

**ALASKA STATE LEGISLATURE**  
**HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS**

April 1, 2023

9:31 a.m.

**MEMBERS PRESENT**

Representative Ben Carpenter, Chair  
Representative Tom McKay  
Representative Cathy Tilton  
Representative Andrew Gray  
Representative Cliff Groh

**MEMBERS ABSENT**

Representative Jamie Allard  
Representative Kevin McCabe

**OTHER LEGISLATORS PRESENT**

Senator Robert Myers  
Representative Mike Cronk

**COMMITTEE CALENDAR**

OVERVIEW(S): LONG TERM FISCAL PLAN

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

HERMAN MORGAN, representing self  
Aniak, Alaska

**POSITION STATEMENT:** Testified against government spending.

MADELEINE GRANT, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified against HB 142.

ROZLYN GRADY-WILCHE, Vice President  
Alaska Coalition of Black Indigenous People of Color Educators  
Anchorage, Alaska

**POSITION STATEMENT:** Testified against HB 142.

SARA DYKSTRA, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified against HB 142.

JOHN HESSERT, representing self  
Willow, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 142.

MONICA RITTER, representing self  
Juneau, Alaska

**POSITION STATEMENT:** Testified against HB 142.

PATRICK RACE, representing self  
Juneau, Alaska

**POSITION STATEMENT:** Testified during the hearing.

#### **ACTION NARRATIVE**

[9:31:12 AM](#)

**CHAIR BEN CARPENTER** called the House Special Committee on Ways and Means meeting to order at 9:31 a.m. Representatives Tilton, McKay, Gray, Groh, and Carpenter were present at the call to order.

#### **Overview(s): Long Term Fiscal Plan**

[Contains discussion of HJR 2, HJR 7, HJR 8, HJR 9, HB 38, HB 49, HB 50, HB 72, HB 90, HB 109, HB 110, and HB 142.]

[9:32:10 AM](#)

CHAIR CARPENTER announced that the only order of business would be an overview on the state's long term fiscal plan.

CHAIR CARPENTER noted that, using work from the Fiscal Plan Working Group, legislation has been brought forward. He outlined the four-point fiscal focus, which covers several bills currently in front of the legislature. Under the category labelled "settling the PFD," he noted HJR 7, HJR 8, HJR 9, HB 72, HB 90, and HB 110 are listed; under the category "accountability and efficient spending," he noted HJR 2 and HB 38 are listed; under "economic growth" he noted HB 49, HB 50, and HB 109 are listed; and under "revenue generation for government" he noted HB 142 is listed. He explained each bill, and how it relates to the section where it was placed. He

reminded the public that copies of any of the aforementioned bills are accessible online.

[9:37:36 AM](#)

HERMAN MORGAN, representing self, expressed the opinion that the government's overspending is destroying Alaska's economy, and if the money were in private hands, the economy would thrive. He argued that, if the state's education system is not providing adequate education, why should the public employee retirement system and teacher retirement system pay out benefits. He opined on indoctrination in schools.

[9:41:00 AM](#)

MADELEINE GRANT, representing self, pointed out that the state has a fiscal crisis because of declining revenues. She expressed the concern that a broad-based sales tax would be inequitable for those in villages and rural communities. She urged members to reject a broad-based sales tax and instead consider an income tax, as it would not only be equitable, but those earning in various industries in Alaska like oil, fisheries, and medicine, would pay towards it.

[9:42:43 AM](#)

ROZLYN GRADY-WILCHE, Vice President, Alaska Coalition of Black Indigenous People of Color Educators, asked members to put on an equity lens when considering a statewide sales tax. She requested members oppose HB 142 and advance an income tax instead.

[9:44:17 AM](#)

SARA DYKSTRA, representing self, shared that she is a mother and has been an Alaska resident for ten years. She expressed the desire to be in a state with a strong fiscal plan. She voiced that she is supportive of being taxed. She expressed that a sales tax would not be good and suggested the members pass a progressive income tax.

[9:46:03 AM](#)

JOHN HESSERT, representing self, pointed out that people are leaving Alaska, and he expressed agreement that a sales tax is bad, adding that an income tax would be bad as well. He stated

that members should appreciate the taxes which are already in place in the state.

[9:48:08 AM](#)

The committee took an at-ease from 9:48 a.m. to 10:21 a.m.

[10:21:01 AM](#)

MONICA RITTER, representing self, shared she has been a resident of the state for 48 years. She said she is glad members are looking at new revenues, but a sales tax would not be good; instead, she advocated the passage of a statewide income tax.

[10:23:04 AM](#)

The committee took an at-ease from 10:23 a.m. to 10:26 a.m.

[10:26:50 AM](#)

CHAIR CARPENTER reminded the public of the ways to testify at the meeting.

[10:27:37 AM](#)

PATRICK RACE, representing self, said the structural deficit in Alaska is concerning and would like to see it resolved. He said the state has not seen a tax on wealthy Alaskans in the form of an income tax, which he said would be better than a sales tax. He stated that an income tax with a reasonable floor, like 80th percentile of wages, would be dynamic with inflation. He commented that oil companies have revived generous tax laws and argued that funding such laws needs to be reduced. He suggested a plan that contains a 75/25 percent market value split (POMV), which would gradually increase to 50/50.

[10:30:40 AM](#)

The committee took an at-ease from 10:30 a.m. to 10:59 a.m.

[10:59:28 AM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Ways and Means meeting was adjourned at 11:00 a.m.