education is crucial to Alaska's future and should be fully funded. I am a UAF alumni and both of my kids currently attend UAF. Alaskans that get their degree in Alaska are far more likely to stay in Alaska than are Alaskans that get their degree outside. I hope that my kids will remain in Alaska and raise a family here. That won't happen, though, if the K-12 education that is available for their kids is compromised. Finally,
5. **The university is the key to innovating a diverse and vibrant economy for the future of Alaska.** We must support the university to enable it to continue to help the state build a strong, diverse economy. I don't know if you heard, but **UAF was recently ranked #10 in the top ten small universities IN THE WORLD!** An honor that only two other American universities achieved. We are doing things right at UAF and students are being well educated. The opportunities for undergraduate research and experiential learning are second to none. We should be so proud to have been named one of the best small universities in the world and keep doing whatever we can to improve it. We're #10 right now, let's go up from here!

I understand that we have serious budget challenges and that those challenges aren't going to magically disappear. Nonetheless, Gov. Dunleavy's budget will turn Alaska into nothing more than a resource extraction colony for oil and mining conglomerates with no hope of progressing to the state our founders imagined and built. I know that these times of scarcity are frightening but, in fact, I think we should rise to the challenge, restructure our revenue streams, and invest in those things that will stabilize our economy into the future. We must diversify and we must continue to provide our students in K-12 and at the university with an excellent education.

Thank you for the hard work that you are doing.

Respectfully,

Julie Maier

[REDACTED]

Fairbanks, AK 99709

(907) [REDACTED]

From: Tom McKenna [REDACTED]@gmail.com>

Sent: Thursday, March 28, 2019 6:38 PM

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

Subject: Dunleavy Budget Comments

Hello,

Thank you for the opportunity to comment. It's apparent to me that we have a political crisis rather than a true fiscal crisis.

I recommend disregarding the Governor's proposals, eliminating the oil industry tax credits, and implementing an income tax. Please continue full funding for essential services.

Thank you,
Tom McKenna

Juneau, AK 99801

From: Sue Christiansen [REDACTED]@yahoo.com>

Sent: Thursday, March 28, 2019 6:05 PM

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

Subject: Stop dumping from cruise ships!!!!

I want to see the education budget remain uncut. I am willing to give up my PFD.

Stop paying oil tax credits and enable the entire budget to remain fully funded. I am in favor of a **progressive income tax**, which would tap into the pay of out-of-state workers who currently are not taxed by Alaska.

Please do not be hoodwinked by the platform of the Americans for Prosperity. Please stop protecting the oil companies and work for the people of Alaska.

Norway taxes their oil companies 78%. As a result they are able to provide free education, free health care, the nation is thriving. We need the people of Alaska to thrive not the corporations.

I am not ok with the oil companies being taxed at 4 %. I know most of you were probably elected as a result of the Koch brothers, oil money, AFP but please muster up some integrity and stop supporting the dark agenda of the AFP. They do not have the highest intention for Alaskan people, our environment or our future. Ask for divine guidance, listen, and do the right thing.

Alaska test scores are low because many of the native communities in our state have high numbers of children with fetal alcohol syndrome. Stopping money for education in these communities will not help the well being of these Alaskans.

Sue Christiansen
Homer
Sent from my iPhone

From: Rep. Andi Story

Sent: Thursday, March 28, 2019 5:50 PM

To: Rep. Neal Foster <Rep.Neal.Foster@akleg.gov>; Rep. Jennifer Johnston <Rep.Jennifer.Johnston@akleg.gov>; Sen. Natasha Von Imhof <Sen.Natasha.VonImhof@akleg.gov>; Sen. Bert Stedman <Sen.Bert.Stedman@akleg.gov>

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

Subject: FW: Comments on the budget approach, Medicaid reductions including adult dental and other items before the legislature

Co-chairs of Finance and chairs of the HSS Finance Subcommittees,

I wanted to share with you some written testimony from a constituent of mine, Dr. Brad Whistler, DMD, about Medicaid Adult Dental Services. He gave me permission to share this with you all, so thought I would forward it along.

Thank you for your hard work on this year's budget.

Andi

Medicaid Adult Dental Services:

I worked with the administration and Alaska Mental Health Trust in legislative hearings for Medicaid adult dental services and on the implementation team in DHSS. Low-income adults and adults with intellectual and developmental disabilities experience more dental decay. Left untreated it can result in pain and infection, time off from work, exacerbate or cause complications with other chronic disease experienced by the individual and for those without coverage it can lead to increased emergency department (ED) utilization to address pain and infection.

While individuals without coverage, or access, to dental care may seek ED services to relieve pain and infection, EDs are seldom equipped to address dental problems. The ED will typically offer palliative care with prescription of pain killers and/or antibiotics. While there is more awareness now, nationally this is known to be one source of opioid prescriptions. The dental conditions left untreated can flare up again and lead to subsequent ED visits. These visits are often a source of uncompensated care for hospitals and costs are shifted to self-pay and insured patients.

Pregnant women experience hormonal changes which include risk of development of early periodontal disease. Periodontal disease has been shown in studies to be associated with low birthweight infants, pre-gestational births and preeclampsia.

Periodontal disease has a reciprocal relationship with diabetes. Individuals with diabetes are more likely to have periodontal disease and periodontal disease, as a chronic infection, may make it difficult to stabilize blood sugar levels. Periodontal disease is also implicated in complications of cardiovascular disease and recent exploratory studies are looking at association of periodontal disease bacteria and development of amyloid plaques in the brain.

Dental decay and treatment are best addressed by treating families. The bacteria associated with dental decay are typically passed mother/caregiver to child. So a new mother with active, untreated dental decay is likely increasing risk of early childhood caries for the infant. General dental practices generally serve families so delinking coverage of the adults from the children does not fit with the practice model. Studies show parents with dental coverage are more likely to get their children in for routine dental appointments.

Older adults are at risk of developing dental decay even if they had good oral health most of their adult life. Risks relate to medications that can reduce saliva output or similar issues post-cancer treatment. With progress in prevention and treatment older adults have most or all of their natural teeth, yet changes in functional can result in failure to maintain their oral hygiene. Adults in skilled nursing settings or with impaired immunity that are experiencing active dental decay are at risk for aspiration pneumonia.

Brad Whistler, DMD

██████████
Juneau, AK 99803

To: House Finance Committee

From: Mari Eikeland

Email: ██████████@nym.hush.com

March 28, 2019

Re: State Budget

Below addresses points in general. It is up to the House Finance Committee to apply these points to the Budget. These points may appear radical to the uneducated in the intent of our country's founding roles of government. Understandably, that is an indication of the distance we as a people and nation have departed from the original intent of government. As ideal as it is for us to return to the basics of government, on a practical level, it will take a planned, gradual reversal, and not without a lot of screams from many in the populace.

Liken this to the spoiled child whose parents woke up to the realization that they have done a disservice to their child. To implement a drastic cut in fulfilling spoiled wants, the demanding child will protest, as heard from many voices in the Hearing in Fairbanks on Sunday, March 24, 2019. Yes, we the people, have lost sight of our responsibilities and the limited government role.

Below are general points with brief discussion to consider in accepting and rejecting aspects of the Budget:

General Points

- 1. The Government's Role is to protect life, liberty and property. Laws in fulfillment of this Role are appropriate.**
 - a. During a two-hour segment of the Hearing on March 24, not one mention of the Budget to address crime was presented. Crime has increased tremendously in recent years. Alaskan's safety, and that of our visitors, is at high risk. Laws need to promote justice, and these laws need to be enforced. Monies in law enforcement is a top priority.
 - b. Honest gain of personal property needs to be respected. Laws need to protect the property and its owner, not the thief. Ample funds need to be allocated for Law Enforcement.
 - c. One's income is one's property. It should not be taxed. Taxing income lowers one's incentive to innovate, the result of which benefits society.
 - d. The Government should not fund abortions. Abortions are not protecting life. The protection of the life of one who cannot express one's own will needs to be respected. (This applies to the disabled and elderly also.)
 - e. The Government shall respect the liberty of one's own conscious: laws and the funding of social issues is not the place of government.
 - f. Social programs seem to find no end. Solutions are best addressed in the Private Sector. Allow people to work through innovative solutions without dependency upon Government funding. We are a creative people! We built Alaska with minimum government.
- 2. Limited Public Goods.**
 - a. Transportation infrastructure is appropriate as most everyone uses the road systems. However, the private sector handles well the air routes and could as well handle the marine highway systems.
 - b. Education: Much of the Hearing was focused on Education and protest to the cuts to the University of Alaska. Here, the "spoiled child" has protested. Public education is a recent addition to our nation. Basic education, namely, elementary, age seven through age twelve, could be allowed to be appropriate, however, ideally, this should be the sole responsibility of the parents. Much discussion is needed here.
 - i. Children educated in the home or in private schools for the most part come out well-educated. While those coming out of the public schools overall have lower ratings, both academically and socially.
 - ii. To implement a cut in the number of years funded by the State will need to be gradual. First, cut all preschool through age six funding. This most recent addition was for the

- benefit of working parents. Those who choose to stay home with their children have not gotten such funding benefits, and they have made the sacrifice to do so. Day care and preschool can be met through the private sector. The legal age is/was age seven. Fund up to age sixteen, then drop to age fourteen, then twelve. Higher education is not basic.
- iii. Allow responsibility to be placed in the hands of the people. Innovation is more apt to be nurtured. The mind-set of people will need to shift from dependency to independency. Interdependency among non-government institutions as families, social groups, organizations and private businesses is seed to create a thriving society.
 - iv. Increased funds into the public education system has not resulted in better-educated children and adults. Education involves more than textbook knowledge. It includes the vital aspects of how to use such knowledge in day-to-day living. Are we thriving as a better and resilient people?
- c. Health Care has no place in the Government. People need to learn to take care of themselves. They manage to purchase that which they want or need, as entertainment, utilities, etc. They can just as well set aside a budget for the health care of their choice. This requires a shift in mind-set.
 - d. Those in Real Need: Disabled and elderly need care. Others have found themselves in dire situations. Most of these can be met through the private sector: businesses, organizations, churches, individuals. A weaning away from public funds needs to be implemented to give time for the private sector to rise up to the calling.

More can be addressed here. This list of points is enough for the Reader to be able to encourage further discourse and to apply the above mind-set to other areas. In the interest of time, this is submitted as is.

-end-

From: Claire Shipton [REDACTED]@gmail.com>

Sent: Thursday, March 28, 2019 4:37 PM

Subject: Governor Dunleavy's Proposed Budget

Hello,

What role our government plays in our life is at the core of the hard choices that must be made to balance our budget. I want a state government that is committed to education, infrastructure, and increased investment in diversifying the engines that power our economy.

I have a young child and strongly support education and recognize it is one of the best returns on investment our dollars can be spent on. I felt this same way before I had a child. I do not currently utilize the Ferry but I recognize its importance to the success of the state and its citizens. The same is true for countless services I may never take advantage of directly but I am not in favor of their elimination just because I don't use them myself.

Hard choices and compromises must be made to responsibly balance the budget while preserving the services we depend on.

More spending alone does not equal better outcomes. Most can agree on that but more cutting does not equal better outcomes either and it is time more of us recognize this. Focused and justified cuts are a necessary component.

Cuts to oil production tax credits are a far better place to start than education. Cuts of any kind are not intellectually honest though, when they simply shift the burden to other places like the borough. We cannot find our way out of our budget crisis by cutting alone. Promises that we can do so are as bankrupt as the results they will generate.

A responsible budget must include mechanisms for generating revenue that provide long term stability and offset the drastic swings in revenue caused by volatile oil prices.

A progressive state income tax is a reasonable mechanism that captures revenue from those that benefit from the services whether they live in the state or not.

I support using a percentage of the permanent fund dividend to pay for government expenses as a part of the solution to government. Some say that using the PFD will hurt the elderly and poor as they utilize this money as income, however this same group of people also often utilize other government services that are not replaceable by the private sector and will not be able to be made up for by an extra grand or two. Ending these programs is likely more disruptive than reducing some portion of the PFD. It is unlikely that we will have the ability to rely on income from the energy sector any longer so using the dividend and taxes need to be on the table.

It is unreasonable to expect that we should not have to pay into a system that provides us services or that we should slash those services wholesale before we even consider discussing paying into that system.

I do not support Governor Dunleavy's proposed budget and neither should you.

Thank you.

Claire Shipton

907-[REDACTED]
[REDACTED]@gmail.com

Moose Pass, AK 99631

From: george ortman <[REDACTED]@hotmail.com>

Sent: Thursday, March 28, 2019 3:32 PM

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

Subject: Alaska budget

Thank you for the opportunity to comment. My solution to the governor's budget crisis. Scrap the whole proposal. Start by rescinding the oil tax credits. We are paying the oil companies to take our oil with the credits. The governor wants to reward the companies and punish the people. After the oil and mining companies are paying their full and fair share then we can talk about income taxes. Full funding for services. No cuts! We are subsidizing the largest corporations in the history of the world.

George Ortman

(907) [REDACTED]

From: Lisa Worl <[REDACTED]@gmail.com>

Sent: Thursday, March 28, 2019 2:55 PM

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

Subject: Public comment on Operating budget

Honorable House Finance Chair and committee,

I appreciate that you have provided several opportunities for Alaskans to provide input on our operating budget. Having recently worked in the Capitol, I completely understand the challenge of balancing the budget with declining revenues, PFD dividends and the constitutional budget reserve.

I'll keep my comments short and to the point. I'm just writing to add my comments to add to the others who have supported 5-to-1 in opposing the Governor's budget plan.

I do not support Governor Dunleavy's plan. I've worked in public education for several years and I will say with certainty that our schools are not failing. This view is an oversimplification and, in fact, despite drastic funding cuts, our schools are doing very well for the vast majority of our students. However, the very programs which help reach the at-risk

populations have been cut or eliminated as school districts budget cuts have limited ability to pay for supports beyond classroom teaching, basic supplies, health care, heat, and transportation. Our school superintendents and school board members are very familiar and prepared to answer specific questions on impacts of budget reductions on their districts. And, any superintendent or board member would gladly answer school budget questions or have a conversation about how they are working to teach and serve all our students.

I support a reduced PFD dividend. Please do what you can to preserve any budget items that'll protect our rural communities and vulnerable populations. I support funding early childhood programs, Medicaid, the Alaskan Marine Highway, University of Alaska, and the Power Cost Equalization program. There are many worthy and important items, but I'll keep my list to these along with preserving public education funding as possible.

Finally, please work to diversify our revenue streams. Until we do so, our Alaska government will remain primarily dependent on oil revenues.

Thanks for your time and attention.

Respectfully,

Lisa

Lillian M. (Lisa) Worl
Juneau resident

From: David Pearson [REDACTED]@gmail.com>

Sent: Thursday, March 28, 2019 2:43 PM

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

Subject: overnor Dunleavys proposed budget

What role our government plays in our life is at the core of the hard choices that must be made to balance our budget. I want a state government that is committed to education, infrastructure, and increased investment in diversifying the engines that power our economy.

I have a child and strongly support education and recognize it is one of the best returns on investment our dollars can be spent on. I do not currently utilize the Ferry but I recognize its importance to the success of the state and its citizens. The same is true for countless services I may never take advantage of directly but I am not in favor of their elimination just because I don't use them myself.

Hard choices and compromises must be made to responsibly balance the budget while preserving the services we depend on.

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A responsible budget must include mechanisms for generating revenue that provide long term stability and offset the drastic swings in revenue caused by volatile oil prices.

A progressive state income tax is a reasonable mechanism that captures revenue from those that benefit from the services whether they live in the state or not.

I support using a percentage of the permanent fund dividend to pay for government expenses as a part of the solution to government. Some say that using the pfd will hurt the elderly and poor as they utilize this money as income. The same group of people also often utilize other government services that are not replaceable by the private sector and will not be able to be made up for by an extra grand or two00. Ending these programs it is likely

more disruptive than reducing some portion of the PFD. It is unlikely that we will have the ability to rely on income from the energy sector any longer so using the dividend and taxes need to be on the table.

It is unreasonable to expect that we should not have to pay into a system that provides us services or that we should slash those services wholesale before we even consider discussing paying into that system.

I do not support Governor Dunleavys proposed budget and neither should you. Thank you

--

David E. Pearson

907-[REDACTED]
[REDACTED]@gmail.com

Moose Pass, AK 99631

From: Jeff Brown <[REDACTED]@alaska.net>
Sent: Thursday, March 28, 2019 2:17 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Governor's Budget Proposals

Dear Committee Members,

I have voted in Alaska for more than 40 years and I believe this Governor's budget will result in a recession for the state. The Administration's lack of analysis, not only of the immediate consequences but the long term ripple effects, is appalling. His current roadshow of explaining the budget to Alaskans while being funded by the Koch brothers alarms me.

There are other options besides his proposed draconian proposals.

One budget cut which makes sense is to ELIMINATE THE OIL INDUSTRY TAX CREDITS. They need to pay us for our oil. Why are we subsidizing them??

When the oil industry begins to pay its' fair share of taxes, then I would be in favor of an INCOME TAX ON RESIDENTS AND NON-RESIDENTS.

Please reject the Governor's short sighted budget cuts which will cause irrevocable harm to many Alaskans.

Thank You for this opportunity to comment,

Maureen Conerton
Juneau, AK

From: Pat Virden [REDACTED]@gmail.com>
Sent: Thursday, March 28, 2019 1:51 PM
To: House Finance <House.Finance@akleg.gov>
Subject: PFD

Please:

Restore the PFD to its original calculation & keep state spending within the confines of available state revenue. The majority of Alaskans want this. Your meetings are dominated by specific interest groups.

Don't use your position & power to be "generous" with other people's money.

If you don't have it, don't spend it.

Don't give away Alaskan children's financial future by blowing the state's savings accounts.

A state income tax would at least share the financial burden with out of staters who collect wages & use services here & pay nothing. Taking the PFD puts the whole burden on Alaskans.

Eugene & Pat Virden
Eagle River, Alaska

From: Pam Joy [REDACTED]@gmail.com>
Sent: Thursday, March 28, 2019 1:46 PM
To: House Finance <House.Finance@akleg.gov>
Subject: State budget

Good afternoon,

Thank you for this opportunity to comment. The solution to the budget "crisis" is simple:

1. Junk the Governor's proposals.
2. Eliminate the oil industry tax credits.
3. Let the oil industry actually pay taxes, as they used to.
4. Then, and only then, ask Alaskans to pay a steeply graduated income tax.
5. Continue full funding for essential services. And the ferry is essential to those of us living in southeast AK.

Not a penny of cuts while we are subsidizing the wealthiest corporations in human history!

thank you,
Pam Joy
Skagway, AK

From: Penny McClain [REDACTED]@gmail.com>
Sent: Thursday, March 28, 2019 9:44 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Oil tax

Everyone in the state government should read this article.

<https://wickershamsconscience.wordpress.com/2019/03/27/cause-effect-and-kara-moriarty/>

From: Jamie Eells <[REDACTED]sitkaschools.org>
Sent: Thursday, March 28, 2019 9:42 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget

To Whom It May Concern,

My name is Jamie Eells, I am a life-long resident of Alaska. I am both a teacher and parent. I am concerned about the Governors proposed budget for the new year. Cutting funding to schools will have negative impacts around the state including to some of our most high risk populations and demographics. As a resident of Alaska I am in favor of implementing a State Income Tax to help fund schools and the ferry system as well as our health care. I would also be in favor of taking a reduced or minimal PFD in order to fund the areas being cut in the proposed budget.

Thanks you for your consideration.

Jamie Eells
Sitka, Alaska

From: Penny McClain [REDACTED]@gmail.com>
Sent: Thursday, March 28, 2019 8:59 AM
To: House Finance <House.Finance@akleg.gov>
Subject: State budget

To whom this does concern: all Alaskans who live here year around,

This budget does a disservice to our beautiful state. From the outside, our population is small and the ratio of dollars to population is quite high but we are immense in size without infrastructure to connect most communities. There have been many proposals to help fund Alaska and one is to end subsidies to big oil that they do not need and would stop bleeding the state coffers dry. Since the Parnell administration this has been the biggest drain on our finances. Along with ending oil subsidies, add in a modest state income tax (people need to pay for services) would help make the state more solvent.

Taking money away from education, K-12 and the university system, only adds to the crime rate. Education helps a person find direction. Also, children without an adequate food source, have difficulty in concentrating in school.

The ferry system in SE has been under attack since the Murkowski administration and we need to bolster it instead of closing. It's a beautiful, economical and necessary to small communities in SE to travel.

Time to rein in this Governor and the oil companies and put Alaska, her people and the environment first.

Recall the Dunleavy and his administration. We need Walker back.

From: Bruce Conant <[REDACTED]@ptialaska.net>
Sent: Thursday, March 28, 2019 8:58 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Fw: Senate Bill 23

Our thoughts on Alaska's fiscal crisis.

From: Bruce Conant on behalf of bsconant@ptialaska.net <bsconant@ptialaska.net>

Sent: Wednesday, March 27, 2019 10:51 AM

To: sen.shelley.hughes@akleg.gov; sen.peter.micciche@akleg.gov; sen.lora.reinbold@akleg.gov; sen.mike.shower@akleg.gov; sen.jesse.kiehl@akleg.gov

Cc: Restore the PFD; rep.andi.story@akleg.gov; rep.sara.hannan@akleg.gov

Subject: Senate Bill 23

To all,

My wife and I are 40 year residents of Alaska. We are in favor of Senate Bill 23 to restore the full PFD but **ONLY, ONLY, ONLY** if you reinstate a statewide income tax (like we use to have/a percentage of our federal income tax). There is no 'free lunch'. As the only state without some form of statewide taxation (income or sales), it is indefensible to give away free money without some way to pay for basic statewide services. We do not favor further passing the costs down to the local governments.

We now collectively, through the statewide legislature, need to determine the level of statewide services we want and how to pay for them (there is no 'free lunch'). We think that there should be no more cuts to statewide funding of all statewide services, especially education (K-12/University of Alaska-both of which would be so shortsighted) and the Marine Highway System.

Why are you so afraid of statewide taxes? All other states have them. We think that a statewide income tax is the fairest way to help pay for the statewide services we all need. When we travel south, we hear comments like, "You Alaskans are a bunch of whiners. You get free money and still don't want to pay for government services like the rest of us." It is hard to defend how we do business up here.

We hope that you can 'step up to the plate' and do the adult job you were all elected to do. We admired how Governor Walker tried. Please don't drive Alaska into the ditch. Our collective futures depend on all of you.

Bruce and Sue Conant

From: Linda Shore <[REDACTED]@gmail.com>

Sent: Thursday, March 28, 2019 8:39 AM

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

Subject: Budget

Good morning,

It is very encouraging to see the conversation about budget and PFD that is going on in House Finance. We do need some common sense, realistic decisions about both. So, here are my ideas:

1. We do need to revisit oil tax credits and how much the oil companies pay us for our oil. They are doing just fine and I don't for a moment believe they will pack up and leave if Alaska takes more of a share. Carl Benson was right; we should at least be getting 30%.

2. Kill KABATA and that ridiculous "Juneau Access Road" once and for all. Both are expensive boondoggles. While I agree that highways are not designed to make money, both of these things would cost a disproportionate amount compared to their usefulness. Especially the Juneau Access Road.

3. Institute a sales tax or income tax. There are advantages and disadvantages to both, we all know, but it seems to me an income tax based on a percentage of federal taxes would be easier and less costly to administer.

4. 100% agree that there needs to be a final decision on the split between PFD and funding state government. This past election shows how ridiculous people can be about it. I love my PFD but would gladly give up some or even all of it if we can have state government funded properly. If we want a state worth living in, we need to fund the darned thing!

5. That funding includes education, from pre-K through college. Knowledge is power. I don't have children but I believe that the value of education cannot be overstated. Maybe reinstitute the once a year school tax to help fund it.

6. Fund the Alaska Marine Highway System fully! It is just that, a highway for so many communities and it was not designed to be profit making. A letter writer to ADN recently stated that sometimes there are not many people on a ferry trip, but I guarantee there are goods and cargo going places all the time.

I could go on, but I believe we need to be responsible and not send Alaska back to the dark ages.

Thank you,

Linda Shore
Anchorage
[REDACTED]@gmail.com

From: Bill Glude [REDACTED]@me.com>
Sent: Thursday, March 28, 2019 7:35 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Alaska State Budget comments

Hello,

And thank you for the opportunity to comment. The solution to the budget "crisis" is simple:

1. Junk the Governor's proposals.
2. Eliminate the oil industry tax credits.
3. Let the oil industry actually pay taxes, as they used to.
4. Then, and only then, ask Alaskans to pay a steeply graduated income tax.
5. Continue full funding for essential services.

Not a penny of cuts while we are subsidizing the wealthiest corporations in human history!

thank you

Bill Glude
Home and Home Office:

Juneau, AK 99802 USA
206- US cell

From: Anne Schaefer <@gmail.com>

Sent: Wednesday, March 27, 2019 7:54 AM

To: House Finance <House.Finance@akleg.gov>; Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>; Sen. Gary Stevens <Sen.Gary.Stevens@akleg.gov>

Subject: Testimony for the Record on HB39 & HB40

Hello,

My name is Anne Schaefer. I have lived and worked in Cordova for 5 years and am a member of the City Council. I write today on my own behalf.

I am opposed to the spending cuts proposed in House Bill 39.

I urge you fully fund K-12 education, as well as the University of Alaska system. Here in Cordova, we are proud of the high quality education our children receive. Our schools are a major asset that attract new families to town and encourage former residents to move back. Direct cuts to the tune of \$1 million would negatively impact our students- we all know that larger class sizes, fewer class options, and reduced programming do not lead to a better educational experience.

I urge you to fully fund the Alaska Marine Highway System. The ferries are our highway. We rely on our ferries to ship our world-famous Copper River Salmon to the rest of the state and country. We rely on our ferries to get our kids' sports and academic teams to competitions all over the state. We rely on the ferry to spend money on goods and services in the urban areas of Alaska.

In 2014, the state funded ferries to the tune of \$117 million. An Economic Impact Study by the McDowell group found that the net economic benefit to the state was \$273 million- a return of 133%. Moreover, residents of Anchorage, Palmer, and Wasilla were among the top 5 ferry user groups. This isn't just a service for coastal Alaska. It is a service for ALL Alaskans. It makes economic sense to fund the ferry system.

I also urge you to fund the school bond debt repayment program. Those debts are not going away. Defunding the program at the state level simply means shifting the debt from the state's hands to local government. Yes, it saves the state money, but it will increase the tax burden on our local tax payers.

Other programs I would urge you to fund include public radio and health care. We want Alaska to be a state of healthy, educated, connected, informed citizens.

The proposed budget is short-sighted. The loss in services, as well as resulting increases in municipal-level taxes, will far outweigh the money received from a full PFD.

As I understand it, the budget deficit is \$1.6 billion and the payout for full PFDs is \$1.9 billion. This isn't a fiscal crisis. It's a political one.

In the shortterm, I urge you to use part of the PFD to fully fund the budget. In the longterm, I would encourage you to explore the implementation of an income tax and repealing oil tax credits.

Invest in Alaska.

Thank you for all the hard work you do on behalf of the state and thank you for the opportunity to submit comments.

From: Meg Moore <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 10:27 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Proposed Reduction in State Funding to the University of Alaska System

Dear Members of the House Finance Committee,

My name is Megan Moore, and I serve as the vice president of the University of Alaska Anchorage (UAA) Alumni Association. Though I am honored and happy to fill this role, today I am writing you as a lifelong Alaskan and longtime member of the Anchorage community. Thank you for the opportunity to share my experience and my concerns regarding the Governor's proposed 41 percent reduction in state funding to the University of Alaska (UA) system.

Fifteen years ago, I chose to attend UAA after graduating high school. I was a little lost, but with financial help from the UA Scholars Award, I was able to graduate within the next four years with a bachelor's degree in journalism and public communications. My time at UAA enabled me to find my footing, be close to my family in Wasilla, stay in the state I loved, find a job on campus, make new, lifelong friends, receive a first-rate education and find entry into the Anchorage business world. Indeed, I began my senior-year internship (and subsequent job) at an Anchorage advertising agency after the agency's leadership called the UAA journalism department to ask if any students were interested in interning. My advisor thought of me and mentioned my name, thus forging a professional network that I still rely on today – 12 years later and deep into my career.

If the Governor's proposal for UA funding advances, I'm worried – I know – that the opportunities I was given will no longer be offered to young Alaskans, or even potential students from Outside looking to adventure North.

The proposed budget would disastrously impact UA campuses, likely resulting in the loss of an additional 1,300 staff and faculty (there are already 1,200 fewer people working at UA than there were just four years ago). This loss would lead to fewer academic programs, meaning fewer opportunities for students and fewer students period – a deeply negative consequence to the surrounding business communities, which, as in my case, rely on and embrace newly graduated students for a burgeoning workforce. Education fuels growth and economic prosperity – I am hard-pressed to name a premier American city without a strong, advancing university system.

As a proud alumna of UAA – one who continues to reap the benefits of the education and experience I received there – I respectfully urge you to stand for UA by investing in its future. Cuts to its funding, if any, must be minimal if Alaska is to remain what it is – a state we're fortunate to call home and a place where students, professionals and families can flourish.

We are UA Strong.

Thank you,
Megan Moore

From: Nancy Fassett <[REDACTED]@gci.net>
Sent: Wednesday, March 27, 2019 11:36 AM
To: House Finance <House.Finance@akleg.gov>
Subject: Governor's Proposed Budget

March 27, 2019

4840 E. 112th Ave., Anchorage, AK 99516

To the House Finance Committee,

I am writing you with deep concerns for the future of our great state of Alaska.

I support education. Last year I applauded the legislature for adding \$20 million dollars to education funding which had been flat for several years. The governor's proposed budget cuts \$300 +million dollars for education will **adversely** effect every student from Pre-K through post-secondary education. Children are our future. Today's children will be the future leaders of our state and country. They are **worth** providing an excellent education for. Our constitutional delegates knew this when they wrote our state constitution. Education is one of the only constitutionally-mandated functions in our state budget. If passed, the proposed cuts will devastate our **entire** education system. Cut after cut has been made to each school district over the past few years. Now the only cuts left to be made are instructional staff. Hundreds of teachers will be laid off at all levels across Alaska. Many of those teachers and their families will leave the state. Class sizes are going to increase dramatically putting further strain on learning and positive educational outcomes. There will be an exodus of families looking for better educational opportunities for their children in other states. Our high school graduates will leave the state for higher education Outside and many will never return. Our state will experience a very real "brain drain." Even if these cuts persisted for one or two years, the damage is done. Learning opportunities lost in a student's year alter their lives forever. Trying to rebuild programs and trust in the education system will be a long, arduous task. Teacher recruitment and retention will be more difficult than it already is. A strong education system is something that businesses investing in a state or community look for. Why would businesses choose to move to an area with a devastated education system?

Schools are the backbone of our communities,. They offer places for community gatherings, building skills, and sharing culture. This is especially true in Bush Alaska. With these budget cuts, it seems very plausible that many rural schools will have no choice but to close. What is a community without it's school? What does this budget say about our priorities for our children and their future?

I support the Alaska Marine Highway System which is vital to those living in Southeast for transportation for themselves as well as for goods and services. I also support our elders at the Pioneer Homes who live on a fixed income. A 50% increase in their rent is unconscionable.

Should you pass the governor's proposed budget as is, municipalities and boroughs will be forced to try to make up the difference. That of course will mean higher property taxes and probably sales taxes. The governor's budget takes revenue streams from many local areas around the state and puts them into state coffers. This will further hamper Rural Alaska villages and boroughs trying to make up the difference from lost state funding for vital programs and services.

I urge you to look at **ALL** options for revenue streams, not just these horrific cuts and full PFDs. I prefer not to receive the governor's Proposed \$3000 in PFD funds if it means state services will be so drastically cut or underfunded. The time is here for the legislature to look at broad based taxes whether they be income taxes, sales taxes, or some combination thereof. I also urge you to seriously reconsider oil taxes and whether the governor's proposed increases in oil and gas tax credit payments are appropriate at this time.

Thank you for your time.

Respectfully,

Nancy Fassett

From: Lauren Attanas [REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 11:42 AM

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

Cc: Rep. Grier Hopkins <Rep.Grier.Hopkins@akleg.gov>; Rep. Bart LeBon <Rep.Bart.Lebon@akleg.gov>; Rep. Steve Thompson <Rep.Steve.Thompson@akleg.gov>; Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>; Rep. David Talerico <Rep.David.Talerico@akleg.gov>; Rep. Tammie Wilson <Rep.Tammie.Wilson@akleg.gov>

Subject: Public testimony re: FY2020 budget

March 27, 2019

To Members of the House Finance Committee:

Thank you for giving all Alaskans an opportunity to testify regarding Alaska's budget priorities for FY 2020 and beyond, and thank you for working to build a sensible budget. The Governor's promise to super-sized PFD checks to Alaskans by cutting off essential state services at the knees is unworkable. 'Penny-wise and pound-foolish' is not a path to financial stability and prosperity.

I am writing to ask that you support all of the programs critical to our way of life here in Alaska--our health care system, the Alaska State Ferry system, public safety, transportation, public media, wildlife and natural resources management, but most especially our schools. Please maintain K-12 funding at levels approved in 2018 for FY2020 and make funding notification timely, reliable and predictable (per SJR 9). Please fully fund all 3 UA campuses.

I'd like to tell you a little bit about my family and the importance of education funding in our household.

We are a public school family. I see the effects of the past few years' cuts every day at my son's elementary school. Because it can't provide a competitive salary and because nurses are in high demand, the Fairbanks-Northstar Borough school district is unable to hire a school nurse for his school and others. As a result, administrative staff is grappling with sick kids, administering medication, and handling emergencies on top of their daily workload, and our kids aren't getting the care that helps them be healthy, successful learners. Teachers are being asked to do more and more with dwindling resources and fewer staff. We cannot afford to cut more from the budget and expect that our children will receive an education they need to become the skilled workforce Alaska will need in the coming decades. We must invest in Alaska's future, starting with our youngest citizens.

We are a University family. My husband works for UAF's Alaska SAR Facility--the farthest-north satellite tracking ground station in the United States--which provides critical data to scientists worldwide. His paycheck accounts for the majority of our household income, as well as our health insurance. Our daughter attends preschool at the University where she gets a top-notch education while simultaneously helping our next generation of teachers, firefighters, and paramedics learn and practice their trades. So, we'd stand to lose a lot as a family, were the Governor to cut the UA budget by 41%. A super-sized PFD could not replace my husband's specialized job or pay for health insurance.

We are a private-sector family. I am research biologist and a minority shareholder at a Fairbanks-born environmental consulting firm started by UAF graduates in 1976 and still powered by UA graduates; they are our board members, our scientists, our business administrators, and our software developers. We work in partnership with the University, state and federal agencies, and resource development companies. Were the University to be dealt the blow the Governor is proposing, we'd lose one of our main resources for attracting and retaining new talent.

Though I realize that the Legislature is working very hard with very little time in order to produce a workable budget, I would like to encourage committee members and the Legislature at large to think about the larger economic picture. Our state's own economists (and common sense) tell us that we cannot just cut our way out of these fiscal problems. We have to generate revenue. I believe this should be done as a combination of cuts to the oil tax production credits (per SB 14), a modest income tax on *all* people who work in Alaska, and holding the PFD at the levels set by the previous Legislature and Governor.

Thank you for your time.

Sincerely,

Lauren Attanas

Faribanks, AK 99709

From: Jennifer Willeford [REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 9:57 PM

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

Subject: Alaska Finance Budget Testimony

Dear House Finance Committee Members;

I am unable to make to the meetings to testify. I am a single working mother and I apologize for not being able to be present but I wanted to have a voice and I appreciate your time allowing people to submit some thoughts via email.

I can't begin to express my disappointment with how our own representatives, legislators and government has decided to govern and utilize the resources they have and continue to hold residents hostage to a declining standard of living and quality of life.

As a single mother I know all too well the pitfalls of having to make do with what you have. I will also say that in the face of adversity there is a chance to foster resourcefulness. You learn to freeze loaves of discounted bread and other items. Buying items used, on clearance and re-purposing are second nature. It really is fascinating how far away from our roots we have strayed. I look at my great grandmother's generation that gardened, canned and shared what they couldn't use. There was not built in welfare system but strong support networks. There was not a need for daycare because there was family who tended to children.

Growing up in interior I have seen firsthand the giving nature of the community. If there is a need it is often times filled by residents. That giving spirit has never wavered. With imposition of higher property taxes, bigger infrastructure and higher cost of living the amount of giving has slowed. There is simply not as much to give as people are tapped. As I listen to the increase tax ideas and reduced dividend I wonder how my families will survive. Each additional cut into my income means less and less for my children. While top ramen can be seen as a childhood favorite for this generation it lacks the nutrition and filling benefit that real food provides. Stressing about how much water is used during bath time and telling your children those extracurricular activities are only for those above the low to middle income population.

This picture is not just for single parents but any family who does not meet the higher income wage brackets. Every family is susceptible and within one to two paychecks of being bankrupt and left in poverty. The more the families are taxed and stressed the more families are falling victim to this reality. The new healthcare system taxes those for not having insurance. Families that can either purchase market place insurance with a deductible to high its unusable or pay the fine. So many families are paying the fine because it's still cheaper and far less difficult than dealing with the marketplace or public assistance. If you were a family who decided to pay for the market place insurance then you cross

your fingers all year that you figured everything correctly or you are paying more in taxes at the end of year. For major medical this is helpful but for families living paycheck to paycheck this is not feasible.

The other option is Medicaid which means that families must be under a certain income or loose coverage. This model holds families hostage to improving lifestyle or taking a pay increase or promotion. What?!? What have we done to our families? Most families don't want to be confined to this limitation. There has to be a better option. Medicaid and other government insurance needs to be revamped in general. When a company like pro care who is contracted by Medicaid bills \$1600 for a \$240 breast pump so they can make money there is a problem. We are out pricing ourselves in the long run which will only enslave our children to broken system.

I stood behind someone in the grocery store the other day who was dressed very nice and using a quest card to buy groceries. She had been on her 4th job interview and was embarrassed to use the card. She felt so ashamed she kept apologizing and justifying the reason she had it. That is the definition of a broken system. A person ashamed of using something that could benefit her family and wanting to do better. There needs to be safe guards and backups for families. Community victory gardens and education for helping to build safe guards, better management of food bank resources and helping families where they need when they need it. This system is not working. While I am a firm believer in early childhood development but the management of these programs needs to be revamped. There are such low employee retention rates and then in turn low enrollment rates that they are not reaching the clients they are intended for. If there was investment into a different model where there was a match payment for those who qualify to use them in the 100 to 150% over income range there might be viability. These programs are wonderful to help offset childcare for those in low middle income and those are the people who use these programs. The lower income demographic needs to have access to these programs but they often times don't enroll and don't use the services because of transportation. So this is an area that could be revisited.

Grants are also interesting in which they are funded. The use or loose it mindset is mind blowing. Instead of incentivizing saving money and offering better services the idea is to spend the money otherwise you won't get it next year?!? If someone was able to calculate the amount of end of fiscal year spending vs. actual operating cost that could prove interesting.

The school district needs to follow a new model. The charter schools are so sought after because they are effective. I have spent years trying to enter the lotteries to allow my children a different opportunity as well as having an alternative to junior high school. Forcing preteen and youth in their early teens who are still playing with legos and riding bikes into a social environment that is not conducive to anyone learning. Stability with peers and teachers will set up a foundation for learning. High school is much the same way. The dropout rate and the amount of drugs and alcohol on the high school level is crazy. More survival instincts being taught less learning.

I was forced to buy a new wood stove this last year after I felt like I would be criminalized and fined for heating my home. I was living within my means and keeping my children warm and fed within the federal guidelines and the local government with the state governments encouragement said no more wood heat during certain times which happen to be the coldest times. No plan to help just, "no." Then these same officials to whom tax payers are beholden started criminalizing, scaring and stressing out homeowners. So property taxes are paid to the borough that turns around and says to those tax payers you can't heat your home with the resources you have. How do property taxes get paid if homeowners have to pay even higher rates to heat? Even worse the borough uses funds to then hire people to seek out the property tax payers and fine and harass them. This is the very nature of the beast that residents have to deal with.

They say children are far more resourceful if they are given time to play, let space to be bored and have to figure things out. I am here to say that I think adults are much the same way. It's been far too long that we as a culture and society have become complacent and not given the time to be resourceful and come up with viable solutions. Necessity is the mother of invention. Alaskans by nature are inherently resourceful. Those individuals who have come to Alaska with ulterior ideas need to tap into the resourcefulness instead of the grand designs of creating something unrealistic. I have seen millions spent to spruce up the downtown side walk. Now when you drive downtown you see the same problems

against a beautified back drop. I wonder if those millions could have been spent on a homeless housing solution where the money would have been better served.

I think community cafes where locals sit down once a month to come up with solutions using limited funds and resources on a local level the way it should be by people who live within the communities is a much better idea.

There needs to be less spending, less government and more resourceful solutions. Just like a household budget make do with what you have. Get the things you need before the things you want. Meeting basic needs is the primary goal and then creating a good quality of life within those means for a family creates a stable and viable living. Bigger is not always better.

Sincerely,

Jennifer Willeford

[REDACTED]

Fairbanks, AK 99708

From: Katherine Prussian [REDACTED]@yahoo.com>

Sent: Wednesday, March 27, 2019 9:20 PM

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

Subject: Budget

To the House Finance Committee,

I am a long time Alaskan, raising a family and working full time in Sitka. I am not employed by a school system or state funds.

I do not support supplemental pfd's, I appreciate my dividend and although I've received them since the beginning, I do not depend upon it, nor feel I deserve it.

I rely on the Alaska Marine Highway system. I recently used the ferry to visit the state capitol and expose my children to state government. I also used the ferry to shop in Juneau for items I'm not able to buy in Sitka. Had I not been able to use the ferry to transport these items I likely would have purchased them from out of state, depriving Alaskan businesses.

I appreciate our teachers and education system throughout our state. I support full funding to our schools to enrich and empower our young people who will carry this state into the future. They are our future and we need to invest in them through public education.

I work hard for my wages and I volunteer in my community yet I support using pfd and a moderate income tax to maintain safe and healthy communities, to educate our children, to feed the poor, to manage our natural resources and maintain our highways (including ferries).

Thank you for the opportunity to voice my concerns and values. And thank you for all that you do to govern our wonderful state.

Sincerely,
Katherine Prussian

From: bo <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 9:15 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Budget comments

I do not support the governors budget.
The ferry system should be reworked to have more frequent service with smaller boats. Sell the fast ferries but don't cut the ferry budget.
Don't cut school funds.
Don't cut public radio funding.
Don't cut medicaid.
Increase oil taxes and create a state income tax.
Redo the permanent fund to a needs based dividend and don't pay everyone the same amount. Only people in need should get the full dividend. Use the permanent fund to fund government.
Thanks,
Danile Varsano
[REDACTED]
Petersburg AK
99833

From: resofak 55 [REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:34 PM
To: House Finance <House.Finance@akleg.gov>; Senate Judiciary <Senate.Judiciary@akleg.gov>
Subject: SB 23 and 24

I support the governor's budget, including drastic cuts to government services, and his plan to return the PFD to the people, both by returning it to the proper formula driven amount, and paying back the amounts stolen by governor Walker and the complicit legislature.

Thank you for your time,

Aaron Hall
North Pole, Alaska

From: Zoe Trafton <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 8:21 PM
To: House Finance <House.Finance@akleg.gov>
Subject: No Budget Cuts

My name is Zoe Trafton, and I'm in 7th grade in Blatchley Middle School in Sitka. My school would be greatly affected by the budget cuts.

Please don't pass Governor Dunleavy's massive budget cuts. They would effect schools majorly, creating unmanageable 40-kid classrooms, an extensive shortage of teachers, and a general environment in which learning would be nearly impossible. The teachers would be overly stressed, the kids who act out would flourish, creating havoc, and the kids who participate only when asked specifically would check out and not check back in, and the kids who truly want to learn would be fully unable to.

I'm also worried for the university system. I want to go to UAF and study engineering, but that program could get cut. My dad works for UAS Sitka, a small school that might close if the budget is strained too thin.

I really want to have a future in Alaska, bu will that be possible if necessary public services don't have the funding they require?

I would absolutely agree to donating my full PFD to schools, and most Alaskans don't need all that extra money. Most would invest it and forget about it until they get the money back, and say, "Oh, yay! More money that I don't really need, so I'll just invest it again." Just dive into the damn fund and your problem is solved.

Please, SOS (save our state).

-Zoe Trafton

From: Kate Quick [REDACTED]@gmail.com>

Sent: Wednesday, March 27, 2019 7:59 PM

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

Subject: Sustainable budget with new revenue

Dear House Finance Committee members,

Thank you for your work. I write you tonight as an Alaskan. I work at UAF as a developmental English professor. My husband is an undergraduate student at UAF. My three kids, ages 10, 13, and 15, are in Fairbanks' public school system and want to go to a UA school for college.

If Governor Dunleavy's budget is enacted, our lives will be upended. I will likely lose my job, and I am my family's sole breadwinner. My kids will find themselves in classes with 40-50 or more students, with fewer electives and no extracurriculars. We will be forced to leave the state.

My family is just one of many in similar situations. There isn't a segment of the Alaskan economy that won't be negatively affected by this budget. Village residents will be stranded, with fewer VSPOs and closed schools. Our elders will be unable to afford the Pioneer Homes; this budget will make homeless elders. Our hospitals and health clinics will lose much needed staff. Communities will suffer. Alaskans will suffer. Many will be forced to leave.

I am willing to pay a payroll or income tax. I am will to forsake part of my dividend. And I cannot fathom why we are not restructuring the old tax credit system that gives so much money away to oil companies. These are solutions that won't destroy our state. Please save our state and pass a sustainable, well-funded budget with new revenue.

Best,
Kate Quick

[REDACTED]
Fairbanks, AK 99709

From: Dana Durham <[REDACTED]@hotmail.com>
Sent: Wednesday, March 27, 2019 7:17 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Alaska Marine Highway

To the House Finance Committee,

Continue to subsidize the Alaska Marine Highway System or reform the system to make it sustainable. Either way that works is good. But Alaska needs the marine highway, not only for the southeast but all of Alaska. As a resident of Anchorage I've elected to take my vehicle on the ferry to Bellingham to avoid the wear and tear on my vehicle rather than take the Alaskan highway. Visitors to Alaska use this ferry. Tourism is Alaska's third biggest economy. Please do not privatize the ferry.

Sincerely,
Dana Durham
[REDACTED]
Girdwood, Alaska 99587

From: Amy <[REDACTED]@gmail.com>
Sent: Wednesday, March 27, 2019 6:42 PM
To: House Finance <House.Finance@akleg.gov>; Senate.judiciary@akleg.gov
Subject: SB 23 & SB 24

I am in full support of the Governor's Budget, as well as SB 23 & SB 24.

Amy Hall
North Pole, Alaska

From: Irene Wood <[REDACTED]@alaska.edu>
Sent: Thursday, March 28, 2019 12:17 PM
To: House Finance <House.Finance@akleg.gov>
Subject: Dunleavy Budget comments

Thank you so much for listening to your constituents regarding our Budgetary Policy 'Crisis'.

I arrived in Alaska as a young woman, ten years before the PFD came into effect. As a cannery worker, I paid a modest state income tax on my wages. And managed to survive, in spite of becoming a full time resident living on seasonal wages, without a Permanent Fund payout. When we did start getting PFD monies, we appreciated but did not count on those funds. We understood the meaning of the word "Dividend" -- something you received when the State's financial situation was favorable, something you might have to forgo during times of fiscal insufficiency.

It is rather appalling to me to hear the sense of entitlement people have these days about the PFD. While an argument can be made for it belonging to 'the residents', that does not mean it necessarily all needs to be distributed to those residents. Our State's infrastructure and services also belong to all of us, and it is incumbent on all of us to contribute to their modernization and maintenance. Lacking those contributions also means the loss of much Federal funding (which comes out of our collective tax dollars), so it's really a double loss.

I am in favor of a greatly reduced PFD, perhaps with a 'hardship bonus' for those who can verify that they really do need extra to survive. I suspect quite a few of us can manage just fine on nothing more than a token payment, perhaps the same amount as we received the first year of dispersement. While this might not be 'fair', it would be 'equitable'. There would however need to be some sort of accounting mechanism to settle up in the future with the children of Alaska, some sort of general trust fund.

And a state income tax is long overdue !

Much of the present situation seems to be due to a lack of vision and imaginative thinking.

For example, the Alaska Marine Highway System. In mid-March, my husband and I sailed from Haines to Bellingham on the Columbia, for the first time in 42 years. We met on the Columbia all those years ago and have very fond memories of her, she is a grand vessel and still manages to be both gracious and comfortable, accommodating a wide variety of passengers. Sadly, it rather felt like sailing on a ghost ship as there were perhaps a total of 60 passengers, not much more than the crew.

The Columbia has many years of serviceable life ahead of her yet.

Built at a cost of \$20 million, she is well maintained and could not be replaced for 10 times that amount. But something needs to be done to increase ridership. Seasonal service is not really an option, as she provides needed transport year-round. Reducing winter sailings is an option, but that will not increase overall revenue and involves trying to keep crews on part-time schedules.

However, what about capitalizing on the current interest in climate change among young people in particular ? The Columbia would very easily lend itself to being a 'floating seminar' boat, as it is set up with lounges which could be used for lectures, a theater for films and other visual presentations, heated outdoor space (the famous 'solarium'), and lots of basic but comfortable cabin space. Contracts could be made with high schools and colleges to offer one-week 'climate change voyages', using the existing Bellingham / Haines route.

With Western Washington University located in downtown Bellingham as a very convenient staging area, this could provide a wonderful opportunity to present timely information to our young people while bringing in much needed revenue for the Columbia. These seminars could be held concurrently with regularly scheduled sailings, and it would be wonderful to see the Columbia alive with discourse and activity again !

The Alaska Marine Highway System is an essential part of our infrastructure but it needs to be shared with more potential travelers if it is to continue. Marine voyaging is already a popular 'add-on' to school schedules, and would be a good opportunity to explore in this context. Thank you for your attention !

Sincerely, Irene Wood
Fairbanks, Alaska



Alaska House of Representatives



House Finance Committee Kenai Community Meeting

Name

Adam Sanchez

Address

[Redacted Address]

Seldotna, AK

Comments: Do you want comments submitted as public testimony on the Operating Budget



I support the governor's budget. I live on a
balanced budget. The state should also.

Alaska House of Representatives



House Finance Committee Kenai Community Meeting

Robert Harr

To the House and Senate Finance Committees.

I am in support of the Governor's Plan to reduce spending. I would encourage all of you to support the Governor's plan. The ADOT&PF, Teachers and Universities need to be cut and start utilizing innovative resources.

Solutions

The legislature must develop bills to allow the use of cost saving innovation for the best interest of the State. Currently the ADOT&PF Central Region disallows the promotion of cost saving innovation. Just on one stand alone project on the Sterling High we could have saved the State \$10 million. Contractors need a matter of choice instead of sole sourcing a certain contractor.

The State Plant Materials Staff need their funding to provide the Guidelines and policy on Hemp production in the State. This is an investment into the State that must be done to provide additional much needed revenue to help with the budget. It is critical in timing that this become accomplished. If Not, then the markets will become filled and Industry will NOT wait for Alaska products. The Nation or the world has no entitlement to Alaska. Currently Alaska is losing over \$2 billion in Hemp oil production annually @ \$1,240.00 a Barrel, \$40 million in Hemp body care products, and \$434.00 per acre in fiber production for CIPP lining materials. This is a trillion-dollar industry worldwide.

The DNR recorder offices are here for many industries and need to stay and consolidate the 3 districts in shared revenues. This would save the users cost and help each local community.

The DNR and DEC must have backing by the Alaska Legislature to allow enforcement of laws. Implementing the law with compliance and fines will help with budget cost. I have a gold mine and gravel operations. I want more laws to preserve the quality of our lands and resources. The State Plant Materials staff needs teeth in the Hemp bill to preserve the NO THC in the investment for industrial hemp in Alaska.

The Legislature needs to provide a bill to tax the out of state oil workers, mining and Fishing permit holders who take the States resources and money's out of State. Many people are unemployed here that could use those jobs or fishing permits to support the communities. The circulation of those funds would be significant to the budget.

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Catherine Cassidy
REPRESENTING: Self
BILL # or SUBJECT: HB 39 Operating Budget
COMMITTEE: House Finance **DATE:** March 25, 2019

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

Dear Finance Committee Members,

I very much appreciated having the opportunity to testify at one of the hearings you held over the weekend. I am in favor of using permanent fund earnings to support the next state budget.

I vehemently oppose the budget proposed by Gov. Dunleavy/Americans for Prosperity. The Koch brothers' self-serving anti-tax experiment failed in Kansas and would obviously fail us here as well. Many Alaskans fell for the irresponsible campaign promise of huge PFD payouts but most have had a reality check since the Governor produced his budget proposal.

For over 30 years my primary income has been from commercial fishing. I am not a teacher. I have no children. Since our state budget crisis began five years ago I have been advocating for a state income tax. As a proud American I am willing to pay my share to help my state provide services:

- Good education at all levels;
- Pro-active management of natural resources for maximum sustained yield;
- A safety net for our vulnerable residents;
- Well maintained infrastructure to support commerce.

While I believe it is essential to use permanent fund earnings to support the current budget I also expect the legislature to begin increasing state revenues right now. Cut oil tax credits. Institute a state income tax to capture earnings by Outsiders as well as residents. Revise the 1982 Dividend Formula to fit our 21st Century economy.

Thank you,

Catherine Cassidy
Kasilof, AK

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Ella Chezik
REPRESENTING: Self
BILL # or SUBJECT: HB 39
COMMITTEE: HFIN DATE: March 25, 2019

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

I am a firm believer in the AK Ferry system. I am willing & able to give up my PFD for the sake of keeping the system up & running for our fellow Alaskans that live off the road system & are served by the ferry. They pay their taxes and now would you like to not be able to use the roads that you take for granted and pay your taxes to use.

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Janice Chumley
REPRESENTING: Self / Business Owner
BILL # or SUBJECT: HB 39
COMMITTEE: HFIN DATE: March 25, 2019

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

I am a small business owner in Kenai.

I urge you and your colleagues to fully fund the Division of Agriculture and the Plant Materials Center, Alaska Grown Program and the Farm to Institution Program.

As a voter, I'm urging your support.

Thank you.

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Meldonna Cody

REPRESENTING: _____

BILL # or SUBJECT: HB 39

COMMITTEE: HFIN DATE: March 25, 2019

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

House Majority Finance Committee:

An obviously organized union of State employees have shown up en masse to the House Majority meetings, to the great disadvantage of the majority of real, hard working, private sector Alaskans who voted for Governor Dunleavy and intentionally and purposefully voted for both a fiscally conservative Senate, and especially for a fiscally conservative House, knowing that we as individuals expected to personally feel the sting of budget cuts. As you may know, we do not trust the House Majority that wrangled the voted majority away from the will of the Alaskan voters. Please actually hear us when we tell you we are willing to bear the brunt of these cuts to repair the extreme damage done to our State in the last administration, and so we don't pass down debt to our youth.

Do not talk of taxes until you have made the hard choices of making cuts first. After we see a sincere effort to work within a serious budget, then we will think about a flat income tax that is proportionate and progressive. Taking the PFD is extremely regressive. As one person put it in I believe, the Wasilla meeting: Those who are offering up their own AND everyone else's PFD's are the ones who don't even notice when it gets deposited into their account. Not all of us go to Hawaii, not that it matters, as it is our money and not the legislature's. I for one, have done without an eye exam and dental care ever since Walker started ripping off my PFD. I was also hoping to buy a generator last year, but that did not happen.

As I watched the meetings being hijacked by our spendthrift and failing educational union employees it is apparent that the House Majority ---- with their presentation --- intends to inflict regressive burdens on the middle and lower income Alaskans in order to subsidize the unsuccessful educators. Or to put it another way, they want to take the PFD's from other Alaskans and put it into their boats and planes and raises and puffed up benefits, as they are already some of the highest paid public school educators in the nation. It was also interesting that these State employed union educators had elaborate descriptions of how budget cuts would devastate schools but they never offered solutions to make education better. With a declining (and failing) student population, we do not need to throw even more money that direction.

Please support Governor Dunleavy's plan, protect the full PFD, and return what was withheld.

- Any changes in the PFD should go to the vote of the people.
- Decreasing or removing the PFD harms middle and lower income families and their children. It also harms remote Natives and seniors.
- Anyone wanting to donate their PFD can, and I support the proposal to allow people to donate to the General Fund.
- The ferry system needs cuts. Trust and support private marine carriers to fill the gaps, create private jobs and run more efficiently.
- DO NOT alter taxation on the oil producers, they need stability. This should be clear with the example of all the job losses that occurred on the slope a couple of years ago.
- I worked as an aide, a special ed aide, a substitute teacher(1996 - 2017, KIBSD, KPBSD, also a couple of instructional visits to Bethel, Dillingham and Nuiqsut), and at one dreadful point with First Student bus company. Here are my direct observations regarding Alaska's declining and disappointing public school system:

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Meldonna Cody

REPRESENTING: _____

BILL # or SUBJECT: HB 39

COMMITTEE: HFIN DATE: March 25, 2019

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

- A lot of waste occurs in SPED with time and materials. The spend it or lose it policy wastes gross volumes of dollars. I have watched the head of the SPED department at a KPBSD middle school gleefully order tens of thousands of dollars of programs and equipment they actually knew they would not use.
- I've watched elementary schools repeatedly spend 2 weeks of classroom time two times (4 weeks total, that's one full month!) per year disrupting the entire student population for Spring and holiday performances at a great loss to teaching time. In one school it seemed more about the music teacher's ego than the best interest of the students. This was the spouse of that school's administrator.
- Parenting is being shifted to the schools, and the schools are terrible parents. This makes families increasingly dependent on schools and causes disruption to the curriculum, as well as becoming a vicious cycle of families abandoning their responsibilities as they let the schools do the parenting. This increases the need for ever more social services in the school. But hey, this supports an increasing evolution of Union NEA educational support positions! Here is an area where legislation might be needed to encourage and support families to become more involved with their children outside school. The bond and support between parent and child is decreasing. Know that I am a secular person, and was a single Mom, and I am saying strengthen and support parental responsibility. I also used my and my son's PFD's to help pay for private school when I saw how poor our Alaska public schools were performing. It is one of the best decisions I made, and it was about quality education. In addition, I saved up PFD's and my son was able to use those for college when he was an adult.
- There is a tremendous waste of time and staff in several schools' food service operations.
- The teaching bar keeps getting lowered with weakened student expectations at all levels. There has been a marked decrease in expectations from the 1990's to the 2010's and forward.
- Unreal waste occurs in bus contracts. For one example, SPED busses frequently travel empty of students, but still travel the often 2 to 3 hour routes with a driver and an attendant because parents can't be bothered to call either the school or the bus company to advise of frequent student absences.
- Student behavior on the busses has deteriorated so much that it is nearly gang-like. This seems to be a result of the schools becoming parenting replacements.
- Many other countries and states have much larger class size and have superior results with far less money spent per student capita. (See the book, *Cleverlands: The Secrets behind the World's Education Superpowers* by Lucy Crehan). Parental involvement and high expectations are key. Also teaching "deeper" into fewer STEM-focused subjects seems to improve results. In Alaska they are teaching like a speedboat racing across the bay trying to touch the top of every little wave-ripple, instead of teaching subjects thoroughly and in more depth, which builds learning skills, perseverance as well as critical thinking. Alaska's Teachers are checking off the "standards" boxes and moving quickly on to the next standard. And, in the more successful systems, students actually start school later rather than earlier, which certainly is opposed to the arguments for funding extremely early childhood programs. Give this early responsibility back the the parents.

In addition to the above school system problems that should be cut or restructured more proficiently, below are other areas of the budget that should be cut:

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Meldonna Cody
REPRESENTING: _____
BILL # or SUBJECT: HB 39
COMMITTEE: HFIN DATE: March 25, 2019

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

- Medicaid expansion is a farce. I qualified the year it happened, and it took 18 months for approval. In other words, I was approved 6 months AFTER the approval coverage year passed. Retroactive approval did not pay the bills. I tried; the clinics would not pay. November of 2017 I was kicked into Alaska Expanded Medicaid 2018 from healthcare.gov. I received my decline letter this past February 2019. I could not get 2018 insurance as I waited for the Alaska Expanded Medicaid results. I am a retired low-income senior, and was declined because after working from the age of 15 through 62, I do not work any longer, which is a good reason if working is part of the conditions of receiving coverage. But I bet I am counted in the numbers of Alaskans who were supposedly covered during the year of my phony retroactive coverage. I wonder how many other Alaskans are counted but are actually in my not-really-covered situation? Dump Expanded Medicaid and open up ways for us to pool insurance in private classifications with private coverage.
- DOT can decrease costs. I am willing to help out on my side road, or do without as much (great) plowing and grading as I currently receive. No doubt there are other ways to save with DOT.

Please cut the budget and preserve the PFD.

Sincerely,
Meldonna Cody
Clam Gulch

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Chris Garcia

REPRESENTING: _____

BILL # or SUBJECT: HB 39

COMMITTEE: HFIN DATE: 3-25-19

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

My feeling on the Alaska Marine Highway System budget cuts is that they are completely crazy. If we considered closing the rest of the highways for 6 months there would be a total outcry from the public. Let's treat all citizens the same.

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

NAME: Sara Gould
REPRESENTING: Self
BILL # or SUBJECT: HB 39
COMMITTEE: HFIN DATE: March 25, 2019

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

SENIOR AND DISABILITIES MEDICAID SERVICES PROVIDES ESSENTIAL SERVICES TO ALASKA'S MOST VULNERABLE PEOPLE. IT'S FUNDING NEEDS TO BE IN A SEPARATE APPROPRIATION OR IT WILL AGAIN RUN OUT OF MONEY DUE TO COST OVERRUNS IN OTHER MEDICAID PROGRAMS.

THE LEGISLATURE NEVER INTENDED FOR SENIOR AND DISABILITIES FUNDING TO RUN OUT BEFORE THE END OF THE BUDGET YEAR. BUT THAT IS WHAT HAPPENED LAST YEAR AND WILL AGAIN HAPPEN THIS YEAR BECAUSE THIS FUNDING IS NOT A SEPARATE APPROPRIATION.

YOU CAN STOP THIS BY SIMPLY MAKING AN AMENDMENT TO THE GOVERNOR'S OPERATING BUDGET THAT PLACES THE SAME AMOUNT OF MONEY INTO A SEPARATE APPROPRIATION FOR SENIOR AND DISABILITIES. WE ARE NOT ASKING FOR ADDITIONAL MONEY. WE JUST WANT THE MONEY YOU BUDGET FOR OUR PROGRAMS TO STAY WHERE IT BELONGS.

Thank you,

Sara Gould

Martha Eliassen Bristow

Fairbanks AK 99709

March 28, 2019

Dear House Finance Committee Members:

Thanks to Reps. Wilson, Le Bon and Wool, who hosted a meeting in Fairbanks this past Sunday afternoon. I was there, but did not sign up to speak. I offer my written comments:

My name is Martha Eliassen Bristow. I teach high school English at the Catholic Schools of Fairbanks. **I oppose Gov. Michael Dunleavy's budget proposal.**

I must offer my disclaimer -- I teach as an adjunct at the University of Alaska Fairbanks in the summer. The summer gig supplements my income, but I assure you that if you close the University of Alaska I will survive. I won't suffer. The students will suffer, as will career researchers and professors who have invested their professional lives in building a world-class university.

I am otherwise an Average Alaskan. My children are grown. I do not have a relative in the Pioneer Home and I do not have a side job on the state ferry. I teach in a private school, so I won't face losing my job until the dominoes start to topple.

I am LIVID.

I have lived in Alaska for my entire life, except for six years of exile in Maryland. I am old enough that I even paid a few state taxes here before they were abolished in 1980. My parents are not famous or well-connected people, but through their taxes and toil, they helped a rough territory grow into a modern state. For my whole life, we've had reliably good schools (even through the pipeline era), a university that provides solid opportunities for Alaska students (AND is involved cutting-edge research that draws millions of dollars into Alaska), and a transportation system for all Alaska residents.

I want to live in a state that has libraries with full hours, a place for old people who can't afford to go to Tucson or Bellingham, decent roads, and OH!! -- as much funding as we can possibly provide for troopers and other first responders who keep us safe and rescue us when we do stupid things in the woods. And don't forget about the snow plow drivers! I want them well-paid and well-supplied!!

I am all for cutting bureaucratic bloat, but this budget proposal is like contemplating amputation for a broken wrist. Do not eliminate the services that the pre-oil generation worked so hard to establish for us. Especially, do not do this for the sake of a huge permanent fund dividend check. Invest that money in my state and stop the high-end handouts.

Give me a modest income tax for my modest income, reduce my dividend, and while you're at it, reduce the tax credits for the oil companies. Spread THIS pain, and not the pain of rolling up Alaska's sidewalks and turning my life-long home into a resource ranch.

Oh, and, if you are brave, call Sarah Eliassen, my 93-year-old mom in Eagle River. I am livid, but my mom is really, really mad.

Sincerely,

Martha Eliassen Bristow

**KETCHIKAN GATEWAY BOROUGH
CITY OF KETCHIKAN
CITY OF SAXMAN
KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT**

**BOROUGH RESOLUTION NO. 2804A;
CITY OF KETCHIKAN RESOLUTION NO. 19-2727;
CITY OF SAXMAN RESOLUTION NO. 3-2019-41
KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT RESOLUTION NO. 19-03**

A Joint Resolution of the Assembly of the Ketchikan Gateway Borough, Council of the City of Ketchikan, Council of the City of Saxman, and Board of Education of the Ketchikan Gateway Borough School District, Opposing Governor Dunleavy's FY 2020 Budget Proposal which Would Irreparably Harm Ketchikan's Economy and Shift State Expenses onto Local Taxpayers

RECITALS

- A. WHEREAS**, on February 13, 2019, Governor Dunleavy released his FY 2020 draft State budget which proposed \$1.6 billion in State funding cuts while appropriating nearly \$2 billion for Alaska Permanent Fund dividends; and
- B. WHEREAS**, while it is recognized that the State of Alaska must align its spending and revenue, the governing bodies of the Ketchikan Gateway Borough, City of Ketchikan, City of Saxman, and Ketchikan Gateway Borough School District oppose Governor Dunleavy's budget proposal which would irreparably harm Ketchikan's economy and shift State expenses onto local taxpayers; and
- C. WHEREAS**, Governor Dunleavy proposed more than \$300 million in cuts to K-12 education, which would effectively result in a loss of approximately \$6.4 million in State funding for the Ketchikan Gateway Borough School District. To absorb these reductions, the Ketchikan Gateway Borough School District would need to eliminate approximately 70 teaching positions or the equivalent of 208 support staff positions. Even if every non-personnel budget item of the District was eliminated, the District would still need to make an additional \$2.4 million in cuts; and
- D. WHEREAS**, the Ketchikan Gateway Borough School District estimates that if the Governor's budget proposal is adopted, the average elementary classroom size in Ketchikan would increase by 10 to 12 students. The District would also be looking at eliminating vocational education classes, music and physical education programs, and school counselors; and

- E. WHEREAS**, Governor Dunleavy's draft budget eliminates all funding for the School Bond Debt Reimbursement Program. The Ketchikan Gateway Borough received approximately \$2.6 million from the State of Alaska through this program in FY 2019 and was anticipating to receive another approximately \$2 million in FY 2020 for projects planned and commenced years ago. The elimination of this program disrupts the district's long-term financing of important capital projects and further shifts the cost of education to local taxpayers; and
- F. WHEREAS**, the Governor proposed elimination of 75 percent of State funding for the Alaska Marine Highway System. As a result, the Marine Highway is no longer taking reservations past October, 2019. A total of 253 AMHS workers and their families reside in Ketchikan. The Marine Highway System has provided essential transportation services in Alaska since 1963. The system serves 33 Alaska communities, only five of which are connected to the Alaska road system; and
- G. WHEREAS**, the Marine Highway accounts for approximately 80 percent of the workload at the Ketchikan Shipyard. There are currently 133 workers employed by Vigor Alaska LLC – one of the largest private employers in the First City. The proposed cuts to the AMHS would have extremely negative impacts on business operations of the Ketchikan Shipyard; and
- H. WHEREAS**, Governor Dunleavy is proposing to eliminate a \$250,000 State subsidy for the Inter-Island Ferry Authority. It is currently unclear to IFA administration whether the ferry system could continue to operate without the \$250,000 subsidy. The ferry system provides daily roundtrip service between Prince of Wales Island and Ketchikan, carrying 50,000 passengers and 12,000 vehicles annually. According to an economic impact study prepared by Rain Coast Data in 2016, the IFA generates \$21.6 million of economic activity in Ketchikan annually; and
- I. WHEREAS**, the Governor's draft budget reduces State funding for the University of Alaska system by approximately 41 percent. The University of Alaska President has publicly stated that some university campuses would be closed if the 41 percent reduction were adopted. It is unclear whether the UAS Ketchikan Campus – which employs 40 full-time and 15 part-time workers and provides classes to approximately 600 students per semester – would remain open. Further, the UAS Ketchikan Campus trains over 300 maritime and welding students each year and a cut of this magnitude would significantly impact the Ketchikan Campus' ability to continue training Ketchikan residents for maritime and marine fabrication jobs in Ketchikan; and
- J. WHEREAS**, Governor Dunleavy's budget proposal would divert raw fish taxes from local communities to the State of Alaska. The City of Ketchikan and Ketchikan

Gateway Borough received more than \$4 million in raw fish taxes over the past five years. Historically, half of the revenue is shared with the city and/or borough where the fish are processed; and

- K. WHEREAS**, the Governor's proposed budget reduces funding to healthcare statewide by 25.6 percent or \$714 million. This could significantly impact the PeaceHealth Ketchikan Medical Center's ability to provide the current breadth of medical care and service to our community; and
- L. WHEREAS**, the Dunleavy Administration is proposing to dramatically increase rates at State-operated Pioneer Homes by between 40 and 140 percent. The State operates six Pioneer Homes in Alaska, including a facility in Ketchikan which has a 45-resident capacity; and
- M. WHEREAS**, Governor Dunleavy has also proposed eliminating all funding for the arts and public broadcasting. The proposal would shutter KRBD FM, which has operated in Ketchikan since 1976. The public radio station employs four people, provides volunteer opportunities for 55-60 residents, and is a significant local news media outlet and the primary emergency alert provider in Ketchikan.

NOW, THEREFORE, IN CONSIDERATION OF THE ABOVE FACTS, IT IS RESOLVED BY THE ASSEMBLY OF THE KETCHIKAN GATEWAY BOROUGH, COUNCIL OF THE CITY OF KETCHIKAN, COUNCIL OF THE CITY OF SAXMAN, AND BOARD OF EDUCATION OF THE KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT as follows:

Section 1. The Ketchikan Gateway Borough, City of Ketchikan, City of Saxman, and Ketchikan Gateway Borough School Board, oppose Governor Dunleavy's budget proposal in favor of an incremental approach to balancing the State of Alaska budget.

Section 2. The Borough Clerk shall transmit a copy of this resolution to Governor Dunleavy, Senator Bert Stedman, Senate President Cathy Giessel, Senate Majority Leader Mia Costello, Senate Minority Leader Tom Begich, Representative Dan Ortiz, Speaker of the House Bryce Edgmon, House Majority Leader Steve Thompson, and House Minority Leader Lance Pruitt.

Section 3. Effective Date. This resolution shall be effective upon adoption by the Ketchikan Gateway Borough Assembly, Ketchikan City Council, Saxman City Council, and Ketchikan Gateway Borough School Board.


ADOPTED by the Borough Assembly this 11th day of March, 2019.

ADOPTED by the Ketchikan City Council this 21st day of March, 2019.

ADOPTED by the Saxman City Council this 20th day of March, 2019.

ADOPTED by the Ketchikan Gateway Borough School Board this 27th day of March, 2019.

Ketchikan Gateway Borough Signatures:




David Landis, Borough Mayor

ATTEST:



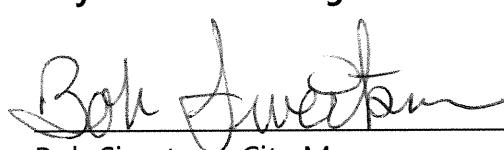
Kacie Paxton, Borough Clerk

APPROVED AS TO FORM:



Glenn Brown, Borough Attorney

City of Ketchikan Signatures:



Bob Sivertsen, City Mayor

ATTEST:

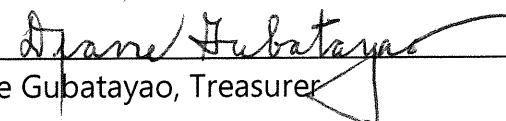


Kim Stanker, City Clerk

School District Signatures:



Matt Eisenhower, Board President




Diane Gubatayao, Treasurer

City of Saxman Signatures:



Frank Seludo, City Mayor

ATTEST:



Lori Richmond, City Clerk

Alaska House of Representatives

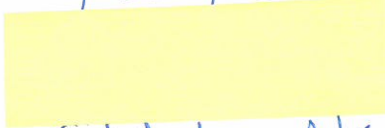


House Finance Committee Kenai Community Meeting

Name

Lyndsey Sanchez

Address



Soldotna, AK

Comments: Do you want comments submitted as public testimony on the Operating Budget



Do not cut PFD. I support Full PFD. Income taxes and
other taxes are not necessary if we increase revenue
with other natural resources like Timber and minerals.
Instead of pushing services, people should be encouraged
to become self reliant. Homeschooling is a wonderful
alternative and is good for the family and the state.
I support the Governor's cuts. The family can invest
time & effort into their children instead of paying the state to do it.
It's better for the kids if parents are more involved in their
lives and education.

KENAI LEGISLATIVE INFORMATION OFFICE

E-mail: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

NAME: Charmaine Lundy

REPRESENTING: Myself and every child birth to age 5 in Alaska

BILL # OR SUBJECT: Preschool Funding for FY2019-2020

COMMITTEE: House Education and Early Development Finance Sub-Committee DATE: March 26, 2019

As a society we are struggling in multiple areas. Elders living in substandard conditions or delaying the replenishment of their prescriptions. Young people leaving their infants in the village with family members so they may pursue schooling or training opportunities. Classroom teachers who are expected to teach grade level content rather than meet the manifold needs the children who come to them every day ill-prepared to synthesize academic concepts. Young children who struggle as they enter our school systems, both public and private.

I have worked with and watched families for 43 years here in Alaska. Raising children ready to succeed is becoming very difficult. I ask, *"How do we expect our most vulnerable population to enter schools well-equipped to take full advantage of instruction?"*

Our children will thrive given a well-founded beginning. Unfortunately not all parents understand the benefits of; or are able to provide the concrete social and emotional foundation [not to mention the health screenings to assure school readiness, beginning literacy, numeracy, self-advocacy, self-help skills and language skills presented at preschool meal time.]

The Head Start grantees in the State of Alaska have the desire, the skills, and the stamina to go the distance for and with our 3,315 Head Start children and their families. What we need is the tenacious support of the House Education and Early Development Finance Sub-Committee.

Of the 534 children who will lose services, how many will become accomplished directors, doctors, engineers, teachers and yes, Representatives? I respectfully request robust support for forthcoming leaders of our state.



Manny's Drivers Education



March 24, 2019

Dear Senators and Representatives,

I attended the Alaska House finance meeting last night. I heard many public testimonies. I am not in favor of our Governors proposed budget. I am in favor of selected cutting of expense keeping needed, verse liked services. I am in favor of a limited PFD, a flat income tax and looking at fees for services provided by the state.

We have to many people living out side the state using our resources or infrastructure and not paying anything.

I would like to look at one fee as a driver's education instructor. Driver license road test fees have not changed sense I started in 1983. It was and still is 15.00 dollars. If you consider 2 % inflation each year that fee now should be \$32.85 cents. In talking to the director, of DMV she says the legislatures need to change fees. Third party testers are charging somewhere between \$50.00 to as much as \$80.00 per road test.

I am suggesting you look at all fees for state services and recalculate them to be more realist with private industry. Then either but an inflation proofing clause in to reflect the cost of living or they be recalculated once every three years.

Thank you,

A handwritten signature in cursive script that reads "Daryl Lee Mannausau".

Daryl Lee Mannausau

Alaska House of Representatives



House Finance Committee Kenai Community Meeting

Sherry Harr

I am writing today to urge you to vote in favor of Governor Dunleavy's plan to implement a balanced budget. Spending is vastly out of control and must be reigned in before we reach fiscal devastation. While there are many areas that there can be compromises on, the overall goal should be to balance the budget and reduce spending.

Many special interest groups are protesting and picketing, but they seek only their self-serving ideals. I do not approve of the teachers, for example, saying that students are going to be harmed by budget cuts. The top heavy administration is who is going to be harmed by reductions of workforce and pay cuts. Most of the students' parents already pay for all the school supplies as well as the cost of the extra-curricular activities such as sports. Our colleges have operated well beyond their means for years and what do they have to show for it? They have not even maintained accreditation. Where has all that money gone---obviously not toward enhancing education. You, as representatives and senators, should seek to do what is best for the OVERALL population, and that is by not continuing to spend, mindless of future consequences. We, as families, have to learn to live within a budget and not overspend. You need to learn the same principal. There is no excuse for not having a balanced budget.

The PFD should be given to the people, not kept by the legislature to solve their spending problems. Economics show that when money circulates in a community it helps everyone many times over. When the legislators spend it, it only helps the specific community or cause that receives the help. The PFD money belongs to the Alaskan people and NOT to the legislators to spend as they see fit.

What about implementing an income tax that would give a percentage of money paid in back to the residents of Alaska, but would keep all the monies paid by out-of-state workers and commercial fishermen who reap our resources but currently pay nothing? That would be much more fair than indiscriminately confiscating the entire PFD.

The governor, any many of you, won the election by promising to protect the PFD and balance the budget. So far, we as the people, are not seeing positive results in that direction. I urge you to keep your promise by reducing spending and working with Governor Dunleavy to attain a balanced budget.

Respectfully,

Sherry Harr

The Alaska Governor's open forum turned out to be run by a middleman, Americans For Prosperity, and their national agenda for Alaska. For the first time in my long residency as an Alaskan, I had to sign up and abide by an outside Koch brothers special interest group rules, to speak to OUR Governor about OUR budget. I am happy to see we still have an Alaska run forum tonight. Remember Alaska's motto, we don't care how they do it outside. What happened to our great leaders? Leaders like, Governors Hickle, Hammond, Egan that actually represented Alaska instead of acting only for industry interest. I know that MAPA or SB 21 is not working for our State. When it was enacted it was supposed to bring more oil jobs, more production, a forecasted million barrels of oil, and even with oil tax credits, more income for Alaska. Instead we lost 5300. Oil jobs, we get production of 500,000 barrels per day, and 37% of the remaining oil jobs are going to out of State workers. Alaskans are told by Americans for Prosperity that their panel will tell us how to "face its fiscal reality and implement reforms to curb governments habit of overspending" In other words, further cut Education, further cut Alaskan jobs held by teachers, State Workers, and ^{Prison} ferry workers. Next will come cuts to our PFD and an income Tax. All this cutting of basic public service will deepen our recession and lay off real Alaskan workers who spend money and actually live in Alaska. Alaska is selling our resources cheaply to outside interests who don't pay fair market value. Our legislature, in an effort to hide the fact that SB 21 did not work used up 14 billion in State savings over the four years that the new plan has been in effect. This year alone a projected 1.245 billion in oil tax credits is going to an industry that does not produce more, and gets more per barrel profit in Alaska than any other country, and

State. Even Texas collects more in royalties and production tax on their Permian Basin oil field. In 2010 under the old ACES plan at a price per barrel of 74.90 our share of production was 2.9 billion. Under the Dunleavy Meyer sponsored MAPA, in 2015 the price of oil averaged 72.58 per barrel and our State share of production was 0.4 billion. That is 2.7 billion less than in fiscal 2009. Is it any wonder we have to gut our States future? Governor Dunleavy and others in our legislature seem to be selling Alaska to the cheapest bidder. Alaska is open for business and someone is making money and its not Alaska. We need a leader for our Great State that represents our interest, not the Koch Brother's national agenda. I will give up part of my PFD and pay income tax for my beloved State when oil companies give back the oil tax credits that are not working for Alaska, and our legislature goes back to the drawing board and makes a plan that benefits Alaska.

To House Finance Committee Re 2019 – 2020 budget.

Roman J Motyka

Juneau, AK 99801

[@gmail.com](#)

Dear committee members:

First, I wish to thank you for your hard work on addressing this deeply critical issue. I entreat you to be kind and compassionate toward your constituents and fellow citizens during your budget deliberations. The budget as proposed by the Governor would devastate so many of our friends and neighbors across the state. We desperately need to rethink our priorities. I have been a resident of Alaska since August 1973 (pre-pipeline) and here are some of my suggestions for rendering an equitable budget for all Alaskans that does not eviscerate education, health services, public safety, the ferry system, our Pioneer Homes, and many other government services.

1st, It is time to either cap or better yet, abolish the Permanent Fund dividend. When our Permanent Fund was first established, it was envisioned as a nest egg for future generations, from which revenues would help fund government into the foreseeable future. Think of how much larger it would be had the state not distributed dividends all these years (Norway is a great example). Please reject “super-sized” PFDs and cap this year’s and future PFD amounts.

2nd, Stop subsidizing the oil industry by nearly one billion dollars per year! This giveaway (aka, corporate welfare) in times of governmental financial distress is outrageous.

3rd, Raise our Alaska royalty and production taxes on oil from 12.5 percent back to 30 percent as Gov. Hammond recommended. Make our oil taxes competitive with rates in other states and foreign countries.

4th, It is time citizens once again help pay for government services. Reinstate our state income tax, at 10 percent of the federal tax liability. The tax would also generate revenue from the out-of-state labor force working for the oil, mining, and fishing industries that utilize our infrastructure.

5th, Increase our motor vehicle fuel tax. Our motor vehicle fuel tax has not been adjusted for over half a century despite inflation; at 8 cents per gallon, it is by far the lowest in the nation. If it were doubled it would still be a dime less than the national average! (See op-ed by Carl Benson in ADN).

6th, Examine both royalties and taxes on mining; they are low, and foreign businesses and countries dominate the industry in Alaska, taking the profits away from Alaska.

7th, Charge tolls on Mat-Su and interior roads to help pay for road construction and state maintenance. These revenues will alert users just how much government subsidizes roads in Alaska.

8th, Invest in the state ferry system; it is the economic lifeblood of coastal communities (see op-ed, Alan Gross, JE, 3/20/19).

9th, Stop government subsidies to all mega-projects, e.g., Juneau Road Access, Ambler Road, Point McKenzie etc. During these times of extreme financial difficulty, how can our state government plausibly defend funding such projects whose economic return is dubious at best.

As a final note, I am a retired UAF and UAS university professor of geology and geophysics. During my tenure, my colleagues and I brought millions of dollars of federal research funding from NSF, NASA, NOAA, and other agencies to Alaska. Other university professors and researchers have done the same. These grants funded fundamental and applied research in a variety of fields that helped us better understand Alaska's geology, earthquake hazards, volcano hazards, climate change, fisheries, ocean changes, and many other disciplines. These grants help fuel the state's economy by funding research positions and by utilizing local logistics and resources for field work. These research efforts also helped train a number of students who now hold positions at various state and federal agencies, in the oil and mining industry, at high schools and elementary schools, as well as in advanced education. With the proposed decimation of the university's budget, these important studies plus the economic spark they bring to Alaska could very well disappear.

Please work hard to establish an equitable budget that does not sacrifice funding for our schools, health services, and elders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roman J Motyka', with a stylized flourish at the end.

Roman J Motyka