

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Support Emails

Please support a State Income Tax as part of a sustainable fiscal plan for Alaska.
In my opinion the House plan to stabilize the state economy is vastly superior to the Senate plan. (Or lack of plan)

Please do not let party dogma stand in the way of a viable solution to our current fiscal mess. The financial future of our state depends on you.

Thank you.

Sincerely,
Marya Morrow
6345 W. Dimond Blvd.
Anchorage, Alaska 99502

I'm writing to reiterate my supportive for a personal income tax to help fund our state government and the important services it provides to citizens of the state and the tourists who make essential contributions to our economy. I recognize that as residents, it is our responsibility to contribute to the development and prosperity of our state, to support the services that are essential to our lives here in this wonderful state. A personal income tax is the most fair and efficient means of doing that. I'm particularly troubled that the Senate focuses only on cuts to the PFD and leaves unfilled a significant gap between revenue and spending that we will have to address in coming years. This is not only fiscally irresponsible, it burdens future generations of Alaskans with a problem that requires only courage and resolve to address. In addition, I'm disgusted by the recent broad-based, anonymous mailing that was sent out at substantial cost (by some estimates as much as \$10,000) to undermine the public process. This underhanded campaign not only seeks to have moneyed voices have undue influence in the process, it works against the interests of the people of the state. Support an income tax. It's long past time that we do so.

Sincerely,

Shawnalee Whitney
3127 Wesleyan Dr.
Anchorage, AK 99508

The oil pipeline days are coming to an end. As hard as it is acknowledge this, we must accept the new reality, and move toward a post-pipeline understanding of our state's economy. It is important to re-establish the fair and equitable state income tax we once had, so that our infrastructure and educational needs can be met even without oil pipeline income. We also need to provide adequate social services for all Alaskans. This should not be construed as optional. We do not have to make do with less if those of us who can contribute, do contribute. It really is that simple: bring back our state income tax.

Sincerely,

Marion Avrilyn Jones

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“If you’re not growing, you’re dying.”

Dr. William R. Wood said those words to me in the mid-1980s when he was director of Festival Fairbanks. He was talking about communities, Fairbanks in particular, as he reminisced about his term as mayor.

To the best of my recollection, Dr. Wood was a staunch and stolid Republican.

My own feeling is that Alaska has been dying long enough. Some Alaskans really can’t afford the basics of life here, and those people need help. A lot of us can afford much more than the basics.

I support the Governor and the House Majority and the proposals for an equitable State income tax.

If we're not growing, we're dying.

Sincerely,

Dixon Jones

I am writing to you to express my support for HB 115, the Individual Income Tax bill. The deep financial hole that Alaska finds itself in, cannot be filled by cutting the government. I am deeply concerned over the proposed action that fundamental government obligations, such as education, would be funded by a raffle, an unreliable source of income at best. The basic tenet of a government is to provide services to the constituents (and visitors) making sure that each individual has an equal access to civic life. Cutting essential services like education, pre-K programs, disability services, and social services will affect the most vulnerable populations of Alaska, and create societal problems in the future. I fully support an income distribution where a tax is based on income.

I urge you to vote for HB 115 and create a sound fiscal solution by supporting the bill.

Thank you for your time,

Inari Kyland
348 W12th St
Juneau, AK 99801

I live in Senate Meyer's district. I support passing HB115 and waited over 3 hours to testify in person at the Anchorage LIO. I'm glad I had the opportunity to speak. I appreciate that you listened to over 4 hours of testimony. Thank you for your patience. Thank you to Chairman Costello for treating all testifiers with courtesy and tact.

I support implementing the progressive income tax for the following reasons:

1. Deep cuts in the appropriation budget over the last several years have impacted needed services for Alaska. Public Safety, transportation system including the Marine Highway, Court

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System, and deferred maintenance are just a few examples. Some cuts may be prudent to eliminate waste but Alaskans need the services I have mentioned.

2. In my experience, deferring maintenance on buildings, bridges, and roads will cost more later.
3. Just restructuring the PFD and cuts is not a comprehensive plan.
4. Need to have a stability in the State's revenue. Revenues from oil have always been volatile.
5. Continued draws on our savings is "kicking the can down the road". Depleting our savings degrades our credit rating and what happens if there is catastrophic natural or human-caused disaster?
6. Some projects in the capital budgets are prudent and provide jobs to the private sector. Alaska escaped most of the recession suffered by other states a few years ago because of the capital projects budget.
7. University system will be devastated by the proposed cuts. Funding the University is an investment in our future.
8. Funding public education from pre-k on saves money in the long run.

I love Alaska. Passing HB115 is a big piece of a comprehensive and complete fiscal plan. The proposed Senate Majority's plan is not a complete plan and not good for Alaska in the long term. Hoping that oil prices will rebound isn't working to fix the deficit. This session is the time to fix our revenue problem.

Respectfully,
Laura Bonner
3101 E 112th Ave
Anchorage, AK 99516

I just wanted to write and let you know that I am strongly in support of an income tax, and of HB 115. We need sustainable sources of income into the future in our state, and paying an income tax is part of that. Thank you for your hard work for Alaskans.

Sincerely,
Diana Redwood
1747 Aleutian St
Anchorage, AK

I am writing to express my concern regarding our fiscal situation.

The state of Alaska needs a comprehensive fiscal policy this legislative session in order to remove economic uncertainty and promote private sector investment. The Senate's fiscal plan leaves hundreds of millions of dollars in structural deficit. Even the Institute of Social and Economic Research at UAA has determined that continued government cuts in the magnitude currently being contemplated by the Senate would have twice the negative impact on jobs and the economy than a broad-based tax.

A sound fiscal plan will likely include some form of reduced permanent fund dividends, even though this disproportionately affects low income and rural residents. We can not rely on that alone. An income tax will help balance the total impacts of new revenues, and ensures nonresidents contribute to a solution. I would even support a seasonal sales tax coupled with an income tax in order to capitalize on tourist money in the State.

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If HB 115 is implemented in its current form, Alaskans will still have the second lowest individual tax rate in the nation--and the lowest tax rate if the PFD is taken into account. The bill would capture approximately \$80 million in revenue from non-resident workers who currently use our services and pay no Alaska taxes.

I support the House's tax proposal and I do not believe the Senate's proposal does enough.

Thank you for listening to my concerns,

Danielle Bailey
4220 Galactica Dr
Anchorage, AK 99517

I am here in Anchorage attending the Alaska school nurse conference with school nurses from all over our state. We are here to learn about current issues facing Alaska's children (e.g. opioid epidemic, sex trafficking, child abuse, child obesity).

On the top of everyone's minds are how the cuts to education are further eroding the support we can provide our children.

As an example, in Fairbanks, two years ago, it was suggested that school nursing services might be on the chopping block. As a result, any vacancies they have they have been unable to fill. Same thing has happened in Juneau, our nursing services were cut four years ago and now we have an opening with no qualified candidates applying. The fiscal uncertainty is creating a barrier to supporting vulnerable Alaskan children.

Alaska has a 60 year history of prioritizing funding for school nursing services. Ask yourselves if now is the time for school districts to continue to cut crucial support services?

We support a comprehensive fiscal plan that doesn't involve further cuts to education. I support a state income tax as part of that plan.

Respectfully,
Maureen Hall

FYI, two of my adult children were educated in the UA system and are living in Alaska contributing to the economy and raising their families. A strong university system matters to the health of our economy.

My name is Susan Sloss. I'm a 38 year resident of Juneau, Alaska, and reside at 15775 Glacier Hwy, Juneau, 99801.

I am writing in favor of HB 115, as an additional way to help decrease the state deficit.

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As a retiree who has not yet began receiving retirement benefits, and who may find paying more taxes a burden, **I still strongly believe instituting a state income tax is an important fiscal and economic strategy for our state.** Continually cutting State jobs and services is not prudent, and alone will not balance the budget.

I urge you to also look at increasing taxes on the oil companies and large multinational companies (Cruise industry) who seasonally invade Alaska, without adequate remuneration to State or local government bodies. For example, the cruise industry companies that own and operate diamond stores in Southeast Alaska avoid paying local sales tax by running payments through their New York office. Also, local land tours are paid for while outside Alaska, and not subject to local sales tax.

Thank you for your service,

Susan Sloss

I encourage you to support the Alaska House of Representatives' deficit reduction plan which includes a state income tax. The current Senate proposal as it stands is flat out irresponsible, grossly inadequate to reduce the deficit, and promoted by Senate leaders who are willing to damage the future of the State of Alaska to benefit themselves and the wealthy few.

Sincerely,
Jack Jackson
3601 Raspberry Rd.
Anchorage, AK

Dear Senators ,

I have been in Alaska for over 30 years and I am writing to express my concern and desire for this committee to take action by balancing the State budget and implementing the following:

- Reducing and eliminating future Oil and Gas credits
- Establishing a progressive income tax
- Using a portion of the PFD earnings

A considerable amount of time has been devoted to this issue. The economic analysis produced by ISER concludes that additional State and education budget cuts would hurt the State in the long term. Proposed sales taxes disproportionately hurt the poor, while a progressive income tax is more just. The actions listed above are the most reasonable, fair and equitable proposed. Therefore, I urge you to support and pass them.

Sincerely,

Ms. Riki Lebman
15740 Wind Song Dr.
Anchorage, AK 99516

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I believe the tax should be higher than is now proposed and the PFD can certainly be restructured to help fund services. I am appalled by the severity of cuts that have been made to education --at all levels!, troopers, ferries, revenue sharing to small communities (I know that went by the wayside a loong time ago)... but really, we are only shooting ourselves in the foot with the level of cuts we now have. You cannot cut more. How can our economy survive with no educated workers? Who will be the leaders of the next generation if you don't educate them today? cutting basic services NEVER saves money; it just postpones the inevitable, as can be seen by massive problems in schools with deferred maintenance.

Deferred education can not be easily "fixed" at a later date. I should know, I am an adult education instructor trying to help adults earn their GED or prepare for college, vocational training and jobs. We have TOO many adults with LOW literacy and low critical thinking skills. They are unable to contribute meaningfully to our economy or to the conversations you want to have regarding how to run our state. They don't know HOW to think about it, so they just don't. They don't vote. They don't earn enough money to support their families. They don't have medical care. They don't know how to solve their personal problems or help their children stay out of trouble. They don't feel confident, competent, or hopeful. They don't need you to make it worse.

PLEASE please give us a balanced budget that requires us to put in our share for the services we so desperately need. Once the deed is done, we will all get used to it and life will go on, I assure you.

Thank you for your work,

Lolita Brache
PO Box 2508
Homer, AK 99603

Senators,

Please consider not so many cuts to education. Please balance the budget now. There are lots of options including an income tax.

Sincerely,

Mark Parmelee
Anchorage, AK

I am a longtime resident of Alaska, having arrived in 1975, and I intend to remain and continue investing in our State. I would like to urge you as members of committees deciding how to fund public services that we all rely upon, to support a progressive income tax and a reduction of oil and gas development credits. Citing those who oppose an income tax as a reason not to support it is not going to solve our problem. The legislature has done plenty of budget cutting, to the point where it is negatively impacting the future health and vitality of our economy and citizenry. Nobody really wants to pay more taxes, but it is time. We have had a good run of great services at no direct cost to us. I think you will find that most

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State residents will support an income tax because it is the right thing to do. Please take my comments into consideration as you consider solutions to address our fiscal gap.

Dave Mesiar
15740 Wind Song Dr
Anchorage, AK 99516

I support HB 115 Education Funding Act. It's progressive income tax with a dedicated portion for public education is the best investment I believe Alaskans can make. It is time that all employees in Alaska, especially those who take their earnings to spend Outside, pay a fair share for the benefits they receive in-state.

Liz Downing
Homer

I encourage you to support an income tax for the State of Alaska along the lines of the proposal in HB 115.

The Senate has tried to close the state deficit to a great extent with budget cuts, but the cuts now targeted at things like education and public health services have reached the point where they endanger crucial state objectives such as development and public safety. The controversy and misunderstandings over the funding for Pioneers' Homes is only a symptom of that.

Both the House and Senate are agreed that Permanent Fund payments should be cut and capped in future. This is to all practical purposes an income tax, but a tax that falls more heavily on poor and lower middle class Alaskans, and proportionately less so on upper middle class and more affluent Alaskans. It only seems fair that an income tax with higher rates for people with lower incomes be balanced by an income tax that has higher rates for people at higher income levels.

Beyond fairness, the proposed income tax has other advantages as well. Under current tax law, Alaskans would get some savings on their Federal income taxes, so it has the effect of redirecting some tax revenue from the Federal government to Alaska. The tax would also raise some revenue from temporary workers from out of state.

The people of a state should take responsibility for funding its activity. It certainly provides an incentive to keep a closer eye on state spending. Most other states have income taxes, and the average rate under the proposed Alaskan tax would be relatively low.

Finally, the University of Alaska's Institute for Social and Economic Research has found that income tax increases will have smaller adverse state job impacts than budget cuts.

I have been an Alaskan long enough to have paid a state income tax, and I am willing to do so again. Looking at the rate schedules that have been published, I estimate my wife and I might pay taxes in the

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range between \$500 and \$1,000 a year. We won't like it, but we are willing to do it to help pay our share of state services.

Sincerely,

Ben Muse

4036 Ridge Way
Juneau, Alaska 99801

Please accept this note as my on-the-record testimony about HB 115. As a small business owner and long-time Alaska resident, I support the income tax bill as a reasonable way to collect revenues to offset the deficit faced by our state without substantially harming the future of the permanent fund. I would like to see it revisited in the future should other revenue sources increase to offset it when state government is operating at an efficient and reasonable level.

Please do not hesitate to contact me with any questions or comments.
Thank you for your representation and your attention to this important bill.

Bonnie Ivy
MANAGER
IVY & CO. ARCHITECTS

First, a thanks to you and all of the hardworking legislators who are tasked with solving our budget crisis. Your job is challenging, and I appreciate the long hours and collaboration you put in that are required to get things done in Juneau.

I write to express support for HB 115, the Education Funding Act. As a resident in my 20's, I intend to build my life in this state. In order to sustain the quality of life and services that I consider critical to remain here as a worker and contributing community member, we need to introduce broad-based taxes.

Like most Alaskans, I'm no fan of taxes - yet I recognize that if HB115 is implemented in its current form, Alaskans will still enjoy the second-lowest individual tax rate in the nation, while capitalizing on significant contributions from non-residents.

We need to enact a full fiscal plan this year to remove Alaska's uncertain economic future. Thank you in advance for your time.

Best,
Claire Pywell
Anchorage, Alaska
Cell: 907.202.3532

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Please vote for a sustainable and healthy future for Alaska and future Alaskans by supporting reinstitution of an income tax (HB 115), restructuring of the Permanent Fund earnings (SB 26), and restructuring of state oil taxes (HB 111).

I oppose further cuts to education and other essential services. We cannot cut our way to a healthy future. I believe the cuts have already been too deep in many areas.

Nobody loves paying taxes, but reinstituting an income tax will not cause the sky to fall. We used to pay it and we need to pay it again as one way to increase revenues to support a sustainable level of state services. I am willing to invest in the future of this state, and I know most Alaskans care enough to do the same, as long as it feels like we are all sharing the task.

The surest way to hurt Alaska's long-term economy and business sector is to once again fail to act, to let the uncertainty continue, and to fail to invest adequately in the state services that provide education, safety, a healthy environment, innovation and research. Please look to the future and be courageous and invest in building a strong future.

Thank you for your work. We are counting on you.

Sincerely,

Sally Rue
7083 Hendrickson Rd.
Juneau, AK 99801

I have lived in Alaska since 1969 when we did pay a tax to support education. It is time that AK citizens step up and pay for the services which we have been enjoying. I support balancing the budget by a combination of tax revenues including an income tax. Please do your jobs this year and do not put off a fiscal plan yet one more year. Pass HB 115 now.

Sincerely ,

Deborah Smith
41589 Spruce Knoll St, Homer, AK 99603

We have reached the tipping point. Since 2013 40% has been cut from the state budget. The education and social services cuts in the Senate proposal go too far. It is time for Alaskans to contribute to our state to support essential services. I have done the calculation and I am willing to pay a 4% income tax. Balance the budget now and don't rely on the pipe dreams of new oil and higher oil prices. I support HB 115.

Kathy Scott
3832 Deborah Lane Anchorage, AK

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I have testified many times on the value of early childhood education, I have shared data on the high return on investment we all receive when we support education. All of this has been deemed unimportant to you. So now I am talking to you as a business person who runs a business in Anchorage that depend on highly skilled people from both in Alaska and from outside.

I am experiencing a crisis-one in which my skilled staff are rethinking their staying in a state where the things that are important to them are not valued by the state lawmakers. They are concerned that their children will not have the same quality education as children in other states because you are concerned only about cutting the budget without giving the people of the state an opportunity to invest in what is important to them.

I fear a statewide brain drain is underway. The best and brightest in our state are leaving our schools, universities, government offices, transportation and commerce centers because the foundation and infrastructure of our communities is being threatened. Why would they stay here and suffer the consequences of short sighted quick fixes instead of a thoughtful long term vision that will support the state into our next generation and beyond.

Please stop the cuts to education, early childhood programs, services for the most vulnerable Alaskans in the disability community. **CONSIDER THE VALUE AND NOT JUST THE COST.**

I support a balanced approach that include PFD earnings and an income tax for the following reasons:

- Sales tax has a greater impact on individuals in lower income categories
- Income Tax captures all income earned in the state-slope and fishing workers who come to the state and take resources without contributing to the infrastructure of the state
- More clearly defines what each person/household would pay
- Supports a long-term solution to paying for the quality of life all Alaskans deserve
- More cuts are only get us through right now and next year we will be here again. The cost of doing business increases each year and we can't afford to further erode the infrastructure of the state but cutting incrementally each year.

I respectfully request that you put more value in doing what is right instead of being right. The state is depending on you.

Amy Simpson
19519 N. Montague Loop
Eagle River, AK 99577

Please, please have the courage and foresight to support an income tax so our education system does not suffer any more.

Charles Wolforth wrote today about the cuts that already have done to the UAA. I can attest to the importance of a good college in Anchorage. I was able to earn a BFA in graphic design at UAA. As a result I became productive member of the work force in that field for over 20 years. Had the program not been available this would not have been possible as I had a family and was working part time. And you know

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many who can say the same thing, This university was on the way to be amazing. Let's keep it going in that direction.

Recent cuts have affected all education both in Anchorage and rural Alaska. Listen to your constituents and to the state citizens as a whole.

Thank you for your time.

Mary Spalding
5406 W Dimond Blvd No 3
Anchorage, AK 99502

Please support HB 115. I am willing to pay taxes to support health, education and to help balance our budget. Please take party politics out of this debate and think of Alaska's future.

Sincerely,
Nancy Bloczynski

Alaskans are strong, resourceful, independent people! We do NOT want to be dependent on any specific for profit business. Support HB 115.

Respectfully,
Christine & Martin Niemi
Juneau, Alaska

I strongly support HB 115 and urge your support as well. This bill, in combination with restructuring the oil and gas tax credits and protecting the Permanent Fund are critically needed at this time in order to preserve our collective quality of life in Alaska.

Thank you for your work on this issue.

Sharon Baring
Fairbanks

I am writing from Homer to say I support HB115.
Let's reinstate an income tax and keep more of the money earned here, helping here!
It works in so many other states. Let's get it going here.

Thank you,
Susan Post
65234 Diamond Ridge Road
Homer 99603

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I've read several editorials from state Senators about how the income tax could potentially reduce jobs, but no one on the Senate side is willing to admit that the drastic cuts in your budget plan is guaranteed to eliminate jobs, both in the public and private sectors. We are currently in a recession because of the cuts you have already made, please don't make it worse. I support the income tax as the most fair and balanced option.

Sincerely,

Carl Dierking
Juneau, AK

I am in full support of the of HB 115. This tax is one piece of the puzzle of solving the budget crisis and not ignoring it.

HB 115 is recognizing out-of-state workers to help fund essential state services. In 2015, the state had more than 90,000 out-of-state workers accounting for \$2.7 billion in untaxed earnings. This is ridiculous that we are not tapping this resource. We can not continue to believe cutting the state budget alone along with relying on using PFD earnings are our only choices.

The bill would raise an estimated \$687 million in revenue once fully implemented and would designate the proceeds of the tax to the Public Education Fund. Approximately \$80 million of the tax would be collected from non-residents.

Thank you for your time,

Vivian Rojas
Seldovia AK 99663

I hope that you will consider supporting a state income tax.

I have been an Alaska resident since 1981 and support the level of service provided by state government. We live in a society, and society and the services provided by government are paid for by it's citizens.

Thank you for for the time that you have spent in Alaska state government serving the people who live in Alaska.

Glenn Hollowell
38859 Fritz Creek Valley Road
Homer, Alaska 99603

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I am writing in support of HB 115. I believe that any budget planning should include the tax plan as proposed rather than all the cutting that the Senate is proposing. I am NOT in support of all the cuts to education- both at the K-12 level and the university nor do I support elimination of the AK Academic Performance Scholarship. I am thankful that my children were able to enjoy and reap the benefits of quality education in AK and I would want future generations to have the same opportunity. It is what makes Alaska a better place to live and work. I have written to Sen Coghill and Kelley regarding this; I think they are not acting in Alaskans interests when they offer cuts and oppose taxes. The tax proposed under HB 115 is minimal and would be one of the lowest in the 50 states.

Sincerely
Margaret Mannix
2115 Toboggan Lanes
Fairbanks AK 99709

I've worked in the oil industry for almost 30 years, all in Prudhoe Bay, and my experience causes me to believe the price of oil will remain in the \$45-\$60 range. Oil above that price will allow huge reserves in the States, currently not in production, to become profitable and go into production. Fracking oil wells has changed the global economic picture which has caused us to rethink how we will pay for the public sector services we want. It's been a great 35 year run but those days are over.

I want good schools, my 3 adult daughters all graduated from Anchorage High Schools, went on to graduate from colleges and now have jobs they enjoy and are meaningful.

I want a dependable and predictable revenue stream for the State and therefore agree with the House Bill that caps the PFD and creates a State Income Tax. Attempting to solve our budget problem through more cuts is the wrong approach. I work with many people in Prudhoe Bay who don't live in Alaska, having an income tax will allow them to help us solve the problem.

Please solve this problem, I don't like creating an income tax, but will accept one for the good of our state. FYI, I work in the private sector and do not depend on public money to earn my paycheck

Thanks,
David Johnson
1640 Crescent dr
Anchorage

I am writing because I am opposed to the significant cuts to education that are occurring in Juneau right now. Our public education system is the greatest resource our state has, and the cuts proposed in the legislature are highly detrimental to our community. I believe that the full \$70 million in cuts needs to be put back in the budget for education. I would support adding additional funds for education. I have two students attending public school in Anchorage. I have witnessed highly talented and dedicated teachers and administrators ever since my oldest started kindergarten in 2007. I have heard the easy cliché that adding money will not solve problem, but there is no possibility of providing an excellent education without adding money. Good schools are not cheap. Our budget reflects our values

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(I read this comment by Joe Biden). My values are in the children of this state, and providing a pathway for every child to an excellent education. I have never experienced wasteful attitudes in my children's school or classroom budgets. I believe that the legislature must pass a revenue bill that adds an income tax, restructures the oil tax, and restructures the PFD earnings. Paying taxes is the cost of living in a society that works for all. I am willing to pay taxes to keep this state's education system strong. I urge you to stand up for children and raise the revenue necessary to provide a good education.

Sincerely,

Jennifer Wagner

Thank you very much for listening to all the citizens, including myself, who came out last night to testify on HB 115.

Many of the people who spoke in opposition to HB 115 brought up excellent points and I now have a better understanding of why people are opposed to a modest, progressive income tax. However, I mostly heard people objecting to paying for public services through a reduced PFD and a progressive income tax because they feel that the budget hasn't been cut enough yet. We remain unswayed by that argument, having seen the state budget cut dramatically in each of the past four fiscal years. We cannot get to a balanced budget by continuing to make cuts to education, public safety, resource management and other services that we all collectively benefit from.

After using the tax calculator provided by the Senate Majority, I see that most families would pay less in income tax than they will receive from their combined PFDs.

It is time to end the entitlement culture in our state and for all of us to contribute towards the services we share. HB 115 is a comprehensive and balanced response to our state's budget shortfall.

Thank you for your attention and for your service to Alaska.

Respectfully,

Claire and John LeClair

Here are a couple more thoughts on HB 115 that I failed to include in my e-mail yesterday. What happened to the relatively simple approach to calculating the state income tax originally proposed by Representative Seaton where the tax was a percentage of your federal tax? Now we have a rather convoluted approach that will require a number of new staff to track and verify.

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If we must have an income tax, let's keep it as simple as possible to minimize the confusion, opportunities for error or fraud and increased administrative costs. I still oppose HB 115 and ask that you not implement it and I oppose a state income tax without some real cuts to the state's spending.

Thanks for listening.

Respectfully,

Charlie Franz
Homer

We need this income tax bill passed! Does anyone even have a clue as to how many jobs are held in this state who do not live here? They are contributing nothing to the cost of services they all enjoy on a daily basis. I had countless numbers of coworkers commuting to very high paying jobs on the slope then returning home to their families in the northwest while making very rude comments about the politicians taking our pfd money to pay for services they enjoy every time they fly up here.

Employers are paying their airfares to and from the slope!!! I had several coworkers that sold their homes in Anchorage to escape the astronomical high property taxes to go live in the south but continue to work high paying slope jobs! Then they return to work each time and brag how much cheaper it is to live down south. Is everyone in Juneau BLIND !!!!!

I know you are too busy putting out fires to respond to this letter but it is ONE HUNDRED PERCENT TRUE! I know there are well over 50,000 jobs held statewide by nonresident workers. It is time for them to start contributing!!!

Alan Bankston

Thank you for your time, energies, and desire to thoughtfully, tirelessly, and heart fully representing the advocacy of peoples of Alaska. Following the considerations of other proposals of revenue solutions to resolving Alaska's debt paired with the considerations of reform to our federal taxes, I am not in favor of a State income tax. I believe a State income tax would have a long term domino effect on the state's economy folks having to pay more in taxes would have less to spend and our social services and health care would have more demand. As an Alaskan Pioneer, I am in favor of an education tax for all people. I have lived through the era that saw its effectiveness of providing more revenue for education freeing up other revenue for necessary services.

Thank you for considering my input.
Karyl D. Lindegaard

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I favor the income tax, reduced or eliminated PFD (means test it or eliminate it), and reduced tax credits for resource extraction. Also tax minerals and fish!

Support HB 115!

Richard Steele
1507 2nd St.
Douglas, AK 99824

I am writing because I am very concerned about the budget crisis in our state. It appears that Republicans, especially in the Senate, are trying to play a shell game with the budget. Alaskans are not stupid. Talking to people around town, every day more and more see the need for changes in SB 21 and the need for an income tax. We are in a recession and it is only going to get worse with more cuts. We have had a free ride for so many years that some people now consider the PFD an entitlement rather than state-funded welfare for all.

HB 115 attempts to provide a long-term solution to our budget with a combination of increased taxes on the oil industry, a cap on the PFD and a low income tax, which would generate some revenue from those who work here but live elsewhere and at present pay nothing. It is not a perfect bill but it is a good starting point. Unfortunately those in the Senate refuse to even consider an income tax or substantive changes to SB21. As long as they won't even consider compromise we will end up in the same situation as last year: repeated extra sessions that defer the major decisions for another year.

The cuts the Senate are proposing, with the exception of education cuts, are pretty much smoke and mirrors: moving funds from one account or program to another. RE the education cuts: we cannot afford to put the future of our great state, exemplified by students, in the jeopardy that would be caused by the huge cuts the Senate is proposing.

The big cuts have already been made. Any further cuts will only make the recession worse and last longer. From talking to many people I see another reason why we need an income tax. Many people, if not the majority, do not pay much attention to what's happening in Juneau other than proposed changes to the PFD. If the income tax is reinstated people would have a greater stake in what the legislature is doing because they are helping to pay for our government. We cannot continue to give the oil companies whatever they want. As legislators I urge you to consider the people in your district as your true constituents rather than the oil companies who pay to get you elected. Nothing less than the future of our state is at stake.

Jamelia Saied
Anchorage

I am writing in support of HB115. An income tax is the most equitable method of apportioning costs based upon use of services and ability to pay. HB 115 is a well-thought out mechanism, basing the income tax on the federal adjusted gross income and providing deductions for activities that will

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advance the state's economy. I believe that HB 115 will provide better long-term effects on the state's economy than simply cutting state government to the bone.

A number of legislators and their constituents have expressed concern that imposition of a broad-based tax would stifle an economic recovery or worsen the current recession by driving business out of the state. What is driving business out of the state is the state's poor bond rating, the direct result of the legislature failing to act responsibly for the past several sessions. A quick review of the aftermath of the worldwide "Great Recession" of the late 2000s indicates that states and nations that cut spending during recessions to match revenue recovered more slowly than states that allocated funding towards both short- and long-term growth.

The adverse effects of reductions in state services and impacts to the state's bond rating as a result of inaction and deep cuts appear to far outweigh the fear-mongering by various groups that taxation would drive business out of the state. It would seem, looking at history, that increased government spending during a recession is necessary to protect the state and its industry from recessionary damages.

There is a debate to be had regarding what is the appropriate size and function of the government. According to some legislators and their constituents, any size of government that they must contribute to is too much. When someone states that if state government is still functioning then there must still be room for additional cuts, they are effectively anarchists, bent on destroying Alaska. Cutting state government until it is no longer functional is foolish, especially since many cuts already made will not produce negative effects for several years. You can defer maintenance and long-term projects for a while, but in the end it will cost more. Just ask BPXA how much the deferred maintenance on the North Slope flowlines during the 1990s cost them in 2006. I think that we have made significant cuts to the state budget, and that additional cuts are unwise until such time that the effects of the current cuts can be measured.

If we are to have a functional state government, then it seems reasonable to diversify the revenue streams funding it, rather than being dependent upon the vagaries of a single (oil) revenue source. When I came to Alaska a popular bumper sticker read "God, give us another oil boom, we promise not to piss it away like the last one." A fiscal plan that relies on burning through our savings accounts on the slim hope that oil production and price both increase in the near future is akin to an unemployed oil field worker buying lottery tickets in hopes of paying their mortgage.

Many commenters, both in print and at the public hearing, are opposed to any taxation, calling it a taking by the government of what is their money. Taxation is not a taking, it is a method by which responsible members of a civil society apportion the costs of the services that society provides to its members. I view not supporting an income tax as being irresponsible, a shirking of your duties as a citizen.

An income tax would also ensure that every tax-paying Alaskan would have a vested interest in efficient government. As it is, there's a lot of whiners out there complaining about state government but if you aren't paying you have little incentive to actually force change. A lot of people will happily spend someone else's money with oversight, less so their own.

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A broad-based income tax is the best solution available at the present time to both diversify the state's revenue stream and avoid pissing away the state's savings accounts. It's also about the social contract that holds Alaska together. Either we, as Alaskans, agree that we have civil obligations and responsibilities for the overall good of Alaska, or we, as (childish) individuals, decide that our own selves are of sole importance and Alaska devolves into a winner takes all colonial system that places selfishness above selflessness.

Craig Wilson
4100 Blackerby Street
Juneau, AK 99801

I would like to voice my support for HB 115. I am a constituent, an active voter and young private sector professional in Anchorage. Alaska has relied too long on oil revenues and we need a comprehensive fiscal plan based on diversified revenue sources. I would be more than happy to pay to sustain the services and programs that support the economy and quality of life here. We have waited too many years to resolve our fiscal gap and are at a critical tipping point. All other states have some sort of state income or sales tax. If HB115 is implemented in its current form, Alaska will still have the second lowest individual tax rate in the nation; it's time for residents to start contributing toward our state government, just like every other state.

The legislature and Governor Walker have made billions in cuts over the past three years. Further cuts jeopardize our communities, our local economy, and the organizations that serve the entire state. I especially oppose further cuts to education; we need to be investing in young people and developing our educational institutions, not making more cuts. University of Alaska students are paying more and receiving less, which discourages our brightest minds from staying in the state to pursue higher education. I have also personally felt the burden of our cuts - for example, I regularly visit the DMV's downtown branch in Anchorage, which was recently closed.

I support progressive revenue measures and sincerely hope you choose to support HB115. The primary constitutional responsibility of the Legislature is to create a state budget, and establishing new revenue sources is the only way to accomplish this without creating further harm to our economy or putting the PFD at risk. If the legislature is not able to establish a sustainable budget this session I will be sure to actively campaign for new leaders who are willing to make tough decisions and implement a sustainable budget.

Thank you for your time,

Molly Mylius, Anchorage

I strongly support passage of HB115 to implement a modest income tax to help close our fiscal gap. Income taxes are the worst way to fund government - except for all the others. Further cuts will come at the expense of basic state services, and I am especially concerned about the loss of K-12 and University of Alaska funding. We need stability and we need to prevent further erosion of our capacity to deliver quality education and training to our young people. Without a broad-based tax, we will be

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forced to continue to slash basic services and we will put our economy into a death spiral. There is no other state in the Union without some kind of broad-based tax and Alaskans likely enjoy the lowest tax rates in the developed world. Paying a modest tax (4th lowest the US) is not too high a price for keeping Alaska a great place to live, do business, and raise a family.

Thank you.
Philip Martin
3813 Old Nenana Hwy
Fairbanks, AK 99709

I support the implementation of a state income tax. I don't think that state agencies can have their budgets cut any further. Prior year's cuts have already done damage, particularly in K-12 and at the University. We had a state income tax not that long ago and businesses and individuals functioned fine with it then. I remember and I paid a state income tax. It's time to re-institute it.

Sincerely,
Kristine Benson
Juneau, AK

I am in support of HB 115.

While no bill is perfect it is the only thing on the table right now that closes the state deficit and puts Alaska on the road to financial stability.

I am willing to pay an income tax because I support a fully funded public education system.

I am willing to pay an income tax because I support a fully functional safety net for Alaskan seniors and the most vulnerable in our state.

I am willing to pay an income tax because I support fully funding our drug treatment programs for those that need it.

I am willing to pay an income tax because the state troopers and city police that put their lives on the line for Alaskans every day for us need stable funding.

I am willing to pay an income tax because I recognize the need to diversify our revenues are way overdue.

I am willing to pay an income tax because the millions of dollars of cuts that have taken place in state government and cost shifting to our local government has already had effect on the services to our communities.

I am willing to pay an income tax because we are the lowest taxed state and its time we pay our fair share just like they do in other states and those that don't live here but profit by working here can pay their fair share too.

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I am willing to pay an income tax because when I moved here in 1975, I paid both an income tax and school tax and I am appreciative of years of a tax holiday but I look forward to a more stable investment economy in which to live.

I am willing to pay an income tax because we can no longer rely on just one method of revenue.

Because of those reasons and more I urge you to pass HB 115 for a big picture solution to Alaska's financial future.

Respectfully,
Terry Snyder

I strongly support the House Plan on income tax. I think the fat has been cut from agencies and our University. I want strong funding for education, state troopers, DOT/PF, and HSS.

Please support HB 115-a balanced measure to compliment the PFD restructure.
Thank you for your service.

Lynne Woods, Sutton, AK

I tried to come to public testimony last night but the time was changed. I am Lauren Seaton of Homer and I am representing myself. I am a public school teacher with the Kenai Peninsula Borough School District and I have been told directly that if the Senate makes more than a 1% cut to education then I do not have a job, so needless to say I am pretty invested in this legislation.

I can understand if this type of cut is what is best for the state and I will walk away and find some other way to inspire children for our future, but I whole heartedly do not believe that continued cuts to our already slimmed budget is the answer. I can also understand the fear and complicated issue of imposing unnecessary taxes, but let me urge you these are not unnecessary. To speak about the constituents on the Kenai Peninsula, I am Paul Seaton's daughter in law so many people talk to me about his plan, and it is overwhelmingly positive. They are so disgusted with the Senate as of now because of the manner in which you are handling the situation. I am ashamed of you.

If Alaska wants to remain competitive with K through 12 education, we must not make more cuts to the school system. Our students are already under--prepared for graduation and feeling a lack of support, and having more cuts will not help the situation. If we want to still have a reputable university system, we cannot sustain continued budget cuts. The more cuts the university takes, the less desirable it is for high school graduates and the more will want to leave the state. At our high school, it is more of a rarity for students to stay in state than to leave, and that is partly due to the uncertainty of the strength of the university programs.

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If you want to oppose this bill, then please do so with a reasonable alternative broad based revenue plan ready for Alaska's desperate needs. Do not consider cuts to be a viable option instead.

Sincerely,
Lauren Seaton

I am a working adult, have lived in Alaska for 36 years, and support a state income tax as a way to equitably fund services. I oppose any further cuts to education, the university system, early childhood initiatives, libraries, Fish & Game, resource protection, the court system, medical care and social services.

Thank you for finding a way to protect the government services that allow Alaskans to maintain quality of life, support families and elders, foster economic vitality, and give us hope for the future.

Regards,

Ann Dixon
Homer, Alaska

Please support HB115. I paid an income tax long ago and I'm willing to do so now in support of education, the University, and a solid fiscal plan.

Rick Caulfield

--

Rick Caulfield
15205 Point Louisa Road
Juneau, AK 99801

I urge you to do everything possible to pass HB 115 because an income tax is a prudent action. Providing sound and consistent funding to public education is a responsibility of the state. It is not a discretionary expense, it is mandatory expense. Cuts and more cuts have already happened. How can anyone think quality is not jeopardized with additional cuts. How can we attract businesses and grow as an economy? That makes no sense.

I urge you to restructure the Permanent Fund and use some of this wealth to help fund state government. Does anyone really argue against this? I find that completely shortsighted. I get the argument that this alone is not enough. So, do this and add the income tax.

Just thinking about downgrades to our state's bond rating should be more than enough motivation to add these revenue streams.

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I appeal to you to step up and be a unifying force. Our common goal is a solvent state that can thrive and grow. Add income streams and be proud - you will find that more people support you than you might think.

Quoting Rep. Andy Josephson:

Finally, if you're in business, whether large or small, ask yourself this question: Do I want to see the Legislature return in January 2018 with at least a \$700 million deficit, and be left to wonder for the fourth successive year whether and how politicians expect or hope to eliminate that deficit? Or, do I want to put this matter to rest, conservatively and predictably, so that we Alaskans and our businesses can see the future, and once again plan and dream?

Respectfully,
Karen McBride

Senators,

I'm an undeclared voter who never misses an election. I strongly support a modest income tax to provide sufficient income for Alaska to support education from kindergarten through the UA system. We need to invest in Alaska, not keep cutting while spending our savings accounts. Please act responsibly and accept the idea of an income tax so we can invest in our state.
Thanks for listening.

David Nebert, Fairbanks voter

I waited for quite a few hours to testify to your committee, but, the amount of people who were still in line to testify finally wore me out.

I want to thank you and the committee for your patience in listening to hours of testimony, good or bad. There was a certain amount of irony concerning some of it, such as the woman from Wasilla speaking on behalf of Real Estate business in her area, about how an income tax would cost them business. I was working for the University when draconian budget cuts were implemented in the 80s. The opposite was true for the Real Estate Market among other things.. Budget cuts at this time equaled job cuts. Job cuts equaled less money spent in the economy and the cuts finally reached a tipping point. Because people were either being laid off or had to face salary cuts, a lot of them walked away from their homes. There was no Real Estate Market because the banks owned too much property and you couldn't sell your home for what you paid for it, either. In fact a lot of banks failed because they too had no way to rid themselves of all of the property that was now theirs. There were a lot of empty buildings sitting vacant for quite a few years. It took approximately ten years for the economy to come back and those of us who stayed had to deal with rising costs on a stagnant income.

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I've lived in this state since 1968 and I too started out paying an income tax on my starting wage of \$3.86 an hour. I felt and still feel that it's my civic duty to support all of the things this State has to offer and don't want to see anymore cuts. I also am in favor of eliminated the credits the oil companies are receiving. We can't afford any more problems created by budget cuts, like not enough State Troopers, etc.

Please pass HB115, it's time we reinstated a State Income Tax.

Suzette Mizelle

I am a 33-year long resident of Douglas, Alaska, in House District 33 and Senate District Q.

I am writing to express my full support for reinstatement of a modest state income tax in Alaska. It is critical to close the budget deficit with increased revenues. Before oil revenues, we had an income tax to support state services. We were fortunate to have had substantial oil revenues to fund state government for many years. However, now that oil revenues can no longer support the budget, we all need to pay our fair share for services that we deserve and expect, just like we did before the oil. An income tax is ideal, as it collects taxes from the large number of non-residents who make up a massive seasonal workforce in Alaska. These non-residents should help pay for the services that they receive for free, as well. It is critical now to increase revenues to avert a deeper recession that would inflict major long-term damage to Alaska's economy. A modest income tax will provide a common-sense revenue stream that will help allow maintenance of vital programs in the face of steep declines in oil production and severely depressed oil prices. A "cut only" approach would be a major disaster for Alaska and Alaskans.

Please pass a income tax as part of a balanced fiscal plan, as endorsed by the House. Thank you for your consideration.

Sincerely yours,

Gordon Kruse

Please, please **Balance the Budget!** Alaskans need a stable, sustainable economic path forward. We need to stop hemorrhaging.

I support HB 115.

- I support using the Permanent Fund.
- I support an income tax.
- I have supported all the cuts made but enough. More reductions will undercut our economy.

The current cuts to education are drastic. Many, many jobs will be lost.

We used to have an income tax. We used to have a school tax.

Balance the budget now. The lower Bond rating for Alaska is stupid.

Claudia Anderson

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It is 10 pm and we have been watching the hearing since 6:15. I applaud the patience of all members of the Committee. Chairman Costello has been extremely kind to all those testifying.

We continue to support a broad based solution to the budget crisis. This includes the income tax. We have raised five children all of whom have attended Alaska's schools. We are planning to remain in Alaska even though now retired. An income tax will not change that. Alaska is a beautiful state, and we all need to do what we can to keep it that way.

Thank you all for working for Alaska.

Sincerely,
Bob and Judy Andree
Juneau, Alaska

P.S. We like the whimsical blue sheet of metal in front of the Museum!

Please support HB 115, so that we may provide our children with quality education and a healthy future. Thank you for your time,

Cheryl Illg
Homer long time resident

I am a lifelong Alaskan and I support HB115. I have followed the committee meetings, hearings and floor sessions on various versions of the Four Pillars plan and the Senate's PFD-only plan on Gavel Alaska. I have also followed Alaska's budget debates closely online and in print media. After a few years of much debate and little action taken, I am convinced that HB115 best addresses Alaskans' needs and that it must be passed this session. Please recognize HB115's fairness, logic and compliance with Article 8 Sec. 2 of Alaska's Constitution and do all you can to usher HB115, a logical and complete budget solution, through the committee process and pass and send it to the Governor by the end of this session.

Barbara McDaniel
1040 N Craig Stadler Loop
Wasilla, AK 99623

I think Alaska needs to institute an income tax so that we can maintain services that are properly due from government, such as support of public education and University of Alaska. There have already been cuts that stripped out all fat from these entities. How can Alaska grow its economy and retain its population without quality educational institutions?

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The state also needs to have a budget that allows us to shepherd its wonderful natural resources through state agencies, especially since this does not seem to be a priority for the federal administration. Most states have income taxes, and Alaska needs income taxes too, now that our oil severance fees can no longer support critical services. You have my support to be responsible for safeguarding our quality of life by instituting an income tax.

Kathleen Kreiss, MD
713 Etolin Street
Sitka AK 99835

I am writing to express my strong support for HB 115. Until I moved to Alaska in 1998, I always paid a state income tax and did so proudly.

The time has come for Alaskans to accept the fact that we can no longer depend on oil as our main source of state revenue. We cannot cut our way out of this deficit without drastically hurting very basic services. The Senate budget is a disaster with all the cuts to education and other services. If you want to keep Alaska strong, we must have a broad-based income tax like so many other states in the country. You will not hear me threaten to move if you pass HB 115; I will gladly pay an income tax to help fund education.

Listening to testimony this evening, I believe many testifying against HB 115 don't understand it. I heard many low income and working class people, like myself, say they couldn't afford to pay a state income tax. To see what I would have to pay, I filled out the form available to determine my state income tax burden; it's a few hundred dollars. I consider that an extremely small price to pay for keeping our state services such as education, DOT, Pioneer Homers, etc., at full funding. Please pass HB 115 for the good of all Alaskans.

Regards,

Michele Vasquez
Soldotna, AK

We DO SUPPORT an income tax !

Greg and Carole Demers
Anchor Point, AK

I am not against an income tax if it is a simple, fair tax. A flat rate tax that does not include social security or the PFD. Before he retired my husband was a construction superintendent for water and sewer projects in the villages. Too many of those positions are held by non-residents who take their income home without spending a dime in Alaska. I believe many of the slope and fishing jobs are the same.

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I also object to the raiding of the permanent fund and the spend spend spend mentality of the democrats (including the turncoat republicans). We need to cut spending.

Thank you,

Tamara Reiser
Homer Resident

Full disclosure. I work in the school system. But this message is not simply an attempt at saving my job, nor my colleagues’.

I have been a school counselor in Alaska for 11 years and currently serve 4 schools in the Homer area. I have seen recent budget cuts directly and adversely affect Alaskan youth. There is only so much “fat” you can trim. Further cuts would be devastating. As legislators, please remember the long term impacts of current decisions. Cutting education might help the current deficit, but it would be at the expense of the future of our state. Young people who need the structure, consistency, expectations and professional instruction that public education provides would be forced to go with much less and would become adults who are ill-prepared to take care of themselves, let alone contribute to society and to the economy.

The fortunate and privileged children of well-to-do families would be likely to weather this possible storm, but so many of their classmates would not. Education, just like government, is supposed to serve everyone. Please don’t make our children and grandchildren and their friends and neighbors settle for mediocre to poor opportunity. These kids get one shot at a quality education and the foundation for a successful career and life.

Please consider other revenue streams, like a state income tax, which should be an elevated percentage for workers who earn money in our state but who cannot prove they are year-round residents.

Thank you,

Paul Story

The Institute for Social and Economic Research at UAA has determined that continued government cuts in the magnitude contemplated by the Senate would have twice the negative impact on jobs and the economy than a broad-based tax.

Any fiscal plan will include some sort of reduced permanent fund dividends, which disproportionately affects low-income and rural residents. An income tax will help balance the total impacts of new revenues, and ensures non-residents contribute to the solution of Alaska's economy.

Without a broad-based tax as part of a diversified revenue package, the State of Alaska cannot support future private sector economic expansion. As the economy grows, so does the population and the need for public safety, schools, roads, and other essential public services. Without a broad-based tax that can

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tap into the economic growth to help fund these additional expenses; the state will not be able to support the future we want for our children.

Thank you for your time and for your support of HB 115.

John Heimerl, MD
4040 Marquis Way
Anchorage, AK 99502

I am urging you to support HB 115 for the future of our generation and generations to come. We need to enact a full fiscal plan this year to remove Alaska's economic uncertainty and promote the private sector investment necessary to arrest the current recession. As you stated in your latest update, "Alaskans want a healthy economy and we want to remain here and continue to send our children to schools here, rather than lose jobs and have to move outside."

The Institute for Social and Economic Research at UAA has determined that continued government cuts in the magnitude contemplated by the Senate would have twice the negative impact on jobs and the economy than a broad-based tax.

The cornerstone to any fiscal plan will include some sort of reduced permanent fund dividends, which disproportionately affects low-income and rural residents. An income tax will help balance the total impacts of new revenues, and ensures non-residents contribute to the solution of Alaska's economy.

If HB 115 is implemented in its current form, Alaskans will have the second-lowest individual tax rate in the nation -- and the lowest tax rate in the nation if the PFD is taken into account.

Without a broad-based tax as part of a diversified revenue package, the State of Alaska cannot support future private sector economic expansion. As the economy grows, so does the population and the need for public safety, schools, roads, and other essential public services. Without a broad-based tax that can tap into the economic growth to help fund these additional expenses; the state will not be able to support the future we want for our children.

Thank you for your time and for your support of HB 115.

Best,

Heidi Heimerl
4040 Marquis Way
Anchorage, AK 99502

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I support HB115 as is needed to help pay for needed services including public safety & education. It also is a way to get out of state workers to pay something in return for the services they use and the money they take out of our State. Thanks for your consideration.

Dave Gardner
2236 Alder Drive
Anchorage 99508

I am a retired Lutheran pastor, I run a small business, and I am the proud father of two children at Pearl Creek Elementary school in Fairbanks. I have home-schooled my kids for a couple of years, and have decided there is nothing better than the public school system for helping them find happiness and success in their future lives.

Our schools are top notch, or were. Many of the aides and assistants who made things work at Pearl Creek have been let go. The FNSB School Board made it a priority to maintain classroom size by retaining teachers last year, with the budget cuts that came down. But the infrastructure of the classroom has been harmed. And my children's education as well as their options have diminished.

And that, for no discernable reason.

I am very angry at the legislature, the Senate especially, and Senator Pete Kelly in particular, for holding the state hostage to an ideology which is opposed to appropriate taxation. We Alaskans need to step up to the plate and pay for the services we receive. The damage being done to our public schools, not to mention our once great University system, is a disgrace.

I read about this kind of boneheaded economic policy which grants breaks to industry (oil) and cripples services (Pioneer Homes, healthcare, childcare, schools). They are doing it in Texas right now:
<https://www.nytimes.com/2017/04/20/opinion/texans-gone-wild.html>.

The article could serve as a report on Alaska at this very moment: "the only thing standing between Texas and the Middle Ages is the (Texas) House (of Representatives)..."

They did it in Kansas (<https://www.usnews.com/opinion/economic-intelligence/2014/06/13/kansas-republican-tax-cuts-are-becoming-a-total-disaster>), and their public school let out six weeks early last year because the money just "ran out." Nice. If this is some asinine scheme by the Senate to promote vouchers and private schools, then me and my family are out of here. This is not our idea of a civilized state!

The Senate must relent. Institute an income tax. Enough conservative bluster, grandstanding with gutting government and services.

Instead: eliminate all cuts in the Operating Budget, from Pre-K, K-12, through the University.

Develop a comprehensive fiscal plan, including revenues from an income tax, so that public education has funding certainty.

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Stop holding my children hostage to your pseudo-libertarian idea of cutting services to the bone while cozying-up to big corporations to dine on our resources (as citizens pick up the tab).

Sincerely,
Rev. Jeffrey A. Merkel
1953 Swallow Drive
Fairbanks, AK 99708

Please put income tax in place as a way for Alaska to recoup our investment in education, tourism, and transportation. Establishing such a revenue stream will make the government accountable-- No investment. No revenue—and allow for decisions to be made based on the economic bottom line. But most important to me, income tax revenue would pay for services essential to my business.

Please pass HB115

Thank you

Elizabeth Newell

I am writing today as a citizen, a constituent, a federal tax payer, a property tax payer, and someone who sincerely wants to begin paying a state income tax. I was born and raised here in Alaska, then left for 12 years to further my education and experience other cultures. I chose to move back in 2012 because there were ample job opportunities and because Anchorage looked like the type of community I wanted to serve.

I support HB115. I support restructuring the Permanent Fund, I support reforming oil tax credits, and I especially support implementing an income tax. Please, please tax me.

A plan that uses only Permanent Fund earnings is not only shortsighted, but it also disproportionately impacts our lower socioeconomic and rural brothers and sisters. Additionally, the Senate plan of making up the rest of the deficit (\$800M!) in additional cuts is unsound, unrealistic, and does not lead to the type of community I'd like to call home.

An income tax distributes the costs of running our State services in a much fairer way, among those of us who can manage it and those folks working here but living out of state. I would be so happy to pay for the programs and services that make Alaska a place I'm proud to live.

People keep talking about people leaving if we implement an income tax; HB115 will cause Alaska to have the second-lowest individual tax rate in the nation, so I'm not sure where all those people are going to go, but they won't find a lower tax rate (taking the PFD into account, we are lowest).

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I would be sooner to leave the state if we continue to try to balance our budget on devastating cuts to the programs and services necessary to effectively run the State, or trying to make up the entire difference with the Permanent Fund, which is a much more regressive solution.

Please implement a personal income tax. Please allow us to maintain what we have left of the government programs and services we have, further cuts to which will mean fewer jobs and higher costs when the people served by those programs end up in a crisis (crises always cost more than prevention). The surveys are in - the majority of people agree that we need new revenue and are open to a personal income tax.

Please support HB115. Please implement a personal income tax.

Thank you so much for your time and service.

Tiffany Hall

I am support of HB115. Alaska needs to get its ducks in a row, without harming the Alaskan soon-to-be-adults who are presently in school. As a retired primary school teacher, I see the importance of a solid, caring foundation for young children, which means NO reducing of class sizes, and NO laying off of teachers and teachers' aides. Please, let's have an income tax!

Dianne Herman
PO Box 84,
Cantwell, AK 99729

I am a teacher. I've heard the lines about waste in schools and I must say...I would like to know what "waste" legislators are referring to. I can tell you that teachers and schools are having to provide more services to students due to poor parenting, poverty issues, more FAE and FAS students, a plethora of disabilities and so it goes.

I was perplexed as I listened to Representative Pruitt stand on the house floor and argue against the proposed income tax because schools are failing. I am on the front lines, and I am reporting that more cuts to education are not the answer. Cramming more kids in a classroom with behavior issues and disabilities is not the answer. Cutting classes and programs that make students less competitive is not the answer. Cutting back on educational materials is not the answer.

I urge you to support the proposed income tax that allows for more fiscal certainty in the Alaska educational systems Thank you for your consideration,

Andrea Lang
andrealang827@gmail.com
1351 Early View Drive
Anchorage, AK 99504

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

I urge you to join with your statesmen and women of the House and support HB 115 as it moves through the Senate.

Alaska has desperately needed a sustainable fiscal plan for years. The budget has been drastically reduced, and the impacts to our economy and people will be great. There have been too many cuts to schools already, I see the impact in my own children's schools as staff are cut. We need to invest in our children and our educational systems, including the university. A well educated population will be able to craft a successful strategy to guide Alaska into the next century.

We need to ask Alaskans to step up and contribute to support the services they use; roads, schools, parks, and natural resources to name a few. An income tax would allow us to collect tax revenues from out of state workers who use Alaska's services, but don't pay property taxes.

Please stand up for Alaska's future and support HB 115's counterpart in the Senate.

Thank you for your commitment to Alaska and her future.

Respectfully,
Mara Carnahan
Anchorage

Thank you for hearing my testimony this evening. Time cut me off just as I was speaking about the article from the Forbes article from June 2016 listing the [States with the Best and Worst Economies](#).

I had testified with my experience as an educator in Alaska with a timeline about the sacrifices I have seen over time as I serve in public schools. I ran out of time tonight and wanted to send you the rest of my prepared testimony:

I encourage you to visit: tax.utah.gov and see the number of taxes in Utah ranging in a very comprehensive manner. And yet Utah has the top rating economy in the nation. See also [Incometax.utah.gov](http://incometax.utah.gov) where you can see that they shifted from a flat 5% income tax in 2009 to the one they have today which is more regionally appropriate. I think Alaska could utilize a model of this nature which would enable our rural villages to still thrive without dire impact.

In closing, I am troubled by hearing testimony from those opposing HB115 using terms that "Big government needs to cut the fat... cut the fat....cut the fat."

I was not too impressed at all with Senator Shelley Hughes' words on the senate floor on April 6 preceding her vote YES on HB 57. She said, "And you know what?!.... I think we could have cut more..." I spend everyday with phenomenal teenagers and dedicated educators who are told in this way that they are "the fat?" They are "the waste?" They are a "special interest?" I strongly disagree. But Alaska's children will always have my special interest

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Thank you for the opportunity to testify in support of HB115.

Sincerely,
Marnie Hartill
1553 A St #323
Anchorage, AK, 99501

We are in a fiscal crisis, and we need to fix the problem now, with more revenue sources and a stable source of funds to provide services that Alaskans want, especially education. We cannot cut our way out of this mess and end up on the other side economically intact. Most likely if all these important services are cut not only will Alaskans suffer, the economy will suffer. I do not want to take that risk.

I feel like I have had a wonderful free ride over all these years of no income tax and big PFDs. However, I also like living in a state with good services and a stable economy. I am willing to pay an income tax! The free ride is over. I want to see you all pass a full fiscal plan this year that takes care of the deficit and sets us in good stead for the years to come. The House has a plan, it is time to get on board and make a fiscal plan that will not dump this state into a potential recession if all that is done is major cuts.

It is not an easy step, but I feel it is an important, necessary action. Please do not sidestep a plan that will take us out of crisis and provide stability down the road. HB 115 sounds like a good plan.

Sincerely,

Nina Faust

Good evening. I am Janet McCabe speaking in support of a progressive income tax. It is essential to Alaska's future prosperity that you approve the draw from the Permanent Fund Earnings Reserve Account, and the school tax, together, this session, as one package.

To be realistic, once the state starts drawing funds for state operations from the Earnings Reserve, it will be even less inclined than it is today to impose an income tax to cover fiscal needs. The result will be increases of the draw from the Earnings Reserve in future years. Then the Reserve will be exhausted. Then the dividend will be cancelled, and, eventually, the corpus of the Fund will be threatened. Alaska will be much poorer, and we will back to considering a state income tax.

I urge you to consider the full scope of Governor Hammond's vision, which included a state income tax to provide enough funding so that future legislators are not tempted to balance the budget by increasing the amount of the PF Earnings Reserve draw.

The cuts that have been proposed instead of an income tax would mean the loss of 700 teachers' jobs statewide and a devastating hit to the University. The ripple effects on the economy would be felt statewide. These cuts are the sort of action that can tip the balance of a growing recession into a major economic downturn.

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There are plenty of people here to remind you of the benefits of building the quality of our schools and University. I certainly agree with them.

To conclude: We need a complete revenue package with the two keys to assure Alaska's continuing prosperity that were identified by Governor Hammond 40 years ago: These are: using Permanent Fund Earnings for state services, AND a state income tax. We need them both, this session, as one package. THANK YOU.

One new point is that Alaskans who earn money in other states pay income taxes levied by those states. For example, we own some farmland in Illinois pay a hefty annual income tax to Illinois. All but 4 of the 50 states have a state income tax.

Without being part of the nationwide state tax system, and the ability to tax income earned by workers residing outside of Alaska, the state cannot recover money that is drained out of the economy as Alaskans pay taxes for income earned in other states.

Janet McCabe

When you are short on cash, you cut spending. When you can no longer pay the bills, you look for another source of income. Perhaps you take a second job or the second parent goes back to work. My point is, you identify additional income sources when cutting the budget is not enough. Please implement an income tax for Alaskans for a sustainable future for our state.

Sincerely,

Amanda Mack
Anchorage

I completely support paying an income tax and a "capped" PFD to help balance our Alaska budget. We can't continue to cut education (and actually many other areas including Health and Human Services). It's time for our state to balance the budget with income from those making money from our state and its resources. The PFD was created for a rainy day, and it's pouring!! Please consider an income tax, a sales tax, a "capped" PFD to help balance our budget. More cuts are detrimental to essential services.

Thank you for your time,

Michelle Boyden
41 year Alaska resident
Mother of 2 who I hope will stay in the state

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My husband and I support the House plan to:

- restructure the PFD, capping it at \$1250, as long as it doesn't result in the PFD eventually disappearing. A lower cap will disproportionately hurt the working poor and people on fixed incomes, like elders.
- reform oil and gas taxes. I'm not OK with cutting so much of education and health care as the Senate proposes without some fix of this issue. How can we consider doing something that will hurt our kids before we do?
- institute an income tax (HB 115.) We Alaskans like to say we're independent and responsible, so we need to pay for what we use.

This will bring in some money from out of state workers, who use our roads, airports, etc. without contributing. If we don't have an income tax, our students K-college will in effect be paying for them to use our infrastructure. The Senate's idea of cutting education, healthcare, and social services will cut jobs. That will contract the economy and drag us into another bust cycle, but out-of-staters will still come to work here. They'll have their good jobs, and those of us at home here are the ones who will suffer.

It would be nice to keep cutting the obscene waste in our state, but after what has been spent on the Anchorage LIO and the mega-projects and how the Legislature has been so slow to lead by example - such as not getting work done on time again this session -it's not fair to cut education and healthcare anymore now. I think an income tax will get a lot of folks' attention to keep us working on real, fair, and efficient cuts.

Tom Butler
Felicia Riedel
Kenny Lake, AK

It is long overdue that Alaskans started paying for things. I want you to pass the income tax. If you don't have the intestinal fortitude to do it, at least pass it and suspend it. But really you should be honest with the public because what the Senate has proposed so far is not a sustainable way to fund our state.

I cannot drive the Seward Hwy without fear now (and likely won't until Sept), knowing you have eliminated Trooper patrols. This clearly shows we need to have other avenues of revenue although it won't go far enough in paying the bills. It is the most insane thing I've seen Juneau do--aside from wanting to cut so much from Education--to cut the Troopers from one of the most heavily used hways in the state. Public Safety, Health and Education--aren't those the main items the legislature is responsible for?

We also need a small state sales tax with an upper limit on the size of the purchase to be taxed, such as \$1K.

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But none of this should happen without a change in the oil credits. I don't want to be paying taxes for an industry that clearly does not need an incentive as large as what you've given them. It would be the honest thing to do, to recuse all oil company employees who are also legislators from voting on oil-related legislation.

Dianne Holmes

As longtime Alaskans that have worked and raised a family in Anchorage, we write to implore the Alaska Legislature to enact a full fiscal plan this year to remove Alaska's economic uncertainty and promote the private sector investment necessary to arrest the current recession.

The Senate's fiscal plan (use of Permanent Fund earnings only) leaves hundreds of millions of dollars in a structural deficit. It is public knowledge that the Institute of Social and Economic Research at UAA has determined that continued government cuts in the magnitude contemplated by the Senate would have twice the negative impact on jobs and the economy than a broad-based tax. A viable fiscal plan must include more than reduced permanent fund dividends, which disproportionately affects low-income and rural residents. An income tax is imperative to help balance the total impacts of new revenues, and ensures nonresidents contribute to the solution.

If HB115 is implemented in its current form, Alaskans will have the second-lowest individual tax rate in the nation – and the lowest tax rate in the nation if the PFD is taken into account. The bill would capture \$80 million in revenue from non-resident workers who currently use our services and infrastructure and pay no Alaska taxes. Without a broad-based tax as part of a diversified revenue package, the State of Alaska cannot support future private sector economic expansion. As the economy grows, so does the population and the need for public safety, schools, roads, and other essential public services. We need to have a broad based tax that can tap into the economic growth to help fund these additional expenses; the state will not be able to support our future, nor the future we want for our children.

Please support broad-based revenue to align the state's fiscal bottom line with economic growth, help provide for a meaningful capital budget and over \$2 billion in outstanding deferred maintenance that we need to sustain our economic infrastructure, and helps ensure an equity stake in the fiscal solution for all Alaskans. We want our children to go to college in Alaska - and hopefully make Alaska their home. The fiscal path we are on will surely drive our youth out of the State for good. Please correct the course into a viable fiscal plan.

Jay Bickford
Colleen Bickford
5700 Penny Circle
Anchorage, AK 99516

I support an income tax. Alaskans have the lowest tax burden in the nation-dead last of all 50 states.

Stop cutting. I WANT government services. I WANT robust school funding. I WANT better snowplowing. I WANT Troopers on the Seward Highway. I WANT the AK Performance scholarship. I WANT a healthy university system.

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I WANT to pay my fair share!
Tax me! Please support an income tax.

Sincerely,
Joan Frankevich
Girdwood

My husband and I are in favor of SB115. We find having an income tax as a reasonable way to raise the necessary revenue to fund education and state government.
I am writing representing the both of us.
Thank you,

Sarah (and Cary) Keller
169 Eagle Ridge Rd
Fairbanks, AK 99712

Thank you for the opportunity to provide written testimony on HB115. I am in favor of the income tax that HB115 will accomplish if passed. I believe that a diverse revenue stream is needed to support the services that are utilized by myself and all Alaskan residents. We need to provide a comprehensive solution. SB26 only takes revenue from Alaska residents and is regressive in nature. While I support using revenue from the Earning Reserve to support State government, I would like to see the passage of HB115 and HB111 to accompany the passage of SB26.

John Kelly

Homer Business Services
5317 Kachemak Dr.
Homer, AK 99603

I want to express my support for HB115. All of us would prefer not to have an income tax but at this point it is probably the best possible option. There have already been millions in cuts to State Programs. Completely destroying State Government services, including education, is short sighted and is going to hurt all of us. Time to make the tough choices and work for the good of the whole state and our future.

Kind regards,

Deborah Tennyson

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We support an income tax for Alaska.

We are willing to pay to support schools, state troopers, state parks, public health, good roads, libraries and many other good programs that make our state a great place to live.

We can't run this state on no revenue.

Tax us,

Mary Ann and David Holmquist
Palmer, Alaska 99645

I'll keep this short. Alaska needs you to implement a state income tax since most legislators do not want to raise taxes on big oil.

As an Alaskan voter I'm willing to pay my share of a state income tax. I also want all the non-residents or part-timers who make their money up here pay their fair share of taxes.

We need to continue to adequately fund education and other government services that make Alaska great.

Sure I'd rather not have to pay another tax but it's necessary. We need an income tax, not cuts.

Thank You,
Maureen Conerton
214 Dixon
Juneau, AK 99801

You who build these altars now
To sacrifice these children,
You must not do it anymore.
A scheme is not a vision
And you never have been tempted
By a demon or a god.
You who stand above them now,
Your hatchets blunt and bloody,
You were not there before,
When I lay upon a mountain
And my father's hand was trembling
With the beauty of the word.

The Story of Isaac as interpreted by Leonard Cohen.

... and my father's hand was trembling
With the beauty of the word.

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I love that part of this song. The power of the divine as experienced by mere mortals is so clearly and eloquently described.

Unfortunately, I have been waiting for any member of the Republican Party in Alaska to show that they had vision, that they were competent to lead the state and adjust to the times as they are, not as they were. I waited in silence out of respect for the office and for those who give their time to govern.

I have decided to speak about my experiences and to beg you to not damage the future of the children because you, yourselves, are not yet able to envision ways to bring income to the state outside of oil. I ask that you stop hoping that your tired, worn-out solutions will carry the day and allow yourselves to breathe a little, to dream a little, and to hope for a time when Alaska is not dependent on oil for prosperity.

Three stories:

1) My grandmother rode 8 miles on a mule to take her 8th grade exams in Oklahoma. She and her sister, my great aunt Bell, had missed the exams in the local school house because my great grandmother had taken ill that spring and the girls worked to feed and care for the men folk on the farm in her stead. The local school master asked for special permission for them to take the test in the nearest town, 8 miles away. When they decided the girls could go take the test, they gave them the mule to ride because the horse was too valuable at the plow. They both passed and my grandmother, who had great untapped intelligence, encouraged all of us to go as far as we could in education. She read the news daily and paid strict attention to politics. Yet, there are those among you who do not appear to understand the basis of a successful republic is a well-educated populace that know the constitution and the laws of country and state. They know cause and effect, they can reason what the consequences of any action may be and vote and act accordingly.

2) When I reached my senior year in high school, I was in the top 10% of my class. I had the grades to go to college, but no funds to pay for it. I was raised in an era when many women married right out of high school or met their husbands in college. But I had no such prospects - and I was too proud to consider seeking a husband just to have a meal ticket. If I could pursue education, I would do so, not to find a husband, but to make something of myself and contribute back to society. I was fortunate, I was granted scholarships, work-study and a few loans my entire four years of undergraduate work. It was because of that support I completed my degree. It is also the reason I contribute monthly to the UA Foundation. Yet, there are those among you who see removing a valuable state scholarship as a good step toward solving our financial problems. It can't be that only the wealthy pursue higher education. There are too many intelligent people of lower income families, from families without higher education, that can contribute to society if given the chance.

3) As an adult, my family lived in Silt, Colorado, near Rifle. While there, Exxon came in to the region as oil companies had before, saying they would develop oil shale. They would alter the economy of that region in ways never seen before. They held town meetings telling the locals the infrastructure was insufficient to support the number of people that would be moving in permanently. They provided a few funds for infrastructure development, but the bulk of it came from locals who took loans to expand their businesses. Some put second mortgages on their homes - homes long paid off - to fund the expansion.

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But Exxon did leave, they abandoned the communities and those that lived there. Brown and Root contractors and the own Exxon employees all left for jobs elsewhere. It was those of us left there who reaped the effect of economic devastation. Yet, there are those among you who have said openly that the only hope for this state is if more oil is developed. As far as I can see, that is looking back at what was rather than looking at what is and thinking of ways to move with the change for the sake of our future.

We left the western slope after losing our home, completely destitute. I drew upon my education to take a second degree and return to the work force with new skills and knowledge. You see, I understood something I am not sure the Republican majority in the Senate understand. Being a good parent (or public steward) is not only staying within a budget, but in doing what it takes to bring in an income, in providing for your family, even if that means changing and stretching yourself in new and unexpected ways.

I am in favor of a state income tax. I am in favor of the population of this state becoming responsible for their government instead of expecting someone else to foot the bill. I am in favor of my representatives being paid by me and others rather than corporations. I am in favor of stopping the slaughter of families who happen to work for the state of Alaska, and the damage to families who depend on state services. I am in favor of lawmakers looking at what is, instead of what was and moving with the times - moving intelligently and sincerely in the best interest of the people.

Linda Toth

We are writing in support of HB 115 (State Revenue Restructuring Act). As a retired couple and living on a fixed income, of course we would not want to have to pay state income taxes or see any reductions in our PFD checks IF that was a realistic option. But it is clear that the days in which Alaska relies almost entirely on oil taxes and we Alaska residents can be “freeloaders” on state services are over. Additionally, the proposed income tax is not burdensome in comparison to other states. Unlike the current state revenue plan and the proposals for further cuts in state services, the proposed revenue restructuring act provides for achieving needed state revenues in a manner that is about as fair and stable as possible.

We plan on spending the rest our lives in Alaska and we hope that Alaska can continue to provide a standard of living so that our son and granddaughter can continue to live here. If a sensible plan like HB 115 is rejected in favor of continued reliance on diminishing oil tax revenues and further cuts to state services, we can’t see continuing to live in Alaska and we can’t see Alaska providing the standard of living for our son and granddaughter; the spending cuts needed would result in such drastic reductions to funding for infrastructure, services, education, and management of our natural resources that I can’t imagine continuing to live here or wanting to raise a child here.

Sincerely,
Douglas Pengilly and Jean Dickson
2063 Island Circle (mailing: PO Box 8347)
Kodiak, AK

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We support HB 115 and hope that the Senate will also support it. The future of our children is paramount. Education funding is incredibly necessary and vital to the future of Alaska.

Our future lies in our children, we must celebrate them, honor them and educate them. And FUND Education!

Dick and Sharon Waisanen
44932 Eddy Hill Dr.
Soldotna, AK 99669

I am writing in support of HB115. I believe that further cuts in State spending, particularly cuts to education and the University system, will have very serious deleterious effects on our state. I further believe that most of the attempts to balance the budget through cutting are doing so at the expense of the most vulnerable people in the state, those who can least afford it. On top of that, it is my understanding that the still more draconian cuts proposed by the Senate still do not achieve a balanced budget. I believe that it is imperative that we find another source of revenue. I think it is time for residents of this state to join with the 44 other states that already have an income tax and actively contribute toward paying for those services that we all need and enjoy. A further consideration is that, if it is so incredibly difficult to say the "T" word now, just think of how difficult it's going to be next year, an election year. And we are absolutely going to run out of money next year. It will be far better to deal with this situation now than to kick the can down the road for another year and hope for a miraculous intervention. As I understand it, of the 3 major fiscal components of HB115, the reduction to the permanent fund dividend will take place immediately, the adjustment to oil tax credits will kick in a year from now, and the income tax won't start generating revenue until 2019, so the impact on our citizen's is already spaced out over a couple of years.

I think it is well-accepted that cuts in the state budget to the extent of eliminating hundreds of jobs will have a much deeper and longer-lasting negative effect on the economy than the establishment of an income tax. Also, of all the ways of raising revenue, an income tax is probably the easiest one to set up in a reasonably fair fashion, where the people with the most ability to pay do pay, and those with the least money are taxed the least.

I think the proposed cuts to the University system are outrageous, coming on top of the deep cuts from previous years. We have a great university, but in the face of these deep cuts people are already beginning to look for (and find) jobs elsewhere. A good university takes years to build up, but only a year or two to tear apart. We in Alaska are uniquely positioned for arctic research, and receive a lot of federal money in support of that research. But we still need a basic stable state-funded academic environment to have a position to write proposals from to secure that outside money. Killing the university is not going to pull us out of a recession, but will plunge us much more deeply into one.

Likewise, cuts to K-12 education are hurting our children, the people who we hope will be inhabiting the state 20 years from now. Crowded classrooms and the lack of a rich assortment of electives are limiting our children's horizons and narrowing their options as they move into adulthood. We don't want to make our children pay for our present budget woes.

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Thank you very much for your consideration.

Alan Batten,
Fairbanks

As you can see from the argument below, I have been promoting an effective income tax for some years. An effective income tax, coupled with a hand-off policy with regard to the PFD (as PFD are largely used in Alaska to pay municipal taxes), and a cessation of BigOil subsidies CAN address the costs of maintaining the lifestyle that MOST Alaskans require (despite the loud whinging of a small minority. In community focus group after focus group, attempts by right wing politicians to massage public opinion into Alaskan austeria have failed, as the public has again and again stated, vociferously, that additional taxes are fine as long as they are necessary and are not wasted. In fact, though there is a good deal of jawing going on, no waste has been identified.

So, please review this Google Doc spreadsheet (http://bit.ly/alaska_income_tax) . It provides a brief examination of the revenue that a 15% nominal graduated income tax might generate on its own.

As State Income Taxes and Local Realty Taxes are deductible from Federal Tax, the total tax burden on “middle class” Alaskans would rise only a few points. As noted this basic analysis uses SOI brackets for ease of gross computation; actual brackets could be significantly skewed placing a greater burden on those itemizing.

Additionally, however, if we use a State Income Tax as a tool by which we can leverage other taxes we can also look at half a billion gallons of fuel used on the highway annually (about half gasoline and half diesel), and if we impose a \$6/gallon tax, and then exempt first 100 gallons per household for 261,000 households we get another half a billion in revenue (yes, prices of shipped goods will rise across the board, which makes it more economical to buy local....) AND then we need to add the tax to private non-commercial airplane fuel.

Then, removing the booze excise tax and replacing it with a retail tax starting at a dime per mL of actual ethanol, as in a 750 ml bottle of liquor at 100 proof might produce $.48 \text{ (ABV)} * 750 \text{ (mL)} * \$1 \text{ (tax)} * .1 \text{ (multiplier)} = \36 for a fifth of booze. Likewise a 750 ml bottle of wine would produce $.13 * 750 * \$1 * .1 = \9.75 on a bottle of wine, and even after a modest exemption for a gallon a month, we have added another chunk of change and a real complement to a marijuana tax.

Now, repeal SB21 and dump all industry subsidies, and we are pretty close to being self-sufficient

Let’s put an end to the whine of the middle class welfare queens. Let’s put an end to the silly chatter about economic deportation of seniors, and let’s recognize that the median income in Alaska is over \$70K (over \$80K in urban Alaska), and Alaskans not only can pay their way, they have repeatedly told the focus group held by far right ideologues that they are WILLING to pay the taxes necessary to maintain their quality of life.

Stop talking about playing with the PFD: that is simply a shell game as any economist will tell you. The PFD – except in the Unorganized Borough, which is another matter altogether – is simply an in lieu

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transfer; PFD's, while they provide an interim multiplier effect, also underwrite most of Municipal taxation on resident populations.

Stop talk about tapping reserves, as we all know legislators can't be trusted in the hen house.

Promote a comprehensive tax regime that will meet Alaska's real budget requirements.

Marc Grober

My name is Kerri Willoughby and my husband and I have lived in Alaska for 14 years. I work as a financial advisor and serve hundred families in Juneau. I recently met with two young professionals who were hoping for careers in Juneau. They wanted to buy a house and settle down here. But because of the state budget cuts they are fearful of losing their jobs and now looking for jobs down south. If state jobs continued to be cut, business owners and homeowners will all suffer the consequences of a declining economy. I love living in Alaska and plan on a long-term career in Juneau. I am strongly in favor of a state income tax. We need a sustainable solution for our budget. For those of us who are professionals and business owners in Alaska we need to come together and chip in to help preserve a great economy in our great state.

Sincerely. Kerri Willoughby.

I want to live in a state with a strong education system that encompasses PreK-college, has quality early care and learning, safe communities with a strong health care system to include addiction, mental and physical. All of these important components help make a state a great place to live, work and play. These components also take money, of which I am willing to contribute to through an income tax. I fear we have turned into an entitlement state, it is time we step up and start contributing to these important elements that I've listed.

Please reinstate an income tax so our education system doesn't have to suffer any additional cuts.

Regards,

Karin Halpin
4628 Grumman St
Anchorage, AK 99507

I am a lifelong (59 yr) resident of AK and support the House approach to the balanced budget.

Limiting the PFD and spending the reserve fund is a tax. It takes money from people's pockets and it reduces the savings account we as Alaskans have built up by selling a non renewable resource. We can't sell that oil again. Reducing the PFD takes money directly from Alaskans and only from Alaskans.

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Taxing people's income earnings means that people who work here but do not live here will contribute to the state. Taxing people's income earnings at the state level is deductible from their federal income tax. Taxing people's income earnings means that people who earn little or nothing will pay little or nothing in tax; income taxes are generally considered to be progressive taxes.

Taxing Alaskans by limiting their PFD payouts is a tax on Alaskans only. No out of state contributions to our infrastructure and services.

Taxing Alaskans by limiting their PFD payouts is a tax on children and low income earners at a rate that should generally be considered unethical and immoral as a funding source. As regressive as it gets.

Please get away from the idea that a tax on income is somehow bad, but a tax on Alaskans through a limited PFD is acceptable. I find the concept that lowering PFD payments and spending budget reserve funds while doing nothing to garner funds from non-Alaskans to help pay our bills to be grossly unfair to Alaskans.

Bruce Vadla
399 W Riverview Ave
Soldotna, AK 99669

We need a comprehensive long range fiscal plan which includes revenue from income taxes and motor taxes or we run out of money in the Constitutional Budget Reserve and move on to Earnings Reserve. PFD payments will quickly be gone if we just do part as suggested in SB 26.

Current cuts to all agencies are already endangering the economic engines of the state and the gap remaining if SB 26 alone is passed mandates even more cuts. Grants for drone research and other scientific issues handled by UAF Museum of the North, the power and energy center at UAF and the rest of the Social Sciences will be so severe that polar research will transfer to other universities in the lower 48.

K-12 schools are already suffering and qualified and long sought after doctors and other highly trained professionals will not relocate to Alaska if the current infrastructure is allowed to deteriorate. The Polaris building in Fairbanks is a good example of deferred maintenance and that was privately owned.

Please look again at the multi-faceted long range fiscal plan of the governor. We have had many constituent meetings on this subject as well as webpages set up by all sides to inform the public. Decide this session, please.

M. Carolyn Gray
399 Hillside Dr
Fairbanks, AK 99712

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I am writing you to let you know as a small business owner and lifetime Alaskan, I support a COMPLETE and COMPREHENSIVE fiscal budget solution developed this session. This means that while I would prefer not to have taxes, I am also a realist. I support imposing an income tax, support using the PFD, and new revenue generating options in order to balance our budget and ensure we can still operate in Alaska. It's high time to do so, and if people don't like it--they can leave for another state (and they still won't find one with lower taxes and a check in the mail)!

Thank you

Christine Klein

Thank you for taking public testimony on HB 115. I enthusiastically support this bill. I appreciate the services that the state provides to the residents of Alaska (and our many visitors) and understand very well that these services cost money. I am willing to pay my fair share to support state services. State agencies have cut costs and gained efficiencies over the past several years and I believe further cuts would be detrimental to the state. Primary, secondary, and university education are paramount to a thriving future of Alaska and I am highly opposed to cuts to school and university budgets. State budget cuts are detrimental to municipalities which are now struggling to provide basic services to their communities. Budget cuts also tend to hit hardest the most vulnerable in our population.

Thank you for considering my testimony.

Donna Aderhold
353 Grubstake Ave.
Homer, AK 99603

I have been an Alaskan resident for 25 years and have raised my family here. I plan on staying in Alaska for the rest of my life. I would like to see this state continue to offer its residents the services that are important to it's people. Fully funding education is a critical service and is written into our constitution as a law. I have watched the schools here in Juneau cut classes, teachers, sports opportunities, and activities. I have heard the same is going on elsewhere in the state. We cannot keep cutting in order to balance the budget and it is time to instate an Income Tax in Alaska. I support this wholeheartedly. I also would like to see funds from this tax insure that our schools are fully funded.

Thank you for your hard work and for taking this testimony.

Best regards,

Suzanne Cohen
725 5th Street
Juneau, AK 99801

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Please consider our children and your constituents when considering an income tax in Alaska. We need to fund our schools appropriately. An income tax is the appropriate way to go.

I think the proposed income tax could go higher on high income persons, and lower on low income persons. It is fair.

I think it is hugely important that you tax people that work here and live out of state. Lets quite giving away everything.

Please make Alaska Great again!!

Jeanna Duryee, DPT
Business Owner
6901 Debarr Rd, Suite 1E
Anchorage, AK 99504

[Malcolm X](#) once said, "Education is our passport to the future, for tomorrow belongs to the people who prepare for it today."

I'm writing to you as a twenty-year educator here in Fairbanks, who knows what it takes to run a classroom and a school. I have experience setting instructional outcomes for classes of 24 as well as classes of 30 and the needs of students are much better met with fewer students. Our district currently has proposed budget cuts that will raise class sizes and decrease the support staff. Athletic, foreign language and music programs are on the chopping block, which are necessary for engaging students and exposing them to opportunities for college and scholarships.

My husband, son and I all graduated from schools here in Fairbanks and participated in sports, music classes and studied foreign languages. These experiences afforded us the opportunities to find careers and become successful contributing members of our society. Without these opportunities, our students will not graduate at a level essential for them to compete with graduates from other states and countries. Decreasing these positions will have many repercussions including safety concerns, lower student achievement and loss of residents. As jobs are lost, families move elsewhere and this has many economic implications for our state. Alaska is one of seven states without an income tax, I'm in favor of a statewide income tax, if that is what needs to happen to balance the budget. We as residents of Alaska should contribute to supporting the state. If you have a vision for the future of Alaska, fully funding education should be a priority for you. The future of our children is at stake and they deserve a well-rounded, well-funded education. Cutting funding for public education makes this impossible and will in direct contrast to Malcolm X's words, hurt the future of our great state.

Sincerely,
Dana Evans
1641 Kassi Ct.
Fairbanks, AK 99709

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As an Alaskan and a nonprofit leader, I reach out to you and urge you and other Senate leaders to adopt a comprehensive fiscal plan. While people state publicly that Alaskans don't support an income tax, surveys show the opposite. Alaskans know we need new revenue, and while no one wants to embrace paying a tax, Alaskans are willing to accept a personal income tax in the face of the budget shortfalls we are experiencing.

We have now made billions of dollars in cuts. We have reached a place where those cuts deeply affect our communities, our economies, our nonprofit organizations and all Alaskans in increasingly negative ways.

I urge you to implement a comprehensive fiscal plan that includes a progressive revenue measure. I want to live in a state that retains vital services, supports education and has a vibrant civic life and sufficient safety nets.

Sincerely,

Michelle DeWitt
PO Box 2847
Bethel, AK 99559

I am writing to support HB 115. Alaska needs to enact a full fiscal plan this year to remove Alaska's economic uncertainty and promote the private sector investment necessary to arrest the current recession. The Senate's fiscal plan (use of Permanent Fund earnings only) leaves hundreds of millions of dollars in a structural deficit. The Institute of Social and Economic Research at UAA has determined that continued government cuts in the magnitude contemplated by the Senate would have twice the negative impact on jobs and the economy than a broad-based tax. The cornerstone to any fiscal plan will include some form of reduced permanent fund dividends, which disproportionately affects low-income and rural residents. An income tax will help balance the total impacts of new revenues, and ensures nonresidents contribute to the solution.

If HB115 is implemented in its current form, Alaskans will have the second-lowest individual tax rate in the nation – and the lowest tax rate in the nation if the PFD is taken into account. HB115 has a delayed effect and will not be fully implemented until 2020. The bill would capture \$80 million in revenue from non-resident workers who currently use our services and infrastructure and pay no Alaska taxes. Without a broad-based tax as part of a diversified revenue package, the State of Alaska cannot support future private sector economic expansion. As the economy grows, so does the population and the need for public safety, schools, roads, and other essential public services. Without a broad based tax that can tap into the economic growth to help fund these additional expenses; the state will not be able to support the future we want for our children.

Thank you.

Linda Behnken
Sitka, AK

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I have been an Alaskan resident for 25 years and have raised my family here. I plan on staying in Alaska for the rest of my life. I would like to see this state continue to offer its residents the services that are important to it's people. Fully funding education is a critical service and is written into our constitution as a law. I have watched the schools here in Juneau cut classes, teachers, sports opportunities, and activities. I have heard the same is going on elsewhere in the state. We cannot keep cutting in order to balance the budget and it is time to instate an Income Tax in Alaska. I support this wholeheartedly. I also would like to see funds from this tax insure that our schools are fully funded.

Thank you for your hard work and for taking this testimony.

Best regards,

Suzanne Cohen
725 5th Street
Juneau, AK 99801

Hello, my name is Ryan Bowers. I am a lifelong Alaskan and a concerned voter from Senate District A, and I am writing in support of HB115, which would reintroduce a state income tax in Alaska. This tax is necessary for Alaska to be solvent and livable in the long run. The budget passed by the Senate is short-sighted, cruel to Alaskans, and fiscally irresponsible. It fixes nothing, and makes existing problems even worse.

The government is one of the largest employers in Alaska. More drastic budget cuts such as the Senate proposes will cause dangerous levels of unemployment, and an increased exodus of talented individuals from our great state.

Businesses look for stability, and HB115 is the only proposed solution that will actually balance our budget in the long term. Our tax rates will still remain among the lowest in the nation, but we will have the security of knowing that Alaska will be able to continue funding itself indefinitely.

Continuing to rely only on cuts to the budget and PFD would be like an unemployed person thinking they can remain solvent without having to get a job, by selling their possessions, and, when that money is gone, by not buying any food. The harsh truth is that this person needs to get a job. In governmental terms, that means an income tax.

We have already cut everything that can be. There is no "fat" left to cut, only bone, and further cuts will make Alaska unlivable for both individuals and businesses.

Please tax me. I'm begging you!

Ryan Bowers

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I am writing in support of HB115. We cannot as a state rely on any one source of income, we need to learn from our mistakes that got us into this deficit and draw from multiple sources including income tax and the permanent fund.

Kerry Clark,
1503 Kepner Dr., Anchorage, AK 99504

For the record this is one oilfield worker and 54 year resident who is in favor of HB115. I paid state income tax when I started working at 16 and I think under current conditions it is wise to institute a tax for all who work here and live here. If oil prices rise and we have a glut it can be stepped back, but imagine how easy this downturn would have been if all the oil money had been put in the Permanent Fund to grow until we needed it. It would not hurt (long term) for all of us to learn how to live within our means again, like other people in the world.

Well maybe their not doing so well at it either but we can all see how hard it is to get weaned off unearned income no matter where its' source is. Those of us who have jobs most people dream of may have worked long and hard to get those jobs but that doesn't mean we are not more fortunate and should be willing to invest a little more to keep this best state to live a place where kids can get a good education and become contributors too.

Buck up, Buttercup!

Christy Bacon
Anchorage, AK

Please tax me and all those workers I get on planes with who fly in and out of jobs in Alaska! Thank you,

Sincerely,

Donald Wood
Anchorage

I am writing in support of HB 115, the state income tax bill. I don't know anyone who likes taxes, including me. But I also DO NOT know anyone who believes it's a good idea to spend more of Alaska's savings nor to cut more funds from our already broken schools and university. Even more cuts instead of raising revenue is such a mistake, especially those proposed cuts of \$66 million to schools and \$22 million to the university. These and only the promise of more cuts will never close the budget deficit, only inflict more financial pain, produce less and less service, and strangle education in Alaska to death. The House has tied presentation of HB 115 to education because that is where the most danger is.

Schools have already been drained of so much blood that they are near death. Flat funding with a balanced budget will still leave them sick but not dying and not failing even worse to deliver education

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to Alaska's young people. Survival of Alaska's schools is part of what this income tax bill is for. But not all.

Another part is to make this great state solvent. A moderate income tax is one of the four pillars proposed by the House to keep Alaska's financial roof from collapsing. Shouldn't people pay for the basic services relied upon by all states: schools, safety, transportation, the courts, human services. All of these services have taken cuts, and some are taking even more cuts for next year, and still the deficit is far from filled. Cuts are not enough.

Is it not wrong that citizens of other states who work in Alaska do not contribute to the infrastructure they use alongside Alaska residents—schools, roads, and services? HB 115 would require them to contribute on par with Alaskans, as is right, fair, and moral.

Some argue that taking some of the Permanent Fund is akin to taxing Alaskans. This is a false comparison. Those funds are savings for Alaskans, and what are these savings for if not for supporting basic services that Alaskans value and need? These savings and interest belong to Alaskans and Alaska for Alaskans and their Alaska. Using savings when sufficient and needed is NOT an income tax.

Another argument against HB 115 is that it will kill jobs. However, the opposite is clearly the case. By bringing stability to Alaska's finances and services, Alaska is made employer and employee friendly. Employers cannot keep employees nor keep customers in a state with badly failing schools, a shrinking university, public safety made sparse by penury, and services with constantly reduced hours and services. As Alaska struggles on and on to overcome its deficit, the red ink from savings keeps being drained away, services keep diminishing, and Alaska becomes less and less people friendly. It's past time to stop this slide, and HB 115 helps to do that.

Not paying taxes in Alaska promotes the idea that blanket socialism is good. Is it not a harmful construct to receive everything from the state without paying for it? The worst thing that happened after the oil boom was for Alaska to end its income tax. It was as if a financially bad tomorrow would never come. There's nothing wrong with the idea of an owner state in which all Alaskans share in its revenues and paid for services. But when the revenues decline, as they have so often in our boom and bust history, then there needs to be a fallback position. Had an Alaska income tax been kept on the books until revenues should fall below a certain point, then there would be a provident revenue stream to bring this state, with so many potential riches, through to the other side of a surprise financial bust. HB 115 is that revenue stream of old. It is not just needed now but desperately needed.

I'll close where I began, with schools. At least two of you I know have been classroom teachers. I have, too, from 1968 to 2005. A classroom of 20 is far easier to work with than the reality of today, classrooms of 30 and often more. The preparation may be nearly the same for 50 as 20 (except for lab sciences), but not the work with students individually nor responding meaningfully to their work and to them personally. Elementary teachers cannot manage reasonably or safely more than twenty students per class; and 15 is thought the maximum. Primary and secondary teachers cannot manage to serve even reasonably well 80 to 100 different students in their classes each day, and with the newly proposed cuts and loss of staff, many will have 125 to 135 different students each day. The majority of those students will have a poor to bad educational experience—no matter how hard a teacher tries to accommodate them. Imagine, for example, sitting down to a pile of essays that is half a foot high—every week! That is hard. But that was years ago when things were better. That stack is now a foot high, and it will be even

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higher if more cuts are made. The truth is that those papers will not be responded to because they cannot be. It's physically impossible. And at the university, program students are and will continue to go "outside to school" because they can't get the classes they need without attending the University of Alaska for ten years! Nor some programs that have had to be cancelled. There's more and worse in different sectors throughout all of Alaska if HB 115 is not passed. The worst, though, will be in education, and more so if the proposed life-killing cuts are made.

So please, senators, serve the people of our state by passing HB 115 out of your committee. And support it on the floor, with amendments as need be to help it. Alaska needs it, especially its children.

Sincerely,

Art Petersen
15845 Glacier Hwy
Juneau, Alaska 99801

Represent your constituents. Some of you think you represent wealthier constituents who worked hard (honestly or not) like you and became successful. Others of you think you represent less fortunate constituents who have faced special challenges (honest or not) that defeated their efforts. Some believe a sales tax is fair, some believe a progressive tax rate is fair. Some believe economic prosperity will help Alaskans more, while others believe taking (taxing) and giving will help Alaskans more. If you are honest about your work, you will search for a solution to the fundamental disagreement between the taxed (the Right) and the taxers (the Left) because you do in fact represent all the Alaskans in your respective districts. A flat tax or a flat tax rate near 2% - 3% would be a compromise that would not favor one group or the other, but would draw revenue from everyone proportionate to what they earn.

Stop representing yourselves, your careers, & your parties. Think about what the two sides consider fair. And represent all of your constituents by safeguarding our state from further credit downgrades, a stall economy, and the potential legacy of once being filthy rich and ending up impoverished. I know it hasn't happened yet. But this is 2017! You have burned through billions of dollars and two years with extended sessions and you are FAILING as Alaskans and FAILING for Alaskans.

You should have read the reports by Northern Economics and ISER by now. You should know that they have recommended a balanced approach toward the PFD, Income Taxes, and BUDGET CUTS. Now get yourselves together and do your job. This is not as hard as you make it out to be. You're putting too much effort into your legacy, and how you can spin whatever happens in your favor (or discredit your opponent(s)) at your next speech. Stop focusing on coalitions and start pointing out to each other that a third of you want to tax rich people and give it to poor people. A third of you want to let everyone do what they can with what they have (or don't have) and the rest of you in the middle realize an impasse is worthless to everyone (and/or want to get re-elected). The Left should make the tough choice to let the poor (like myself) pay 2% of their income while gaining only 2% of the income of the rich (like my bosses). The Right should let the poor get away with just paying a thousand bucks more or less, while they and their rich constituents have to pay 10's of thousands of dollars per year. That way everyone feels like they're doing (at least) their part, the state saves on administration costs of complex calculations and forecasting and the budget (or budget cuts) can be made with a reliable source of

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income. Use the taxes on mineral rights for Dividends and use the earnings from the Perm. Fund for the budget so that the budget is stable and the Dividends take the hit when our natural resources aren't making money.

Sincerely,

Ben Morookian, MBA, M.S.

I strongly urge you to pass HB 115 as one part of the comprehensive plan necessary to bring Alaska's fiscal house into order.

Government is NOT "They" it is "We". We the people have elected you the legislature to represent us in the messy task of making decisions for the common good. We are at the place where some of you will have to decide between your political career and doing what has been decisively demonstrated as necessary for keeping the services and infrastructure of statehood. Alaska has always had more than a few "takers" who will only look out for themselves, but we also have a good population of people who love Alaska and want to pass on a healthy productive home to our children and grandchildren. Some of us remember paying income tax and a school tax and realize that part of our privilege of living here includes helping to pay our way.

Good public education, police and fire protection, roads ferries and their maintenance, public health and social services, management and maintenance of public facilities and lands are NOT wasteful spending. They are the necessary part of living together in community.

Many people didn't think Alaska could function as a state and should remain a territory. After almost 40 years of free money and no taxes, we are back to the place of needing to prove we can govern ourselves as a mature state and the starting place is being willing to pay for the services and infrastructure necessary to function. Perhaps anyone who doesn't want to pay their way should be offered a one way ticket to any other state they feel would be a better place to live.

Please do what is best for Alaska and pass HB 115.

Respectfully,
Gayle Nicholson Trivette
7870 Glacier Hwy
Juneau, AK 99801

I write in favor of the income tax proposed in HB 115.

It is clear we need other sources of revenue. Please follow the courageous example of your House colleagues in recognizing the time has come to reinstitute an income tax in Alaska. After 41 years here, I

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am retired on a modest fixed income and, still, I want to pay my fair share. I don't believe the 4th lowest income tax in the US would be unduly burdensome.

I think an income tax is the fairest way; instituting a state sales tax would be too regressive, unfairly strain the Alaskan communities that already have one, as well as limiting Anchorage's options to perhaps levy a sales tax in the future.

I value K-12 education and our University system - they insure Alaska's future. Please do not follow through with the additional cuts you have proposed. Please don't make our state unlivable.

Thank you for listening.

Susan Elliott
Anchorage

I am an Alaskan, living and working here year round, with two kids in the AK public ed system, and I fully support our educational system - please vote against any further cuts to the UA system and education at large. I completely support an income tax to offset this cost. I WANT to pay taxes, as "he who pays the bills owns the house," so to speak - we citizens need to help fund our government. Please, no further cuts to the UA system or public education at large.

Brian Buma
440 1st St.
Juneau, AK 99801

I support an income tax.

I paid an income tax in Alaska before the income tax was abolished. Income taxes are a standard way that people pay for services that are for the common good. Now that oil prices and throughput have declined, it's time for us Alaskans to contribute again.

Sincerely,
Jan Bronson

I am writing to you as chair of the Senate Labor & Commerce Committee to express my support for HB 115 as one important piece of a comprehensive fiscal plan for Alaska. I feel strongly that each sector of the state's economy must do its part to close our fiscal gap, and I am willing to pay a state income tax to help fund the services that matter to my family and other Alaskans. I am strongly opposed to the education cuts proposed by the Senate -- the \$5.7 cut to K-12 public education and the latest cut to the university system. We cannot cut our way out of the deficit or the recession, and it has been shown that cuts like these would result in more job losses than would a moderate income tax, and would thus deepen the recession. The income tax in HB 115 would be the second lowest in the nation, and would

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be counterbalanced by the Permanent Fund dividend that Alaskan residents will continue to receive each year.

Our public education leaders around the state -- including our own Anchorage School District superintendent Deena Bishop -- have spoken out on the devastation that the Senate's proposed cuts would cause to our schools. Further cuts to education beyond flat funding will hurt our children's future and thus our state's future, and that is not what we need to solve our fiscal situation. Please vote for a strong and secure future for our state by passing HB 115.

Thank you for considering my views, and please include my comments in the record for this bill.

Sincerely,

Rebecca Bernard
1210 N St.
Anchorage, AK 99501

Please accept this as testimony regarding HB 115 to be heard tonight Tuesday, Apr. 25 by the Senate Labor & Commerce Committee.

It is my personal feeling that a solution to Alaska's budget deficit should come from both community assets as well as modest individual contributions.

The earnings reserve is not sufficient nor appropriate to solve this problem alone--turning solely to the Permanent Fund ignores the disproportionate burden placed on the the working poor and the loss of a economic engine when the PFD program disappears entirely. A needs-based approach in the form of an income tax balances the solution by collecting a fraction of the annual value of industry and service in a proportionate fashion.

Please support the comprehensive, balanced solution to Alaska's fiscal crisis offered by HB 115, the Education Funding Act.

Thank you for your consideration.

Respectfully,

Reber Stein
3591 N. Douglas Hwy
Juneau AK 99801

Hello, my name is Genevieve Mina, I am an undergraduate student going to UAA, and I am writing in support of HB 115. I am a 21 year old life-long Alaskan, currently residing in the same neighborhood I was born in (District 19-Airport Heights). I want to pursue my Master's at UAA and stay in Alaska - but unfortunately, I am an outlier among my peers.

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I am afraid that a "cuts-only" solution to our fiscal situation will be the death of Alaska's future

Over the past couple of years, I have seen more and more intelligent, driven, creative young professionals move out-of-state because of our current economic uncertainties. Because there has been no legislation to sustainably produce new revenue, the budget cuts enacted by the legislature have harshly targeted vital economic drivers, such as public education..

At UAA, I have directly experienced the negative impacts of recent budget cuts, from increasing class sizes, to loss of entire degree programs like Chemistry, and loss of tenured professors and Federal grant money in my own Biology program. As a product of the Anchorage School District, I know for a fact that when our state prioritizes public education (funding programs like the APS and fine arts) we retain the brightest, most creative, and best of young Alaskans.

I am more than happy to pay an income tax that will be one of the lowest rates in the nation. And I am ecstatic to fund our public education system - institutions that I have benefited from.

Please vote YES on HB 115 to ensure that we have a sustainable budget, and an educated society for Alaska's next generation. I am part of Alaska's future, and our current society depends on peers like me to continue our economy. Thank you for your time.

I urge you to support full funding for schools.

It is clear that cuts, cuts, cuts, will not come near to providing the funding needed for education

I urge a graduated income tax, and am fine with that.

Do all you can to serve the best for us all.

thank you,

Ellen Vande Visse
Palmer

I am absolutely in favor of a state income tax, to collect revenues from all who use our state services and earn their money here.

Carole Jaffa
Jaffa Construction Inc.

I am writing to urge you and your fellow senators to fully address the current fiscal deficit now by supporting HB 115. I actually think it does not go far enough; personally I'd like to see even less money going to the oil companies and even smaller PFDs, but this is a good start.

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It is dismaying to see the senate clamoring for more cuts to state government and education when we all know that laying off state employees and teachers is just dancing around the edges of the deficit --- kicking the can further down the road to avoid making hard decisions now.

Thank you for your consideration,

Amy Carroll
Juneau

I would like to reiterate a point I have made to Representative Seaton. The present approach to balancing our budget including severe cuts to education is something I adamantly oppose. As a father and as a teacher, I find the implications of education cuts deeply troubling. In the Kenai Peninsula Borough School District the proposed cuts would result in 50 fewer teachers. This is on top of cuts that have occurred in previous years. Furthermore, from what I understand, the cuts will continue into 2020, resulting in the loss of up to 100 teaching positions in the KPBSD. I cannot imagine sending my sons to schools so pared down that the quality of their education is deeply impacted because of irresponsible budget decisions. Cutting education funding is not sustainable. It is time to implement a statewide income tax.

Regards,

Amanda Campbell

It's time we have a progressive income tax.

Jack Roderick

I cannot testify tomorrow and instead am sending you this email. My wife, Donna, and I are in favor of an income tax based on a percentage of the federal tax amount. An income tax is fair to everyone because it is based on your income, and is critical to our economic development. I know there is a faction that is opposed to our paying state taxes which is a very short sighted and unrealistic. We have to find a solution to the deficit and we should do it in a way that helps our future and it not just a short term foolish fix.

Chris Stephens
36135 Betty Lou Drive
Sterling, AK 99672

My husband and I are 37 year residents of Alaska, having taught in Alaska public schools for 25 of those years. Now retired, we enjoy life in Alaska. I feel very fortunate to live here and appreciate the quality of life here in Anchorage. I realize that there are costs to providing and sustaining things like education, public transportation, safety, parks and trails, etc. that many of us greatly value.

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In these times of shrinking revenues I recognize the need for additional revenues in order to maintain valuable services and I believe it is critical to contribute to pay for those services. Of the various proposals to respond to the need for revenues I believe that an income tax would be the best approach, as HB 115 proposes. It is progressive and we all pitch in to support what is so vital in maintaining the quality of life that will keep people and jobs here.

I understand that an income tax alone will not close the fiscal gap, but will be combined with other measures. Unfortunately some of them are more regressive like cutting Permanent Fund Dividends. The reality is it will take multiple sources of income to solve this fiscal crisis.

Please support passage of a state income tax. Thank you for your efforts to adopt a fiscal plan that supports quality of life for the people of Alaska.

Respectfully submitted,

Barbara Ward
125 W 22nd Ave
Anchorage, AK 99503

I would like to reiterate a point I have made to Representative Seaton. The present approach to balancing our budget including severe cuts to education is something I adamantly oppose. As a father and as a teacher, I find the implications of education cuts deeply troubling. In the Kenai Peninsula Borough School District the proposed cuts would result in 50 fewer teachers. This is on top of cuts that have occurred in previous years. Furthermore, from what I understand, the cuts will continue into 2020, resulting in the loss of up to 100 teaching positions in the KPBSD. I cannot imagine sending my sons to schools so pared down that the quality of their education is deeply impacted because of irresponsible budget decisions. Cutting education funding is not sustainable. It is time to implement a statewide income tax.

Regards,

Sean Campbell
PO Box 3803
Homer

If we don't have a state with an excellent education system, police, and social support systems how do we expect to attract talented, educated people to work here, start businesses here, or even stay here after growing up in Alaska? What is the attraction other than beautiful scenery and trapped wolves and bated, dead bears - certainly not the weather!

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Quit farting around and pass the damned income tax! There is no reason we should have a state full of freeloaders who are not willing to pay taxes to keep it a decent, attractive place to live. Let those who want everything for free move to a third world country.

Royal Kiehl
6301 Trappers Trail
Anchorage 99516

I came to Alaska on February 22, 1975. I have lived here all of my adult life. Every years programs and services are cut. Our government can't do it's job if there is not enough money. If we're not going to tax oil revenues to the maximum, we need other revenue sources. I would proudly pay an income tax, part of my PFD, and even an income tax! It's time to get our out of state workers and tourists to help pay.

Carol Ryan-Aube
Palmer, AK

My name is Brianna Gibbs and I am writing to express my support of the House's proposed income tax and education funding act.

While no one likes to see tax increases, I really believe Alaska is well overdue for an income tax. Our seasonal employment opportunities demand that a portion of those incomes remain in the state that provided the financial opportunity. I'm speaking directly to the fact that so many people migrate to Alaska during the summer months and reap such fruitful benefits in industries like fishing — boasting paychecks far greater than the average Alaskan. Then, those individuals leave our state and rarely, if ever, pay anything back into the economy. I think it's time those individuals support Alaska, even if it means those of us who do stay year round have to, too.

Likewise, I firmly believe in higher education and think the legislature would be fools (if I may be so blunt) to continue cuts to University of Alaska. By doing so you are damaging the future of our state, and the potential for bright minds to remain or migrate here. HB 115 makes this possible, and I fully support it.

Thank you for the opportunity to express my views, my comments are my own.

Best wishes,

Brianna Gibbs

We strongly support passage of HB 115 as passed by the House, and urge the Senate to vote in favor of this bill. It is time for Alaskans to step up to pay for the services we need and want, and a progressive income tax must be part of any responsible fiscal plan for our future. Our budget deficit cannot be fixed with cuts alone and relying solely on the Permanent Fund earnings is both unfair and unwise and will continue the past several years of deficit spending.

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Please consider this email as testimony before the Senate Labor and Commerce Committee and include it in the record. Thank you.

Elizabeth Barry and Sandy Rabinowitch
Anchorage 99517

To help bring fiscal stability to Alaska I support the following:
Restructuring the earnings of the PFD to pay for a portion of government expenses,
Taxing the Oil and Gas Industry
Implementing an individual income tax in the state of Alaska

I do not support any cuts to education, including ages 0-5, the K-12 system, or post secondary.

Thank you for your continued hard work,

Nikki Love
6740 Marguerite St
Juneau, AK 99801

Thank you for your service to Alaskans. My name is Andi Story. I am a thirty year resident of Alaska. I'm writing on my own behalf today, in support of new revenue measures to meet Alaska's fiscal challenges, like the tax proposal before you today. While it is prudent to always look for efficiencies, I believe any more cuts to balance our State budget will negatively impact our communities. More proposed cuts, especially in an area very valued by our communities, our children and our young adult's education, will weaken Alaska's desirability as a place to live, and our future workforce and economy.

This proposed new revenue measure is the most equitable tax. It collects more revenue from those who have higher incomes and can afford to contribute the most, versus those who have limited incomes and can afford to contribute less. A state sales tax would fall on residents who have limited incomes in a much more substantial way.

An income tax has the advantage of collecting contributions from out of state workers. They help pay for the infrastructure that they use.

While it will cost our state to set up and maintain an income tax, according to the Department of Labor, this will be a minimal cost in comparison to the significant revenue that it would bring in each year. I've been listening to my fellow community and business members over the past few years. As you are no doubt hearing too, there is anxiety about affordable housing, house and business values holding, jobs being available and maintaining a quality of life that includes a good education (great teachers and reasonable class sizes) for our children. Businesses want this for their employees too. A balanced fiscal plan, including new tax revenues where everyone contributes, not more cuts, will promote much needed public and business confidence in our State's ability to provide for certainty in the long-term health of Alaska.

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As an elected school board member, I find that tough decisions have to be made, after looking at all the information available. I urge your leadership in implementing new revenue measures to close the fiscal gap so as to provide the long-term health and public confidence in our State that is so desperately needed.

Respectfully,

Andi Story - a concerned citizen of Alaska and parent of three adult children who make Alaska their home

12069 Cross Street Juneau, AK 99801

I have lived in Alaska for 40 years and I urge you to take action this year to develop a fiscal plan that includes both a sustainable restructure of the Permanent Fund earnings and an income tax. I do not support a state sales tax. I urge you to vote for HB 115.

I oppose any cuts to education funding. Alaskans want to see a vibrant economy with an excellent public school system and well funded university system. I do not have children in the school system, but I support fully funding educational services for pre-K, K-12, and the University System. Our next generation of Alaskans deserve the best educational opportunities we can provide.

I urge you to take action this session on adopting an income tax.

Sincerely,
Cammy Taylor
1333 W. 11th Ave
Anchorage, AK 99501

I strongly support HB 115 and the proposed State Income Tax. In my humble view, it is high time we pay for the services we receive. The up to now pittance of 8 cents per gallon of gas that goes into the general fund is nothing. I have lived in Homer since 1980 and have enjoyed excellent road maintenance and police (Troopers) service, and schools. Some of the school costs I pay for with property taxes, but the lions share comes from the state.

The idea of cutting school funds is wrong. Please, please support the proposed State Income Tax and bring the state finances where they need to be.

Thank you,

Milli Martin
PO Box 2652
Homer, AK 99603

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The cuts being proposed to ASD are disastrous. I am deeply saddened by the rhetoric surrounding education. I've lived in Alaska most of my life and was educated here in Alaska. Our education system is complex and faces a lot of unique challenges due to the rural nature of many school districts across our state. Educators are facing more challenging conditions between high stakes testing, budget cuts, student behavior issues, and lack of support from the community. Please support public education and vote for a state income tax to fund education. Alaska needs to plan ahead and invest in the future; our children. They deserve it.

Thank you for your time and your service to our state.

Sofia Petroni
7071 Serenity Circle
Anchorage, Alaska 99502

I am writing to express my support of passage of HB115. It is imperative that the leadership in the Legislature find an alternative to cutting and slash its way through the budget of the University, the Department of Education, and every other governmental agency. Senator Kelly was quoted last year as saying that Alaskans weren't hurting enough and that more cuts were coming. His attitude and direction is wrong and woefully inadequate. Real leaders look at the big picture, not their own very small agenda. Please support HB115 and help us maintain our world class university and our strong educational system that produces well prepared future citizens. Kelly's draconian and illogical cuts will create an atmosphere of intellectual poverty. HB115 allows us to work together and contribute to create a state that values its future and its citizens.

Very truly yours,

Michele Foley
P.O. Box 74455
Fairbanks, AK 99707

I urge you to support HB 115. It's trying times for Alaska, as we face this fiscal challenge head-on; I know raising taxes is nothing a politician or an Alaskan wants to do; however, these are not normal times. We can attempt to keep cutting away, but it still won't resolve the budget. Furthermore, if we go after education, we'll truly be destroying ourselves. Our children are our future and the children of Alaska deserve the best, and we, as responsible Alaskan's, must do whatever we can to give them the future they deserve. Do not try and fix our budget woes by making cuts to education. As a lifelong Alaskan and as a mother, I urge you to pass HB 115 as one fitting piece of this larger puzzle.

Thank you,
Breanna Peterson

I am writing to express my strong support for an income tax/HB 115. The Institute of Social and Economic Research at UAA has determined that continued government cuts in the magnitude contemplated by the Senate would have twice the negative impact on jobs and the economy than a

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broad-based tax. Furthermore, as the economy grows, so does the population and the need for public safety, schools, roads, and other essential public services. Without a broad-based tax that can tap into the economic growth to help fund these additional expenses, the state will not be able to support the future we want for our children.

I firmly support an income tax and paying my fair share to ensure the future sustainability and success of our state.

Thank you for your consideration on this matter.

Stephanie Quinn-Davidson
4110 Woronzof Dr.
Anchorage, AK 99517

I support HB 115 because I support stable funding for Alaska government and the valuable services it provides. I believe that we have CUT ENOUGH - in fact, too much - and that any attempt to cut our budget further is short-sighted and endangers public sector services and private individuals and businesses, in a very uncertain fiscal climate, as well. I support the stability of funding that a state income tax provides. I SUPPORT HB 115.

Thank you,

Jacqueline M. Martin
Ester, Alaska

I am deeply concerned about the dramatic budget cut that has been proposed to the University of Alaska. While, I agree the University of Alaska could and should be making more cuts, it makes more sense to have time to strategically plan for those cuts. By cutting so deeply immediately, I fear it will have long term impacts. The previous discussion to cut out all research makes no sense to me since much of the research is funded through federal grants and, often comes with a matching requirement. By cutting out research, you are not only cutting the state funds, but potentially much more in the federal grant money coming into our state. Research often provides information the state can use (i.e. climate change, arctic engineering) and certainly creates unique opportunities for our students to learn and grow in their degree programs, not to mention attracting good faculty. I am also a believer that our local universities should participate in public service, again this can provide hands-on opportunities for students to become engaged in our communities!

Please start talking about generating new revenues and not just making cuts. We will never be able to cut our way out of the fiscal crisis and be a healthy productive state. Tax us! As a lifelong working Alaskan, I fully support HB 115, the Education Funding Act and encourage you to pass it. It's time we Alaskans stepped up to the plate and started supporting our state.

Janice Troyer

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I understand that you are taking testimony today on HB-115 in the L&C Committee and I wanted to let you know how much I care about Alaska and that I think an income tax is important to keep our State economy strong.

My wife and I have lived here since 1980. We came here as young teachers fresh out of college to teach in Shishmaref and we've been here ever since. We are retired now. Alaska has been good to us and we are grateful. We are not wealthy. Our pensions are modest but we are still willing to chip in to help keep our economy going.

Alaska is so beautiful. There is nowhere else in the country like it. It's our home and I want to see it taken care of, maintained. I want to see investment in infrastructure and, of course, I believe education is a critical investment for the future. As wonderful as Alaska is, I believe it could be even better. I know you all have been working hard to reduce our operating costs. Those efforts are appreciated. However, it's clear that austerity is not a complete solution to a recession. Investment is required to make sure that Alaska is a place where more young people will want to live. My wife and I are Alaskan citizens willing to do our part.

We would urge you and your colleagues to please join us and support a fair and equitable income tax for our State. Alaska has given us so much. Now it's our turn to do our part and help keep her strong.

Thank you for all your hard work for Alaska.

Respectfully,

Chris Rice

I'm writing to encourage this committee to support HB 115. Alaska needs an income tax! Alaskans won't have a say in how their government is run unless they pay for it. The current system makes you a legislator on behalf of the oil companies, not the citizens. I lived in New York City for many years, arguably the greatest city in the world, where I proudly paid state and city income tax. I was proud to do my part to ensure my fellow New Yorkers received quality public health, public education, public safety, public transportation, and other vital services expected of a rich city, in a rich state, in a rich country.

Please tax us to ensure that Alaska has the resources it needs to remain a viable place to raise a family. My wife and I are contemplating leaving Alaska because the legislature has not been able to pass a responsible budget in three years! We want to live in a functioning democracy, not a failed petro state. Please support HB 115. More cuts are not the answer.

My household would pay \$5,565 per year under HB 115, which is a small price to pay to call this beautiful state home. We are fortunate to make sufficient income to pay federal income tax and we are more than ready to pay Alaskan income tax as well.

Respectfully,
Cristian Nunez

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We must make the tough decisions and work in a bipartisan manner to build new revenue streams to sustain Alaska's infrastructure – and nothing is more important than the educational needs of our children, for they are our future. It will be especially important that you hold public hearings with your final budget, including education, so that Alaskans can ensure that you realize how much importance they place on the education of our children.

For the last few years, the Alaska legislature has avoided making the hard decisions by “kicking the can down the road” and this won’t keep our state functioning. Our economy is shrinking and will be destroyed if you don’t take real action to tax oil appropriately and to implement an income tax. It is past time for you to make the hard decisions to ensure that our schools provide children the education they deserve and our state has a sound, diverse economy and jobs to employ our children in the future. Please work in a bipartisan manner to come up with a fair and equitable tax plan to minimize impacts on our most important resource – our children, as well as the entire economic future of our state. Thank you very much for your attention to this urgent matter - the time is now.

Joe Banta
6820 Teresa Circle
Anchorage, AK 99516
907-250-1528

I am strongly in favor of adequately, sustainably and predictably funding education. I see no other way to do that in our current fiscal environment without supporting an income tax.

I support HB 115 as part of a comprehensive fiscal plan to balance our budget and support education.

Thank you,

Diane Shellenbaum
Anchorage, Alaska

I am writing to offer my support of a fair and equitable Income Tax. I know the cost of maintaining our infrastructure and protecting our state. I was strongly in support of the 2% tax; the current proposal, while more complicated, still has merit.

The Institute of Social and Economic Research at UAA, in a 2017 report, found that cutting Permanent Fund dividends and instituting a statewide sales tax would hit young families most painfully, while an income tax would be less impactful upon them.

I support the Alaska House majority coalition legislation that passed - a genuinely conservative path forward. The plan will eliminate the deficit and create a stable and sustainable economic blueprint for Alaska's path forward. It does not depend upon either an increase in oil production or oil prices. Instead, it rests on real information and real data.

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Thank you for this opportunity to comment,

Ruth Carter
PO Box 221472
Anchorage, AK

I support HB115 - the income tax bill for the following reasons:

1. We've already cut state spending by \$700 million over the past two years. Continued cuts will only exacerbate the recession and continue to drive workers and out of the state.
2. We need a stable, certain economy to attract businesses and workers. This will not happen if the legislature continues to cut all over the place. These cuts are not sustainable.
3. Education requires stable, predictable funding in order to improve student achievement and implement best practices over the long-term. Alaska education will not attract or retain top-notch educators in the present climate of uncertainty and program elimination.

Thank you,
Jennifer Cerovski
4671 Dusty Trail
Fairbanks, AK 99719

I support a state income tax. When I came to Alaska in 1969 there was one. I think citizens of this state have an obligation to recognize their responsibility to this State.

Steve Turner
681 Cedar Street
Anchorage, Alaska 99501

As a 43 year resident, voter and property owner, I just wanted to let you know that I am ready to pay an income tax. Further cuts only serve to cripple our state's economic vitality. In particular, the university serves as an economic engine of irreplaceable importance.

Thank you for your time, and your willingness to think of the future of Alaska.

Sincerely,
Nicole Eiseman
Fairbanks

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I am in favor of bill HB115 because it is a way to help solve Alaska's financial dilemma. I am tired of those in the Senate trying to kick the problem down the road.

Linda Hamm
Sand Lake area,
Anchorage voter

I am writing to voice my support for the income tax proposed in HB 115 that is currently being deliberated in your Senate committee and heard on April 25. As a long time Alaskan who paid Alaska's income tax until 1980, I've always thought citizens should pay for a portion of services that we have begun to take for granted during the oil boom.

While not now part of HB 115, I also support use of the earnings of the Permanent Fund and cutting the dividend to help pay for services.

In the interest of compromise, one thought I had was to include a "revisiting clause" in the bill that would state something along the line that if the price per barrel of oil exceeds X amount (for example, \$75/barrel or \$80/barrel as a starting point), then the income tax is temporary suspended under oil drops below that threshold. It could be reviewed on a year-by-year basis. What is important is that it would be a suspension, not an elimination of the income tax. This type of provision would ensure Alaskans aren't taxed when oil prices are high, but will remain subject to the income tax at low prices. It would also address one of the Senate's concerns about not having government grow unrestrained with new oil wealth in addition to income tax revenues.

Thank you for the opportunity to comment on this vitally important bill. Please vote to pass it on to Senate Finance and the full Senate.

Doug Redburn
Juneau, Alaska

I'm writing in support of Education Funding Act HB 115. I paid income taxes before oil and I will be grateful pay income taxes again.

Since oil monies have provided 85-90% of the cost of our government, we have created a state comprised of individuals who embody the entitled mindset. It's like being on welfare to BIG OIL and certainly dependent on their best interests not ours as Alaskan's. I'm tired of being on the "short end of the stick" and roller coaster ride with the oil/gas industry.

We must find a way to let our citizens contribute to the cost of services. Taxes are an important part of citizen responsibility and accountability. I strongly believe we need to re-establish the State income tax.

If oil companies continue to pay for our government, legislators will continue to work for the oil companies. If we Alaskan's pay for our government services, legislators will once again work for us-Alaskans.

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I am a life-long Alaskan. I am a small business owner in the medical sector and I believe it is in all our best interest to share (pay for) the cost and share the responsibility government. On review of articles and literature both for and against income tax, I see shortsighted individuals viewing this as unnecessary. That mind-set bought us a recession and a state filled with entitled individuals. We need a long-term solution- a stable tax matrix that includes individuals and businesses. HB 115 is necessary to provide a stable and sustainable long-term solution-government funding and legislative accountability to Alaskan's not to the oil companies.

Please call me if you have any questions.

Warm regards

Mo Hillstrand

Education both K through 12 and our Universities are crucial for the present and future development of Alaska. Education helps a person attain more of their God-given potential. Education helps provide a learned citizenry crucial for a democracy. Education is needed for Alaska's industries. It is better stewardship to teach and train Alaskans for today's and tomorrow's jobs rather than having to import out of state workers to fill our business and industry needs.

H.B. 115, agreed upon by both the House and Governor Walker, is a broad based financial plan to prevent further cuts, and balance the state's finances. The previous two years have already seen major cuts in education. This has already done considerable damage. Further cuts are totally short-sighted and foolish. Further cuts in education will be damaging to the economy, while an income tax will be stabilizing to the Alaskan economy. It will stimulate Alaskans to participate more fully in state services for we will be helping to pay for them. An income tax will be more equitable and fair. The Bible is very clear: "To whom much is given, much will be required". An income tax will be broad-based for most of us will be contributing, even those out of state workers who receive high incomes in Alaska, but live out of state. Presently out of state workers do not help to support our infrastructure: roads, docks, hospitals, airports, etc. yet use them.

I respectfully request that the Senate adopt HB 115 without major revisions.

Sincerely,

The Rev. Dr. Paul D. Beran
24 year Alaskan resident

I'm willing to pay more. We need to bring back the Alaska State Income Tax and re-link all Alaskan industries and Alaskans individually to State government. An income tax is the most equitable way to fund state government. Much more so than cutting the permanent fund dividend which hits our lowest income citizens the hardest.

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I do realize that compromise is necessary to arrive at a acceptable solution. To that end I am encouraging a modest income tax, a modest state wide sales tax, re-visiting our oil tax structure to increase revenue, and lastly capping our permanent fund dividend.

Thank you for your consideration and hard work on this matter.

Blaine Smith
32789 Cumulus Road
Eagle River, Alaska 99577

I am testifying on behalf of House Bill 115, supporting a reliable and sustainable income stream dedicated to our State's education system. I home-schooled both my boys for years, as well as using the public education system, and I cannot think of a more important investment in Alaska's future than education. I am more than willing to have a broad-based income tax, a reduction in my PFD, and changes in the taxation rates on oil to support this. I think we all have to do our part on this, and I am willing to do mine. Please move forward on a balanced fiscal budget for our State.

Thank you,

Samantha Cunningham
PO Box 1907
Homer, AK 99603

I am writing to express my support for HB115, the Education Funding Act. While none of us want another layer of taxation, truth be told, the time has come to face the facts. Our cash reserves are depleted and the notion that more oil will flow or that oil prices will rise to get us out of this predicament is a nice dream. But is it responsible? We are now to the point that the cuts to the State budget, such as those proposed by the Senate on our educational system, will hurt us both now and far into the future. Having read HB115 I think the House has fashioned a responsible solution to part of our fiscal problem. In reading the bill it is evident it has been fashioned by much debate and compromise. I encourage the Senate Labor & Commerce Committee to hear the bill, debate it, and amend it if need be, then approve it and move it along. The future of Alaska's economy depends on your responsible action.

Wayne Howell
Gustavus

Please stop cutting state services. Reducing and removing state services hurts the most vulnerable Alaskans, like children, seniors, and rural Alaskans. New graduates and old-time Alaskans are leaving the state because of the uncertainty created by these cuts over the last several years.

I am an Alaskan and I want an income tax. Please support HB 115.

Sincerely
Rebecca Dunne

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3659 Jackhammer Road
Fairbanks, AK 99709

I'm writing you today to address my support for HB 115. I am a working Alaskan, and I support this bill because I'm concerned about a decrease in Alaskan jobs, as well as decreases in funding for education and home and community-based services. I wholeheartedly agree to being part of the solution for a balanced budget which will provide security to all Alaskans.

Maggie Winston
Systems Advocate
Soldotna Independent Living Center

I am writing this comment to support the adoption of HB 115, creating a State income tax to supplement revenues for the State. Clearly oil based revenues have been hugely reduced and I believe in the next few years we will see lots of oil in the world from many sources and shrinking demand for multiple reasons, Alaska needs new funding sources to operate as a State.

I am not opposed to using Permanent Fund monies as an additional source, however there are many examples across the US in the investment of pension funds which show very clearly that investment returns can vary greatly for many reasons and should not be the State's sole funding sources. Our Fund has an extraordinary earnings history but it would be foolish to assume that can never change.

In addition to these revenue enhancements the State should continue to look for ways to reduce expenses, I believe Alaskans will have to face a new reality in terms of services provided by the State and the manner in which we can live in the State. At some point if we can not afford reasonable health care protection for the vulnerable populations and secondary schooling, I think the State may need to conclude that given our population and revenue resources we can not operate a public university in the State. I think the University has done a good job, but funding is a big part of the pie. Health care costs are obviously a huge threat to fiscal solvency but I do not see any way to control the cost per unit of service at the State level, the industry operates without free market constraints of competitive pricing.

Thank you for your consideration.

Read Dunn
PO 524
Homer, Alaska 99603

Please pass an income tax for the long-term sustainability of our State. I value our troopers, K-12 schools, universities, marine highway, and DOT road maintenance. Stop damaging the credit rating and economy of our State.

Francis McLaughlin

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We implore you to pass HB 115 and avoid cutting any funding for education. We Alaskans must "grow up" and support our State by paying an income tax. The proposal for the income tax is fair. Reducing our children's abilities to get the best education possible is decidedly very unfair, to the point of mean-spirited.

Connie and Kerry Ozer
7060 Northwood St
Anchorage, AK 99519

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....STABILIZE it starting with supporting our PUBLIC EDUCATION SYSTEM....so they aren't constantly facing unknowns and threats of budget cuts...
The children are Alaska's future!

SUPPORT House Bill 115....It's time!
Thank you.

Sincerely,

Kathy Kelly

I am not thrilled with the prospect of a tax on income, while paying too much to the feds. If, even with this tax, public education will be targeted again and again as a means of 'balancing the budget' by reducing public ed funds, then this tax must not be instated.

If, however, this tax can work as a guarantee that the state budget will not continue to cut public funding for public education in the future, then sign me up. Cut cash payouts and tax incentives to oil companies, reduce wasteful spending, ensure that government is efficient and not wantonly spending, support education and health care, support seniors and preschools.

These investments in our future and the future of all Alaskans are essential. Make these promises and adhere to them, and a tax becomes a bit more acceptable.

Don't ask me to pay an additional tax while handing it over to oil companies.

Find a way for unincorporated boroughs and communities to contribute to their own upkeep. Don't cut your way to a balanced budget - it can't be done - but, don't ask me to pay more for less, either. I urge you, however this shakes out, to fully fund public education in this state.

Valerie Brooks, M.Ed., Ed.Doc.

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My wife Ruth and I want to make our thoughts known to the Alaska Senate on the House's Education Funding Act. We know what it is really, it's a state income tax, but we don't care what it's called; we want it passed.

As 40-year Alaska residents we've enjoyed the free ride our oil wealth has given us and we appreciate and love our state so much that we are more than willing to pay for services that have come for free for so long. What else would a thoughtful, faithful resident of this state do? Stick our head in the sand and believe that barrel-of-oil prices are going to magically rebound and save us from ourselves?

How selfish.

And to think that cutting services will get us out of this budgetary crisis is simply shortsighted and patently wrong. It panders to people afraid to look at the tough, logical solutions to our financial crisis. And these are the morons who complain about not having Troopers available to respond to their problems, but who expect to get this service for free!

Be courageous, like the House majority has shown itself to be this session, with their 4-pillar plan. Work with the House and the Governor and stop raiding the state's savings accounts to fund the budget. If we tried that in our household, we'd be out on the street in short order. Do you really believe that cutting education funding is going to do anything other than produce another batch of idiots who think that cutting education is a solution for anything?

If the Senate keeps up this course of action (truly non-action, more like) we will all be in a hell of a mess and then those legislators who dragged their feet will be out on the street themselves, through the decisive action of the ballot box. We won't vote for any of you ever again.

We've said this before to our legislators: we are willing to take a reduced PFD, pay a state income tax, a state sales tax, any combination of those three, or all of them together!

Do your job, even if it's hard.

Jim & Ruth Lavrakas
Homer, AK

I encourage you to support an income tax for Alaskans. Over the past 3 years there has been significant cuts to programs that rely on state funding. It's now come to the point where cuts can no longer be made in order to save what we have left as a state before we fall into a deep recession.

The legislature should support a modest income tax, a change to oil tax credits, and a reduction in the Permanent Fund. There is no money but we've cut enough to those entities that rely on state funding.

Do not focus on how you can help business - focus on your constituents who call Alaska their home and who want good roads, good schools for their kids, and the knowledge that their money is going to keep the state afloat.

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My family has lived in Alaska for 5 generations. As a life-long Alaskan, I ask you to support a income tax and support K-12 education funding.

Thank you,

Lili Misel
Fairbanks

Please pass a full fiscal plan this year, without ongoing deficits and cuts. I am concerned that the future health of our state will be severely jeopardized if you do not support the positive compromises currently proposed in the House; this is not a partisan issue or one that can be postponed. We can't face another year of uncertainty and cuts, as already we are experiencing a brain drain in the University, health and social service sectors. I am hearing many stories from my colleagues saying that recruitment in these sectors has suffered from the uncertainty of the past two years. There needs to be a balance of reform to oil and gas tax structure and also some revenue generation for the future.

Education and effective services are vital to healthy functioning and a sustainable future. As a retired Public Health Nurse, I have seen the issues that arise when some of our residents are left out of good paying jobs and adequate services; education is the key to sustaining a future for our children and for generations to come. I urge the Senate to approve both of these creative House bills.

Thank you for all your efforts to pass a responsible fiscal plan this year, which will serve all Alaskans well.

Sincerely,

Sharon Whytal
Homer, AK

Please support and pass HB115, it is currently the only viable option that has been presented to support Alaska moving into the future. As Alaska moved from oil and gas we must look to generate new revenue and that does include income tax. Education is the key to Alaska's future, without it our state will collapse.

Thanks,

Steve Bentley

I support the use of broad-based taxes to enhance the revenue stream to Alaska. Specifically I am in favor of HB 115 and a progressive income tax.

Continued draining of the gains from Alaska's investment accounts represents a tragic loss of potential income for the future; something we can not regain.

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Continued cutting to services, education and infrastructure will leave an Alaska not worth living in nor leaving to our children and future generations. Poor schools, a lackluster university, a tattered peace officers cadre, crumbling infrastructure, no new investment in infrastructure will neither draw new citizens nor new business to Alaska. Rather, current citizens and businesses will flee to some other place where the citizens are willing and honored to support their state with their own personal investment.

It is time to stop letting the price of oil dictate what kind of state we want to have. It is past time for the citizens to begin paying their own way. Everyone else does it, why shouldn't we? Isn't Alaska worth some small amount of personal investment?

Sincerely,

Sharon George
2348 Inclination Drive
Fairbanks Alaska 99709

I wanted to write in to express my support for an income tax/HB 115. We need to enact a full fiscal plan this year to remove Alaska's economic uncertainty, and this is a smart way to do it. If HB 115 is implemented, Alaskans will still have the second lowest individual tax rate in the nation, and the lowest tax rate once you consider the PFD. There is no reason not to pass this bill (except for lack of concern about our future).

Thank you for your consideration,

Austin Quinn-Davidson

The two men 'between two ferns' (Kelly and Miccicche) just put out a video lying to Alaskans about how we don't need an income tax. First, I would like to see how much oil money funds their campaigns and personal finances. Then then I would like to strongly disagree with their entire flawed position on taxes.

Your colleagues, Miccicche (Kenai), Wilson (N.Pole) and Kelly(FBKS) are famous for saying, *'if no one is complaining than we aren't cutting enough.'* I ask you how the vulnerable, the marginalized, the elderly, the under-age, and the condemned are supposed to "complain." They don't have the privilege I do of writing letters and calling my representatives.

Alaska has been and continues to be the laughing stock of the entire nation because we don't have an income tax. HB 115 offers a sustainable way for the state to operate critical services like education when the oil piggy bank is dry. Please join me in supporting HB 115.

Thank you
Jennifer Meyer

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My name is Wendy Tinkelenberg and I am a registered voter in District 3. I wish to offer my support of HB115. No one wants to pay more taxes however; the greater issue is funding public schools, and I am willing to pay more taxes if it means public schools in Alaska have the support they need to educate our youth.

Great schools help everyone whether or not you have a child in the system. It can be difficult to attract businesses or highly trained professionals to the "wilderness of Alaska". However, a good educational system can often tip the balance in favor of a location transfer.

Well-educated Alaskan children may not seem important to those in the community who have no children in the system, but those children will eventually be very important to them because they will be the future doctors and nurses, business leaders, and legislators taking care of them.

I can't imagine not being able to read, yet without funding for reading tutors and other vital components of public education, I am afraid that will be a reality for many.

When a plane crashes, everyone goes down with it and an underfunded, struggling public school system is only going to hurt Alaska.

Thank you for listening.

Sincerely,

Wendy Tinkelenberg

Unfortunately I'm not able to testify in person tonight. But I wanted to let you know that our association is in favor of HB115, as part of a balanced, sustainable fiscal plan to stabilize Alaska's finances.

We have advocated for a fiscal plan for over a decade. Alaskans and those who want to do business in Alaska need to know that we have our financial house in order, to build confidence that they can invest in our state. Drastic cuts to education and other essential services will NOT build confidence in Alaska's future and will do the greatest harm to the economy, as shown by economic modeling. Most importantly, Alaska's students will lose their opportunity to gain the skills they need to succeed.

With regard to the alternative of a sales tax, I have lived in three rural communities and am well aware that the sales tax is one of the only tools available to these communities to raise revenue, especially when there is little or no property tax base, due to native lands and other issues. Municipal sales taxes fund local services, and the need will only increase due to state budget cuts. Also, the sales tax is highly regressive, and the reduction to the PFD will already affect our poorest residents most severely.

Finally, the income tax as part of the fiscal plan will create a connection between an increase in economic activity and funding for necessary services, which is currently missing from the Alaskan economy. Even with the tax, we will still have one of the lowest tax burdens in the country.

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Please give serious consideration to HB115 as part of a fiscal plan. Without a balanced plan, we will continue to be subject to the fluctuations of commodity prices and production cycles. We can do better for Alaska's students! Thank you for your work for our state.

Amy Lujan
Executive Director
Alaska Association of School Business Officials (ALASBO)
3145 Pioneer Avenue
Juneau, AK 99801

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. My apologies for once more being unable to testify in person or at the Homer LIO. I am still at an off road location with only a point to point microwave Internet connection.

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, CS-SB26, or any legislation that reduces the PFD or imposes taxes on ordinary working class Alaskans without significant oil and gas subsidy reform.

For my first decade living in Alaska I paid income tax. It wasn't a burden. Back then most of us felt it was our responsibility to help pay for the infrastructure and services we wanted. Having a financial stake in our government made most people a lot more interested in how it functioned too. I think more people interacted with our legislators and the Governor. As tax payers, we had more credibility and clout with them. After repeal everyone went on the dole and the political establishment grew less interested in what citizens had to say. Too many came to feel that oil companies and other outside corporations were their real constituents.

The great pipeline boom brought a lot of new people to our state. Many of them had children. All these people demanded more infrastructure and more services. Not all of these folks went back to California, Texas, Minnesota, or wherever after the pipeline was built. They had more children. Quite a few who did move back outside continue to work shifts on the north slope. By repealing the income tax we eliminated the requirement that all those people help pay for the Alaskan infrastructure and services they benefit from.

Given the above, it's easy to see why this state is facing fiscal meltdown. It's time that we get off the dole and start paying our own way again. I want you to work with the Governor and other legislators to put together a comprehensive fiscal plan to help us do that. To work it must at least include elimination or significant reduction of oil and gas subsidies, increasing the revenue stream through reestablishing the income tax, and a very conservative draw on permanent fund earnings.

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From what I can see HB115 reflects one part of the solution. Please pass it with the understanding that it can't do what is needed by itself.

Regards,

Mike O'Meara
Homer, Alaska

I have to say I have been pulling up a lot of information lately on HB115 proposed income tax for Alaska. This plan is better in many ways than other state income taxes available throughout our great nation.

I do like the bracket set up that will flow slightly higher tax to those high earners. Being a moderately high earner myself with plans to progress my future in Alaska. I see the great benefit to this tax proposal. We can set ourselves up as a state to progressively build the state funds over time and that will help reverse the hole we are currently digging.

I would prefer to live in a better financial leveraged state. Currently we are over leveraged so much it's showing its effects on the economy.

We need plans to build in state projects that will also feed the state government and additional state growth.

I like HB115 in part because it will allow all money made in state to be taxed before it leaves our state.

We have a huge percentage of out of state workers that take income and run back to Washington, or Montana, or some other state where they spend away their 6 figure incomes and Alaska's Economy gets hit due to that.

It's time to tax all money earned in state before it leaves the state.

Also being that I was born and raised in Alaska and still reside here I plan to do anything in my power to make sure our state doesn't get taken advantage of any further.

Thank you

Christopher S. Neeson
Lifelong Alaskan & HB115 supporter

The House has come up with a balanced approach to our coming fiscal crisis in HB115. I urge you to follow their lead in giving us an income tax to sustain our remaining way of life and mostly, to educate our children. An income tax without loopholes is the fairest way to get money from the citizens of Alaska to support the services we rely on.

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The only alternative appears to be far fewer services funded by a hefty property tax, which will tax only a portion of the citizenry. Vote for that income tax!

Gail Davidson
3638 Rosie Creek Road
Fairbanks, AK 99709

I am an employee of the University of Alaska Anchorage and a contributing member to our state through my professional and extensive volunteer work.

I support HB115 and ask that the Senate Labor & Commerce committee do the same.

Accepting the Senate's plan, and only using Permanent Fund earnings, is not only shortsighted but also disproportionately impacts our lower socioeconomic and rural Alaska residents. An income tax distributes the costs of running our State services more fairly among those of us who can manage it and individuals working here but living out of state. I support paying for the programs and services that make Alaska a place I'm proud to live.

Thank you for listening. I trust that you will make the best choice for Alaska by supporting HB115.

Very best,
Kelly

The free ride is over. It is time that every Alaskan has "some skin in the game." It is time for Alaska to implement an income tax.

Based upon presentations before this very committee earlier this year the brightest economic minds in Alaska support the need to diversify Alaska's revenue sources. The Senate's plan to cut it's way out of the budget deficit is wrong and poses extreme risk to the future of Alaska's residents. The resulting recession will negatively impact Alaskans for decades to come. The current economic situation will continue to hurt. An income tax as part of a comprehensive economic plan is the best way to spread the pain and steer our State back on the course towards recovery. An income tax will hurt far less than continued inaction via "cross your fingers for oil prices to go back up" and in the mean time "cut, cut, cut!!"

It is time to move past the emotional responses to an income tax and the misguided political promises to the contrary. It's time to make the tough decisions- tough decisions based upon educated economic forecasts and recommendations- tough decisions with Alaska's future in mind.

Respectfully,

Troy J. Bowler
Anchorage

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It is time to move past the emotional responses to an income tax and the misguided political promises to the contrary. It's time to make the tough decisions- tough decisions based upon educated economic forecasts and recommendations- tough decisions with Alaska's future in mind.

Respectfully,

Troy J. Bowler
Anchorage

I am in support of a small income tax for education.

I would also support a sales tax if necessary to preserve services.

Cathy Morgan

YES ON INCOME TAX!!!

It is past time for out of state oil workers and seasonal workers to help the Alaskan economy. The PFD is crucial to many families and the elderly. The rest of us can offset the burden of an income tax by using our PFD to pay the income tax.

Respectfully,
Doug Van Patten
Homer, AK

I implore you to support the HB115 Income Tax bill to support education. I understand that our state is in debt and that we need to make hard decisions to find balance. Major cuts to education is very short sighted though and will only hurt our children and our future. Education is a service oriented organization, not for profit, and therefore cannot generate it's own revenue, nor should it. Every child deserves and equitable education. Equitable is not equal. Some areas of our great state do cost more to educate a child than others. While our former revenue for generating funding for Education is low

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(oil) we need to find a replacement. We have proven in the past that we can institute an Income Tax and then remove it. We can do so again if needed. This would help with the money being made by out of state workers in the oil, mining, fishing industries who make good salaries but don't even live in our state, commuting by plane for a week or two at a time and then spending their salary to the benefit of other states.

Please support a revenue and not a cut to keep our education system out of crisis and let our children know they are important.

Respectfully, a lifelong Alaskan

Tori Brannan,
7185 Old Richardson Hwy,
Salcha, Alaska 99714

Thanks for hearing the House income tax plan today. I fully support a fair and progressive income tax along with the other House budget pieces including PFD and oil tax changes. I urge your support and hope the Senate will agree to an income tax this year. Time to share the cost of living here according to ability to pay.

Also, please support funding for public education, as our future relies on it. If anything, there needs to be increasing support for K-12 and the university each year as costs rise. Massive public sector layoffs will only lead to further recession, trickle-down job losses and people exiting Alaska.

Don McIntyre
3917 Westwood Drive
Anchorage, AK 99517

Please consider this email my support of House Bill 115. We need an income tax to support education, to support hard-working Alaskans, and to support the communities that we all love.

We can no longer rely on cuts and hope that the oil prices go up. We have to think about tomorrow and not just today. Education is important to all Alaskans as we need an educated Alaska to continue being strong state.

Please support house bill 115.

Thank you,

Callie

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I'm writing to express my support for education funding in general and for the University of Alaska in particular. I'm strongly opposed to the cuts in funding to education proposed by the Senate; UA has already seen declining state support for each of the last few years and the significant, additional cuts proposed by the Senate would seriously compromise the institution's ability to benefit the State of Alaska.

Moreover, I'm strongly in support of an income tax. The Senate's proposal--with nearly \$300m in undesignated cuts and a reliance on the PFD exclusively--will not address the long-term fiscal health of Alaska. I'm proud of my state, benefit from the services provided by state government and am happy to pay for those services. As Oliver Wendell Holmes wrote, "Taxes are what we pay for civilized society . . ." I'm pleased to pay my part for a more civilized Alaska.

Best,

Steven Johnson
3127 Wesleyan Dr
Anchorage, AK

I support the reestablishment of an income tax to help alleviate the financial problems of the State. While I have appreciated not having to pay any income tax for many years since it was removed, I believe the State made a mistake by so doing. They should have reduced the tax to zero rather than eliminating it. I believe it is important for the residents of the State and for those who earn an income in the State to help pay for the services provided by the State. I encourage you to advance this bill, to approve it, and to implement it into this coming year's budget. While this is only one part of the revenue stream, it is important for Alaska to have multiple streams of income to support our needs. We have relied for too long on one income stream, oil revenues, which has resulted in that industry having too much influence on our State's policy development and we are too dependent upon the ups and downs of this industry. As any financial advisor will tell you, we need to diversify.

Thank you for your attention to this extremely important issue.

Ron Illingworth

We had an Anchorage Legislative Town Hall meeting; it was agreed that it was the Legislators' single job this year was to solve the budget crisis. So far, you have failed; which has continued our budget crisis and your inability to continue funding necessary government obligations (especially Education). Not acting to find revenue to support government obligations will drive us further into debt and deplete our savings and jeopardizing the corpus of the Permanent FUND. Please follow the majority votes that were generated at the Leg. Town Hall meeting: put funding the State through PFD & taxes as number 1. The State's future is in having an educated populace – Please do your civic duty and fund our future. We must have new taxes and tax fixes this year. Four legs to our balanced budget stool, which all Alaskans must participate in, are:

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- 1) Keep current Government cuts in place (over the last 4 years you have cut government spending by 30%; this is GIANT!), but do not cut so deep that job losses destabilize communities.
- 2) Continue to link PFD checks to the realized earnings of the PFD fund; and bite the bullet and limit the PFD refund check to a maximum of \$1,000, the long term average, so everyone helps pay for our government, but a lesser hit to our less financially secure neighbors.
- 3) Implement an income tax. It is the least regressive tax (we already taxed low income individuals in PFD reductions) and will have non-residents who earn money here and use our infrastructure participate in our budget solution.
- 4) Most all of us are thankful for the benefits of oil to our economy and the good neighbors the oil companies have been. But it is irresponsible for our good neighbors to expect and our legislature to give away money that we no longer have. Oil companies have their highest profitability in Alaska. So we must end or drastically reduce cash subsidies to the oil industry.

Thank you
Earl Krygier & Minoo Minaei

I live in Homer, Alaska.

I understand that the Senate is opposed to instituting an income tax, or supporting the House budget bill HB 115.

I definitely believe that we MUST institute a small, reasonable income tax that is progressive. Further cuts to services - particularly to education and health would cause massive problems now and in the future. I want our state to continue to provide our kids with excellent educational opportunities. I would like to see better health care access for all. It would be good to see INCREASES in allotments to these crucial areas. However, I understand increased funding won't be possible (though that is short sighted), but at least increased CUTS should be avoided.

There is nothing wrong with an income tax, as it helps to diversify the revenues for the budget. Our citizens who oppose that have been "spoiled" by the years we have not had such a tax.

It is truly short sighted to think only of cutting the budget and waiting for oil prices to rise again. I'd like to see our Senators be pro-active, like the House members are trying to be.

Thank you.

Vivian Finlay
455 Elderberry Drive, Homer.

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I'd like to voice my strong support for HB115 - the income tax and education bill currently being considered, and open to public testimony tonight.

It's time for Alaskans to start contributing to the services we value in state government and investing in our state. I support an income tax, especially as it is less regressive than a sales tax.

Thank you,

--

Penny Gage
Anchorage, AK
99517

I have spent my entire life in Alaska, started and sold three successful small businesses and care deeply about the future of my state. Many of the 'old timers' I know are fine with paying a state income tax. We have managed before, and consider it our civic duty. We put the education of our children and grandchildren ahead of the size of our personal bank account. We care about health, safety and our elders. I hope the Senate will help the House provide a stable economic climate so that small businesses like mine can have some positive certainty when making business decisions.

Peggy Mullen
Soldotna

We need to balance the budget.

I have no problem with an income tax; but regardless of the form of generating revenue to meet our budget needs; I definitely insist upon a sunset!

If we are going to due an income tax; I insist on a five year sunset! It goes away in five years! That goes for restoring the Permanent Fund Dividend.

While we are at it; we should do as other States have done and set legislation in place such that all union members pay their own union monthly membership dues. Automatic union due deduction from paychecks should be terminated.

Sincerely,

Stan Welles

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Personally I am willing to use PFD funds and income taxes as needed to fund public education, for education has such a profound influence on our well being - both socially and economically.

I have attached information from Professor James Heckman, a Nobel prize-winning economist. From his studies he developed The Heckman Equation which concludes that “early investment produces the greatest returns in human capital.”

Sincerely,
Jeanne Kitayama
PO Box 911
Haines, AK. 99827

As a 60 year resident of Alaska, I’m asking you to please support an income tax as one piece of the state’s fiscal puzzle. It will help spread the load over non-residents who work here, and will help provide some economic stability. Further cuts in state government will only lead to a more dramatic decline in the state’s economy.

Sincerely,
Steve Behnke

4545 Thane Rd.
Juneau, AK 99801

I am a 34 year resident of Alaska, almost all of that time spend working as an ER Nurse. I think it is vital that the Alaska Legislature pass a comprehensive budget, including an income tax, as HB 115 is a part of. I feel that we MUST, as a state, continue to provide basic service, which have been threatened due to the downturn in oil prices. We need to keep our schools, health care services, social programs, safety programs, and basic infrastructure in place in order to make our state a place where people want to live. We must have communities that thrive and have basic services and infrastructure in place in order to build our economy. We must have citizens who are educated and communities that have an environment where citizens feel safe and where they and their families have an ability to thrive.

We need a stable economic plan moving forward, so businesses and people continue to view Alaska as a good place to live. Please pass HB 115, which will work together with SB 26 and HB 111.

I am willing to pay an income tax in order to fund my government!!! Thank you for your work and PLEASE pass HB 115.

Sincerely,

Judy Cavanaugh
2521 David Street
Juneau, AK 99801

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I believe it is time for all Alaskans to share in the costs of running government and providing services in this state. For too long we have had the welfare mantra where someone else (oil taxes) pays the bill statewide, locally many of our municipalities are collecting sales tax to fund services. These services are not frills, they are needed and required to have an educated and healthy citizenry. I fully support a statewide income tax. It is long overdue. I lived here before the income tax was discontinued, and felt it was short sighted. Oil is a finite resource, one that will run out, as we have seen happening on the North Slope.

Over 90,000 non-residents come to Alaska each season to work and get paid good wages that they are not taxed on, although they use our services, from libraries and health clinics to roads and waterways that are state-supported. It's time everyone paid a fair share. I believe House Bill 115 is fair and equitable, under this bill which tax payers will only pay 2% of their income, those most in need will not be penalized, as there are exemptions built into the bill that guarantees Alaskans will not be taxed on the first \$42,000 of income.

Cutting your way out of the budget mess is no way to run a state. Our University system has already suffered at the hands of the legislature, and the almost \$70 million you are proposing to cut from K-12 education will devastate school districts, It is unfair and unjust to leave those most in need (those without an education) no means to a quality education.

Please stand in support of the HB 115, and find revenue for our state, rather than allowing it to waste away.

I apologize that I am unable to attend the teleconference at Kodiak's LIO, I have to work at that time.

Thank you for considering my request,
Kind regards,

Laurene Madsen
Kodiak

I am writing as a born and raised Alaskan to request that revenue from any State income tax be used to support education.

If we want our State to be successful, we must invest in education so that our children can be competitive in the world market, where Alaska is strategically placed to benefit from Global trade. Alaska has always been innovative and ahead of the curve in many ways.

Let's continue to be trend setters by recognizing that oil is going to be phased out and we need a way to pay for our schools and infrastructure that is less dependent on a single resource.

An income tax that ensures that out of state residents who work in Alaska and use our resources pay their fair share is the most straightforward and evenly applied approach.

I am more than willing to pay an income tax so that our children can be successful in the world.

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I know that will be an expense to me of over \$1,000 a year, however, for the greater good, I am willing to do so as it seems to be the only way forward that is fair to all Alaskans.

Please support the Senate version of HB 115.

Thank you!

--

Lori Gregory

Our family urges the legislature to come up with a sustainable, sensible approach to Alaska's fiscal situation — and a part of that solution is an income tax.

Thank you.

Larri Spengler

Please support the income tax. I have lived in Juneau/Douglas Alaska since 2000 and love it here. Part of the reason I moved here, is because of the great public schools, the university and the services. Like every other state we can help pay for everything the state provides with an income tax. Do not cut any more! The 4 prong approach is the best.

Reduce the PFD, create an income tax, spend a little savings and we've already done the cutting.

Thanks for your service,

Sincerely,

Lisa Eagan Lagerquist

I support HB115. It is a fair way to boost revenue. I am an retired Alaskan on a fixed income. I don't like the idea of paying an income tax, but I believe now is the time. The biggest reason for HB115 is that it captures revenue from out of state workers It is about time they pay their share. Secondly, it supports out schools. Schools cannot take another cut in revenue. .
Support our children and vote for HB115.

Regards,

Kim Zwingelberg
800 F Street Unit C3
Juneau, AK 99801

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I am very concerned that you can not seem to pass a budget. I believe we need to do a combination of taking a portion of the permanent dividend and having a State income tax. I can not see the value in giving everyone in the state a permanent dividend when cutting our schools. I believe the permanent fund dividend encourages people to come to Alaska for the wrong reasons. I would much rather a fund is set up to benefit those who have made Alaska their home and intend to stay for generations to come.

Please consider getting the budget in line while not hurting our future!

Anne Yutzenka (born and raised in Alaska)

I strongly support HB 115, including the state income tax. I feel that this gives Alaskans the best chance for our future.

Thank you for your time.

Sincerely,

Lisa Pekar
1517 Birchwood Street
Anchorage, AK 99508

I support HB 115 with it's proposal for an income tax. I want to have education in Alaska fully funded.

Mary Treiber,
730 Bayview St.,
Ketchikan, Alaska 99901

I was very happy to see the House pass HB115, as implementing an income tax is an inevitability in righting our state's economic ship.

It makes good sense for the people of Alaska to bear a small portion of the cost of maintaining the many shared services, infrastructure, and upkeep that enable all of our day-to-day lives. It's also important to recognize that as it stands now, many of our state's high-level earners are not in fact residents; seasonal and oil industry workers come to our state for high-paying jobs, pocket their income, and return to another state to spend and invest that money. Local economies don't benefit from the spending and investment that would be expected of a year-round citizen and a reasonable income tax is a way to ensure that the benefit of these non-resident workers is a two-way street.

A common complaint against income taxation is governmental overreach, but I say that a "nanny state" is one in which the state's citizens expect to be cared for without any input or effort on their part. I view an income tax as an investment in the continued success and growth of my home and am happy to pay my share.

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Please support the passage of HB115 through the Senate.

Thank you,

Kirsa Hughes-Skandijs
99801

I am a working Alaskan and am totally in favor of HB115. I believe we need an income tax and am willing to pay my share to keep the services provided by the state. I do not want funding for public education or the university to be cut. I believe an educated population is the key to our success. I think our infrastructure needs to be maintained and in some cases improved. Cutting out waste is one thing, but cutting essential services just to reduce the budget is not very forward thinking. If you want companies and people to invest in Alaska, we need to have the essential public services that make it attractive. This would include quality education for a skilled workforce, transportation systems to get around our large and great state, and communication systems to allow business to flourish. If you want to cut your salaries, per diem or benefits to save the state money, great; but I am asking you to generate the funds to push our state forward and not backwards.

Thank you for your hard work and consideration.

Lynn Spence
331 Mountain View Drive
Homer, AK 99603

I support HB115. I support a fiscal plan that supports K12 education and higher education in the state of Alaska. Public education is one of the pillars of our modern democracy. Public education is the foundation towards an equitable society. Public education is a long term investment in Alaska's future by developing human capital and the capacity of self governance. It is reasonable and prudent policy to invest in our people for the long term benefit of all.

It is not an income diversion tactic by one side or another, that is just an argument for increasing the polarization and benefiting from increasing animosity amongst Alaska's diverse peoples.

Telling educators "to do more less" ignores the long term damage of yearly draconian budget cuts to such outcomes as decreased higher education enrollments due to an increasing Alaskan brain drain and increasing long term maintenance costs to our educational infrastructure.

Waiting for the increase of oil prices and doing nothing other than draconian budget cuts and spending down the savings accounts does not work to stabilize the long term viability of Alaskan public education or Alaska's economy which depends upon a highly skilled and educated work force.

Craig Kasemodel
4218 Chelsea Way
Anchorage, Alaska

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Please consider supporting HB115. I firmly believe that the only way out of the current economic crisis that we are in is through putting all our weight behind educating Alaska's youth. The fact that my daughter will enter the school system next year makes this all the more poignant. I am willing to pay taxes to support our education system and I'd appreciate the support from my representatives.

Thank you for your time.

Respectfully,

Rudy Multz

I support a tax. It is time to provide economic stability that would support small business, large business, and education. We can't cut any more and keep our economy functioning. It's time for income tax.

I am a constituent of Pete Kelly's in Fairbanks.

Nicole Stellon O'Donnell
697 Fordham Drive
Fairbanks, AK 99709

I support state income tax!

It is a sacrifice I am willing to make. I would rather contribute to the health of our state than cut education, pioneer homes, arts, fisheries, etc. We stand to lose many creative, dynamic Alaskan residents if the quality of life goes down because of cuts that could be avoided. (out of fear of losing votes about taxation) Quite ironic.

I also support more taxation on the oil industry.

I also believe we should explore and support agriculture, maintaining healthy fisheries, new ways to boost our economy and inter-dependent way of life.

Alaskans are resourceful. Let's think outside the box!

Thank you!

Shar Fox
503 5th St.
Juneau, Ak. 99801

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My name is Amy Paige. I live at 592 Seater Street, Juneau, Alaska I am unable to testify at this evening's hearing on HB 115.

I am an Alaska resident since 1966. I remember the school tax and the income tax and could never understand why those taxes were dropped just when all those oil company jobs came to the state.

I am strongly in favor of HB 115 as amended. I like that it is more progressive than the federal income tax. It is past time for Alaskans to ask ourselves and others who come to work in this state to pay our share in support of the government services we all need to live in our communities through a progressive income tax that will not unduly burden low income individuals and families and that asks those with higher incomes to contribute more. I believe HB 115 does this. Also it will help wean us off dependence on our dwindling oil and gas reserves - as we must if we are to be part of the solution to human-caused global climate warming from our CO2 emissions.

I believe it is essential that Alaska live up to its constitutional commitment to provide essential, quality public education to all our children. I believe that even those of us who do not currently have school age children, benefit from all children in our Alaska society being afforded an education. We are richer with kids in school learning to solve the future problems and challenges.

I urge you to support this bill.

Thank you,

Amy Paige
Juneau, Alaska

I am a small business owner and mother of two school age children, and I support an income tax. Alaska needs a secure fiscal plan and enough revenue to pay for needed programs. As a business owner, I worry about the financial security of our state, because it isn't possible to grow business from a place of scarcity. We can collectively do more with the relatively small income tax we would pay than we benefit from keeping it in our pockets.

My oldest daughter is starting high school in the fall, and we went last night to meet with her school counselor about her schedule. We learned that her first two electives, French and Drama, had been cancelled because of budget cuts. If my children cannot get a good education in Alaska, we will be forced to relocate, because there is nothing more important to me than my kids' education. I am hearing this from all sorts of parents, parents with professional jobs whose kids are high academic achievers. Please do not drive people from our state by refusing to implement a reasonable tax plan.

Laura Volmert
519 Bonnifield St
Fairbanks, AK
99701

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

We have a 4 foot wall to build and we have 4 1-foot blocks. A multi-pronged approach to this situation, that INCLUDES an income tax, is the only and inevitable solution. The sooner we put it in place, the better the overall economy will fare. The children of today have one chance at a quality education. Families who lose jobs and move away will not be back. Businesses who lose customers will close. ACT NOW before the the citizens, the children and the economy suffer more than we already have. Delay will only make the problem worse. This is about the next generation - not the next election!

Debby Retherford
4525 S McKechnie Loop
Palmer, AK 99645

I strongly support the complete fiscal plan being offered by the Alaska House of Representatives. I urge you to bring forward and pass HB115 and HB111 with all due speed. previous cuts to education more moves the number of students per classroom into truly dysfunctional levels and cutting pre-school grants effects the age group that produces the greatest return on a child's potential growth and competence in life.

Health care is already one of the greatest strains on family resources. Lack of health care contributes to the down fall of so many low and middle-income homeless people.

As a citizen and 40 year Alaskan, I stand for a basic quality of life for all our citizens. I am willing to pay my share to make this happen. The House fiscal plan will place Alaska on a sustainable fiscal footing that we can build on.

Sincerely,

Nancy Lee-Evans
AnamCara
66665 Fry Ct, Homer AK 99603

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Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

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Sincerely,

Nancy Lee-Evans
Anam Cara
66665 Fry Ct, Homer AK 99603

As a 30 year resident of North Pole, Alaska, and a parent of five Alaskan-born adult children, four of whom currently live in Alaska, I am writing in support of HB 115 and the companion bills put forward by the House to address the state funding crisis. A combination of adequate funding for education, a progressive revenue source such as an income tax, reduction of credits and other subsidies to oil and gas companies, and a restructuring of the Permanent Fund is the right answer for long term economic stability.

There are certain services that government should provide, and education is the most important. Continued cuts to these services will result in decreased opportunities for future generations of Alaskans, as well as immediate increases in unemployment and consumer spending, as loss of state functions reduce private opportunities, and state employees lose their jobs.

Please make the right choice for Alaskan's future, and support HB 115, as part of a comprehensive long-term funding solution.

Sincerely,

Christine Everett
2308 Robinson Circle
North Pole, AK 99705

Count me in as an Alaskan who wants an income tax!

--

Joyanne Bloom
883 Basin Road
Juneau, Alaska 99801

I would like to express my support for an income tax.

We the people need to feel we have a vested interest in our government.

As it stands now we don not, mostly oil companies have the say and I understand that, so I want to feel like I own something and have a say in the legislature.

And speaking of oil company tax, I don't understand why the tax on oil needs to be so complicated.

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Why not just have a simple percentage tax of say 10 or 15 % from what they take out of the ground. They do not need an incentive to drill. The fact there is the possibility of oil is incentive enough.

Thank you for your time

Louis Dupree
Homer, AK

My husband and I grew up in Alaska, were educated in Anchorage public schools and in my case, received a first post-secondary degree from University of Alaska.

Our four children were also educated through ASD schools and today are working professionals including an M.D., two ICU nurses, and an engineer. We have excellent public schools in Alaska, and I credit our and our children's opportunities for career success to the solid education we received locally. Education is an investment in Alaska's future, possibly the most important investment we can make. We have a fiscal and moral responsibility to protect and grow this investment. This can only be done through the ongoing support of public education. Common sense tells us this can only continue through a comprehensive fiscal plan that supports public education.

HB-115, the Education Funding Act is part of that plan. A broad-based tax based on income is the most fair and reasonable solution to our budget shortfall. When my husband and I grew up in Anchorage in the 1960s and 70s, everyone paid an annual school tax, which was minimal by today's standards. Since then, Alaska's done a lot of growing up as reflected in our state's population and economy, and we've learned first-hand that change often comes at a price.

Now more than ever we need to remember that we're all Alaskans, regardless of where we live in our great state. We don't run from challenges. We face them and work together for solutions. It's time for us to step up, and take responsibility for funding our state and our children's futures. Please support HB 115, the Education Funding Act.

Louise Dekreon-Watsjold/Kim Watsjold
Eagle River, AK

I am writing to let you know that I support the measures proposed by House Finance to solve our budget crisis. I believe that we Alaskans should be paying a modest income tax, as we did 49 years ago, when I first came to Alaska. The cuts proposed in the Senate, especially those in education, will cripple us in the future. If we want to develop as a state, we need citizens who are well educated.

Thank you,

Bridget Smith
137 Sixth Street
Juneau, Alaska 99801

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
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I am writing in support of HB 115, the implementation of an income tax.

There is an old saying, just do more with less. The forgotten half of that saying is that at some point you just do less. Haines Borough School district has cut 1 administrator and 2 teachers as well as budgeting for the use of half of our fund balance in an attempt to maintain opportunities for our students in the wake of an expected \$500,000 reduction in funding just this year. If the state fails to generate revenue and instead focuses on cutting as a way to meet its fiscal responsibilities, it is our students who will pay the price.

I implore you and your committee to have the courage to make the hard choice for the sake of our children because the loss of opportunities won't be apparent until the students graduate, and then it will be too late.

Please name the members and begin the discussion on HB 115.

Tony Habra
(907) 766-6725
Haines Borough School District

I am writing in support of HB 115. I work for the Kenai Peninsula School District and see the good work and student lives that are supported and grown through the hard work of the school district. At our school students get fed, educated, supported and trained to be useful members of society. A 5% cut to the current budget would lead to a drastic reduction in staff and an inability for our school to function. The school tax provides some funding for education, and balances out the regressive PFD reduction that is part of the fiscal solution. Combined, HB115 School Tax, SB 26 Permanent Fund Protection Plan, and HB111 oil/gas tax credit reductions - fully fund our state budget. I don't have kids of my own but I recognize the value in educating our children. I'm willing to pay my share.
thank you!

Ingrid Harrauld
5125 Spencer
Homer, AK 99603

I retired from teaching, coaching, and mentoring in Alaska schools with over 40 years of service. We need to support the only clear future that Alaska has--our children. Working in both rural and urban communities, I saw first hand that the only reliable resource we have is our children. We have smart and productive students in villages who need to be able to earn their way to personal success, not confined to blind horizons. With the economy the way it is right now, please support a better budget for all of us by including an income tax. When I first came to Alaska, there was a school tax. No one complained. Everyone benefitted. I would like to see it re-instated as well. We should pay our own way.

Gretchen Murphy
3504 Krebs Drive
Fairbanks

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

I urge you to support an income tax. The solutions proposed by your ruling caucus in the Senate are based on beliefs with no confirmable factual basis. Your reliance on hope for favorable future change to solve the problem is not a responsible exercise of your constitutional responsibilities. HB 115 is a necessary part of a solution that includes eliminating oil tax credits & raising the floor on production taxes.

Though I am not a member of your immediate constituency, as an Alaska citizen I want to weigh in on the budget crisis facing us today. Most succinctly:

- I support an income tax to help generate revenue to maintain a reasonable level of services in Alaska, especially those that are safety nets for our most vulnerable citizens
- Although it is not on the table right now, I support the inclusion of return of the "education tax" that existed prior to oil money swelling our coffers and our heads. in next year's budget planning, Education is the # 1 budget expense and all who live and all who work in the state should be asked to help support it, for the sake of our future.
- Attention to oil subsidies and oil taxation is important,, but I am not well versed enough to be more specific.

We cannot be a state that regresses, that 'squanders our existence on a pocket full of mumbles..such are promises". There is virtually no chance the price of oil will rise to former heights. To expect that we can party until it does is a "pocket full of mumbles." I am afraid that many of the members of the Senate, and the Fairbanks delegation, are mumbling.

Thank you for fighting the good fight.

Jennifer Jolis
PO Box 155
Ester, AK

My husband and I are constituents in your district. We are writing to tell you we vehemently oppose the budget cuts to education the senate is proposing. While we recognize the state is facing a major financial crisis, cuts to education will have negative consequences that extend far beyond the goal of trying to save money. We are asking you to think LONG TERM regarding the impact these cuts will incur and consider a better solution to our fiscal crisis. Funding education at the level the senate is proposing is ineffective. We support generating revenue through cuts to the permanent fund pay out AND/OR an income tax as well as taxing oil companies at an appropriate level.

Again and again, we are astounded by the lack of courage and foresight the senate shows.

Respectfully,

Holly and Terry Nunn

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Hope this session is treating you and your family well! As would be expected, my family has not agreed with every bill you listed in your email update but I remain convinced that you are such an effective senator because you listen so well to your constituents.

On probably the biggest issues of the day (PFD and Income tax) even my close friends and I are divided, so I can empathize with your dilemma.

Personally my wife and I support the reinstatement of an income tax because we have a young family. I think that if another broad based tax (like a sales tax) or complete removal of the PFD is implemented families like ours would start turning away from Alaska as a place to raise a family and the character of the state would devolve into wealthy retired people, transient workers, and criminals. Raising the cost of living even further will it help anyone in the long run so I like the idea of a sunset provision.

We could definitely do better in the education department, I know that is something you are passionate about and we greatly appreciate it! There has to be a way for our state to improve the outcomes for our kids, we spend so much money on lackluster results, it's a real shame.

All the best, you're doing a great job!

Most sincerely,
Terence Dalton
Campbell Lake

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All the best, you're doing a great job!

Most sincerely,
Terence Dalton
Campbell Lake

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

I'm writing to ask you to consider the House Majority's plan to implement an income tax for Alaska.

I was raised in this state and would like to raise my own family here. With the uncertainty of the state budget, I don't have faith that Alaska will be worth living in. The budget has been cut to the extreme, gouging education and other services that are necessary for the success of future Alaska and Alaskans. We need a comprehensive plan that people and businesses can rely on. I am willing to pay my part to ensure stability and a future.

I ask for an income tax, because it is a progressive tax that will not overburden the already hurting disadvantaged and low income in our expensive state. It also will help mitigate the volatility of the oil industry's impacts.

Please, don't pass the buck. Pass an income tax for a better future, and leave Juneau. The 90 session is over, and Alaskans would like this resolved.

Thank you,

Korie Hickel

I am writing to ask you to vote yes on HB115. As a parent of three children, 2 of which graduate from public school and one that is in middle school, a tax payer, and a public education teacher, this bill would greatly help fund public education. I am advocating for adequate, sustainable, and predictable funding for public education. To that end, I am encouraging a comprehensive fiscal plan be passed this year!

Thank you,

Sarah Ellis-Heintzman
3230 N Longspur Drive
Wasilla, AK 99654

I am willing to pay income tax to Alaska. I do not want the Permanent Fund raided for governmental functioning.

Short & sweet, eh?

Sincerely,

Mary Anne Wilson
P.O. Box 215
Seldovia AK 99663

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

My name is Tasha Elizarde (Senate District Q, Juneau) and I am writing to urge you to please vote yes on HB115. The income tax is a fundamental part of our escape from the state's fiscal crisis, and I hope that you consider my thoughts on the bill.

I am advocating for the income tax because our economy is suffering under the action plan we have been following the past few years. Budget cuts, although a necessary part of recovery, are not enough to repair our economy and move our state forward. We need to gain revenue and diversify our economy so that later, we are not relying on one source of revenue: oil & energy production.

I write a daily segment for the Juneau Empire. For it, I summarize the events of 1980s Juneau. On every old newspaper I have read, there is at least one front-page story on our state's economy. In the 80s, we were in a similar economic rut because our state relied so much on oil. Our history shows a trend: Alaska is not self-sufficient, and needed government programs - education, health services, transportation - are all relying on how much money we get from oil. This is an unstable way to run our economy.

I am currently a senior at Juneau-Douglas High School. Because of budget cuts, I have seen my classes grow from 20 or so students to near 30 or more. Many teachers are clearly overworked and students complain there is an inadequate number of classes available to them compared to down south. Our budget crisis is prompting more cuts to education - the recent Senate proposals cutting funding and the Alaska Performance Scholarship are just two issues students are strongly against (during the Spring Alaska Association of Student Governments conference, delegates passed a resolution supporting HB115 and both the Juneau-Douglas and Thunder Mountain High School student governments sent a letter opposing SB102 and SB103) - and worse, not only are there other departments under the same pressure, but the pressure is preventable. We need revenue from a source other than oil to help fund education and other key departments.

If we continue to cut spending and lessen the quality of life, we will drive more Alaskans out of the state, hurting our economy even more. I was talking with a group of my peers about our future, and although most of them said they'd like to return to Alaska to live, they were hesitant because of all the problems our state has encountered because of all the budget cuts. Personally, I plan to return to Alaska after college because like you all, I love this state. However, it's important to recognize how difficult it is to stay when it isn't viable to.

HB115 can bring necessary revenue to our state and diversify our economy so we are no longer relying on oil to fund services crucial to Alaskans, from state troopers to education to road maintenance. We still have more steps to take if we want a sustainable economy, but the income tax is a proper start. I was pleased to see SB26 pass the House recently, and I hope to see HB115 pass, too.

I also request that the hearings for this bill be reopened. I was extremely disappointed to see that public testimony is being limited to one hearing on Tuesday afternoon. The income tax is an incredibly important part of our fiscal future and it deserves more time to be properly debated. Our economy is a first priority issue, and HB115 should be handled in that regard.

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Thank you for your work for our state and for taking the time to listen to my comments. I greatly appreciate what you do for our state, and I hope to see progress being made in the future.

Thank you,

Tasha Elizarde
Juneau (Senate District Q, House District 33)

I want to express my support for a state income tax. Impose a rate and allow us to contribute to the health of the state.

Stop the slash and burn of our educational systems. Education is key to survival.

I oppose SB78, the creation of a voluntary raffle attached to the Permanent Fund Dividend Application. I oppose SB 34, the REAL ID bill, for all the reasons Rep. Chris Tuck has stated.

I oppose both SB 98, allowing insurer's use of credit history and SB 95, the Mariculture Revolving Fund.

Thank you for this opportunity to address these budget issues.

Linda Rabideau

Please support an income tax for now. It is no longer possible to kick the can down the road while asking for cuts that are never specified. This tax should be progressive, but I believe that everyone should pay something, however small an amount. Also, the Senate needs to insist that the oil industry share in this fiscal crisis. It is unconscionable that they continue to drain the state coffers at this time.

Laura Sievert, Kenai

I'm all for an income tax. We should no longer be slaves to the price of a barrel of oil and a progressive income tax would be the fairest way to move forward as a "pay-our-way" state.

Pat Fitzgerald

I support an Income tax for Alaska, please do your part to move it forward! I am a registered voter and have voted in every election since moving to AK in 1972. I have paid income tax, it should never have been rescinded. It is the least regressive of all of the proposed ways to close the budget gap.

Marylynn Denice Clyne
Homer, AK

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

I absolutely support the House plan, I believe it is HB 115, to support Alaskans by instituting an income / education tax. I urge you, too, to support the House in this important work by passing legislation in favor of this income tax.

You get what you pay for and We Alaskans are more than ready to contribute to support programs and services we need and appreciate.

Thank you,

Heather Mildon

I support a state income tax. It is very reasonable as far as state income taxes go, and I want to become less dependent on the ups and downs of the oil industry. Please, say yes to the tax. Continue cuts, think about a statewide sales tax and also, most definitely, an income tax. Our state needs it desperately.

Thank you,

Treesa and Guy Holland

I totally support HB 115. It seems to be a balanced effort to utilize PFD funds, create a minimal income tax to capture out of state workers and wealthy Alaskan revenues, and provide a long term plan to provide necessary revenues for the State of Alaska.

I absolutely DO NOT support giving credits to oil, gas, and coal companies. I have seen too many of those foreign investors take our money, declare bankruptcy, and even go as far as suing local Homer businesses after their expenses were reimbursed by the State of Alaska. Take ALL that oil and gas money and invest it in renewable, sustainable energy sources - Solar, Wind, Tides, Geothermal, Waves, etc etc etc. I realize that many of our State of Alaska Senators may lose their jobs. Give them a one way ticket to Texas.

There is a large tidal or river energy generator that has been sitting in a lot east of Homer (MP 2.8, East End Road) for several months. I assume that funding has been cancelled for that project that could capture energy forever from our large tides, or from river currents for remote Alaskan communities. Engineers and scientists can figure out how to make it work, but not if all the funding goes to oil and gas companies including Hillcorp who allowed methane to leak into the water column and atmosphere for several months. If the oil companies can not maintain their pipelines in the winter, they should not operate in the winter. If it costs a lot for them, maybe they should look at non polluting, sustainable, renewable energy sources.

The State of Alaska should STOP supporting companies that pollute the environment, and support companies that invest in renewable, sustainable, non polluting energy sources.

Kevin Walker

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Please vote to get the income tax vote on the Senate floor. I hope you will support income taxes. I also hope you will vote to fund education. As a parent of two kids and a 35-year Alaskan resident, it's time to stop the annual underfunding of education. We see it every year and it's time to fund education at a level that can be managed every year. Thanks.

Sue Hedge
2443 W. Marston Drive
Anchorage, AK 99517

I fully agree that we should preserve the Permanent Fund and the Permanent Fund dividend. However, we cannot continue to "cut" our way out of our budget problem. This approach is leading our Great State into a deeper recession. We must look for new revenue sources. First of these should be an Income Tax. This would capture revenue from out of state workers, yet would protect lower income folks from severe cuts to programs that they need, as well as vital educational programs, including the University of AK.

Finally, the oil tax credit situation is crazy. We cannot afford to pay out more than we take in.

An INCOME TAX is the best way to pay our way out of STAGNATION. We need people working, providing valuable and vital State services, not reducing the workforce with large budget cuts.

Thank you for your consideration.

Regards from a Homerite,

Will Files
59835 Tern Ct
Homer, AK 99603

Please accept this email as public testimony, as I am unable to be at the LIO per the schedule.

We have an opportunity to grow our economy and continue to provide essential services to our citizens, especially our youth. An income tax will provide much needed revenue that can support our education budget. The cuts to education the Senate passed are unacceptable and will do great harm to our children's education, thus our future.

We will lose more jobs and fall deeper into recession by cutting budget expenditures than by taxing income. I'm not eager to pay more taxes, but I am willing to help pay for services that we need and will benefit all of us in the long run. That's what government is supposed to do - benefit all citizens.

HB 115 is a good idea, and I urge your support.

Thank you,
Cheryl Keepers

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

I strongly support passage of House Bill 115 and our two representatives in favor of it. Please do all you can to pass this bill.

Betty Ruth George, Fairbanks

I am writing to ask you to put the vote for an income tax on the floor and to vote for it. And, please fully fund education!!!! We cannot afford any more cuts to education! Our children matter!

Thank you.

Lisa Fitzpatrick
1964 Loussac Drive
Anchorage AK 99517

My family and I wholeheartedly SUPPORT bringing back an income tax. We are a family of five with children in the public schools. We are the product of Alaskan public schools. We need to support our future generations' education. An income tax can help guarantee that.

Can we cut back spending at the governmental level? Of course. I can think of a couple of cost saving measures the state department I work for could institute. But when you have no income coming in, you can't just keep relying on cuts to spending. It's a short term solution.

Is it a good time to bring back the income tax? No, probably not. But ask yourself: when will it be a good time? When we've climbed out of this recession and we're a bit more secure (which I don't think we'll ever get to without a tax, but I digress)? Good luck selling that to your constituents then.

It's a hard decision and yes, it will impact some more than others. However a majority of states charge an income tax. I lived in Alaska when there was an income tax. We survived.

I urge you to avoid "kicking the can" once again and avoiding putting an income tax back into place.

Time to make the hard choices. Time to save our state for future Alaskans and ourselves.

Thank you for taking the time to consider my public testimony.

Rebecca Bezdecny
202 S. Forest Dr. #4
Kenai, AK 99611

Alaskans get a check every year from the government and pay nothing for the services of government. It is time for us to pay taxes like the vast majority of folks in the rest of the US. This is a better choice than hurting our state in so many ways The income tax also will include those making money off of Alaska but not living here, and it's more equitable then a sales tax.

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Sincerely

Madeleine Grant

I wanted to take the time to voice my opinion about the HB115 bill. As a teacher I not only see the importance of education but have also seen these budget cuts over the years negatively affect our future leaders. Of all things to cut, education should NOT be at the top of anyone's list. Unfortunately in our current situation, I realize cuts are necessary. But we are assuming children have certain skills to get them through life, and most do not. To help them obtain life's lessons using new paths we need to put our money towards education. I am seeing children who lack attention, time, and common etiquette.

Although they may be excellent in some areas such as technology, they lack in other areas such as social skills. Our decisions are affecting who we shape to lead us into the future. How can we expect them to take on such a burden if we cannot support them with the best education possible? We don't want them to fall through the cracks. We cannot bare to make anymore cuts and take away from their learning. For these reasons I recognize the current solution for HB115 and am willing to pay taxes because how else are we going to prepare these kids?

Thank you for your time

Joanna Greene

I support the House's approach to close our fiscal gap! We cannot continue to draw down our savings accounts merely to avoid contributing to basic services ourselves. We are crippling our schools and the University of Alaska, which is the equivalent of burning the furniture. This is guaranteed to diminish the ability of the state to keep our own young people here, to say nothing of attracting new residents and protecting the state's long-term interests. Quality education matters. Public safety matters. State oversight of resource extraction matters. Infrastructure matters. We must have a fiscal plan that includes a reasonable income tax as well as other tax adjustments. The Senate seems bent on repeating the debacle of the Kansas experiment of crippling government to favor the wealthy at the expense of the general public.

House Bill 115 is a good vehicle for fiscal stability.

Sandra Dauenhauer
POB 418 Ester, AK 99725

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Please know that I heartily support an Alaska State income tax and have since the mid-1990s when it was being debated then. Alaska needs to continue to have a strong public education system (elementary, secondary, higher) along with social and health programs for our most vulnerable populations. We need to develop a sustainable budget that is not reliant on oil and gas and begin to more greatly diversify our economic portfolio in a socially and environmentally responsible way.

Thank you for your service to the State of Alaska.

Susie Amundson

I am a 53 year resident of Alaska and now retired. I am in favor of an Individual income on all income received by Alaskans and also on income earned in Alaska by non-residents. Alaskans and those non-residents who earn income in Alaska did to help pay for the wide variety of services we receive from the State of Alaska.

Clyde Boyer

455 Elderberry Drive,
Homer, AK. 99603 USA

I would like to express my support for a comprehensive solution to our fiscal problem. This includes, with some amount of trepidation, the income tax proposed by the House. The reason I am supporting the tax is because I want to make sure my children get very good education. I would like full funding for education. The university is in a bad shape. The College of Engineering and Mines has lost about 25% of its faculty. The university has shut down 50 programs. Programs such as mining engineering, that are so important to the state, are now under threat. Faculty losses in mining engineering have been so high that accreditation is threatened. This is the same program you honored on March 17, 2017, for the accomplishments of its students.

I know you care about the state. You and I both desire a state that lives within its means. I worry about the tax and wasteful spending too. My wife and I have been discussing the tax proposal as we are worried about enabling wasteful spending. Yet, like many of you in the legislature, I have not seen much evidence of wasteful spending.

I would like a state that provides a well rounded life with possibilities, and not just one where my goal would be to make sure my kids leave the state. I would like us to invest in education and not prisons. I do not mind contributing so that we can all have a state that we do not have to endure, but be thankful to live in.

Finally, thank you to you and your colleagues for your service to the state. Hopefully, you will be able to go back to your families soon.

Sincerely,

Rajive Ganguli
Fairbanks, AK 99709

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

As a resident of your district, I am writing to support the House legislation enacting an income tax. This is a necessary measure to address the fiscal gap. It is unacceptable to continue spending reserves to meet the state's fiscal needs. And no one has identified further cuts that adequately address the shortfall. Please support this legislation.

Jim Leik
2236 Susitna Dr.
Anchorage

Cutting spending any further will be extremely damaging to the state, especially to education and the University. Perhaps in coming years we will find reasonable places to cut the budget, but in the meantime we must increase revenue. The income tax proposal is a fair compromise.

Sincerely,
Tim Hinterberger
2001 Solstice Circle
Anchorage 99503

I support HB115. We are raising our eight-year old grandson and want him to have the best education that he can get so he has a good future when he graduates from high school and is prepared for college, trade school or technical school. Education is not cheap but I am willing to pay for a good education for him through income taxes and a reduced PFD check.

I also believe that every Alaskan, including businesses and the oil and gas industry, must contribute to saving our state's economy and to keep us from a recession. Please pass HB115. **EVERYONE** needs to be part of the solution.

Gary Miller
20135 Cohen Dr
Juneau, AK 99801-8211
(907) 789-3757

Please consider this email to be public testimony, as I am unable to be at the LIO Tuesday:

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....STABILIZE it starting with supporting our PUBLIC EDUCATION SYSTEM....so they aren't constantly facing unknowns and threats of budget cuts...
The children are Alaska's future!

SUPPORT House Bill 115....It's time!

Senate Labor & Commerce Committee
House Bill 115 – Income Tax
Support Email Testimony

Thank you.

Sincerely,

Kathy Kelly

I strongly support the idea for the School Tax - I think this State's future is dependent on quality education from kindergarten through advanced college. I grew up in Seattle when Washington was a one industry town that went through booms and busts depending on the airplane industry and Boeing. The creative energy and dynamic changes that occurred in Washington happened in the environment of arts and education. It isn't just the schools but it is the community that supports the schools and education that makes the difference. School tax is a community based idea that provides the opportunity for every citizen of this State to have a voice.

Please pass HB115.

Judith Lund, E.A.
Co-Owner of Sundog Consultants Inc.
Homer, Alaska

Please pass a state income tax as part of a comprehensive and realistic state budget. You have wasted much time and money resisting this simple and fair solution to our budget crisis.

Sincerely

Jimmie Froehlich

I strongly support HB115 and favor the modest income tax which has been proposed in the bill, which can be wisely spent to insure adequate funding of education in order to provide for future security and prosperity of the State of Alaska.

I do applaud efforts to cut spending and know that is a high priority for many voters and a reflection of good stewardship of available funds. The cap on the PFD, which may be a temporary fix, is a realistic effort to adjust spending downward and is spread evenly throughout the electorate. A high priority should also be a hefty reworking of the current oil tax credit structure in an effort to insure fairness to the State and its residents. Promoting overly generous tax credits to oil companies while sacrificing the welfare of full time residents is a "pie in the sky" approach which only reinforces the perception of naivety of elected officials.

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Last point is the steadfast and unrealistic resistance of the majority in the Senate to make any compromise on any issue. It almost seems there is an effort to be as "anti everything" as the US Senate, if just to prove how tough they are! This behavior is more suitable to middle school playgrounds as it is to the Alaska or US Senates. Responsible voters rightly elected you to work together rather than obstructing any suggestion, no matter how thoughtful and beneficial it might be.

I do not think you understand and appreciate how very tired the electorate is of grandstanding behavior both in Juneau and in Washington, DC!

Thank you.

Dolores Farrell
3501 Halibut Pt. Rd. Sitka, AK 99835 email: dorrief2001@yahoo.com

We are writing to show our support for HB 115. We cannot continue to starve education in this state!

Bonnie Demerjian
Haig Demerjian

PO Box 1762
Wrangell, AK 99929

HB 115 is a bill that finally makes sense. It protects those least able to pay, allows the rest of us to contribute a fair share, and lets our seasonal workers provide a little payback as well. What's keeping us from enacting this solution? Please do what you can to make it pass. Education always matters, no matter what else is happening with any budget.

Thank you,

Marion Vicary
Anchorage AK

My wife Glenda and I are 100% in favor of implementing an income tax for Alaskans in order to provide additional revenue to the State.

Robert Hutton
PO Box 185
Hoonah, AK 99829

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Please support House Bill 115. This is a fair bill which will help our budget deficit. We CANNOT continue to cut, cut, cut. Our education system is the foundation of a great state, and it deserves to be supported. Please support this bill.

Sincerely,

Patricia Stark
Fairbanks, Alaska

An income tax is an excellent idea for Alaska. I have long been hoping that our state would employ this revenue-earning tool.

With an income tax, we would be able to:

- tax the people and corporations that earn money in Alaska, but live and spend much of the money elsewhere.

- help to fund education in Alaska, which is CRITICAL to ensuring that Alaska does not suffer a severe brain drain that cascades into even further rough implications to our economy.(this already appears to be happening due to under funding of the University).

- does not place a disproportionate burden over one sector population over another.

- allows Alaskans to retain part of the PFD, which is a huge help to many lower income families and decreases the burden on government to provide essential services.

- is the BEST method of helping to reduce our budget deficit.

I support SB 115.

Please pass SB 115.

Thank you very much,
Lilly Goodman-Allwright
30656 Kuparuk Ave
Eagle River, Alaska 99577

I am writing to urge you to support the solutions offered in HB115 to remedy Alaska's fiscal problems. You all know how important education is to your constituents; it is vital not only for our children's success but also for the economic future of Alaska. The house bill takes the right approach by sparing the PFD as much as possible and by spreading the burden equitably, including to non-residents who make money here. It takes care of our fiscal shortfall once and for all, without draconian cuts to services we need and expect. And it solves the problem resolutely, so investors can once again have confidence in our state.

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We have had an income tax before; we Alaskans can handle it if it is levied fairly like in HB115. I would much rather have a financial stake in my beloved state than continue being tied by the necks to the oil industry and its fluctuations.

Respectfully,

Jacqueline McDonough
Homer, Alaska

The school tax provides some funding for education, and balances out the regressive PFD reduction that is part of the fiscal solution bill (House CS SB 26) that will probably pass both bodies. Combined, HB115 School Tax, SB 26 Permanent Fund Protection Plan, and HB111 oil/gas tax credit reductions - fully fund our state budget. If we did just SB26, it would not only be regressive (hitting the lower income people hardest) - but it would leave an annual \$600 million deficit that would require annual cuts to educations. HB115 fills that deficit with \$680 million, of which non residents would contribute \$80 million. I don't have kids of my own but I recognize the value in educating our children. I'm willing to pay my share. How about you?

Thank you,

Suzanne Bishop

PO Box 15237
Fritz Creek, AK 99603

I am writing to ask you, as a member of the Senate majority and as a committee chair, to take a leadership role in ensuring the House and Senate collaborate to resolve the differences between the House and Senate bills to bring our state to a responsible fiscal plan that serves all Alaskans.

Now is the time for responsible leadership. We need a sound fiscal plan that will last us into the future. The House has stepped up and provided solid bills that address taxation and responsible cuts to the budget. The Senate is maintaining a completely unrealistic and irresponsible approach that will hurt Alaskans for years to come.

We need new revenue. I am ready, and many of my friends and co-workers are ready to accept taxes. I also believe that trying to budget cut our way to fiscal stability will cause unacceptable impacts to employment, the economy, our elders, needed infrastructure and social services – all of which will impoverish Alaska.

Please take action; this is why we have elected you. A Senate failure this year will cause a continued fiscal crisis. Nothing will be resolved next year, because it is an election year. By the time we reach 2019, our reserves will have been severely impacted. It is imperative that you act now.

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Thank you for serving as our Senator – I know it is difficult and demanding to address these complex issues. I urge you to **act now** to provide us with a reasonable fiscal plan.

Best regards,

Stephanie Holthaus

I've been following the deliberations of this year's legislative session with particular interest because I'm both hopeful and concerned for the development of a long term sustainable fiscal plan.

The ISER reports and most Alaskans recognize that we cannot solve our current and long term fiscal needs with budget cuts alone unless we risk damaging the State's economy. We also need to develop new revenue that is fair and responsible. I believe most Alaskans are ready to accept the responsibility of taxation in spite of the popular rhetoric. I know that I am ready and I also know that I don't want to see the economic impact to jobs, the economy and quality of life that results from extreme budget cuts.

The House has passed a handful of bills that address realistic budget cuts and responsible revenue generation. I happen to support the nature of the bills passed by the House. I know the Senate has also been working on these issues, and there will ultimately be the need for collaboration and possible joint conference committee work.

Most importantly, with the 120/121-day limit approaching fast I urge you to do what you can as a committee chair and a member of the Senate majority. Please take the needed steps now to begin resolving the important differences that exist between the Senate and House bills. At a minimum, I hope you, Matt Claman, and others are already informally talking about what steps are needed to resolve these differences - before the 11th hour.

This legislative session is our best opportunity to develop a sound and sustainable fiscal plan. In my opinion we don't need an expedient solution born out of last-minute brinksmanship. But we do need a plan this session that is in the interest of all Alaskans.

Thanks again for your public service. I remain hopeful and concerned for meaningful legislation by the end of the session that will secure our future with a sustainable fiscal plan.

Thank you,
Ken Acton