

Written testimony on SB 21 by Karl Westgard

Alan Marasigan

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Sent: Monday, February 25, 2013 11:15 PM
To: Alan Marasigan
Subject: SB-21 please respond with conformation

Okay let me see if I have this right. The wells pumping on the slope have been pumping for a long time. The flow contributing to the oil in the line is diminishing because it has been pumping for a long time. There has not been any sizable investment to increase the flow of oil to date? And what has increased the flow will pay extra dividends to oil companies?

There has been lots of money made over these decades. I'm sure if I say more than enough money to cover the investments over these decades would only insight those to say a modest return on the investment has been made.

So let's move on to the rise in taxes known as ACES. Yes it does pay the state high taxes at times of high prices. So by reason the oil companies make back there investment and a reasonable return on investment at low oil prices. Better yet under the current tax structure under low prices the state carries all the risk in cost. High prices are a bonus right? And the economy raises prices not oil companies' right? When prices for fuel are high this state in particular pays high prices just to do business. What I am getting at is we have a lot of real estate and it takes fuel to navigate, survive and thrive in it. These higher prices are paid by the citizens of the state of Alaska just to go through the motions of life. We're not going to get regular rebates to offset this cost so let use our states natural resources to run our government and remove that burden form our backs. After all it's our oil right? Why should the state not reap a bonus as well for the loss of a non renewable resource? ACES was overdue.

Like every developing state Alaska was raped for its natural resources and the rapists benefited greatly.

I would like to encourage our senators to stand tall and say when you invest you reap benefits and not before. If the current oil companies do not develop it another one will.

The slope is a proven producing oil field and the oil companies working it make a great deal of money from it and those funds contribute to a major portion of their flow of money.

I understand North Dakota has lower taxes but it won't be forever. As time moves on the citizens of that state will demand a greater share for the resources being extracted. And the same game will play over and over again as the oil companies play one site against another. To give away taxes for no return should be criminal.

For lack of a better plan if our misguided senators give back taxes without guarantees of increased production; they should reduce the states spending penny for penny not leave the burden on future generations to pay the price of their short sightedness.

Let's see if our senators have what it takes to be a representative of this state or should they move to North Dakota?

Karl Westgard