

HB 115
Documents in Support Public Testimony

I am in support of the bill. Thank you for hearing this bill, and for supporting this very reasonable direction in solving Alaska's financial crisis.

Sincerely,

Sally Donaldson
Juneau, AK

To Whom It May Concern,

Please support the return of an Alaska State Income Tax in order to increase revenues to balance the State budget in a progressive manor.

With regards,

Nancy Waterman
Juneau, AK 99802

Greetings:

I urge you to pass something like the fiscal approach in House Bill 115, rather than cutting state services and programs further.

Thank you.

Larri Spengler
Juneau, Alaska 99801

I support HB 115. When I came to Alaska in 1969 there was a State Income Tax. I had no problem with it then and I don't now. Capping the dividend also makes sense.

Steve Turner
Anchorage, Alaska 99501

Hi Congresspersons,

Just want to let you know that I support HB115.

It is time we quit fooling ourselves and face reality. In addition to all the cuts, we need new revenues to solve our budget problem.

Remember the good old days, when, if you worked here, you paid a bit to help fund basic state infrastructure and services?

Let's do that again.

Thanks for your time,

Steve Bouta

Fairbanks 99712

Dear House Finance Committee,
I am a Douglas Alaska Resident and voter and I support HB 115.

Margaret E. Vrolyk

I urge you to support a comprehensive sustainable fiscal plan as described in HB 115. I prefer a 5% POMV transfer from the Earnings Reserve to the GF and a \$1000 PFD because that is prudent in light of the general fiscal uncertainty. 5.25 % is too aggressive for me, even for 3 years. \$1000 is a generous gift. I fully support a state income tax, either based on Federal AGI or federal tax due. Discussion and compromise should determine the exact approach. I always support greater efficiency in government but I do not want to see more deep cuts to services. The state income tax and reduced dividend provide a fair balance for taking from the rich and poor, urban and rural, to pay for essential services. The state income tax also captures revenue from out-of-state workers who use our services, to ease the burden on Alaska residents.

Thank you for your consideration.

Mary Griswold
Homer

As a resident and regular voter in Alaska for nearly 50 years, I fully support HB115 and urge all legislators to support this bill. For decades while the State had "plenty" of oil revenue, the Legislature ignored the need to adopt a viable long range fiscal plan. I believe that HB115 is finally a significant step in the right direction .

Andy Durny

Dear Representatives:

I am writing to let you know that I support an income tax as well as a decrease in the production tax credits. We need a stable tax base that is less dependent upon the oil and gas industry. Alaska has benefitted greatly from the oil and gas industry and it certainly will continue to have a part in the future of Alaska. And I'm grateful that the taxes paid have supported Alaska through these difficult days.

However, we have to face the reality of the current oil and gas prices, the fact that our oil is expensive compared to the oil fields of the lower 48, and we need to find new and more stable sources of revenue in order to stabilize our economy.

HB 111 and HB 115 are both forward thinking bills that will help us build a long term fiscal plan that will breathe confidence into our economic system.

- Bhree (mobile)

Bhree Roumagoux
Anchorage AK 99502

I think an income tax is the best way to generate revenue. I also think the halving of the PFD is a hard blow to rural Alaskans.

Sincerely, James Vait, Bethel

I am a long time Anchorage and Alaska resident. My wife and I are both retired and we're lucky to have adequate fixed retirement income. For the 36 years I've up hear I've never paid a penny of sales tax in Anchorage or a income tax to the state.

This is what you should do. Institute the income tax now. Then make sure individuals and families that live below the poverty level receive the full PFD. Every resident of Alaska should get a PFD payment each year, but it should be graduated according to how much state income tax each person pays. Those who pay none get the full dividend, and those who are in the highest income brackets receive a token dividend of, let's say \$100. Everyone in between receives an amount in between according to their tax bracket. Create a small sales tax on luxury items such as fur coats, autos and trucks selling for over \$40,000, etc., but not on everyday items like food and clothing.

My wife and I probably fall in the upper middle income bracket. We can afford to pay our share for maintained roads, competent police force, good schools, and well managed forest and wildlife populations. We are willing to do so. So get off your butts and balance the budget, but not off the backs of those whom can least afford it.

Sincerely,

Van Waggoner
Anchorage, Ak 99504

I have been an Alaska resident since 1957.

I am very concerned about our state's present (and future) financial situation.

I believe that enough cuts in state spending have been made, and continuing to "cut the budget" will not solve our problems.

I would prefer a state income tax to a sales tax, but if necessary am willing to pay both.

As for the Permanent Fund Dividend, I would like to see it continue on an equal basis as each Alaskan's share of our wealth, saved because of the wisdom of Jay Hammond, Hugh Malone, and a few other farsighted Alaskans, I'd rather lose it than have to live in a state with inadequate state police, schools, road maintenance, and other public services.

I do believe that the oil and gas industry should share in any pain, and if they threaten to pick up their marbles and go somewhere they feel they'll be better treated, let them go.

I was here when the first wells were being drilled on the Kenai and in Cook Inlet, and I won't miss them.

While I do not feel that HB115 is ideal, I do think it's the best solution that has so far been proposed.

Sincerely,

Gerald R, Brookman

Dear Committee Members:

I believe all who earn wages in Alaska should pay an income tax, including those who live in other states or countries. This is fair because some workers who come to our state spend little or nothing while here. Their employers pay for their transportation, lodging and meals while on duty. There is little for them to pay for, and they do almost nothing to support our economy. State services and infrastructure are not helped by their presence in Alaska.

The proposal to implement a sales tax will hit Bush Alaska particularly hard. Prices for food, gas, and lodging are already sky high in our rural areas. Families in Sleetmute, for example, will pay more sales tax on a gallon of milk than families in Anchorage. That's not fair. Additionally, some communities, such as Wrangell, already have their sales tax to the maximum amount to support their schools. This will force them to cut back what they know is good for their children in order to support the state. Alaskans are accustomed to a wonderful situation financially with little, to no, taxation. We have benefitted from this circumstance for many years but the time has come to face the realities of our financial crisis and I believe a income tax is the best option.

Thanks,

Susan Hubbard
Sleetmute, AK 99668

Dear Committee Members:

I believe all who earn wages in Alaska should pay an income tax, including those who live in other states or countries. This is fair because some workers who come to our state spend little or nothing while here. Their employers pay for their transportation, lodging and meals while on duty. There is little for them to pay for, and they do almost nothing to support our economy. State services and infrastructure are not helped by their presence in Alaska.

The proposal to implement a sales tax causes those who reside in Alaska to pay an additional amount on top of already high prices. Communities with little other option charge a sales tax to pay for local services and needs. A sales tax is more harmful to those who earn the least and have no choice about buying here.

Alaskans are accustomed to a wonderful situation financially with little, to no, taxation. We have benefitted from this circumstance for many years but the time has come to face the realities of our financial crisis.

My husband and I are currently residents of House District 38, and will move at the end of May to District 31.

We appreciate your work and understand the difficult work you face.

Respectfully,

Barb Angaiak
Bethel AK 99559

Just a note to thank you for a reasonable bill that addresses our budget crisis through a broad approach, including taxes.

It is amazingly refreshing to see what the legislators can accomplish when they can find a compromise and consensus. Thanks to all of you.

--

Jennifer Jolis
Ester, AK 99725

My name is Timothy Thomas, I am a doctor in Anchorage. I have lived in Alaska for 14 years and have children who were born and live here. I'm writing to ask you to do whatever you can to advance HB 115 so all of us in Alaska can be assured of a future?

We need a progressive personal income tax which is the fairest way to generate the most income without impacting the low-wage earners. The Permanent Fund earnings can be used to help at least narrow the gap.

Please, just don't get down to the last day and say there is not enough time to do all that work.

We need to all shoulder the burden, to assure maintaining a proper level of services with out drastically reducing jobs or our way of life.

Please include my email as testimony before the committee

Thank you

Timothy K. Thomas

Please don't reduce the state budget more. We need services and reduction also means our people are losing jobs which further recession.

I favor an income tax. The poor shouldn't pay anything. Payers can write off state taxes on their federal forms.

Thank you for your work

Kay Gajewski
Anchorage, AK 99501

PETITION for ACTION to CLOSE ALASKA'S BUDGET GAP

Governor Walker, Senator Micciche, Representative Knopp, Representative Chenault, and Finance Committees:

As your concerned constituents, we, the undersigned, wholeheartedly support your efforts to close Alaska's \$2.7 billion budget gap this year. Legislation, such as HB 115 and HB 111, would equitably share the burden of supporting our state services and economy by: using a portion (4.75%) of the market value of the Permanent Fund for government operations, protecting a dividend of over \$1000/person, reinstituting a state income tax (15% of federal income tax), and adjusting the oil and gas production taxes.

CITY IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME
SOLDOTNA	<i>[Signature]</i>	Brian A. J...
Soldotna	<i>[Signature]</i>	Richard Johnston
Nikiski	<i>[Signature]</i>	John Dahl
Soldotna	<i>[Signature]</i>	Denise Newbould
Soldotna	<i>[Signature]</i>	JENNIFER PAUL
Soldotna	<i>[Signature]</i>	ES Schmitt

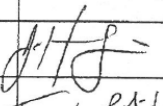
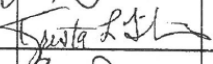
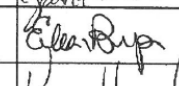
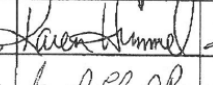
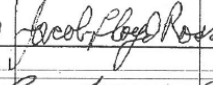
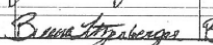
ZIP CODE	DATE
99669	3/11/17
99669	3/11/17
99611	3/13/17
99669	3/14/17
99669	3/14/17
99669	3/14/17

CITY IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME	STREET ADDRESS	ZIP CODE	DATE
Kasilof	Gail Knobf	Gail Knobf		99610	3/10/17
Kenai	Aileen S. Smalley	Aileen S. Smalley		99611	3/10/17
SOLDOTNA	Robin Ross	ROBIN ROSS		99669	3-9-17
SOLDOTNA	Margaret Muller	MARGARET MULLER			3/9/17
	Maya Chay	MAYA CHAY		99611	3/9/17
Nikiski	HS Norwood	HS Norwood		99635	3/9/17
Soldotna	Cathleen Rolpe	Cathleen Rolpe		99669	3/9/17
Kenai	Heidi Chay	HEIDI CHAY		99611	3/9/17
Kenai	Patrick Malone	Patrick Malone		9964	3-15-17
Sterling	David Aledorn	David Aledorn		99672	3-15-17
Kasilof	Donna Rea	Donna Rea		99610	3-16-17

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CITY IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME	STREET ADDRESS	ZIP CODE	DATE
SOLDOTNA		JEFF SIRES		99669	03/09/16
Soldotna		KRISTA TIMLAN		99669	03/09/17
Kenai		Eileen Bryson		99611	3/09/17
Soldotna		Karen Hummel		99669	3/9/17
SOLDOTNA		JACOB LLOM			3-9-17
Soldotna		Breana Litzberger		99669	3-9-17

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CITY IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME	STREET ADDRESS	ZIP CODE	DATE
Soldotna	Gail Dunce	Gail Dunce		99669	3/16/17
Soldotna	Michael Mendley	Michael Mendley		99669	7-18-17
Soldotna	JUNE H. STURGE	JUNE H. STURGE		99669	3/18/17
Soldotna	Richard D. Reg	Richard D. Reg		99669	3/20/17
Soldotna	Maria Dixon	MARIA DIXON		99669	3/20/17
Kenai	Elaine Larson	Elaine Larson		99611	3/22/17
Kenai	Dorothy Gray	Dorothy Gray		99611	3/22/17
Kenai	Susan Bradley	Susan Bradley		99611	3/22/17
Soldotna	Lois Pillifant	Lois Pillifant		99669	3-22-17
Kasilof	Gail Knopf	Gail Knopf		99610	3/22/17
Soldotna	Sherry Kasowans	Sherry Kasowans		99669	3-22-17

Members of the House Finance Committee:

A primary task of a legislative body is to raise the money needed to fund the proper operation of the government of which it is a part. In English, that means you who were elected to make our laws must raise the money to fund its necessary operations. Governor Hammond's brilliant idea has left us with more than \$50 billion in savings, the income from which you can use to help fund our state's functions. The rest should be raised not from the principal of our nest egg or cutting needed services, but rather from the taxes it is your job to impose on the people of our state—on you and me and all of us.

As a person who has spent more than half of his life working to reduce domestic violence and alcohol-related traffic deaths in our state, I find it impossible to ignore the Legislature's unsuccessful efforts to meet our state's financial needs. We do not have the addiction treatment facilities or mental health facilities our society needs. We do have the highest rape rate in the U.S. and one of the highest rates of interpersonal violence in our homes. We don't have the OCS staffing needed to lower the employee turnover rate and meet the realistic staffing needs of this vitally important function. The district attorney has had to adopt policies under which crime victims less often believe it is even worth their time to report a crime because of the higher rates of declined prosecutions.

I am well aware of these deficiencies (and others) because I have been a family law attorney in our state for the past 37 years and before that I prosecuted drunk driving and domestic violence cases as the first Anchorage municipal prosecutor. While public attitudes, federal policies and years of high-profile campaigns have reduced the percentage of our traffic deaths that involve alcohol, rates of domestic violence and sexual assault remain as high as ever. In the Alaska Bush, it's even worse, with nearly two-thirds of women there having been victims of abuse in their lifetimes.

We have a state that contains large portions of its area that have little or none of the kind of infrastructure that helps other states to thrive. This legislature also has the task of funding those important facilities and support—and, again, it requires funding from multiple sources. Those sources are taxes and Permanent Fund income.

This legislature should enact a fair and progressive income tax; a significant beverage alcohol tax (which, if large enough, would moderate consumption in our state); a moderate sales tax; and an increased gasoline tax. Please do not reduce the PFD, however, because it is a significant means of reducing the disparity in incomes across our society and provides funds our business economy needs.

Thank you for reaching out to us.

Allen M. Bailey, Esq.
Anchorage, Alaska 99501

Hello House Finance Committee,

I am writing as public testimony in support of HB 115 and a progressive income tax.

Alaska needs to diversify its income and can't continue relying on federal subsidies and one-shot economies. We have to make sure that when tourism and oil don't produce the cash flow we need we can continue doing business as usual.

We can't afford to continue hacking at our state budget - public services are already running on a shoestring and more cuts will be a detriment to our state's operations.

Thanks,

Simon Vansintjan
Skagway, Alaska

Dear members of the House Finance Committee, as a lifelong Alaskan I want to convey my opinion of Alaska's current budget situation. The current oil slump is greatly affecting Alaska's yearly revenue, and as such has plunged the state into a heavy recession. What we as the population yearn for more than anything else is economic stability. Being that Alaska has very limited private industry (healthcare and then grocery stores make up the first 4 of the top private employers in Alaska), the oil companies are also downsizing, which leaves the remaining spending to the government, which has also been heavily cutting. I can attest that at the state department where I work has been shuttering remote offices, cutting staff and freezing spending and hiring. Just as importantly, small businesses which service state government agencies are having a proportional impact. I've worked with local vendors who service our offices and they say they will likely start layoffs when the state tightens its budget further, since state departments are starting to forgo all but extremely necessary costs. The extreme boom/bust cycle is dysfunctional to operate under both with government as a service and living day to day as a state resident.

I would like you to seriously consider Gov. Walker's plan to restructure Alaska's budget using the PFD funds. Frankly it's hard to see those around me, including friends and family members lose their jobs with few if any job alternatives in state due to its limited industries, forcing them to move and possibly come back when the bust cycle ends. Creating a consistent and stable government budget is in the best interest of all Alaskans, and using PFD funds among other things is an obvious choice to achieve this. Polling last and this year show it to be well supported as well. Please consider this email during future hearings regarding the state budget.

Thank you
Peter Katsur

To: Members of the House Finance Committee

House Bill 115

I am writing in support of reinstating an income tax. It's past the time when this should have happened. There are so many needs in our state — health, safety, education, infrastructure—and we aren't keeping up. In education alone, we are losing a generation of young people by not supporting a high quality, early childhood program and all day kindergarten statewide. I believe an income tax should be part of the budget plan for our state in order to provide for a quality life for all Alaskans.

Thank you for your consideration of this request.

Mary Claire Harris
Educator-Librarian retired
50 year resident of Alaska
Lived in Ruby, Fairbanks, and now Juneau

I have always favored Governor Walker's sovereign wealth fund idea.

However, in view of the reality of legislative opposition to that, I favor a reasonable income tax based on a one-line calculation from federal taxes, and I favor a draw from the Permanent Fund. I also favor raising the gasoline tax to at least 20 cents to pay for transportation maintenance. And the oil tax regime should be adjusted to be fairer to Alaska.

However, I think the proposed Permanent Fund draws are much too high.

Most financial institutions cap draws at around 4%. I don't think the fund can sustain 5% or higher without eating away at the reserves. I would certainly not use my 401(k) at that level.

I also think residents should be thrilled with a PFD of \$1,000 for the foreseeable future. We can't risk the state's savings over the long term just to weather a few years of downturn for a single generation. We have the future to consider, although we're not very good about doing that.

Thank you.

Sandra Dauenhauer
Ester, AK 99725

Dear Committee members,

I strongly support HB 115 & the combination of state income tax & restructuring the Permanent fund. It is time for all Alaskans to step up & support a tax on income as well as using the Permanent fund. Thank you for your forward thinking & real measures to solve our very real financial crisis.

Sammy Crawford, Kenai

We are older Alaskans with a relatively modest retirement income of 60,000/year, consisting of a State of Alaska retirement and Social Security. According to our calculations, the version of HB 115 currently being considered would cost us just under \$1,000 in taxes while allowing us an additional \$500 in Permanent Fund Dividends over the Senate's proposal. To us, that is well worth the benefits of saving the state from further cuts to public services and programs, and keeping Alaska's economy afloat.

Last year, because of the Legislature's failure to adopt a fiscal plan, every man, woman, and child paid over \$1,000 in a flat tax because of the reduced PFD. That is not only unfair and regressive; it removed money that was much more likely to be spent and have a multiplier effect in our economy. By taxing those who can afford it more, it will have a smaller negative impact.

With every Alaskan contributing to solving our revenue shortfall (including children through a reduction in Permanent Fund Dividends), it is only reasonable that our very wealthy and profitable oil industry also contribute. This is what makes HB 115 a fair proposal.

This bill is definitely a step in the right direction and we support it wholeheartedly.

Judy Crondahl
A.J. Crondahl
Juneau

I support HB 115, the comprehensive plan to create a sustainable budget including an income tax. We can't afford to make more cuts and drop infrastructure and services that our residents need. It is time for the state to diversify our revenue and for Alaskans to start supporting their own government.

Thank you for your time.

Cheryl Lovegreen

My name is Timothy Thomas, I am a doctor in Anchorage. I have lived in Alaska for 14 years and have children who were born and live here. I'm writing to ask you to do whatever you can to advance HB 115 so all of us in Alaska can be assured of a future?

We need a progressive personal income tax which is the fairest way to generate the most income without impacting the low-wage earners. The Permanent Fund earnings can be used to help at least narrow the gap.

Please, just don't get down to the last day and say there is not enough time to do all that work.

We need to all shoulder the burden, to assure maintaining a proper level of services with out drastically reducing jobs or our way of life.

Please include my email as testimony before the committee

Thank you

Timothy Thomas

I think an income tax is the best way to generate revenue. I also think the halving of the PFD is a hard blow to rural Alaskans.

Sincerely, James Vait, Bethel

It is high time that an income tax be implemented. The present bill under consideration seem fair.

Bobby Lee Daniels

Dear Committee Members,

In my message sent on 15 February I omitted a key point about the re-instating our state income tax. Namely that **money paid as state income tax is deductible from the federal IRS tax; this keeps more Alaskan money in Alaska.**

As you know reinstating our state income tax is only one component of solving our budget gap. Clearly, our budget problem cannot be solved by more cuts to the state government.

We must follow the governor's plan of (1) adjusting tax breaks and credits to the oil industry, (2) broad-based taxes, and (3) use some earnings from the Permanent Fund's Earning Reserve Account for their original purpose.

We have some "low hanging fruit" that makes it easier for Alaska to deal with a budget gap than it would be for any other state.

Our motor vehicle fuel tax has not been adjusted in more than half a century in spite of inflation. At 8 cents per gallon it is the lowest in the nation. If it was doubled it would still be a dime below the national average; tripling it would bring it into line with other states. Being the only state, out of 50, that does not use its tax base is a fact that is hard to defend, especially when we choose instead to mail money out to all residents of the state.

Paying 85% of the oil industry's exploration costs is embarrassingly stupid!

Sincerely,
Carl

Carl S. Benson
Fairbanks, Alaska 99701

Hello,

I write to voice my support for HB 115, the State Revenue Restructuring Act.

I support working together towards a balanced budget, and I support a State Income Tax. Its time for Alaskans to pay an income tax, so we pay for our services. I believe in the idea of new revenue for the state from a broad based tax. I am a lifelong Alaskan, a voter, a working mom who volunteers in the community, and a small business woman. I believe in paying for my share, and I believe in supporting our community's and public education.

We can not keep cutting programs, especially Public Education and Social programs that have already been cut to the bone in Alaska. We must institute an income tax, and I support the work of Representative Paul Seaton and his team on the House Finance Committee.

Thank you.

Shannon McBride-Morin
Homer, AK 99603

The government must not raid the Permanent Fund Dividend. It is not yours to use but belongs to the people.

We are left out of the process, can't even vote and that is not fair.

Money to balance the budget must come from a different avenue. You represent the people in these decision and we did not elect you to cut the PFD Vote no on HB115.

Ruth Bueneman 99709

About time, go for it but would prefer that the permanent fund dividend would be limited to \$1,000 or lower. Discussions with Governor Jay Hammond when he visited the University of Alaska Fairbanks campus as part of the "Living History" program, clearly indicated the intended purpose of the permanent fund was to be here for the State for transition when the 'oil revenues' declined.

Sincerely,

E. Thomas Robinson

Dear Representatives on the House Finance Committee-

I write to express my support for HB 115. I believe it a good idea to use Permanent Fund restructuring and an income tax to generate state income during this budget crisis. However, I would also like to see you address revision of oil and gas credits and taxes after passing HB 115. As an Alaskan, I am willing to help shoulder the burden for our schools and police and roads, but only if we revise oil taxes to get our fair share.

Thank you,

David Tallmon
Juneau, AK 99801

I strongly support an income tax.

Ken Tape

Fairbanks

am testifying in favor of CS 115 State Revenue Restructuring Act and feel this is an equitable means of reaching a balanced budget that helps Alaska preserve basic public services and addresses the need for urgent action to wrest the growing budget deficit.

Thank You,

Clyde Vicary
Anchorage AK 99508

To the Finance Committee-

I am unable to participate in the hearing today regarding HB115 but would like you to know that I support this bill. I support a progressive state income tax as a way to generate income for the state as well as maintaining PFD.

vote YES for HB115

Sincerely,
Margaret Mannix
Fairbanks AK

I am generally in favor of this bill, although I do not think the public discussion of Alaska's fiscal problems has been entirely clear or helpful. While I do not know all of the details, I think it is clear that we need to impose some tax. I prefer an income tax because it can be imposed on people who live out of state but work here. There may also be some people who drop their residency status when it becomes clear that they will have to pay to support state government instead of simply getting money from the state of Alaska.

Kathy Keck

When going on group backpacking trips there are many shared use items that need to be carried, not everyone needs a stove, fuel, individual tent, water filter, cooking utensils, bear protection, lights and the many other things that are needed. Most times everyone carries their own clothes and sleeping bag and the rest of the camp goods are divided up among the hikers.

So how is the shared load divided?

One method is to separate the load into equal weight portions for everyone to carry which certainly is fair as everybody is carrying the same weight but in practice this is never done.

How can the 6 year old carry the same weight as the strapping 19 year old or how can the person with an ailing knee carry the same weight?

Equal weight load sharing is never done because the load has to be divided not by equal weight portions but by the person's ability to carry to have a successful trip. If someone is injured during the trip another load sharing division is made so everyone arrives safely at the end of the hike.

So it should be in funding the Alaska's government, every Alaskan and those people and companies who make income in Alaska should carry their fair share of the load according to their ability to pay.

Please vote for HB115 to spread the load fairly throughout Alaska

And remember what aviation pioneer Bob Reeve once said, "The intake has to equal the exhaust or we're all going down" so get busy and balance the budget fairly.

Sincerely,

Bill Markis
Anchorage, Alaska

February 2011 study by the Economic Policy Institute
(https://en.wikipedia.org/wiki/Economic_Policy_Institute) found:

- Wages in right-to-work states are 3.2% lower than those in non-RTW states! Using the average wage in non-RTW states as the base (\$22.11), the average full-time, full-year worker in an RTW state makes about \$1,500 less annually than a similar worker in a non-RTW state.
- The rate of employer-sponsored health insurance (ESI) is 2.6 percentage points lower in RTW states compared with non-RTW states, after controlling for individual, job, and state-level characteristics.
- The rate of employer-sponsored pensions is 4.8 percentage points lower in RTW states!

Thanks, Ed & Kathy Martin

KEE Construction, LLC

Committee Members,

I support HB 115 and urge you to move this piece of legislation forward. Limiting the size of Permanent Fund dividend checks and establishing a state income tax are both prudent and necessary ways to close our fiscal gap. We need this kind of action now, this session. Thank you.

Linda Witt, Fairbanks

To House Finance Committee Members:

I applaud the steps toward improving our future financial position contained in HB 115 and strongly urge you to support it.

Although deleting the budget line for the state income tax was very popular in 1980, in retrospect, it was a truly terrible idea. Since we roared through the first rush of pipeline money, we lost the realistic financial outlook at the personal level, despite predictions from economic experts. By severing that link of personal funds contributing to our common good, many of our citizens seem to believe the government owes them. They have also forgotten that when times are tough, we all pull together.

I realize that the proposed income tax will not, by itself, solve all our budget problems, but I believe it can remind my fellow Alaskans that these budget problems are part of our personal responsibility as citizens of this state.

Again, I urge you to pass HB 115.

Thank you,

June Pinnell-Stephens
Fairbanks, AK 99709

Dear Alaska House Finance Committee:

Thank you for soliciting feedback.

Having an income tax is the only sensible approach to fiscal responsibility. Oil will run out eventually. Please mark me in favor of an income tax for all Alaskans to help support the needs of our people (education, infrastructure, etc).

Carl Tape
Fairbanks AK 99709

I support a reasonable income tax to keep the services that support life in Alaska for me and my neighbors. Dixon Jones

Members of the Alaska House Finance Committee, I am writing to express my support of a budget plan that addresses our current revenue shortfall. I do not believe that we can cut our way out of this budget problem. We need to look at new sources of revenue. I am in favor of using a portion of the PFD. I am in favor of a sales tax. I am in favor of an income tax.

We need a comprehensive plan that will put us on sound financial ground. This can't be done with just one of the three options - I am in support of a plan that includes all 3 - capping the PFD, a state sales tax and an income tax.

What I do not support is the continuation of doing nothing and pretending that this problem is going away. I do not support further cuts to education.

Please, address our fiscal problems in a responsible way by implementing a sound fiscal plan.

Respectfully,

Jennifer Childress

Anchorage, AK

Yes, we need an income tax. Thanks for working on it.

No need to reply.

Walt Tape
Fairbanks, AK 99709

PLEASE institute an income tax for the people of the State of Alaska!! It is past time for us to become invested financially in our own state. School tax, income tax...do both!

Darlene Dunn
Eagle River

To the House Finance Committee:

The time has come for Alaska to realize that it cannot sustain itself on oil taxes and royalties alone. While I do feel oil companies should pay a larger share than they currently do, I also support HB 115 to cap PFDs and institute a state income tax.

We cannot simply cut our way to a balanced budget. Capping the PFD and implementing a state income tax is a way to help close our budget gap without putting the bulk of the burden on those with lower incomes.

No one is eager to pay more in taxes, but we have to be realistic about our budget situation. HB 115 is a step in the right direction.

Sincerely,

Marissa Palmer
Anchorage, AK

We all know Alaska does not have enough revenue to pay its bills without tapping into its savings. There are some that argue that we need to reduce spending further, there are others that disagree with this. To me I lean towards the latter but neither addresses the issue of not enough revenue.

While I am not overly thrilled to pay an income tax, I believe it is the single fairest way to increase revenue across the state. There are aspects of a sales tax that I like, especially the ability to tax people that utilize AK services but do not live here. The problems I have with a sales tax are that it can be complex to implement (what is exempt from tax? is the tax in place all year? How does it mesh with sales taxes already in place?) and typically impacts lower income people more severely than wealthier people. An income tax can be pretty clean: exempt certain dollar amount and cap rates at the top.

Will people feel the pinch? Yes. Does it begin to address our revenue shortfall? Yes. Is everyone happy about it? No.

Dave Mayo-Kiely
Anchorage, AK 99507

I am writing in support of HB 115. While Alaska's natural and human resources are vast, the services that we have come to rely upon come with a cost. If Alaska wishes to continue its progress in becoming a desirable destination for new businesses and residents, lawmakers must provide the means to ensure these services are available.

Both the Executive Branch and the Legislature have done commendable work on identifying places to decrease government spending and I anticipate such work to continue into the future. That said, continued cuts will severely impact the growth of our state long after these individuals leave office. It is time for citizens to contribute to our general well being in a monetary way; via a progressive income tax.

I have been invested in the tourism sector since arriving in Alaska 20 years ago and have seen 100s of seasonal workers simply pass through without contributing to the greater wealth of our state. I am also well aware of the number of individuals who arrive to work in the mining and oil and gas industries on a weekly basis- yet reside in other States. We charge a head tax to visit by cruise ship and spend money in our communities yet we fail to charge those who only receive government services. It is time for this equation to be balanced.

Please support HB 115 and set our state on the path to a balanced, equitable budget.

Thank you.

Brock Tabor
Juneau, Alaska 99801

Members of the House Finance Committee:

I am writing today in strong support of HB 115.

I am a born and raised Alaskan mother of three young children, two of whom are public school students currently. I went to UAA for both my undergraduate and graduate education. My husband and I just bought a house in West Anchorage that we plan on staying in for at least the next 20 years. In other words, I am committed to living and thriving in Alaska for the foreseeable future. This means that I, as all Alaskans do, have a vested interest in the economic health of our state.

Alaska has a multi-billion dollar budget deficit in large part to the drop in oil prices. We can't change oil prices. What we CAN do is formulate a comprehensive fiscal plan that closes that large gap. It includes targeted cuts, use of the permanent fund earnings, and new revenues which include taxes. Choosing only one of these things will NOT solve our fiscal problem. There is no possible way to cut the budget to the point that oil revenues could still be the primary source of funding. It isn't feasible if we still want to provide basic and necessary services to Alaskans.

I am more than ready to put more skin in the game for my state. I want to pay taxes. I am already an Anchorage property tax payer and I am happy with the services I receive for that money. Now, I am ready to contribute at the state level. Not to mention, an income tax helps capture revenue from non-Alaskans who come to work here which is not an insignificant amount.

Alaska is a unique position. While we face a fiscal crisis, we have the Permanent Fund Earnings Reserve to use responsibly. Most states would not have the flexibility we have in such a situation. HB 115 includes a model to use that to help close the fiscal gap which I also support.

HB 115 addresses many of pieces of a fiscal plan that Alaska needs NOW to get back on track. I support this bill as it gets us closer to a solution to the crisis we face.

Thank you for your time,

Kim Hays

Please know that I support an income tax to help fix the state's budget problems. I am a registered Alaskan voter.

Michal Stryszak
Anchorage, AK 99517

We are in support of the State Revenue Restructuring Act. A state income tax is much more equitable than a regressive sales tax plus out-of-state workers contribute as well - particularly those employed on the North Slope.

Using a portion of the PFD earnings is crucial in order to significantly reduce the state budget deficit.

Next on the agenda should be revising the oil tax credits and restructuring the oil tax.

Rob & Cathy Solomon

Fairbanks

Dear Finance Committee members:

Thank you for taking public testimony on HB115. I have listened to several presentations on the bill and have tried to stay as informed as possible on the issues.

I firmly believe that HB115 is an integral part of a sound and balanced fiscal plan and I would like to express my wholehearted support for this measure.

Respectfully,

Cindy Lelake
Anchorage

To Whom It May Concern,

I wanted to send a quick note for today's discussion that I support HB115.

An income tax would reach temporary and permanent Alaskan employees, is more fair than a sales tax, and is simply a responsible thing for any state to have a stable source of tax income.

Thank you,

Lindsey Parkinson
Fairbanks, AK

I would like to testify in support of HB 115. Please allow my message to become part of the record.

I support using a progressive income tax, not a sales tax, to raise funds for our state government in conjunction with the use of Permanent Fund investment earnings as well as reduction or elimination of oil tax credits. I cannot attest to the value of any cuts to State spending for services for our citizens as outlined in this bill as I do not have specific information about those cuts. But, by in large, I value the services of state agencies and our fabulous University of Alaska system. I do not think oil companies need any more profit when our state could benefit from using that money for state services, including education and long overdue maintenance.

Thank you for the opportunity to testify.

Sarah Keller
Fairbanks, Ak 99712

Dear Representative Seaton:

Please consider this email to be testimony before the committee:

My name is Kathy Kelly, I have been a resident of the state of Alaska for 32 years. I STRONGLY SUPPORT the re-institution of a STATE INCOME TAX! It is time for us ALL to step up to the plate (including people that are here seasonally), take action, and resolve our state budget issues NOW! Not wait till the 11th hour and say there isn't enough time....the big oil money days are over....we need to all pitch in/ take a stand on the budget....support and stabilize education funding! Hear the public on these matters!!

Thank you,

Sincerely,

Kathy Kelly

Legislators,

I urge your to vote for HB-115. This bill addresses our budget problems in a fair way. By limiting the Permanent Fund distribution to \$1250 per person and instituting a progressive income tax we are hurting the most vulnerable the least.

It is way past time we Alaskans once again begin to pay for our state government.

Oil tax credits also need to be addressed.

Thank you for all your hard work.

Ron Yarnell (Fairbanks)

This email is written testimony in support of HB 115.

I am a constituent in Fairbanks, Alaska. I value state services, and I am willing to pay for them.

I strongly support capping Permanent Fund dividend and using the remaining earnings to fund state services.

I strongly support an income tax to support state services.

HB 115 is the right way to go about solving our budget crisis. Thank you for considering my testimony.

Sincerely,
Rebecca Dunne

Dear Honorable Representatives of the Finance Committee,

I urge you to support HB 115. Alaska needs to begin being financially responsible, including it's residents. While making use of some of the PFD and creating a progressive income tax won't solve all of our budget issues, they are a piece of the whole, and allow us to be responsible about our spending.

Please pass this bill out of committee!

Thank you,

Putt Clark
Fairbanks

Hi,

I've already testified in writing at least two times, but I'd like to reiterate my passionate support for HB115. Some key things I like about this proposed legislation are:

1. It does not further reduce government services through drastic cuts to patch the hole in the budget- it helps actually fill the hole in the budget with new income.
2. It doesn't cause the loss of further jobs which cause economic impacts in the communities those jobs exist.
3. It requires Alaskans to pay for government services through an income tax. This is something most every other state in the US already does in some fashion or another. This is just a fact of life and I'm willing to accept that. I like that it gives everyone a stake in government. I think people unwilling to pay this meager income tax should be taken with a grain of salt- it's really not that bad.
4. It provides a balanced approach- it doesn't use just the PFD and while I'm not an economist most of the things I've read or watch indicate this plan makes more economic sense in the long run than using just the PFD.
5. It taxes revenue earned in Alaska by non-residents.

So please continue to add me to the list of folks who support this legislation and really hope it passes. I like that this goes further than SB26 and I wish the Senate was on board like the House is. Thanks,

Melinda O'Donnell

Dear House Finance Committee,

I am a long-time Fairbanks resident. I always vote.

I am strongly in favor of HB 115. I feel that the time has long past when we can be the only state with a negative income tax. Cutting additional programs from the state budget is counter-productive. Capping the PFD payout and instituting an income tax is the responsible, rational and compassionate choice.

Again, I strong favor HB115.

Sincerely,

Jill Faudree
Fairbanks

Dear Representatives,

I am urging your support of HB 115, so that we can really start closing our state's budget gap. This bill balances people's desire for a reasonably sized PFD, a progressive revenue increase, minimal tax-collecting bureaucracy, and the desire to spread responsibility for paying for services fairly. We have had enough cuts! School class sizes are already irresponsible, our university system is deteriorating, and the people left working in these places are working harder (and way beyond the hours they are paid for) to make up for fewer coworkers. PLEASE PASS THIS BILL.

Sincerely,

Diane Herrmann
Fairbanks AK 99709

We support HB 115. We have lived in Alaska for over 40 years and have seen the ups and downs. Let's dig ourselves out and return a sound Alaska to our children and grandchildren.

Gretchen and Ed Murphy
Fairbanks 99709

> Dear Alaska legislators; senators, and representatives.
> Please support HB 115
> Alaska is unique in being the only state in the US that gives
> ownership of natural resources to the people and directs the state to manage those resources wisely.
The Permanent Fund is the people's return on investment for leasing rights (historically mostly oil) to those resources. Allowing the legislature to tap and drain the PF in effect gives away those rights. By capturing a majority of members in the legislature, the Oil Industry has avoided paying its fair share Unless... you want more damage to public education, abused children, senior services & public safety. A balanced plan ends unaffordable oil subsidies, and includes HB 115: which proposes a better dividend, careful use of excess Permanent Fund earnings and a 4th lowest in the nation income tax. I support a Rational way to close a \$3 billion budget gap.
> Thank you for all you do.
> Victory Cheney
> Anchorage Ak
> 99503

I would like to state that I am in favor of the income tax proposed in House Bill 115. I strongly disagree with Representatives Tammie Wilson and Cathy Tilton that more budget cuts are needed before the state begins establishing stable ways to pay for the government services that Alaskans receive. I strongly support having well funded schools, well maintained roads, and sustainable management of our resources, and I will gladly pay a state income tax to help accomplish these goals. I do not think the proposed tax amount is too high, and I hope that the Alaska Legislature will do their duty to give Alaska a stable government that will function in the long-term by establishing ways to raise revenue.

Sincerely,
Rebekah Donohue
Resident, Copper River Valley

House Finance Members,

I'm writing as a lifelong Alaskan to urge you to go forward with reinstating a state income tax. We are fortunate enough to have lived for years in the lap of oil wealth luxury, and now it seems it is time for us to stand on our own two feet and pay our way. It's the adult thing to do. Please do not compromise the services, education and infrastructure that are so needed for a state to thrive, not just survive. Please take the long view and create an economically stable and healthy Alaska. We can do this together.

Kind Regards,

Morgan Humphreys Davis
Juneau, AK 99801

I would like to write to give my support to HB115. As a relative new comer to Alaska (moved here 3 years ago) it has been interesting to watch the budget battle over the use of PFD and proposed taxes. Quite frankly Alaskans have been spoiled for many years. In no other state do it's residents receive a "paycheck" from their state government while at the same time paying no income tax, and in many cities, no sales tax. It is understandable that those who have lived their whole lives in Alaska feel that this is normal and any attempt to have them contribute to their states services is an infringement and seen as the state "stealing" their money. Nothing is further from the truth.

I whole heartedly support this bill and feel it is the responsible path that our state government needs to take in order to begin to fix the budget. It is much more important that the Alaska government is able to continue funding the vital services it provides to all it's residents. Our cities cannot afford much more budget cuts without doing great harm to it's people, especially those most vulnerable.

Chelsea Lindquist

Dear Committee Members,

I am writing to you to encourage you to vote FOR HB 115. I believe that we Alaskans should be paying an income tax and I believe that Rep. Seaton's bill is fair and equitable. I have lived in Alaska for 27 years and intend to stay here for the rest of my life. I have spent my career here and raised my 4 children here. I love this state and I WANT to pay my share! I am a retired teacher and am not well-to-do, but I believe in paying my way so that we can maintain the services that we all enjoy in our beautiful state. And I am more than happy to see a cap on the PFD.

Please support this bill!

Clare Hill
Fairbanks, AK 99709

I understand Alaskans are in a dire need of raising taxes. But let's think about this. Our property taxes are already extremely high (I pay \$8000/year). Why should we put an income tax on the residents of Alaska, and tax no tourists? Why have we not imposed a seasonal tax? A May through September seasonal tax will not only bring a lot of money to the state, it will have those tourists put money into our state. Nobody decides not to go to a state because they have a 10% tax. Arizona has a 9.8% tax and has no problem getting Alaskan's to snowbird there.

My vote would be for a seasonal tax ONLY.

Your dual licensed Professional Realtor,
Hilary Lockhart

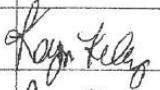
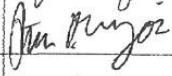
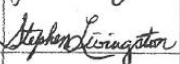
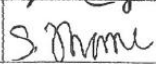
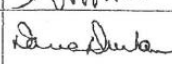
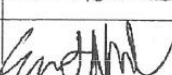
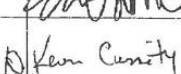
I support house bill 115. I believe it is the responsibility of all citizens of Alaska to pay for government. I believe that an income tax is the fairest way to pay for state government. I wish that an income tax could cover the state's large debt but I know that is not possible so I also believe that a portion of the permanent fund earnings must be used to pay for state government. I support HB 115 because it uses both an income tax and earning from the permanent fund to pay for government. I believe that the permanent fund is owned by all the citizens of Alaska. So any money taken out of the permanent fund for state government is a tax. I prefer a tax I see each year. Cutting the amount of the permanent fund is a very regressive tax hurting low income people much more than rich people. I also like an income tax because it taxes out of state workers. We have many out of state workers that should help pay for state government as they reap the benefit of state infrastructure that makes these business's viable.

Jerry Fox
Girdwood Ak
99587

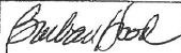


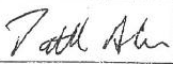
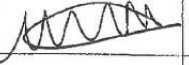
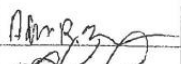
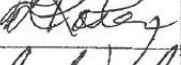



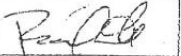
PETITION for ACTION to CLOSE ALASKA'S BUDGET GAP

Governor Walker, Senators, Representatives, and Finance Committees:

As your concerned constituents, we, the undersigned, wholeheartedly support your efforts to close Alaska's \$2.7 billion budget gap this year. Legislation, such as HB 115 and HB 111, would equitably share the burden of supporting our state services and economy by: using a portion (4.75%) of the market value of the Permanent Fund for government operations, protecting a dividend of over \$1000/person, reinstituting a state income tax (15% of federal income tax), and adjusting the oil and gas production taxes.

CITY IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME	STREET ADDRESS	ZIP CODE	DATE
Anchorage		Kathryn Kelly		99517	3/24/17
Anch.		Peter Mijos		99508	3/24/17
Anch		Stephen Livingston		99517	3/24/17
Anch.		Schawna Thum		99517	3/24/17
Anch		Dana Durham		99587	3/24/17
Anch		Evan Anderson		99504	3/24/17
Anch		Kevin Cassidy		99516	3/24/17

Close the AK Budget Gap -- 2017

CITY IN WHICH REGISTERED TO VOTE	SIGNATURE	PRINTED NAME
Anchorage		Barbara Hood
Anchorage		SARAH McCabe
Anchorage		Deborah Va
Anchorage		Patrick Carnahan
Anchorage		Mary Carnahan
Anchorage (M. N. S. 14)		Adler Carnahan
STERLING		JOSEPH L. KISH
STERLING		Joseph L. Kish
Sterling		Karenson
K. n. n. s.		Barbara Schmidt
K. n. n. s.		Paul Dale

DONE 2017

ZIP CODE	DATE
99507	3/24/17
99516	3-24-2017
99508	3/24/17
99501	3/24/17
99501	3/24/17
99501	3/24/17
99672	3/27/2017
99672	3/27/2017
99669	3/27/17
99611	3/27/17
99611	3/27/17

se the AK Budget Gap -- 2017

I applaud the House version of the budget that is seeking to build new revenue streams and making compromise where needed. Thank you for your commitment in crafting a budget to help close the Alaska budget gap.

I think you wisely changed the state income tax to be based on adjusted gross income, this will be easier for residents to accept. I support an income tax and am very please to see non-resident workers in Alaska given back to Alaska. Adding \$633 million to the General Fund through this measure is mandatory!

The House committee I feel is proposing a very workable PFD solution to help bring a responsible, fiscally sound budget to Alaskans now and more importantly in the future.

Alaskans need to accept the "gravy train" has been over for awhile and now it is time to be responsible and pay for what we want and need as a state. We can no longer expect to receive and not give back into the system.

Thank you for your courage to touch the PFD and State Income tax.

Respectively,

Vivian Rojas
Seldovia Alaska 99663

I am a resident of the Kenai Peninsula and an Alaskan resident since 1971. I have benefitted from the opportunities this State has offered my entire life: economic, employment, recreational, subsistence and quality of life opportunities found no where else in the world, let alone the nation. So I am NOT at all opposed to a State income tax or sales tax. WHAT I AM OPPOSED TO (caps for emphasis not yelling) is any kind of tax credit for nonresidents who pay an income tax in another State.

INCOME EARNED IN ALASKA MUST BE TAXED IN ALASKA.

Anything less than that is a subsidy to out of State workers, who, in essence, become reverse carpet baggers... taking jobs, income and potentially income taxes, back home with them to Texas, Oklahoma, Washington, California or where ever they come from.

I'm tired of seeing the State inundated with workers from the lower 48 every spring, set up shop, make they're money, only to leave every fall with a bank account full of Alaskan cash, earned from natural resources belonging to the State of Alaska and/or its residents and visitors. A tax on that income is the LEAST that can be expected from these employees and businesses.

INCOME EARNED IN ALASKA MUST BE TAXED IN ALASKA, regardless of the residency of the wage earner.

Sincerely

Eric Skjold, Kasilof, AK

To Whom It May Concern:

I write to you today in SUPPORT of the proposed income taxes and PFD restructuring outlined in House Bill 115.

For too long, Alaskans have depended too heavily on a single, volatile market in order to fund the State government. It's time that Alaska look toward diversifying its revenue stream by tapping into the PFD and asking Alaskans to pay their share. Cuts are not the answer. Spending less on schools, infrastructure, and police and fire staffing in order to make sure citizens have a few hundred extra dollars for a snow machine down payment is short-sighted and irresponsible.

As taxpayers, we will expect, in return for our support, a high degree of emphasis on the most important sectors of the State's spending. Areas like Education have huge impacts across the state, turning funding dollars into jobs for not only teachers, but also for custodians and maintenance employees, cafeteria personnel, aides and administrative positions, bus drivers, coaches, and more. In the long run, these funding dollars lead to better educated Alaskans to fill vital roles within the state, earning more and putting their tax dollars back into a strong, healthy economy fed by more than just oil.

My sincerest thanks for your time and consideration,

Caleb Kresl
Ninilchik, Alaska

As a resident since 1970, I have experienced both the income tax and the beginning of the PFD. At that time, we also had a "first employment tax" that was dedicated to education and covered everyone's first job in the state.

Renewing a modest income tax like the one in the bill, at this time when we need state revenue to keep essential state service is going makes perfect sense to me.

My only suggestion for the tax would be that the rate be subject to review every four years:

Further, that any such mandated rate review should never again allow the income tax rate to fall to zero, or allow the income tax to be sunsetted without a three-quarter vote of the legislature.

Finally, regarding the PFD:

My hope would be that we started imitating the Norwegian model – that is,

(1) limit a cash payout only to adults over 18;

(2) limit any cash payout to \$500 per individual – with any added dividends the legislature wishes to provide above that amount put into special, individualized "State Services Dividend Accounts"

(3)(a) that the legislature create individualized State Services Accounts to let residents assign any PF dividend amounts exceeding the recommended maximum \$500 cash dividend -

(3)(b) Further, that the individual resident State Services Accounts to an account that only be accessible for

- * in-Alaska post-secondary education,

- * in-Alaska Medicaid or Medicare co-pay or premium support

- * in-State long term care premium support

- * personal assistance as a result of a loss due to a prior declared in-State disaster.

(4) That for those Alaska residents under 18 the Legislature aside their dividends aside in a special PFT account that can be only be accessed by the juvenile after the juvenile turns age 18; With the same use and cash restrictions as described above.

Thank you for this opportunity to provide input to your process.

Sincerely, Clayton McDowall

Dear House Finance Committee,

I am in favor of the income tax proposed in House Bill 115. In this fiscal crisis, we need a state that can pay for necessary services (such as roads, schools, and emergency response) for its citizens without relying on independent industries to foot the bill. All Alaskans deserve to have a stable government that will function in the long term for Alaska citizens, which is why I support this bill and the income tax it creates.

Thank you for your hard work,

Joe Donohue
Resident, Copper River Valley

Hello,

My name is Tasha Elizarde and I am an 18-year-old senior from Juneau-Douglas High School. I live in House District 33 (Rep. Kito) and Senate District P (Sen. Egan).

I want to thank you for listening to my testimony. I understand our state is in a critical and difficult financial situation, and I am happy to see our legislators come together to make decisions where we can move forward.

It's no question our state needs revenue in order to survive. With our falling oil prices, our first step forward is to diversify our economy so that in the future, we are more economically self-sufficient. HB115, through the personal income tax, capital gains tax and PFD restructuring can help us do this.

I will not pretend to understand all the complexities of taxes and the PFD. I still have more to learn on how the two are calculated and work. However, I do support actions necessary to generate revenue for our state. I ask that we do pass a personal income tax because we are losing too much money to visiting summer workers, a capital gains tax because it is a source of money and the PFD restructuring because a simple cap only saves money for the short-term and not the long-term.

On a more personal note, I will be graduating from high school in May. I want to return to Alaska and make a home here after I finish college because our state means so much to me. Hopefully, I will also enter the realm of public service because I care deeply about our people and specifically, our youth. I attended the Alaska Association of Student Governments conference held in Juneau last week, where a resolution supporting HB115 was passed unanimously by the General Assembly. Talking to other teens, we all have the same reasons: our state is in a critical financial crisis, we can't afford more cuts and we need revenue. There was also one more, just as important reason: we all love Alaska. Many of us want to return to Alaska to live and potentially, share with the friends we make on our future journeys. However, this will be hard to do should we not take action now to save our economy and the well-being of Alaskans.

This state means so much to me and to other youth around the state, from Noorvik to Soldotna, Juneau to Unalaska. Please do whatever you can to make sure we start generating revenue instead of cutting more and more from our already waning budget.

Another special request: please make sure that the Senate's proposed 5% cut to education does not go through once the budget reaches the floor. I am happy to see the House working so hard to protect education, and I do hope your work does not go unnoticed by the Senate.

Thank you again so much for listening to my testimony. I have also written an editorial to the Juneau Empire about this same topic which I will send in a following email once it is published online.

Tasha Elizarde
Juneau, Alaska

Yes, we need to pay taxes to live in this beautiful state. Let's just do it!
We have cut plenty in many sectors and people are leaving the state. We can't be like children asking everyone else to pay for us. I'm a homeowner and pay plenty of taxes, but I am willing to pay more and spread the cost around.

In addition, state income tax should have been instituted long ago with all the slope workers flying first class (I have sat next to them on my mileage ticket). Some have shared their employers have paid for their flights in and out. Think of what savings account we could have had if we had even a minimal income tax "back in the day."

It's not too late. I support income tax, in conjunction with other strategies.

Thank you

jeane Breinig

Legislators,

As a small business owner I get that we need a state income tax and I also understand you are running out of options to cut from or to find ways to recover the deficit. I think a usage tax would be the best way to increase revenue. This would tax everyone fairly and without bias to their wealth. If you want business owners to continue working in this state this could be a deciding factor since the rest of the lower 48 is doing pretty well. What incentive is there if you tax the people that have taken the risk in their business to keep thing a float in a floundering Alaska economy.

As a 35 year resident in this state it is hard for me to see the people that come to this state and work and keep there residency in another state and take all their money with them. The oil companies have done this for years and the money they make does not stay in this state. Find a way to get some of that money. Tax the nonresident workers that take the money and run.

I think a 3% tax across the board would be more then fair if there was a state tax and cap this at 5% so state taxes will not get out of hand.

Sincerely,
Bob Bradley

I am providing feedback as requested on the proposed income tax plan. I am opposed to the plan for one reason only- the graduations are much, much too steep. Everyone uses state services regardless of how much they earn. To allow some people to not pay anything while taxing others is essentially stealing. To do so is to further encourage people to come to this state who are unable to support themselves let alone a family without government assistance. We need to stop inviting people to this state who are only here for financial benefits. People are able to exist here without ever having to work. Between the PFD, Beans Cafe, Brother Francis Shelter and more, we end up with an ever growing portion of society which is a burden on the rest of us who put our heart and soul into working to make Alaska a better place to live. We see it in the prison population, homeless on 3rd avenue, homeless in the city parks, new arrivals from down south who shoot up neighborhoods and spray graffiti on historical monuments. What would it take for me to support this bill? Everyone has to pay- even if it is a trivial amount. Stop encouraging a welfare state. Don't turn this place into the last frontier anyone would want to visit.

Charles Bader, 51 year resident of Anchorage

I am in support of HB 115 as well as HB 111. I understand why people resist an income tax when they see the oil companies getting production credits and credits for "new oil" especially from Pt. Thompson. The payments to oil companies are not justified especially to the "Big Three". I have also heard people say that we should just use savings until they are gone. I wish that you would point out, especially to Representative Pruitt, that the state just blew through 13 billion dollars in savings. At a 5% rate of return we just lost \$650,000,000 of income a year forever. Ironically this is approximately the same amount an income tax would bring in. We paid an income tax before and if the states economy does rebound we can always suspend the income tax once our savings accounts have been replenished.

Sincerely,

Leon Lynch
Ester, AK. 99725

Hi,

I want to express my support for HB 115. I believe it is critical to develop a structured way to implement Permanent Fund earnings to support our state government, and to put such a plan into action immediately. More delay in solving our fiscal problems will only hurt Alaskans.

I live in Girdwood, where we recently lost State Trooper coverage. I voted to pay taxes so my community could have police coverage. I am also willing to pay taxes to support state government. I would rather pay my share of a state tax than see low income families given the smaller PFD mentioned in the Senate bill.

Thank you,
Carol Fox
Girdwood, AK 99587-1151

I, Ingrid Taylor, resident of Fairbanks, support HB 115 and urge you to do everything you can to pass it before the end of the legislative session.

And, enough cuts already! I do want to have the burglars in my neighborhood apprehended which hardly will happen if you keep cutting the budget for law enforcement and social services. Fund University programs - take the long view!

Respectfully,
Ingrid Taylor

Please accept this as my public testimony regarding an Alaskan Income Tax.

My family and I wholeheartedly support an Alaskan Income tax. It's time to decrease our dependence on non renewable resources like oil and stop cutting from things like education funding (a proposed 5% cut currently being kicked around in the Senate is NOT acceptable!).

It's time for Alaskans to start chipping in.

Thank you for your consideration.

Rebecca Bezdecny
Kenai, AN 99611

To the House Finance Committee:

I am writing again to urge you to move forward with HB 115.

I operate a small business that provides healthcare services. In my business it is recognized both in an anecdotal manner at the personal level and through academic and professional research that when people actually have direct financial responsibility for a service they are provided, they utilize it more judiciously and follow-through more consistently with the instructions provided. (Sounds very "Republican" to me.)

With respect to the opposition to a progressive income tax as proposed in HB 115, we have opponents who typically are adamant that individuals in our society be responsible financially on a personal level. Those who oppose HB 115 do not realize - or want to admit - that an income tax in part does just that - it is a regulated buy-in from the people in how their government works.

I find it interesting (and quite distressing) that people are quick to push back against an income tax and yet most have little interest in understanding the financial situation the state finds itself in and apparently even less understanding of the consequences to our state services if we are to cut our way out of this mess. For instance when Senator Giessel proposed the ghastly increase on studded tires, the feedback was intense and sudden. Everyone pays for tires. Everyone understands the direct correlation between the cost of their tires and ability to use them. Paying an income tax gives people the same recognition of how their money is pooled and used. Currently, we live in a state full of people who are not only disconnected from what their government does for them, but it is a state full of people expecting someone or something *to do it for them*.

It is time every Alaskan (and those that use our state as the source of their personal income) be part of the solution. Move forward with HB 115.

Sincerely,
Sallie W. Rediske
Undeclared voter
Homer

Make sure that ALL ALASKANS pay this tax with no exemptions for anyone or any reason. It is time that all Alaskans contribute to solving the problems we are facing and not be given a “special exemption” for any reason. Do your job.

Thomas Harris

Dear Finance Committee,

I am writing in support of HB 115 and urge the committee to move forward with the bill to the full House.

I have been a resident of Anchorage for 25 years, and I have enjoyed the amenities of a winter city with its trails and parks and the opportunity to maintain my own health and well being through year round activity. These kinds of amenities, I believe, ultimately lower the cost of health care by promoting lifelong health.

I have had the privilege of teaching at the University of Alaska Anchorage for nearly 20 years. I get to work with bright, goal-oriented students who continue to teach me as much as I teach them. While we have some graduate programs, our undergraduate research programs are a centerpiece that serves even more students, and the work these undergraduates are doing is something we can all be proud of. We want to labor in an institution that will continue to attract these students and support their development.

I am concerned about the continuous budget cuts because our new faculty are running away in droves over the past couple of years. We know that in any institution, we need a balance of experience and new blood. When we cut off the new blood and drain the system, it can take many years to rebuild.

In response to these cuts, many of us are taking on more work. I am doing more service as administrative staff are cut, and I'm teaching more classes each semester with more students in each class. I have also spent 5-10K of my own salary to support travel to professional conferences. I cannot sustain that over time and have stopped attending out of state conferences in the past year but doing my best to enroll in webinars and to keep up with new knowledge in my discipline. We are also striving to reshape our programs in productive and creative ways. Yet it is a real struggle to maintain morale at a level that will hold onto young talent, those faculty members who would become the experienced mentors in a decade or more. All the meetings we attend, no matter their focus, have become de facto budget meetings filled with more gloomy news. In this climate, I can't blame new faculty for leaving to go to institutions that are supported by their communities. I'll say good-bye to more this spring.

I understand the need to cut the budget, but I also plead that it is time to consider raising revenue. I am willing to pay an income tax, and I think it wise to consider using some investment earnings. Alaska is my home, and it has been a great place to raise a family and to become a part of many communities. Please consider our long term future.

Best regards,

Jackie Cason
Anchorage, AK 99517

I believe the HB115 is the best option for our fiscal crisis that I have seen.
PLEASE VOTE YES for HB 115.

Thank you,
Maureen Longworth, M.D.
Juneau, Alaska

Members of the House Finance Committee,

I would like to express my personal support for HB115. Thank you for coming together to work out a balanced plan for Alaska's financial issues.

I believe that an income tax is necessary. We cannot cut our way to prosperity and we must have essential public services, including education and public safety, along with so many other services that Alaskans don't necessarily appreciate until cuts are threatened! An income tax will also allow us to benefit as the economy improves. By contrast, a sales tax would be regressive and is also an essential tool for local governments to balance their finances.

Further, I encourage you to continually review the oil tax situation, although it is always controversial and tedious. Resources are such an important part of our economy that we must make sure that these taxes are also fair and balanced, and that we respond appropriately to changing conditions in Alaska and in the world economy.

Again, thank you for your work on this bill and for your service to Alaskans.

Sincerely,

Amy Lujan
Juneau, Alaska

Dear House Finance Committee members,

I have previously written with testimony to you yesterday, as I am unable to attend an LIO session today. However, I had two further thoughts to add:

I believe strongly that we need to have a state income tax on non-resident workers. Many states have these. I grew up with them years ago in NY (but I've been an Alaskan resident for almost 40 years) and they are enormously helpful to state incomes. There is no reason for Alaska not to have non-resident taxes. Alaska has a large number of non-resident workers and we ought to have them pay their fair share.

The other thing is that deck hands already pay taxes through commercial fishing requirements.

Thank you very much. I look forward to the return of State Income taxes with the highest rates payable by the highest income earners and removal of the huge tax break given to oil companies.

Thank you,
Libby Stortz

I support House Bill 115 for two reasons. First, using the Permanent Fund to help pay for government services is consistent with the original intent of the Fund. And second, we need to institute an income tax in Alaska. It is perfectly reasonable for citizens to pay for public services that we need and to pay for them in proportion to their incomes.

Thank you.

David Zimmer

Wasilla, AK 99654

I am a registered voter in Anchorage and support a tiered income tax and capped PFD over a sales tax. Sales taxes impact the working poor's limited take home pay at a higher rate which makes income tax a fairer option.

I am happy to pay taxes for government services I expect such as public safety, schools, transportation, and social safety net programs that make our communities stronger and help our economy overall.

I do not support kicking this financial deficit can down the road any longer. Enough with the cuts. Please pass a comprehensive financial plan to get our economy back on track!

Anna Bosin
Anchorage

We are all in favor of the income tax. I am a 64 year resident of Alaska and remember the previous tax which should never have been taken off the books. Out of state workers will have to pay for some of the state benefits they enjoy. We are the least taxed state in the union! Dave and Beth Schroer

I support reinstating the Alaska income tax. Everyone will pay their fair share, including those who work here seasonally.

~ Karleen Grummett

75-year Alaska resident and former income tax payer.

While I am unfamiliar with the specifics of HB 115? I do support a balanced approach to funding state government and the essential services it provides. Specifically, I fully support the institution of a state income tax, a reduction of the PFD, and the passage of statewide or local sales tax, all while reducing the so called tax credits to the oil industry.

John A DeLapp
Anchorage, AK 99504

Hi I read that you are looking for testimony regarding HB 115 today between 1 and 4:30. My wife and I are teachers in Kasigluk, near Bethel, and we are both very supportive of HB 115. Specifically I like that all parties have something to complain about, which makes it more fair. A cut to the annual PFD disproportionately hurts the poor, and an income tax disproportionately hurts the wealthy. In concert with fiscal discipline / cuts we can make this work to get to a balanced budget.

I'm an independent voter and I've been disgusted at the lame "solutions" offered by the legislature the last couple of years and even this year like trying to cut our way to a balanced budget when we have \$1B coming in and \$4 or \$5B going out. It is shameful that most Alaska voters have allowed our legislature to get away with this cowardly approach instead of taking the obvious (albeit politically difficult) and intelligent road, which is something like HB 115 that is balanced and will actually work. Please do the right thing and make this bill, or something similar, happen. THIS year!!

Thanks for hearing me out.

-Pete and Tammy Schneider
Kasigluk, AK

Dear Rep. Seaton and members of the House Finance Committee,

I am writing in my personal capacity to express my support for HB 115. Thank you for your work to comprehensively address Alaska fiscal crisis.

Respectfully,
Marianna Carpeneti

I want to voice my support for an income tax in Alaska, with higher rates for those with higher incomes, and lower rates for those with lower incomes. I believe that this will set us up for handling future years without the oil profits that we had become to used to relying on. I believe that an income tax is a better choice than cutting the budget and government jobs, which would give our struggling economy another huge hit. Please give us an income tax in order to balance our budget.

Diana Johnson

99508

Please install a state income tax.

Michael Hersey
Fairbanks, Ak
99701

We strongly support an income tax . We feel that a State Income Tax based on a percentage of the Federal Tax paid would be the most fair and equitable tax to be levied at this time. This would garnish income for

the State from all workers, no exceptions, including those residing elsewhere. Please consider this option strongly.

We also favor capping of the Permanent Fund.

Clark G. Whitney

Cheryl L. Whitney

Soldotna, Alaska 99669

To whom it may concern,
I would like to express my support for this proposed House Bill 115.

It is way overdue that the state of AK starts looking at new revenue instead of blindly trying to cut, cut, cut its way out of this budget crisis. We need a balanced approach that guarantees stable, long-term funding for the state government. House Bill 115 might not be perfect, but it gets us at least in the right direction.

As a small business owner I can tell you that the continuous uncertainty around the state budget and the endless cutting of the budget, which effectively translates into thousands of Alaskans losing their job, is devastating the Alaskan economy. We need to have stability and the only way to create that is by generating revenue. A restructuring of the permanent fund, combined with an income tax seem to be the appropriate way to do this.

I'd also like to say that if we do tax people (which seems unavoidable at this point) I strongly prefer an income tax over a sales tax. As any economist can tell you, a sales tax affects lower income citizens disproportionately more than middle or higher income people. An income tax is the 'fairest' way to tax people according to their means.

Kind regards,

Stefan Zijlstra

I live in Anchorage, AK

I am writing as my public testimony to the House Finance Committee that I am in favor of HB 115. I am glad to hear we are finally getting to income tax in Alaska and restructuring the PFD.

Thank you,
Ann Starkey

Members of the House Finance Committee,

Please mark me as one more Alaskan who prefers an income tax to a sales tax. First. I see a sales tax as hitting low income people more than the affluent, especially when applied to food and housing. Second, I think it would address those who take their income to live in other states for significant parts of the year, paying no tax of any kind to our state. Third, it will not add to the sales tax in towns and boroughs that already have one.

Thank you for your consideration.

Mary Borthwick
Juneau, Alaska 99802

Hello,

I write to voice my support for HB 115, the State Revenue Restructuring Act.

I support working together towards a balanced budget, and I support a State Income Tax. Its time for Alaskans to pay a income tax, so we pay for our services. I believe in the idea of new revenue for the state from a broad based tax. I am a lifelong Alaskan, a voter, a working mom who volunteers in the community, and a small business woman. I believe in paying for my share, and I believe in supporting our community's and public education.

We can not keep cutting programs, especially Public Education and Social programs that have already been cut to the bone in Alaska. We must institute an income tax, and I support the work of Representative Paul Seaton and his team on the House Finance Committee.

Thank you.

Shannon McBride-Morin
Homer, AK 99603

I strongly support restructuring the PFD and reinstating a progressive income tax as described in House Bill 115. I think large PFDs and no income tax have fostered an irresponsible and childish attitude among some Alaskans that we don't have to work for our money or be responsible for our bills. It's long past time for us to grow up and act like adults. People who don't like that can go back to the Lower 48.

Barbara Learmonth

House Finance Committee,

On behalf of my association, I would like to express support for HB115. This plan meets the top requests of our Joint Position Statements, which we developed with our superintendent and principal colleagues through the Alaska Council of School Administrators (ACSA):

- * Priority Funding for Education
- * Revenue Enhanced Fiscal Plan Imperative

The full Joint Position Statements can be found here: <http://www.alaskaacsa.org/wp-content/uploads/JPS-State-Issues-2017.pdf>

We are very appreciative of the support of K-12 education in this plan. While some parts of HB115 are controversial, it represents a balanced approach to meeting the state's financial needs.

Thank you for your work on this difficult decision-making process.

Amy Lujan
Executive Director
Alaska Association of School Business Officials (ALASBO)

Dear Co-Chairs Foster and Seaton, and Vice-Chair Gara,

Many thanks for offering the public an opportunity to testify on HB115.

Please share my comments below with other Committee members and make them part of today's hearing record.

As I've testified numerous times over the past two years, I personally support reinstating the income tax (HB115) as long as it is accompanied by significant reductions in oil & gas subsidies (HB111) and minimizes the burden placed on older people, rural residents, and others living on small fixed incomes. However, I could not support passage of HB115 or any other legislation that reduces the PFD or imposes taxes on ordinary working class Alaskans without significant oil and gas subsidy reform.

I appreciate your work on HB115 and support it so far, with the above reservations. Changing HB115 to compute tax due on the basis of adjusted gross income has addressed my original concern over the way long-term capital gains could have negatively affected many elderly people.

However, unless I am mistaken, now the plan is to tax normally exempt municipal bond earnings. Many of the most vulnerable retirees do gain modest income from shares of municipal bond funds held outside of 401k or IRA accounts. They put what little they could afford into these because munis are relatively safe, earn more interest than a bank account, and are not taxed by the Federal Government. Although the dollar amount of the proposed tax on them would be small by most standards, it could work a significant hardship on many elderly retirees. Under tax brackets proposed in the amended version of HB115 no tax will be due on \$10,300 AGI, the lowest bracket. I would urge you to set a similar floor for earnings from municipal bond funds that limits tax liability to earnings above \$1,500. Clearly, as outlined in the recent ITEP analysis, low income Alaskans will be disproportionately affected in the years immediately following passage of HB115. Exempting small earnings from municipal bond funds could help soften the blow.

Obviously there is much more to HB115 in sections relating to use of Permanent Fund Earnings for support of government and paying out the Dividend. From what I can see HB115 reflects a reasonable approach to this contentious business. Consequently I'll limit my input for today to the above. My apologies for once more being unable to testify in person or at the Homer LIO. Am am still at an off road location with only a point to point microwave connection for Internet communication.

Regards,

Mike O'Meara

Homer, Alaska

Dear Elected Representatives,

My name is Eric Milliken, I am a six year resident, homeowner in Anchorage and have voted in every municipal, state and federal election since moving here.

Two years ago, I reached out to my legislator, Representative Geran Tarr, and asked her to put forward an income or sales tax as a sustainable solution to meeting our governance needs. Today, I still think it is a good solution to the current crisis, inaction is not a solution nor are further cuts wise.

My wife and I both work, pay for childcare and have high health insurance costs. We do not have a lot of discretionary income, and a \$2,000 annual income tax payment to the state will be difficult. However, I think it is in the best interest of our state and our residents. I want to thank you for having this discussion, and urge you to vote yes on HB 115.

--

Eric Milliken

Please consider this written testimony on HB 115.

I support HB 115; it is a responsible path toward a sustainable budget. I don't believe we can or should cut our way out of the current fiscal crisis; it would harm Alaskans and send us further into recession. I believe a progressive income tax is the fairest way to increase revenue (well, along with some oil tax re-structuring.)

Thank you for your consideration.

--

Jessica Cochran
House District 19

As a lifelong Alaskan the house majority budget is the only budget I support. I do NOT support any budget that continues to rely on spending the CBR till it is gone, or a budget that uses hope or false dates in the future as "balancing the budget". Although I am in agreement the oil Tax credits must be trimmed and much of the mega project must stop I want to pay my fair share.

This state should never past, present or future depend on one revenue source to fund our needs. If this is an ownership state then I want to take ownership of not just my oil and dividend, but my schools, my roads, my prisons, ports and infrastructure. I am willing to pay to have a state with parks and fisheries, any one who is not should be ashamed. I am not sure where this strain of not wanting to pay taxes or for the things you use cam form but it must stop.

I applaud the courage of Rep Seaton and LeDoux to stand up for what is right and stop the silly nonsense and political games Thank you, Shawn O'Donnell 47 year Alaska resident.

Shawn O'Donnell

I am totally in favor of re-instituting a state income tax as you have proposed. I also concur with your other fiscal plans to close the gap between expenditures and the state's budget. However, education has already taken enough hits, both the UA system as well as K-12. Please do not reduce the education budget any further!

Sincerely,
Roman Motyka
Professor Emeritus UA

Yes, I support House Bill 115. It is time to do the right thing and bring back an income tax. No one likes to pay taxes but we all like good schools and good roads and we all need to do our part in paying for them. Just saying no time after time is not working. Pass the bill and lets get on with governing as you are suppose to be doing.

Jackie Bear

Ninilchik Voter 99639

it's about time this state generates revenue from its citizens. we are prepared to pay state income tax.

Elisabeth Nadin

Fairbanks Resident

I am in favor of the House majority's plan. Please, no sales tax - everyone except big city Alaskans already pays one.

An income tax is fair, but there should be an arrangement so that everyone pays something- I suggest increments of \$25 dollars up to \$100 for people making too little to pay income tax, or something like that.

Please fix the oil tax credits. It is insane to defend the oil companies' right to bleed Alaska dry at this time. You must stand up to the Senate.

Thanks- Laura Sievert Kenai.

My name is Megan, I was born and raised in Fairbanks and received both my bachelor and master degrees from UAF; it's safe to say I'm invested in my community and this state. As a soon-to-be 30 year old, I have just begun my career, yet I can't help but notice that many in the legislature and senate are approaching the end of theirs, or have already retired. My question to you is, whose Alaska are you representing? Not my Alaska, and not future Alaska. The past few years have been difficult to watch as Alaska's lawmakers have been unable to produce an solution to the state's budget crisis; the only attempts at a solution were to cut, and continue to cut , funds from our rapidly diminishing budget. While these cuts may not affect you, they affect me, my friends, my family, my future children, and all future Alaskans. Obviously cuts to the budget result in lost jobs for state employees and those in sectors who rely on state funding (e.g. educators). Additionally, private employers who rely on the financial health of the state (e.g. private contractors, engineering firms, etc.) also have resorted to having to cut jobs; other sectors (e.g. medical, retail) will soon follow suit. So what's left for young Alaskans, Alaskans with work still yet to do? For many, the answer is to leave the state, and with them their children and any hope for a progressive, strong Alaska in the future. All that will remain is an old Alaska praying for a spark, a new boom to help ignite the economy, brining in a new population to help, once again, breathe new life into this beautiful state. No longer can we hide behind the belief that residents won't leave because "Alaska's economy is stronger than the lower-48's", that is no longer true. Alaska's bleak future is preventable, however no one wants to say or support the "T-word" – taxes – no, it's too taboo. Well, we've run out of options. I'll gladly limit my PFD and pay a small income tax as proposed in HB 115 to ensure I have a job and my fellow Alaskans have a job not just today, but well into the future. An income tax is Alaskans helping Alaskans. To continue cutting the budget is unacceptable, you must be proactive and not reactive.

Thank you,

Megan McAfee
Fairbanks, AK

House Finance Co-chairs Rep Seaton, Rep. Foster

I'm writing on behalf of myself in support of HB 115. I've lived in Unalaska for over 46 years I work in the Alaska Seafood industry for 30 years and have served my community as an elected official for over 22 years. I support HB115 we can't cut are way out of this crisis, we need to raise new revenues, to supplement the use of the of the PFD earnings and HB 115 does that. In rural Alaska we feel the cuts to the operating budget much sooner than urban communities, as examples Unalaska lost the 1 Health and Human Service position 8 years ago, the position was left vacant, two years ago the Dept of Public Safety moved the P.V. Stimson from Unalaska as cost saving measure and home ported the vessel in Kodiak 600 hundred miles from the Bering Sea and Aleutian Islands where the vessel was purchased to patrol. The community lost 8 families of crew members on that vessel , that impacted the school population, and now the largest fishing port in the nation is served by only 1 Fish and Wildlife trooper. The local ADFG office has no salmon, herring staff members for commercial, sport and subsistence those fisheries they are managed out of Kodiak and there is very little funding for surveys or weirs to gather salmon data on local watersheds located on the local road system.

This community values education we have one of finest School Districts in the state, that has over a 90% graduation rate and is funded at the top of the cap level by the city for years. It is a challenge for the district to attract and keep quality educators to a community located on Unalaska Island 800 miles west of Anchorage, reduced funding for education is a serious concern for the school district and the community. Continued cutting to the operational budget will continue to put more burden on the local municipalities, that already are dealing with no capital budget funding from the state. I applaud the House's work on HB111 to reduce the oil tax credit program, this is critical in mind and is part of package to address the fiscal crisis; if the Alaska residents are faced with reduced dividends and have to pay a state income taxes we can't keep a program that compensates some of riches corporations in the world, and isn't sustainable at this time. In closing want to thank House Finance members for your leadership in addressing this issue that is critical to the State of Alaska and please pass HB115.

Best Regards

Frank Kelty

Members of the House Finance Committee:

1. I am in favor of this bill. I'm love my state and am willing to pay taxes to support good government. Government is not the problem...irresponsible government is the problem.
2. This bill must be in conjunction with a severe and immediate rollback of the tax credits for oil companies, especially in legacy fields.
3. Alaska must stop giving away oil. Increase the ACTUAL tax rate to 35%. With the SB21 sliding scale of taxes we are getting closer to 7-8% as I understand and the only time we would ever get a 35% tax from our oil is in the case of \$160+ priced oil.

SB21 was an industry giveaway. Time to roll it back.

Thank you.

Michael Bucy
Juneau, Alaska

dear house members:

as a long time kodiak resident i feel that this is a good bill to enact. it seems to be a balance between using part of the pfd earnings and an income tax. what could be more fair? the pfd was designed for a rainy day—we have a rainy day now...and no end in sight. please use it.
thx for your work and the opportunity to comment.

-debra lathrop, kodiak

Some brief comments/questions on the proposed PFD cap and Income Tax.

I understand the proposed income tax is progressive and leaving the PFD intact at the reduced rate minimizes the impact on lower income Alaskans. However, what I fail to understand is why we are not seeking to collect a small portion of the revenue from out of state visitors.

Why is a Sales Tax not preferred to the Income Tax, or at the very least being considered?

1. You can exempt grocery items and prescriptions to limit impact on lower income Alaskans.
2. You can make sure items like alcohol, candy, soda, etc. are not exempt which both collects revenue and has the possible secondary health benefit of lowering their consumption.
3. You have the over 2 million visitors to Alaska every year contributing to the coffers. A sales tax isn't going to deter visitors to Alaska. In most states and foreign countries a consumption tax is the norm. (Assuming 2 billion in sales to visitors and a 4% rate, this adds 80 million to the budget from non Alaskans) Yes, I know that we also would collect income tax from workers from out of state but does it generate as much out of state revenue?
4. Collection of the sales tax would require much less growth in the department of revenue than an income tax and cost much less to administer.

Again, why is the legislature jumping straight to the income tax without considering other options? This is particularly curious given that the rest of the nation is moving more towards consumption taxes and away from income taxes.

A sales tax is not perfect, no tax is, but it seems that in generating needed revenue for the state without bloating the state government further is the more sensible solution.

Sincerely,

Chris Bouma
Wasilla, AK

I support the passage of HB 115 and applaud Representative Seaton for taking a leadership role in crafting a viable contribution to solving our state's fiscal crisis. I urge the support of this bill by our representatives in the Interior delegation and hope that the Senate will modify its proposal to incorporate the features of HB 115.

Congratulations on making practical legislation to move our state forward. The income tax is least onerous to those who may feel the limit on the PFD the most, the idea that my PFD could apply to my income tax obligation, and the recognition that Alaskans need to pay share for supporting the State services that they value and that make Alaska the state we are proud to call our home are all strong features of the bill.

I believe passage of the bill will allow us to move forward and to tackle some of the even more complex aspects of state finances, specifically the question of oil tax credits in low oil price years in the future.

Sue Sherif
Fairbanks, AK 99708

I Harvey Goodell support an Income Tax and Permanent Fund use to help solve the State of Alaskas financial situation. Please support House Bill 115.

Thank you Harvey Goodell

RE: Public Testimony on HB 115: "Income Tax, PFD Credit, Permanent Fund Income" on Wed 3/29

Please forward as appropriate that I, James P. "Jake" Jacobson of Kodiak & Kotzebue - representing myself and 40 family members, all residents of Alaska:

1. Strongly supports a state Income Tax
2. Strongly supports a State wide Sales Tax - the most equitable of all taxes.
3. Strongly OPPOSES any "Restructuring" of the PFD calculation or seizure of any part of the currently calculated PFDs.

There is no nice term for stealing candy from babies - tens of thousands of PFD recipients are minors.

But not addressing the major cause of Alaska's financial crisis - the oil/gas taxing under SB21 - which it seems no one in the Legislative or executive branches of State government is even talking about - seems a dereliction of duty and violation of the faith voters had in our leaders.

The Governor and Legislators "pledged to faithfully serve the people of Alaska" - not stockholders of multi-national corporations.

In Alaska the few deeds that include subsurface rights to minerals exclude gas and oil, as they are held "in common" for all Alaskans.

Proceeds from oil and gas sales are also held "in common". The PFD is NOT welfare, it is our annual due from our "owner state".

We must guard our PFDs, if more oil comes on line, with the PFDs calculation reduced, government spending will increase, consuming all the new profits without restoring the PFDs.

Thank you,
Jake Jacobson