

Alaska State Senate
Senate Finance Committee
Co-Chair Senator Meyer; Co-Chair Senator Kelly;
Vice-Chair Senator Fairclough;
Senator Dunleavy; Senator Bishop; Senator Olson; Senator Hoffman

Public Testimony on Senate Bill 21 - March 6, 2013

Dear Senators,

With all due respect, my 6 points of testimony are these:

- 1) Consider the source. Whenever debating the merits of a change or argument, it is always prudent to consider the source. Deals that originate with a party tend to benefit that party. If this bill was coming from someone who had not been "in bed" politically with one of the main benefactors of this legislation, it might seem less blatant than it does. There is the "elephant in the room" factor to consider here. Please, let us not ignore the fact that it comes from the Governor's office, from the man who once left Public service to go and work prominently for the main company who will profit more handsomely from this. Further, the fact that the source of this legislation once left public office to go work for that other paymaster is information, which should remind us of his record of not being completely steadfast in his interest in serving the Public.
- 2) The "public debate" about Alaska's oil tax policy is grossly unbalanced. You should factor in the brainwashing effect of oil company ads, in whatever percentages you are getting from your constituents. This inundation of ads is coincidentally once again, largely presented by the governor's former employer, who call themselves "Alaska's Oil and Gas Company". That declaration sounds somewhat patriotic, but is patently false. For one thing, it would be a nice touch if they were Alaskan, and actually based here in Alaska. And for another, Alaska doesn't have an oil company - even though they may have had our governor officially at their service in recent history. We have oil - and should get the best deal for it. Furthermore, there is more than one oil company here, and there will be for some time. And we should not have to get all started-up like a cheap tramp, at Conoco's suggestion, on their terms, to make ourselves look more "attractive".
- 3) Bear in mind we already have some of the best drilling and exploration incentives there are.
- 4) With the Federal government damn near on the skids financially, it will be prudent to maintain ourselves as much like a sovereign nation as possible financially. The bottom could drop out of the huge economic impact of the US military in Alaska, and other Federal "stimulus" input to our economy. We need to act like wise stewards of our oil resource for the future, and not be rushed or scared into an inappropriate deal. Oil companies are already profiting handsomely here. Progressive taxation makes sense. The extra incidental market profits of our oil resource arguably belong as much here, if not more so, than to fat-cat investors living over the horizon.
- 5) We will lose many jobs if we lose ACES. ACES has given us the prosperity, to make us one of the envied states in the union. We have more people moving here now than in many years, and this is verbatim from the Governor. That is because there are jobs. The ACES act provides more financing for more diverse public works and projects, and the jobs that are created thereby.
- 6) Respect the work of the many Alaskans that went into creating ACES. It was not a naive accident created by fools. It was the result of Alaskans of both parties coming together in a deliberate process to create a wise act which was then signed into law by a Republican governor. My hat is still off to Sarah Palin for that; and the hat of every one in this room should be off to her for that, too!

Thanking you for hearing this testimony,

Sincerely,

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