

From: [REDACTED]
To: [House Ways and Means](#)
Subject: HB189
Date: Tuesday, May 4, 2021 6:06:02 PM

To Whom It May Concern-

First and foremost, when a state is low on money-the last thing you do (when people are leaving the state-hourly) is not increase spending, nor do you fob upon them additional taxes. You-are considering three things-taking the PFD -which is constitutionally ours, you are increasing spending to "special interests" and you are considering taxes.

Are you aware that our schools are worse than ever? It started a death spiral when you allowed NEA to come into our schools and start allowing them to indoctrinate the children against true history, true math (not racist math) and reading of true classics (not the radical agenda books out there now).

Our Peaks testing shows that almost all Native villages are non proficient in almost everything. Fnsb shows worse-the "more affluent" areas-West Valley -Grier Hopkins hails from

There, and almost

Every school but one little Elementary School there-is so non proficient you would think that there weren't any teachers-just baboons teaching.....Congrats to the one little Elementary school for having children that learned-maybe there isn't indoctrination there.

Paying more money (sorry-gotta look to the Native Corporations for this answer) doesn't work. At all. All it Does is line the Admins pockets.

Why, with the grants allowed by the federal government, the school portion of our Ever

Growing property taxes, do we need to pay more for schooling when what you are doing is not working??

Pretty sure I won't get in to testify-but

My vote is no for any taxes-especially this one. You have

Less students (based on our current census) and worse ratings.....do not

Buy into the more

Money equates smarter children-hasn't been the case for

Over

20 years -it's

Worse.

Kerri
Mullis

[REDACTED]

From: [REDACTED]
To: [House Ways and Means](#)
Subject: Oppose HB189
Date: Wednesday, May 5, 2021 12:25:41 PM

Dear Alaska House Ways and Means Committee Members,
As a parent of children who are currently students in K-12 in the state of Alaska, I am opposed to the proposed bill HB189. Alaska is ranked #52nd in the US for worst education. We also, even before this new proposed Education Payroll Tax, are ranked #6 of 52 for most money spent per student based on 2020 data and spend more than 50% above the national average!

It would appear that perhaps spending money is not solving the problem or we would not be #52 in worst education, despite how much money we are throwing at this critically important issue of educating our next generation. Before supporting more money or taxes being spent, as a parent and citizen, I want to see better outcomes. No more money. No more weak curriculum. No more bad outcomes. Let's get our children reading. Let's get our graduates employable. Literacy and employability will strengthen our economy in the State of Alaska more than any amount of additional taxes being spent to get the same results of 52 out of 52! Thank you for opposing and voting no on HB189.

Sincerely,
Brandy Payne
Anchorage, AK

From: [REDACTED]
To: [House Ways and Means](#)
Subject: Oppose HB189
Date: Wednesday, May 5, 2021 12:22:25 PM

Dear Alaska House Ways and Means Committee Members,

As a parent of children who are currently students in K-12 in the state of Alaska, I am opposed to the proposed bill HB189. Alaska is ranked #52nd in the US for worst education. We also, even before this new proposed Education Payroll Tax, are ranked #6 of 52 for most money spent per student based on 2020 data and spend more than 50% above the national average!

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Sincerely,
Sarah Phillips
Anchorage, Alaska

From: [REDACTED]
To: [House Ways and Means](#)
Subject: Public testimony HB 189
Date: Tuesday, May 4, 2021 11:23:24 AM

Committee,

Vote no on HB 189. I do not support throwing more money on a failed system. Between critical race theory which teaches hate and division. It teaches racism. Equity is not the same as equality. Cut the budget on education. Cut the administration. Support students! Our system is in the wrong direction. One of the lowest rates in the country. Stop taxing us. Time to make some cuts across the board. Taxes are not the answer. No on Hb189. We need to protect our kids from these radical agendas.

Thank you,
Francesca Allegrezza.

Sent from my iPhone

From: [Brad Keithley](#)
To: [House Ways and Means](#)
Cc: [Rep. Ivy Spohnholz](#); [Rep. Adam Wool](#); [Rep. Andy Josephson](#); [Rep. Calvin Schrage](#); [Rep. Andi Story](#); [Rep. Mike Prax](#); [Rep. David Eastman](#); [Rose Foley](#)
Subject: HB 189
Date: Wednesday, May 5, 2021 7:19:04 AM

On behalf of the Alaskans for Sustainable Budgets project, this is to provide comments on HB 189, Employment Tax for Education. We oppose the bill.

The reason we oppose the bill is because it is regressive, shifting more of the financial burden of state government to middle & lower income Alaska families than to the Top 20%. For the reasons outlined in the Institute of Social and Economic Research (ISER)'s 2016 ("[Short-Run Economic Impacts of Alaska Fiscal Options](#)") and 2017 ("[Effect of Alaska Fiscal Options On Children and Families](#)") studies, compared with alternatives, regressive fiscal measures are damaging both to Alaska families and the overall Alaska economy. While that is reason enough to oppose the bill, it is especially so in light of the substantial cuts in the PFD (from statutory levels) currently proposed in HB 197, which are even more deeply regressive. Layering one regressive fiscal measure on top of another multiplies the adverse impacts.

HB 189 also is hugely inequitable, given that, to our knowledge, there are no progressive, nor even flat, fiscal measures proposed to offset its regressive effect. To put it bluntly, particularly when combined with HB 197, the bill allows the Top 20% to escape from making any significant fiscal contribution by using revenue approaches which shift the burden almost entirely to middle and lower income Alaska families.

We appreciate that the Fiscal Note to the bill indicates that the tax rate "would generally follow a progressive tax rate schedule." That is misleading, however, to the extent that readers infer the bill itself is progressive. As the Institute on Taxation and Economic Policy (ITEP) noted in its April 2017 study for the legislature ("[Comparing the Distributional Impact of Revenue Options in Alaska](#)," at Option D), while somewhat progressive at the lower end of the income range, payroll taxes (which is what HB 189 is) become regressive at the upper end of the range "because high-income earners receive a large share of their income from investments that [are] exempted" from the tax. Instead of being spread equitably, the impact "fall[s] heaviest on middle- and upper-middle income families in their prime working years that do not receive significant income from their investments."*

Put differently, the tax falls directly on "working" families, while those more reliant on investment and other, non-wage related income largely escape. While the progressive rates within the boundaries of the tax may change slightly who within its confines bears the largest share of the burden, tilting it more to upper-middle income working families than a flat rate, they don't at all broaden its boundaries to include those in the upper income brackets with income excluded from the tax. We note with interest that, while the Fiscal Note refers to "the distribution among tax brackets," it doesn't actually include a distributional breakdown of the tax by income bracket in the form utilized in ITEP's 2017 study, which usually accompany the analysis of the effects of proposed taxes at the federal level and in other states. We believe that the materials supporting any tax being considered by the Committee should routinely include such an analysis.

In sum, we oppose HB 189 because of its regressive approach. Particularly in light of the regressive impact also of HB 197, we believe any additional revenue measures

should be much more broad based and flat, more along the lines of HB 37.

Thank you for the opportunity to submit these comments.

* Using the same statistical base referenced in the Fiscal Note ("the 2018 'Statistics of Income' report for Alaska published by the Internal Revenue Service"), we estimate that HB 189 would apply only to around \$17.6 billion (70%) of the approximately \$25.2 billion in resident adjusted gross income. The remainder - which falls heavily among upper income brackets - would be excluded from tax.

Brad

Brad Keithley

Managing Director, Alaskans for Sustainable Budgets

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