

March 28, 2014

Greetings Senators of the great state of Alaska;

I wish I could claim what you are about to read as my own because I feel it was so well written and clearly explains my sentiment about SB 189 precisely. This was composed by a dear friend of mine from Nenana whom I received permission to submit on our behalf. He truly loves his liberty and respects the Constitution as much as I do. Those with such patriotism do try to stick together as we seem to be a dying breed. Please take the time to read this and if need be, read it twice. Also feel free to share this with as many of your fellow legislators as possible. Perhaps they may be enlightened and if that were the case, we would all most graciously benefit. Enjoy!

I am writing to express concern about SB 189. Generally speaking I believe in a free market economy, as do all elected officials during the campaign years. Unfortunately, all too often after the election is over, and legislators are no longer under the scrutiny of the citizen, we find them huddled together with bureaucrats and lobbyists. The bureaucrat has the tendency to believe that a free market can not function without the bureaucrat leading it about on a leash, at the expense of the public treasury of course. The lobbyist has the tendency to exploit the powers of the bureaucrat through the legislative process, in order to steer the free market into the lobby's sphere of influence. To sum it up, the triumvirate of lobbyist, legislator, and bureaucrat really believe in a domesticated and firmly yoked market place.

SB 189 is a fine example of trying to domesticate a sector of the free market. The contractors are obviously forming a common interest to line their pockets by driving up the costs of construction and squeezing out competition. They do this by having more capitol and using arbitrary standards that they have had a hand in making; to make it more difficult for those with less capitol to engage in construction as competitors. They complain of non-licensed contractors taking business away from them by cutting costs that those licensed can not cut.

In other words the non-licensed builder is more efficient, competitive, and attractive to a home buyer. In Alaska, a state with an artificial housing shortage created by the state refusing to sell it's surplus of land, housing prices are obscenely high. The cost of a new home is artificially high and any way that a home buyer can cut the cost and shorten the life of his mortgage is heartily welcomed.

To the licensed contractors I suggest that the non-licensed contractor is not your enemy. I suggest that it is the entire edifice of regulation and state mandated licensing that is your enemy. You want a level playing field, then simply lobby to remove the licensing requirements entirely. Then you will have a free hand to be more price competitive. After all, the licensing requirements were instituted long ago in order to create a monopolistic guild of contractors, by contractors and for contractors. Long ago contractors inflicted this wound on themselves by demanding the state give them a monopoly.

The bureaucrat then steps in and says, "Yes, I can guarantee your monopoly, but I must have power to fine and jail the competition, and also a good salary with a fine benefit package." If we found that we did not need the bureaucrat's services then he might be forced to look for real work producing real things, like building houses. What a shame that would be! The former bureaucrat might get a blister handling hand tools.

The problem then arises, how shall we finance the salary of this defender of monopoly, for he produces nothing that can be sold or bought? The legislator steps in and says, "I have an idea, the home owner shall pay for it in property tax, after all we are there to protect him from being cheated by unscrupulous un-licensed contractors." Yes, and in New York City there are well dressed Italian men who will, "protect," your small business from criminals that would rob you and beat you up, for a fee, of course. It just so happens that the criminals are well dressed Italian men also.

But someone might put forth the thoughtful observation that if you have to pay property tax to retain your own property, in truth it is no longer really yours. You have thus become a peasant tenant, like in far away England of bygone days; the place that our ancestors fled in droves to be free men owning their own land and homes. This new scheme of property taxes and a protection racket of licensed contractors with bureaucratic enforcement of the state, it is not truly free or American in spirit. It is not a free market.

I suggest that perhaps the buying and selling of houses is the business of buyers and sellers only, and that the contractor/legislator/bureaucrat coalition has no business interfering in that transaction. If a buyer is misled by the fraud of the seller, then they can sue them in court for damages. It is the buyer's responsibility to demand proof of quality and safety, not the state. If they are not satisfied with what is being sold, then don't buy it. Like most things in the free market, keeping it free and making it competitive makes for better products. In this case it would make for better homes at more affordable prices.

Those contractors that cut corners and do substandard work will soon find they can't sell their product and go out of business. I suggest to the licensed contractor that instead of trying to force the market place with government coercion, to enrich yourselves and crush the competition; make a better house and advertise that it was built by a licensed/bonded contractor. If such standards are really necessary, the home buyers will stampede to you and bypass the un-licensed builder. This is an issue of freedom and self determination.

The state should stay out of the marketplace and leave it to the courts to remedy fraud through civil suit. I realize that such a sensible solution goes against the entire scheme of things as they now are, but we have to begin somewhere. Perhaps SB 189 could be the starting point for a new way of doing business in a free market.

Senators, thank you for your time and attention.

Written by a Nenana Patriot and

Submitted by fellow Patriot, Pamela Goode, Delta Junction