

ALASKA

March 25, 2015

The Honorable Steve Thompson State Capitol Building Juneau, Alaska 99801-1182

RE: House Bill 155

Dear Representative Thompson:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our concern about several sections of House Bill 155. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

House Bill 155 eliminates several sections requiring state payment to small businesses that are collecting fees for the State of Alaska. There are, however, no reductions in the cost of a private business providing services to the government. In fact, we could find no repeals of sections where the State of Alaska charges entities for collecting fees another entity. The State continues to believe that collection of their fees and taxes by private entities without compensation is a legitimate public policy rather than an unfunded mandate pushed onto small businesses in Alaska.

We object to the notion offered by the Department of Revenue in its <u>Indirect Expenditure Report</u>, January 2015 that rather than payment for prompt remittance, there should simply be penalties for late filing. We are aware the electronic submission may have lessened the load for the government, but the requirements of data collection has not been lessened for the businesses. Simply put, a savings to government doesn't mean a savings to the business. Perhaps a reassessment of the forms required by the state may be a better start towards reducing costs for all parties.

Small businesses are being squeezed by many added costs. We don't believe added unfunded mandates will help their economic stability.

Sincerely yours,

Dennis L. DeWitt Alaska State Director

Cc: NFIB/AK Leadership Council