

SB

128

PUBLIC

TESTIMONY

<TARGET><BILL>SB 128</BILL><SUBJECT>SB 128 PUBLIC
TESTIMONY</SUBJECT><COMM>SSTA29</COMM></TARGET>

SB 128 public testimony
packet #1 (150 pages)



Daniel George

From: samuel.g.mazzeo@wellsfargo.com
Sent: Thursday, February 04, 2016 12:43 PM
To: Senate State Affairs
Subject: State Budget

Hello,

I am individually providing testimony urging Alaskan lawmakers to pass new legislation in the current session with the following elements:

- Provide a mechanism for Permanent Fund earnings to become the mainstay of State government funding in the range of \$2.6 billion – \$2.7 billion annually beginning in FY17. This is 5% of the \$53 billion PF + ER. >5% may not be sustainable.
- Pass a total budget that is closer to \$4 billion than \$5 billion for FYE17. Material cuts are required beyond what the Governor is proposing.
- Create a plan to further reduce spending in order to get to a \$4 billion and more sustainable budget for FYE18
- The PFD should be reduced to \$500 in 2016 and the funding should become tied to oil & gas revenues similar to how the Governor has proposed. If excess revenues are not available in the future the PFD needs to decline further.
- New taxes should not be introduced or considered until State spending is reduced, and rationalized to a \$4 billion level, which would bring the spending increases since FY06 in line with inflation in the 3.5% range looking back 10 years. The budget has doubled in 10 years and that is >7.2% annual growth for a decade. The State has 25,000 direct employees, which is more than any industry in AK by a significant margin. This is not sustainable. The State has not laid off employees, or passed along any of the increased health care costs to employees. New programs since 2006 should be reviewed for elimination. The State must force commissioners to make tough decisions about cuts in spending in existing programs. The Governor has suggested his plan “has pain for everyone” however I would suggest his plan does not have commensurate pain for State government administrators or legislators in it.
- I’m suggesting State gov’t spending needs to be reduced (>20%) over 2 years and I’m suggesting the PFD needs to be reduced (75%). Any new taxes on business or industry puts additional tax burden on the only people with skin in the game now and who are paying for State government (businesses + fishing + mining + oil & gas). Industry should not bear additional burden prior to State gov’t doing its job and getting spending back in line with inflation.
- Follow S&P and Moody’s advise regarding debt limitations and consider GO bonds to fund capital expenditures in the future. Only fund capital expenditures that are the most likely new projects to grow and diversify this economy (growth cap ex) with debt. An example of this maybe a gas line to Donlin whereas you have a potential industrial user that can provide a reasonable expectation of return to the State, and gas maybe delivered to western Alaska with other arrangements in the future (Donlin isn’t going to pay for these extensions). I am not specifically endorsing the Donlin project, or not, but merely providing an example of growth cap ex that may provide a reasonable return to the State along with additional economic benefits to the area. Maintenance cap ex should not necessarily be funded with debt. Do not add debt and service before you get the total budget in order per above however.

Now is the time to act and get State spending in order. Do not wait another year. The State might have just enough money this year with \$61 billion in PF + CBR + ER accounts to make this work and avoid a material recession. If the State doesn't take action now the private sector will begin to panic in 2016 and that will cause a larger issue. The private sector needs to know that new taxes won't cripple them, and what programs will and won't be funded in the future. The private sector needs to know that State spending is sustainable in order for this to happen.

I understand the State maybe concerned with lower public sector spending at the same time the oil company cap ex and op ex budgets are being constrained probably a \$1 billion in 2016. However, bear in mind that lower energy costs (diesel) in 2016 at this point will mitigate a lower PFD in 2016. Alaskans most vulnerable to a lower PFD are getting relief in the form of lower energy bills in 2016 and this relief is likely more than the \$1500 reduction to the PFD that I am suggesting. If the PFD is reduced to \$500 the disposable income of western AK and northern AK residents may not be too much different considering lower energy costs.

Lastly, Alaska is very likely going to have a recession in 2016 and 2017, and this session in Juneau should be treated as crisis management to get the State's budget in order, and help to limit the extent of the recession by providing confidence to people and industry. The quicker we reach the long term State budget solution the quicker the private sector investment can resume and grow again.

I work with businesses in Alaska everyday, and likely I provide more loans to Alaskan businesses than any other team of bankers in the State. In talking to our customers, it is safe to say that the business community view is very much in line with what I am outlining above, and that additional taxes or inaction regarding this crisis this year will cause potentially dire economic impacts by 2017.

Thank you for consideration of this message.

Sam Mazzeo

Senior Vice President & Alaska

Commercial Banking Manager

Wells Fargo Bank, N.A.

301 W. Northern Lights Blvd, Ste 212

Anchorage AK 99503

907-265-2916 direct

< Requests

Ruben Reyes

Messenger

and works at Business Consultant at Tarpor
Media

Lives in Wasilla, Alaska

Please protect the dividends of the peoples of Alaska. Alaska has one of the 2 largest governments per capita in our nation. We need to make reasonable cuts and fixes their first. The audaciously absurd "we'll be bankrupt in 25 years" is a fear tactic. As the average Alaskan would be in trouble if they lost their job within 3-5 months, probably less. And the dividends is a key stimulus to Alaska's economy. Those dollars typically get spent here giving our state a boost. I'm for a sales tax (which would even benefit from the spending of said dividends) but please don't be a part of stealing what was voted on by the people in 1976 to be there for residents even beyond oil. Thank you for your consideration.



Ruben Reyes
Mat-Su Valley

Ignore

*Received by Senate State Affairs Com.
2-3-16*

Accept

Daniel George

From: Anna Johns <annamjohns@gmail.com>
Sent: Thursday, February 04, 2016 11:25 AM
To: Senate State Affairs
Subject: Deficit

I would like to see all necessary cuts be made before even considering the permanent fund.

Thank you

Anna Johns

Sent from my iPhone

Daniel George

From: Art Bloom <artmbloom@gmail.com>
Sent: Thursday, February 04, 2016 11:57 AM
To: Senate State Affairs
Subject: SB128

I am concerned that SB128 and other plans do not consider strongly enough the need to reduce the state budget to eventually get to a sustainable level, and also that restructuring the Permanent Fund to provide for deficit spending is a bad idea. I do think there needs to be a plan that smooths out the ups and downs of the oil AND equity markets by averaging over a set time period, and a plan to control state government spending.

Thank you listening to Alaskans,
Arthur Bloom
4506 Prospect Way
Juneau, AK 99801

Daniel George

From: Barbara Cash <bcash@rim-design.com>
Sent: Tuesday, February 02, 2016 5:52 PM
To: Sen. Bill Stoltze
Cc: Barbara Cash
Subject: Support of SB 128 - Be Brave!

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Dear Senator Stoltze,

I wanted to offer testimony this Thursday at 5:30 but have conflicting prior community commitments, so am testifying via email.

YES! I offer my **strong support of SB 128** and the Governor's plan to utilize Permanent Fund Earnings to help close our budget gap. This is the **central critical piece** of a balanced approach to keep our state running and not be subjected to the volatility of the price of oil.

I applaud the Governor's **courage** along with any legislator brave enough to support it, or brave enough to propose a similarly effective solution. **It's time to stop being a state of entitlement-demanding residents and work intelligently with the potential we have at hand.**

Thank you,

Barbara Cash

Barbara Cash, NCIDQ IIDA LEED AP

President, CEO

RIM Design LLC

645 G Street, Suite 301 :: Anchorage, AK 99501

907.279.6563 Office :: 907.440.9190 Cell

Daniel George

From: Barrett Fletcher <akfletchers@hotmail.com>
Sent: Wednesday, February 03, 2016 10:33 AM
To: Senate State Affairs
Subject: Permanent Fund Protection Act

Re: SB 128

No part of the proceeds of the Permanent Fund should ever be directly appropriated by the legislature or administration to 'support public services'.

ALL the 'sustainable portion of its earnings' must continue to flow through individual Alaskans' credit union accounts, even if that requires an income tax so large that a greater sum is immediately transferred back.

If individual Alaskans don't literally feel the money passing through our accounts we'll lose track of it, and it'll be gone in a generation.

Barrett Fletcher

PO Box 575

Homer, AK 99603

akfletchers@hotmail.com

Daniel George

From: Betty <sniffles@mtaonline.net>
Sent: Thursday, February 04, 2016 12:07 PM
To: Senate State Affairs
Subject: PFD fund

To the Governor, the Senate, and the House. A change in the PFD fund at this time is not necessary or the right thing to do. Many of the purposed cuts in the overall budget have been chosen in places that put hardships on our schools, and our citizens for political reasons in stead of in places that really need to be cut. High profile cuts in things like schools, roads, police, or Medicaid gets the ball rolling for the "Oh, poor me State thing" politically. The state funds so many off the wall things that have little or no place in the state budget to start with. If requested I will list some of them. To say that the budget can not be reduced is laughable. Digging into the PFD will open up a chain of events have will end up with the Citizens of Alaska not receiving any benefits from the natural resources of the state. And adding a gas tax to that is further hurting Alaskans. It is time to do the right things for Alaska.

Betty Carrington
600 W Edlund Rd
Wasilla, Ak 99654

Daniel George

From: Beverly Churchill <beverlychurchill51@gmail.com>
Sent: Wednesday, February 03, 2016 12:39 PM
To: Senate State Affairs
Subject: In Support of SB128

I am unable to be present for testimony at the public hearing tomorrow on Governor Walker's proposal Protect the Permanent Fund Act. I support his efforts and believe a balanced approach is the fairest and most successful way to deal proactively with our financial situation. Any good financial consultant will tell you it is important to have 3 legs to your income; the fund is one that works but needs tweaking to be sustainable and to help with the drastic change. I am a longtime Alaskan resident and I plan to remain here.

Thank you for your consideration, again I urge you to support SB128,

Beverly Churchill

907-244-4987

Daniel George

From: Bill Tremblay <brtrembla@gmail.com>
Sent: Wednesday, January 27, 2016 6:54 PM
To: GOV.AllLegislators@alaska.gov
Subject: Income tax before tapping the Permanent Fund

I'm willing to help pay for the necessary services provided by the State Government. I also think that people who come from outside of the State should also pay something for the services they receive. Seasonal employees for fishing jobs, tourism jobs, federal jobs, or others contribute very little to our economy. Many will go home to States where their wages will be taxed because their wages are not taxed where they were earned. While I know the amount of money recovered off an income tax isn't enough to close the fiscal gap (by a long shot), but it is really time for everyone to help.

Tapping the permanent fund only impacts Alaskans; this isn't fair and should not be our first choice. We also have one of the lowest State taxes on gas in the Nation, and could stand to raise some other fees to support State services. While I endorse Gov. Walkers approach for using the Permanent Fund earnings, we should never go so far as to impact the principle.

A Sales Tax is a "NO GO!" Almost 60% of the State's population live in communities where they have no Sales Tax; so of course they see this as an option. However, look at how many communities already have a sales tax and consider how a bump of 2-3% in a State sales tax would add to persons who already have a 5-7% sales tax in their communities already!

I appreciate your efforts in making the hard choices this year. It is very obvious we can't cut our way out of this problem (Although I think there are some who won't be satisfied until someone calls for services and there is nobody there to answer the phone.). It would have been easier if some paths to raise more revenue was started last year.

/s/ Bill Tremblay
P.O. Box 662
Petersburg, AK 99833
907-650-7665



February 3, 2016

Sen. Bill Stoltze

Dear Senator Stoltze,

I would like to take this opportunity to comment on SB 128, Governor Walkers proposed raid on the Permanent Fund.

I am a former Investment Officer at the APFC from 1995 to 1999 and have been operating a Registered Investment Advisory firm in Alaska ever since.

My comment is limited to the amount to be drawn from the fund, not how it is used.

Last year the Fund was able to produce \$1.4 billion for the dividend, given its current dividend formula. If that is the prudent, sustainable amount of withdrawal the fund can produce, why does Governor Walker think he can take \$3.3 billion and still think the fund is sustainable?

Using the Percent of Market Value methodology as proposed awhile back, the funds available are substantially below Governor Walkers proposed draw of \$3.3 billion. According to the APFC website, the last five year end balances of the Fund are as follows.

6/2015	\$55,003,000,000
6/2014	\$53,220,000,000
6/2013	\$46,345,000,000
6/2012	\$41,708,000,000
6/2011	\$41,622,000,000

For a five year average of \$47,579,000,000

@ five percent payout, \$2.378 billion could be taken

@ four percent payout, a much more prudent rate, \$1.903 billion

The Governor's plan is reckless, requesting \$3.3 billion.

Sincerely,

Bradley J. Fluetsch, CFA
Managing Director and Chief Investment Officer

Daniel George

From: Brent Ulmer <bsulmer@gci.net>
Sent: Wednesday, February 03, 2016 10:54 PM
To: Senate State Affairs
Subject: SB128

Gentlemen:

In the 1970's, our state went through a tremendous boom as the pipeline was being built. The high demand for labor of all types pushed wages to stratospheric levels even for low-level jobs such as driving a bus. Businesses and the state had no choice but to pay the higher wages or lose their employees to pipeline-related jobs. Higher multi-year state contracts were negotiated and approved by the legislature to keep state offices open. Salaries were dramatically increased and benefits became the envy of any worker in the country. Then in the 1980's, we went through the post-construction bust. Wages returned to "normal" levels as businesses adjusted to lower revenues and profits. Many businesses had to close. When efforts were made to return state salaries and benefits to more appropriate levels, we were told it couldn't be done because multi-year contracts protected state workers. While adjustments have been made to state wages and benefits, the unions have fought reductions every step of the way. The state employee unions exist to improve the wages and benefits of their members, not to balance the budget.

One of the arguments to reducing state wages and benefits is that you could fire every state employee and the savings would still not come close to balancing our budget. Which is true. No one is suggesting we fire every state employee. We are suggesting that the State of Alaska payroll could be dramatically reduced as part of the solution to the deficit problem. The next argument to cutting the state payroll is "What positions or departments would you cut?" If you want the citizens of the state to support an income tax, a sales tax, or a raid on the PFD, you'd better show some tangible proof that you have made a good faith effort to reduce our state payroll by SOMETHING. Where to start? The work week. State of Alaska employees believe they should somehow be different than private enterprise and that they should only work 37.5 hours a week. Those days are gone. I will never support a plan to add taxes and/or reduce the PFD until I see state employees give back some of the bounty they reaped during the pipeline days that they have never fully relinquished. I will pay taxes. I will agree to a reduced PFD. I will not vote to do either until I see tangible reductions made in our state payroll.

If the answer from the unions is "You can't touch us. We have contracts protected by the Constitution." Then let's do what Detroit had to do. Go bankrupt THEN adjust the payroll and benefits through the courts. Ask the retired employees of Detroit how that turned out. If you think our state wages and benefits are commensurate with similar positions in the private sector, show us. Put it in a print form that we can analyze. Do not give it to us through the media. They have never analyzed public employee's wages and benefits and they never will. It runs counter to their agenda. We're waiting.

Regards,

Brent Ulmer
3649 Mary Anne Ct.
Anchorage, AK 99502
(907) 248-5851

Daniel George

From: Bristol Whitmore <bawhitmore@gmail.com>
Sent: Thursday, February 04, 2016 10:30 AM
To: Senate State Affairs
Subject: Senate Bill 128

As a life-long Alaskan the permanent dividend fund has always been something that I have taken for granted but our state's prosperity is more important than a random pay day in October. Education funding is in peril and the education of youth is the most important factor when planning for Alaska's future. Districts are losing teachers and class size is so important to student success. Our local school is losing AP offerings and credit recovery already, and even more is in jeopardy. This is a situation that we need to change. The PFD re-structuring is a great way to start this change. Rather than have non-profits begging for donations during PFD season, as a state we need to show what we value, the education of our youth.

Bristol DeMeter
Soldotna, Alaska

Daniel George

From: Carl Reedy <carlreedy@icloud.com>
Sent: Wednesday, February 03, 2016 6:45 PM
To: Senate State Affairs
Subject: Permanent Fund

I oppose the use of the dividend and of any earnings. I have been here in the state for over 20 years and have been objecting the use of the earnings from any political party. Over reach will happen its human nature to do so. The establishment of the dividend was when established to be for the people of the state for those who reside here and call it home. Local establishments that depend on the state for budget balancing and function will have influence on the state to give more and more and those parties will not proper manage use of the funds as they now show this very day. No government has the authority to use money's that was not intended for them. I vote no!!

Sent from my iPhone

Daniel George

From: Carol Carman <carcar@mtaonline.net>
Sent: Tuesday, February 02, 2016 3:56 PM
To: Senate State Affairs
Subject: Alaska's Budget

Thank you for giving us the opportunity to speak on Governor Walker's budget plan to institute taxes, reconfigure our PF, and make no significant cuts in the size of our state government.

I am adamantly opposed to his plan - all of it! I believe taxing us or messing around with the PFD is unnecessary, is bad for Alaskans and our economy, and it is irresponsible to ignore cutting the size of our government.

Ideally, I think we should use the CBR while cutting the budget for the next few years toward a goal of 'essential services' only, and then go to the PF earnings when we reach an 'essential services' budget level - the goal being to reach that level before the CBR runs out. This can be done if significant cuts are made each year so that we use less of the CBR each year. Using the PF earnings (ISER approach), should be done ONLY after cutting down to essential services to preserve the integrity of the earnings. Since the ISER approach doesn't interfere with the PFD, it is the most appealing and responsible solution to our economic woes.

Spending on anything beyond 'essential services' should only be done when our resources exceed our 'essential services' level by a significant amount, (level to be determined). This would allow the earning reserve to continue to build over time, and ensure we don't have a panic situation as we do today.

I believe that Dave Cuddy and Dave Gottstein should be given audience, as they have a business background valuable to consider regarding the gas line. Did I mention that I don't believe we should be borrowing any money for the gas line? It should be one of those 'beyond essential services' projects mentioned in the previous paragraph. Consequently, there should be no gas line at this time. It should have been built during our time of excess revenue, and since that time is past we need to be realistic and save it for a more profitable time.

Very good friends have told me they will leave this state because they will no longer be able to afford to live here if the legislature institutes taxes and cuts our PFD. I've had others from a variety of sources say the same thing - sometimes even from strangers when the topic is brought up in public.

Any way you look at it, consequences for the future of Alaska rests upon your shoulders. We can continue to blunder carelessly ahead throwing caution to the wind, or we can be wise in our spending - taking care to protect the future of our children, grandchildren, and generations to come.

Carol Carman

<>< <>< <><

God grant me....

Serenity to accept the things I cannot change, Courage to change the things I can, and Wisdom to know the difference.

Daniel George

From: ACS <secor@acsalaska.net>
Sent: Thursday, February 04, 2016 5:04 AM
To: Senate State Affairs
Subject: Senate Bill 128

Save our Permanent Fund Dividends and fund our schools, pass 128.

Sent from my iPad

Daniel George

From: Carylee Kilgrow <kilgrow@live.com>
Sent: Wednesday, February 03, 2016 6:46 PM
To: Senate State Affairs
Subject: PFD

It is not appropriate for Gov. Walker and Legislature, to get their hands on the PFD. They try EVERY YEAR with one excuse after another. Our problems have been caused by a defunct State Govt.+ I will vote against touching the PFD. The reason behind this. All the lean pfd's. we struggled through. NOW when we are supposed to get decent PFD's you want to cap at \$1,000.

Why dont you pay ALL the PFD's to the alaska people and a sum for every year they have residence in alaska.

IF the Leg. and Gov. had all been on the ball, this wouldnt have happened. The PFD just makes it financially possible to live in Alaska as everything is so expensive. Give me all my money (IM< an Alaskan) and I will put it into a house to live in instead of the cracker box apt. IF the marijuana board had been on the ball, and got rid of Franklin when she showed her awful colors. (doesnt believe in Med. MJ) give me a break. Im the one with the Med card and no lab to get good product from. FOR HELLS SAKE GET RID OF HER. Marijuana money could have averted this \$ problem. AND it still can if these guys will get off their duff and get the tax money rolling in. YOU do not need or should not touch the PFD. Noooo alaskan, will vote for you to do so0. With weed taxes, we could be out of debt by 2017. thank you for your time. CARYLEE KILGROW 1907 929 3187

Daniel George

From: Cathy Mosher <cmosher@mtaonline.net>
Sent: Thursday, February 04, 2016 12:27 AM
To: Sen. Bill Stoltze
Subject: PFD

Follow Up Flag: Follow up
Flag Status: Completed

Dear Bill Stoltze,

The PFD should not be touched until cuts are put into place. Gov. Walker should not be hiring 50 new employees to be the Alaska IRS. The budget should get back to the 2006 budget where the state would have to live within it's means without any new taxes.

Where is the employment for people who have or will be laid off the slope? Where will the employment be with the businesses who rely on the oil revenues? Employment needs to be created. New taxes for businesses and residents of Alaska will be bad for the state. People do not want to move to Alaska because of the new taxes Gov. Walker wants to see put in place.

We live in a great state and we want to see it remain great to where new residents will want to come up to work and live.

Please stand up to the governor and not pass any new taxes or touch the PFD.

Thank you for your hard work.

Sincerely,

Cathy Mosher
President of the Valley Republican Women
cmosher@mtaonline.net
P.O. Box 563
Willow, AK. 99688
Home: 907-495-1054
Cell: 907-982-2646

Daniel George

From: c springer <cmsinak@yahoo.com>
Sent: Wednesday, February 03, 2016 10:57 AM
To: Senate State Affairs
Subject: Alaska economy

The PFD should be curtailed for all non Natives which includes eliminating the distribution to all of my family.

In addition, Alaska should be prohibited from funding the various boondoggles it always has. If private enterprise does not see economic sense in a development, then the work should not be moved forward by the state government. We should not be a part of the gas pipeline funding.

All legislators should be required to recuse themselves on voting for any matters affecting oil and other companies when they are employed by such companies.

We should forward fund the state government to institutionalize a balanced budget.

Now you can talk about taxes. First tax all non resident income.

Create a seasonal statewide sales tax.

Now you can consider a graduated income tax.

Look at Nevada for income tax legislation. Their vice industry is very much like our vice of oil industry.

Lastly: Why are we not encouraging companies in tech to move to Alaska? The outdoor opportunities for employees is greater then any other state. We have great access to asia. We should be feeding off the Alaska reality tv shows to promote Silicon Valley North.

Thank you

Charles Springer
Anchorage

Daniel George

From: Charlotte <cafox@gci.net>
Sent: Wednesday, February 03, 2016 10:26 AM
To: Senate State Affairs
Subject: permanent fund

please use PF earnings to fund state government! we need to all share the burden to ensure that we have a viable state in the future.

Sent from my iPhone

Daniel George

From: Cheryl Page <robinredbreast5959@yahoo.com>
Sent: Wednesday, February 03, 2016 11:52 AM
To: governor@alaska.gov; Senate State Affairs
Subject: PDF Protection Bill

Good Day Governor Walker & Senate,

It simply amazes me how in one hand the politicians are crying how the budget is so very bad. That we are basically bankrupt. Yet there is a need now to produce an Permanent Fund Protection Governor Hammond would be extremely upset and disappointed at the action of stealing money from the Permanent Fund Dividend (PFD). You even stated it in your letter. "I wanted to transform oil wells pumping oil for a finite period into money wells pumping money for infinity." What right did our government have to steal this money in the first place? If I am not mistaken; it was written by Governor Hammond in the bi-laws of the PDF that the people of Alaska would have to vote any changes to the PDF rules. I do not remember being asked, if the Alaska Government could "borrow" ("steal") money from the PFD account. I do believe, if you asked the general public, they would have the same answer. Your other piece of stating that the new money taken from the PFD will go for state services. It already has this piece aboard. Here is a breakdown of what one was deducted from our last year's dividend.

Prepared by Sara Race 9/23/2015

<i>Alaska Department of Revenue</i>	
Permanent Fund Dividend Division	
Funding for PFD Dividends comes from	
Permanent Fund Earnings	
Constitutional dedication of funds	873.49
Legislative action	
Statutory inflation proofing	873.49
Special legislative appropriations	383.48
Unexpended prior year dividends	17.82
Total Gross Dividend	2148.28
The Total Gross Dividend has been reduced for:	
Medical and Public Assistance hold harmless provisions of AS 43.23.075	(27.50)
Legislative appropriations related to convicted and incarcerated felon and misdemeanor dividends	(34.66)
Dividend program administrative costs	(12.79)
Prior year dividend obligations	(1.33)
Total Reductions	(76.28)
Net Dividend (Rounded to the nearest whole dollar)	\$2,072.00

Letter Continued:

It is beyond my understanding and comprehension how in one breathe you can voice how broke our state is and how it is vitally important to steal the PFD money. When in fact you have a very vital way to pay for all of the governments' business dealing. Yet, the politicians are banning the very entity that can make this state a rich one.

What am I referring to? Let's take a look at our neighboring state; California. Yes, California. Where you aware that approximately eight to ten years ago their state was bankrupted? Their state got infested with the METH Epidemic that robbed their state of all their resources. The Department of Justice could no longer keep statistics on what was occurring in their state. The Governor at that time was a very smart man that saw how legalization of Marijuana would bring back a thriving financial state.

California placed all the proper regulations and taxes that brought their state back. I would hate to think were California would be today had they not done this. The taxes alone would over fill any needs we may have for our state. How did we do it back in the day, when Alcohol and tobacco was legalized? Both of these are drugs that bring our state a wealth of tax money to pay for our expenses.

In my opinion, this is the path we need to take. Especially, if we are going to keep our great state thriving financially. The people of Alaska have already voted to make Marijuana legal. Now, we the people of Alaska are depending on the people that create the laws to make it meet the needs of all parties involved.

Thank you for listening,

Concerned Citizen for Alaska People

Daniel George

From: Dawn Lotti <lotticd@gmail.com>
Sent: Wednesday, February 03, 2016 3:01 PM
To: Senate State Affairs
Subject: Govener Walkers plan

No no no, no taxes, no touching the permanent dividend fund, no dont keep spending money on government we dont need..... Cut spending.... Cut government. Everyone i talk to agrees... Move legislatures out of the building in down town anchorage into the building we already own. I cant help but feel there is a bunch of cutting that can still happen. I wouldnt and dont run my household this way and i dont expect my government to either. Spend what you have if you dont have enough i get rid of things, i cut back!

Get the gas line in.....!!!!

Please do the same!
Chris lotti
Lotticd@gmail.com
907-953-7714

--

Dawn Lotti BS, CDC1

Daniel George

From: Clarence & Barbara <klink22hank@mtaonline.net>
Sent: Thursday, February 04, 2016 7:10 AM
To: Senate State Affairs
Subject: Budget

You guys are a joke..(inclusive Governor and legislators) First you spend your dividends, now you want to spend ours. IF YOU REALLY ARE CONCERNED ABOUT MY OPINION, (AND TRUTHFULLY I DON'T THINK YOU ARE). I think you should find your way to paying for government by spending cuts. An income tax is unacceptable in my view. CUT SPENDING, CUT SPENDING, CUT SPENDING !!!!!

Regards,

Clarence Everingham
5001 Hovey Drive
Wasilla, Alaska 99654
Vote reg # 06911410

Daniel George

From: Clifford Edenshaq <sitkatlingit@gmail.com>
Sent: Wednesday, February 03, 2016 10:16 PM
To: Senate State Affairs
Subject: PFD

My name is Clifford A. Edenshaw. 6th generation Tlingit/Haida since Russian Orthodox began keeping records. I'd rather see the Governor n State House and Senate liquidate the PFD to its citizens. Then write n enact legislation that only allows those monies remaining from the PFD to balance the budget once budget cuts to the fullest have been met.

Daniel George

From: Clinton R Hodges II <crh911s@hotmail.com>
Sent: Wednesday, February 03, 2016 11:34 AM
To: Sen. Bill Stoltze
Subject: Testimony before The Senate State Affairs Committee, Senate Bill 128

Follow Up Flag: Follow up
Flag Status: Completed

Dear Chairman Senator Bill Stoltze and Committee Members,

Please accept this email as my testimony on the above cited subject, SB 128, "Walker/GCI Plan." I'm not able to testify on Thursday due to the fact that it is my wife's birthday.

We do not support the decoupling and use of the Permanent Fund or earnings and any aspect of the dividend as set forth in the Walker/GCI Plan, SB 128; the cuts to the government workforce are insincere and insufficient, the cuts to the budget are insufficient; a budget in excess of 5 billion is not realistic and is unsustainable. We don't believe that it is a good idea for government to have access to a pot full of money like the earnings from the Permanent Fund.

The Walker/GCI plan is predicated on the belief that an unsustainable state government workforce is better than a healthy private sector economy; we disagree. Under the Walker/GCI Plan, state government employees will continue to enjoy routine salary and benefit increases and certain business' will continue to benefit from unrestrained irresponsible spending if allowed access to the earnings of the Permanent Fund. We must cut the government workforce so that it meets the basic requirements of our Constitution. The days of money falling from the trees to business dependent on state spending has come to an end.

We believe that 3.8 to 4.1 billion is a realistic dollar figure for what it takes to run our state and toward this end, in addition to the cuts above, we should consider and implement immediately the following revenue streams. Please keep in mind that we are not friends to taxes but are willing to pay our fair and balanced share.

Unlike the Walker/GCI Plan, we believe that the income tax should be reinstated and that every dividend recipient pay a \$100.00 tax for education. An education tax on the dividend and an income tax will not unfairly burden our children, the poor, disabled and elderly. This is fair and balanced.

We feel that the gasoline tax should be doubled along with a reasonable tax on alcohol and marijuana. We should look at collecting tolls for some of the major transportation corridors, such as but not limit too, the Parks Highway, Richardson Highway, Sterling and Seward Highways. No exceptions and no exemptions, every user pays regardless. This fair and balanced.

We feel that the education system in Alaska, Anchorage especially, needs a complete overhaul and this isn't letting the university system off the hook. Our university system doesn't need three Ivory Towers where one will suffice. We must provide a basic K-12 education for all of our children but we don't need domes and artificial grass.

During 50's, Glendale, California, where we attended public schools we had a principal, vice principal, nurse, custodian and teachers with up to 36 kids in a class and no aids. If it worked then we can make it work today.

Facing an 11.1 million dollar deficit and requesting an \$50.00 per student BSA, the Anchorage School Board and Anchorage Assembly approved a one year salary and benefit increase and bonus for its teachers. My wife and I are retired and on a fixed income and our health premiums, for 2016, went up nearly \$600.00 and we're having to pay for the premium increases for Anchorage teachers too, on top of tax to the cap property taxes. Fair and balanced would have had teachers taking a cut and picking up the cost of their health premium increases. Who is it fair to and how is it balanced to be spending money you don't have?

We should continue to carefully and skillfully withdraw, as reasonably needed, from our CBR's over the next few years as needed but not make a habit out of it.

We're sure that in all likelihood a statewide sales tax will be needed to be a part of the fiscal solution. Right along with cuts to the government workforce, government programs, education and social programs. However, we must continue to maintain existing and building new essentially needed infrastructure such as roads, bridges, airports and ports. For now, we should rely on the private sector as much as possible to keep our costs down.

We agree with Clem Tillion on taxing the dividend via a state income tax. We are of the same mind and opinions of Michael Carey, Paul Jenkins and John Havelock as stated recently in the Alaska Dispatch News.

We do not support SB 128 because it lacks fiscal responsibility and is not fair and balanced; it doesn't cut the state workforce and government programs to reflect the current fiscal reality, unfairly taxes children, the poor and elderly.

This is our testimony, respectfully submitted to the Chair and all committee members of the Senate State Affairs.

Clinton and Geri Hodges

6930 East 11th Avenue

Anchorage, AK 99504

907 240-3535

Sent from Mail for Windows 10

Daniel George

From: Sen. Bill Stoltze
Sent: Thursday, February 04, 2016 1:10 PM
To: Senate State Affairs
Subject: FW: The budget

From: Colleen Vague [mailto:cvague@citci.org]
Sent: Thursday, January 28, 2016 1:08 PM
To: Sen. Bill Stoltze <Sen.Bill.Stoltze@akleg.gov>
Subject: The budget

Dear Sen Stoltz,

I'm writing this to share my views on the Rasmussen survey regarding people's view of the current budget situation, and Gov. Walker's proposed budget solutions as presented in the State of the State Address.

First: I would agree with the Rasmussen results that not doing anything to solve the budget, by the elected officials, would not be supported by your constituents; however, this does not mean I want my elected officials to fall in line with the Governor's plan, as was implied by those reporting the results of this survey. I'm pretty sure I'm "talking to the choir", so to speak, but I want you to feel supported in your decisions to do other than that plan.

Second: Budget cuts, REAL BUDGET CUTS, need to proceed increased revenue proposals that would cause harm to working Alaskans.

Third: By being a working Alaskan, I am able to be a home owner. I currently pay a large portion of taxed to support my local government needs, and I pay federal taxes to support federal government expenditures. I have a double tax burden because I choose to work; under no circumstances would I support a state income tax. I would consider that a triple whammy!.

Fourth: Please stop spending money on a Large Diameter LNG Pipeline. If this were the panacea to solve all our budget problems, why are NO private investors jumping on this train? I know one has to invest money to make money, but it appears we (Gov. Walker) is willing to invest money we don't have on a project that, at best, has one "potential", "possible", "could be", "let's wait and see what happens", customer in the Japanese. Unless I haven't heard about it, we have no confirmed contract by them to purchase the Natural Gas. Please correct me if I'm wrong.

Fifth: We have a \$4 billion short fall, could somebody explain why Medicare Expansion is even crossing people's lips? Enough said.

I could go on, but I think you get my point. I support all you do, and appreciate the Valley has the most conservative representatives in the state. My main reason for sending this to each of you is to provide constituent support when you go into battle.

Thanks for your hard work, especially during this difficult session.

Sincerely,

Colleen Vague

Daniel George

From: Daniel Michaud <akdanbo01@gmail.com>
Sent: Thursday, February 04, 2016 10:59 AM
To: Senate State Affairs
Subject: PFD

I strongly urge ALL thoughts about the use of the PFD to balance ANY budget.
Government created this crisis and Govt can cut the crisis.
Have build way too many public buildings and spending like a drunken sailor.
Time to take pay cuts and stop funding useless projects.
Time for the system to eat molded bread like I had too when I started my business.
I choose to pay my bills and go without food and many simple things to stay alive.
Seems that Govt is on a perpetual spending spree and will break the kids bank to
make sure its getting its wants fulfilled.
Taking the PFD is robbery.
Will consider moving out of the state if they cannot get things in order.
I will NOT apply for the fund monies next year.
Daniel R. Michaud
President
Alaska Fireplace & Accessories, Inc.
P.O. Box 873161
Wasilla, Alaska 99687
TEL: 907-892-7131

Daniel George

From: Dan Owens <alaskalogger@gmail.com>
Sent: Wednesday, February 03, 2016 9:03 AM
To: Senate State Affairs
Subject: SB 128

To Whom It May Concern,

I do not support Governor Walkers budget plan for three reasons.

1. There are no real cuts to spending included. There is too much "fat" in our state government. Budgets have been set at revenues from record high oil prices at the \$100/ barrel level. This budget proposal is nearly the same. We need to write the budget with projections at around \$60/ barrel. We would still have a deficit at this point but there would be a real chance prices coming back to that level.

The government needs to quit trying to be in business. It seems that every time the state tries to fund a project it fails dismally. Examples are the Point Mackenzie dairy project, Matanuska Maid, Susitna Dam... The list goes on. Now we are set to spend billions on a gas line project. If these projects make sense economically, then business will build them. We can encourage these projects with tax structure but we must stop funding them.

2. If there are new taxes to be imposed then everyone should have to pay them. A sales tax makes more sense to me since it would assess everyone equally including tourists and non-resident workers.

3. If the PFD earnings are taken for government use, the economy will shrink. I think the money will be better spent and do this State more good if left in the hands of the individual.

Thank you for your consideration.

Daniel Owens
Palmer, Alaska

Sent from my iPhone

Daniel George

From: daniel shaw <shawds@webtv.net>
Sent: Thursday, February 04, 2016 1:04 AM
To: Senate State Affairs
Subject: Alaska Permanent Fund

We totally disagree with Gov. Walkers plan for the Permanent Fund. That annual check is a major boost to the state economy from Anchorage to smallest village in Alaska where that is the only or

large percentage their income for the year. That 1.2 Billion Dollars generates thousands of private sector jobs both in the Retail and Service Industries. Gov. Walker needs some better

economic advisers then the ones he is surrounded by now. We Pray that the Senate State Affairs does not pass this SB 128 Bill or any Bill changing the Alaska Permanent Fund.

Most Sincerely

Daniel K Shaw

Shirley A Shaw

1400 S Cotton Dr.

Wasilla Alaska 99654

District 7

Daniel George

From: David Brooks <davidbrooksdop@me.com>
Sent: Wednesday, February 03, 2016 12:18 PM
To: Senate State Affairs
Subject: Written Testimony SB128

Dear legislators,
I wish to voice my support for the plan proposed by Governor Walker in SB 128.
I urge a yes vote.

Kind regards,
Dave Brooks

Daniel George

From: David DePodesta <djdepo@gmail.com>
Sent: Wednesday, February 03, 2016 9:05 PM
To: Senate State Affairs
Subject: Budget

The imposition of taxes and or the confiscation of the PFD are not warranted until costs are cut drastically
Either will only result in the governments continued over spending
There is no excuse for further supporting and encouraging a blotted uncontrolled government
The legislature should be ashamed of the ridiculous pissing away of public funds
If you won't stand up to the governor... Get the hell out

David DePodest
Ninilckik

Daniel George

From: Knik Towing & Wrecking <parts@knikrecycling.com>
Sent: Wednesday, February 03, 2016 10:36 AM
To: Senate State Affairs
Subject: SENATE BILL 128.

REGARDING THE PERMANENT FUND PROPOSAL:

REMEMBER ONCW THE GOVERNMENT GETS THEIR FOOT IN THE DOOR. IT'S GOING TO BE A SLIPPERY SLIDE DOWN HILL AFTER THAT.

DAVID W WEBSTER

Daniel George

From: DEE LOESCHE <dloesche@gci.net>
Sent: Thursday, February 04, 2016 11:48 AM
To: Senate State Affairs
Subject: Senate Bill 128

Acknowledging that the state is in financial distress at the present time, I am in support of the ideas that have been put forward to solve the problem. However, the extra funds needed should be balanced so that all the needed revenue does not come from one source. My one suggestion has to do with the fluctuation of the market place. The low prices of oil will not last forever and in time it will increase to where the revenue to the state will once again maintain the state budget. When the oil revenue increases, the special revenue sources be reduced to the present values. ie: draws from the permanent fund revenue, an income tax and other emergency draws go back to where they are today. I would hate for the oil revenue to get to \$80 BBL and we, the people, still have to pay income tax. Extra funding can become a very slippery slope.

Respectfully submitted,

Dee Loesche

Daniel George

From: dnickich@kpunet.net
Sent: Thursday, February 04, 2016 6:14 AM
To: Senate State Affairs
Subject: Budget. SB 128

The budget should be cut before using a Permanent Fund solution.

Additional revenue should be achieved by using every resource the is available on State land.

Land the is held by the federal government in the state should be taken back by the state. Land that is rich is resources should be taken first. Review ANLCA if we need ideas.

We were rich, we are now much less rich. The poor cannot afford all the things the that rich can.

What would it take to balance the budget?

What percentage of spending would have to be reduced across the board to balance the budget?

That is where we start. Then look at the state resources that can be developed by private industry that will add to the revenue side of the equation and work to make them available.

Review all departments and evaluate them based on their original intended goal. If they are not achieving that goal liquidate that department.

Pass laws that keep law suites that are meant to block development from doing so where ever possible.

Do not raise taxes on oil companies. With the current glut of oil on the market we have to diversify.

Any taxes on individuals needs to be applied to anyone and everyone. There should not be those that get and those that pay. Everyone needs to have skin in the game.

Regards,
Don Nickich
iPad

Daniel George

From: donaldjohnson@alaska.net
Sent: Thursday, February 04, 2016 5:23 AM
To: Senate State Affairs; fish@kingsizeadventures.com; timhiner@alaska.net; krpga1@gmail.com; freetochoosealaska@hotmail.com
Subject: Alaska's Spending Problem

Dear Governor Walker,

Regarding your suggestion that "we need to use the Alaskan Permanent Dividend Fund , PDF to fund our government". I believe Alaska is currently spending more money than necessary to run a basic government.

In 1970 Alaska spent about \$219,000 on 300,000 people per year to run its government. That comes down to the state spending about \$600 per person to run the state back then. Alaska then doubled its population to about 700,000 persons, while increasing its spending to \$16,000 per resident! Alaska went from spending \$600 per person to run its government, to spending \$16,000 per person to run that same government. Alaska's spending per capita is now higher than any other state in the union. Average governmental spending per capita in the United States is about \$5,300 per resident. Alaska is currently trying to spend about three times more per capita than any other state. (<http://kff.org/other/state-indicator/per-capita-state-spending/>)

It might have been logical to spend \$16,000 per resident when the state was earning enough to do this. It is completely illogical to continue spending like this when we are not earning enough to do this. Alaska's legislative decision to spend MORE than it has is the heart of the reason some believe that we need to use our PDF to continue funding our government.

The simple truth is that The State of Alaska must first set a spending limit at the beginning the year, then it must make spending decisions which allow it to remain within that limit. The problem with our Alaskan representatives is that they are currently attempting to fund government without a spending limit. This would be the equivalent of sending a person into a shopping mall with your credit card after telling them to get whatever they want. The outcome would be predictable and no doubt something you would not want to pay for, like our Alaskan budget. The reason both you and our legislators cannot find enough money to fund our Alaskan government is because you have failed to set a spending limit BEFORE the spending. Simply handing that theoretical mall shopper another credit card will not curb their spending; only setting a spending limit (before the spending) has a chance of curbing the spending. Even if we were to draw upon PFD earnings reserves, that would not be able to close THE SPENDING GAP we have created. Therefore even tapping the PFD earning reserves would not be able to resolve our current SPENDING PROBLEM. Spending PFD earnings reserves is the equivalent of just handing that theoretical mall shopper another credit card. It is an illusion to believe that our current Alaskan SPENDING PROBLEM can be cured by just spending more money.

You are over complicating Alaska's Spending Problem. This issues can be greatly simplified by just setting spending limits BEFORE the legislative spending begins.

Thank you,

Don

In 1970, Alaska was home to 302,000 people with an annual state budget of just \$219 million. By 1980, following the completion of the Trans-Alaska Pipeline, 401,000 people called Alaska home and the total budget had risen to

\$1.5 billion. With 722,000 people now in Alaska, the current total state budget (including both operating expenses and capital projects) is \$13.0 billion (FY 2012). This includes \$3.1 billion in federal funding. Over the last decade, state operating costs have grown, on average, 8 percent annually and that growth rate is projected to continue.
<http://www.alaskabudget.com/spending/>

Don Johnson
Soldotna, Alaska 99669
donaldjohnson@alaska.net
907 262 7893

From: Alaska Governor Bill Walker (GOV sponsored)
Sent: Wednesday, February 03, 2016 10:17 AM
To: Alaska Governor Bill Walker (GOV sponsored)
Subject: Public Testimony on the Permanent Fund Protection Act

From the Office of Governor Bill Walker.

February 3, 2016

Public Testimony on the Permanent Fund Protection Act

Dear Alaskan,

I am writing to let you know about an opportunity to testify on the Alaska Permanent Fund Protection Act (Senate Bill 128), my proposal to restructure and protect the permanent fund.

Who: Alaska public

What: Public testimony on SB 128, the Alaska Permanent Fund Protection Act

When: Thursday, February 4, 5:30 p.m.

In person: Butrovich Room 205 in the Alaska Capitol in Juneau. Locate your nearest Legislative Information Office here.

By teleconference (866) 465-4958 (call in advance to arrange to testify by phone)

Written testimony: Send to senate.state.affairs@akleg.gov or fax to (907) 465-4928

Watch livestream: <http://akl.tv>

As you likely know, Alaska is facing a nearly \$4 billion budget gap. To protect our savings and avoid devastating impacts to the economy and essential services like education, transportation and public safety, I have proposed a comprehensive plan. My plan calls for:

- Continued spending cuts

- Modest tax increases
- Strengthening the permanent fund and using a sustainable portion of its earnings to support public services

The Alaska Permanent Fund Protection Act enacts the critical third leg of the plan. The Senate State Affairs Committee plans to take public testimony on the bill tomorrow.

If we implement the plan in its entirety, we will still be the only state that pays an annual dividend to residents. Alaska will have the second lowest individual tax burden in the nation. We will still be able to grow our savings. We will be able to provide essential state services, and we will have the means to invest in the growth of our state.

If we don't make significant changes in how we fund government, we will drain the constitutional budget reserve within two years and the permanent fund earnings reserve in another two years. The permanent fund dividend will go to zero dollars in just four years.

To learn more, [please go to my website](#) or [read my latest op-ed here](#).

Regardless of your viewpoint, I encourage all Alaskans to participate in our public process. To make your voice heard, or just to listen in, please follow the instructions below from the Senate State Affairs Committee:

Sincerely,



Bill Walker
Governor

gov.alaska.gov
Office of the Governor | P.O. Box 110001 | Juneau, AK 99811
[Email Governor Walker](#)
[Unsubscribe](#)

Daniel George

From: donald macmillan <clanmac68@outlook.com>
Sent: Wednesday, February 03, 2016 12:54 PM
To: Senate State Affairs
Subject: taxes

Start a income tax on wages

Tax the dividend from the perment fund

Reinstate the 10.00 shool tax

Donald mac Millan

401 s.wasilla st #16

Wasilla,ak99654

Sent from Mail for Windows 10

Daniel George

From: edward j brown <edanddi@mtaonline.net>
Sent: Wednesday, February 03, 2016 8:57 PM
To: Senate State Affairs
Subject: pfd

solve the budget without touching the PFD if you politician get your hands on the PFD you will spend spend spend then bitch that it is gone, i will not vote for gov. walker again he has shit on the dept. of corrections and now wants the PFD sounds like a 1 time gov. and anybody that votes to get the PFD I WILL NEVER FORGET TO NOT VOTE FOR THAT POLITICIAN

Daniel George

From: Elaine Pfeiffer <pfeifferelaines@hotmail.com>
Sent: Thursday, February 04, 2016 6:26 AM
To: Senate State Affairs
Cc: Rep. Lora Reinbold; Sen. Anna MacKinnon
Subject: SB 128

Cut the budget FIRST. Make some hard choices. Then look at other options such as Permanent Fund/sales taxes.

Elaine Pfeiffer

Sent from my iPad

Daniel George

From: Ellen Brumfield <ellen99830@usa.net>
Sent: Wednesday, February 03, 2016 10:32 PM
To: Senate State Affairs
Subject: concerning Senate Bill 128

I'm a resident of Ketchikan and I receive a Permanent Fund. I have every year it's been in existence. I believe the State's budget should be cut before allowing the PF to be part of the fiscal discussion. I believe first cuts should be with legislatures, salaries and per diem. Most if not all have other forms of income. Second I believe cuts should be made to state government offices. No need for government offices in all three major cities. Too many triplicate staff members. Government should not be the major employer of the state. Fourth, I believe big business should carry more of the load to run our state government. I would vote no on Senate Bill 128.

Ellen Brumfield

Daniel George

From: evelyn sprague <evelynspr@gmail.com>
Sent: Wednesday, February 03, 2016 7:17 PM
To: Senate State Affairs

PFD must not be used elsewhere until government spending is curtailed, then and only then with approval of the citizens of Alaska

Daniel George

From: frank peron <frankperon1@outlook.com>
Sent: Wednesday, February 03, 2016 8:41 PM
To: Senate State Affairs
Subject: PFD

I don't think the PFD should ever be used for government!!!!!! Cut state budget, start with the top paying jobs, cut there pay!! And put them on the same health care as the rest of us, and there retirement should be just like us social security!

Sent from [Outlook Mobile](#)

Daniel George

From: fwnelius@hotmail.com
Sent: Wednesday, February 03, 2016 11:13 AM
To: Senate State Affairs
Subject: The Alaska Permanent Fund Protection Act

I support Governor Walker's proposed Alaska Permanent Fund Protection Act.

Fred Nelius

7535 N Nugget Circle

Palmer AK 99645

Daniel George

From: G A <memo978@msn.com>
Sent: Thursday, February 04, 2016 4:10 AM
To: Senate State Affairs
Subject: PFD

I don't agree with Mr Walker's idea to use peoples PFD to solve temporary Alaska State budget.

Daniel George

From: Gary Moore <gkmoore@gci.net>
Sent: Wednesday, February 03, 2016 7:27 PM
To: Senate State Affairs
Subject: Gov Walkers Permanent Fund Proposal

It is imperative that you slash the government spending before imposing on the Permanent Fund. The Government is way beyond what it needs to be! When that is under control.... then we can talk about the Permanent Fund.

Gary and Kathy Moore
2050 E Fairview Loop
Wasilla, Alaska
99654

907-376-9756

Daniel George

From: AMY LUJAN <alaso@gci.net>
Sent: Thursday, February 04, 2016 11:54 AM
To: Senate State Affairs
Subject: Testimony on SB128 - Senate State Affairs Committee

Senators,

I am unfortunately unable to attend tonight's hearing to provide testimony. I was able to listen to the presentations this morning by Scott Goldsmith and Brad Keithley.

I would like to commend the committee for holding hearings early in the session on the important proposals that involve significant changes in the state funding structures to address the fiscal gap. My association, the Alaska Association of School Business Officials (ALASBO) has long advocated for the development of a fiscal plan. We are advocates for K-12 education, and the only way education can be delivered in a quality, consistent manner is with consistent, reliable funding.

As Dr. Goldsmith emphasized this morning, some structured use of the Permanent Fund appears to be an important component of any realistic plan going forward, given the present and projected price of oil and the timeframe for getting new resources into production.

Again, thank you for your work on these critical issues.

Thank you for your
Amy Lujan
Executive Director
Alaska Association of School Business Officials (ALASBO)
3145 Pioneer Avenue
Juneau, AK 99801
907-723-7415
www.alasbo.org

Daniel George

From: Gary Pempek <Gary@PalmerMoose.com>
Sent: Wednesday, February 03, 2016 6:33 PM
To: Senate State Affairs
Subject: Cut the budget

I say Cut the budget first. Stop spending like drunken fools.

Gary J Pempek
P.O.Box 871744
Wasilla, Ak. 99687

Daniel George

From: Deedie Pearson <deediepearson@hotmail.com>
Sent: Wednesday, February 03, 2016 8:10 AM
To: Senate State Affairs
Subject: Permanent Fund

The State does not owe me anything! I am grateful for the PFD in the past, but rather than cutting funds from education and the Marine Highway system, etc, the fund is needed for good, wise support for serving the public good.

Thank you all for looking for the best solution for solving this challenge!

Sincerely yours, Geneneiva Pearson
Kodiak
Sent from my iPad

Daniel George

From: janahelp@sbcglobal.net
Sent: Tuesday, February 02, 2016 11:38 PM
To: Senate State Affairs
Subject: Testimony for Feb 4 meeting re: restructuring the PFD

Rather than imposing a state tax on us and taking from us by stealing from the PFD, why don't you try cutting the budgets of the state departments? There is SO MUCH WASTE going on everywhere. One example is this: my husband retired January 17. His boss's boss, (who my husband does not really know--by the way) flew from Fairbanks to Barrow specifically for the purpose of wishing my husband a goodbye. What a waste of our money! My husband really did not care whether he saw this important man or not but my husband is not so uncouth as to say so to his boss's boss.

This is just an example of some of the waste that is going on: travel that is totally unnecessary for certain tasks. Managers and employees COULD conduct their business over the phone. The post office started this practice in their cost cutting efforts and they saved millions by doing so. Instead of traveling to a meeting, we met by using an app like GoToMeeting.

Instead of buying little trinkets and such to hand out at meetings, forget the fluff and save the money. Most of the time these items are just junk anyway! And if they are not junk, the State of Alaska has no business offering such perks to select employees!

Ever heard of a salary freeze? Now there's an old idea that could use resurrecting! Freeze salaries for a year. Heck! In today's environment, State of Alaska employees should be grateful they even have a job!

And about the more expensive purple pens...and brightly colored post it notes of varying sizes...FLUFF! Those items are fluff and can be replaced by cheaper alternatives. Suggest having each department cut down on budget for office supplies.

If employees and their managers were challenged to do so, they could find viable ways to save money. We certainly did at the USPS.

Why is the State of Alaska investing in new equipment and vehicles when using these items just a bit longer could save millions!?? The Barrow airport (where my hubby worked) just invested in a fancy-pancy new snow plow. What, pray tell, was the reason the perfectly serviceable one they had couldn't have continued in use for a bit longer? In our personal lives, when we don't have money, we make do with string and glue (a saying) to keep afloat. The State of Alaska could do the same. Put a person in charge of overseeing the purchases of new equipment, vehicles, and furniture. Not a new position, just added duties to someone already working in the Finance Dept. NO ONE buys any of these big ticket items without submitting justification for these items. Your Finance employee reviews these requests and denies those that cannot show a monetary justification why the old serviceable equipment, vehicles, and furniture cannot still be used.

Governor, there are sooooo many ways that money can be saved starting with the State of Alaska. No need to drum up revenue by taxing your constituents. SAVE MONEY. Now there's your "revenue"!

Why not meet with some of the Finance Department employees of the post office to see what cost cutting measures they have taken in the last ten years to save money? Suggest you start with the Headquarters people as well as the District employees to get a well rounded view.

Oh yes, and take away the company cell phones. Employees have their own cell phones. They can use a landline or their own cell phone. As a postmaster in Barrow I had a company cell phone. With the USPS cost-cutting measures, cell phones started getting cancelled. I pitched a fit. But guess what!? It turns out I was quite able to conduct business just fine without the perk of having a company cell phone. There were so many cost cutting measures that made sense like taking away the extra phone lines.

PLEASE TAKE A HARD LOOK AT SAVING MONEY. It can be done!

Sincerely yours,
Georgiana Gooch
7980 E. Cottrell Campus Drive
Palmer, AK 99645
(907) 982-3244

Email: janahelp@sbcglobal.net

Sent from my iPad

Daniel George

From: Greg Stoddard <grg.stoddard@gmail.com>
Sent: Thursday, February 04, 2016 10:33 AM
To: Senate State Affairs
Subject: send Walker walking

Union special interest driven gov.....cuts, property tax relief, and a sales tax is the way forward. NO sales tax without language protecting property owners from increased taxes and gov cuts first though.

Greg

ps .. I voted for Parnell

Daniel George

From: Herb Wells <herbwells@live.com>
Sent: Wednesday, February 03, 2016 9:52 PM
To: Senate State Affairs
Subject: Permanent Fund Dividend

Good afternoon,

Mr. Governor, and the State Legislature, just a little bit about myself, my name is Herbert Wells, born in Kotzebue and raised in Noorvik, AK., I was born to the most wonderful parents a sibling could ever have, I was fortunate to have my parents Frank and Bertha Wells, who are now in the 70's and 80's, growing up with 3 older brothers and 4 older sisters, I was the youngest of my siblings, my parents later adopted my brother and my niece into the family, I still consider myself the youngest of the family, but I can't complain, my parents tried their darndest to raise us children with good intentions and make us in to hard working people which I thught they did a very good job of doing, as we have all grown to hold steady jobs, out of all my siblings I am the only who hasn't any children yet, they all married and bare children of there own, point I'm trying to make is, I know a lot of people who grew up around parents who drank and used drugs mainly maijauna, when I was growing up, and I was fortunate to have blessed parents who taught us to attend church at a young age, even though we grew apart from the Sunday services, the seeds were planted, and in the later years after our rebellious adulthood claiming our part in life, in my case, my parents teaching us to attend church and attend bible youth groups and things of that nature pretty much played a huge part especially in my lowest point in life, living in the city I didn't have much family support other then co-workers and friends that I hung out with and held parties with , which I considered my family then, in the olden days, I now have been sober for over four years without a touch of alcohol, not even a puff of a cigarette, besides the exhaust from walking the streets of Anchorage, I hear that exhaust is just as bad as smoking a cigarette, anyway, when I was at my lowest point in life, I call it that, because I pretty much lost everything at that moment, getting my third D.U.I., 8 years ago, lost my slope job, lost my drivers license, lost my vehicle, and pretty much my self esteem, which put a tremendous hold and weight on my shoulders almost literally to the point I had lived in homeless shelters in recent years, that when I had started to get angry and held a strong resentment in life, I had no choice but to turn to the one who cares, the one who loves, our God, it is he who brought me back to life, even in my darkest hours, I was lost and in lost in sin, he lifted me up spiritually, and physically, healing me and directing me, though I give every ounce of credit to my parents, it is he who led my parents to bring me to His presence, regardless of what it took to be with Him today, I just want to acknowledge God and my parents desire to bring me to God and to live a sober life and to be a part of His ministry.

Going to the main reason of my writing to you for the PFD as we Alaskans know so well, though I can't remember the last time I was able to spend a dividend for my personal use, as I have filed yearly and have always had my PFD's garnished and as I understand were always used to pay towards my court fines and fees, which I probably will never see another PFD until another 20 years, which my court fines and fees will hopefully be paid off by then, though I have no facts, and haven't researched much in this area, every chance I get to review an email of such notions as the PFD, I can only see how people talk down on such events and have no appreciation to even a small amount of dividend payout yearly, frankly I would be happy to be able to spend one PFD for my personally use, aside from that, though people are more concerned with either receiving an annual PFD or not getting one at all, to me that doesn't concern me, though I read on how people talk about how the PFD should be balanced enough to stretch enough for future generations, and not just todays generations, which I

completely agree with, I am more concerned with the amount of years that we may be able to receive a PFD period, that would be more or less my main concern, are there any statistics or future payout plans with the amount of oil that is to be distributed each year and how far into the future, in other words, what is the life expectancy of the oil in Alaska and what are we expected to see as PFD's and is our future generational people of Alaska going to be able to see a PFD in the year 2030, also are there any other contributions or any other resources that are involved in the payout of the PFD Dividends, if so what are they and are they reliable for future use and generations, that is all I have for now, have a good day and blessings.

Herbert Wells
239 West 4th Ave
Anchorage, AK. 99501
907-726-3797
herbwells@live.com

Daniel George

From: herman morgan <ihermanwork2@gmail.com>
Sent: Thursday, February 04, 2016 4:34 AM
To: Senate State Affairs
Subject: Permanent Fund
Attachments: Perhaps this State needs to reinstate a small income tax to pay for all the State services that we receive.docx

Perhaps this State needs to reinstate a small income tax to pay for all the State services that we receive. Leave the Permanent Fund alone. Many people who are poor need the money it provides, to buy equipment such as boat and motors or snow machines, to use to gather food to feed their families, in these tough times. Especially in Rural villages where there is a lack of jobs. The Permanent Fund also is a great engine that helps Alaska to have a stronger economy.

--

Herman W. Morgan
Box 78
Aniak, AK 99557
907 676 1181

Daniel George

From: J Jensen <norwejohn@gci.net>
Sent: Wednesday, February 03, 2016 3:16 PM
To: Senate State Affairs
Subject: SB 128

The parts of SB 128 I like: (1) attempts to smooth out state income/spending. We have gone through too many boom/bust cycles depending on the price of oil and a lack of legislative discipline. We have had some really wasteful "economic development" projects for example. (2) adds some revenue sources to help close the fiscal gap. (3) taxes non residents (4) taxes industries currently not taxed or undertaxed (5) recognizes the imbalance of current tax credit program (6) makes an attempt (legal?) to promote Alaska hire. Note that non-resident hire is on the increase in Alaska rather than the opposite. (7) brings motor fuel taxes closer to reality.

The parts of SB 128 that I do not like are: (1) income tax rate of 6% is too low. My parents paid 10% of their federal tax liability in 1949. I first paid state taxes in 1957. By 1961 those taxes were at 16% of federal tax liability and at least that much until 1980 when Alaska income taxes were repealed. (2) the tax rate on PFD dividend recipients is way too high. Any diminishment of the PFD is a tax on Alaskans only, not non-residents. The PFD is relatively more important to people with smaller incomes. I understand why people with higher incomes would prefer to receive a smaller PFD but their political power alone is not a good reason to diminish it. I am surprised at some of the people/groups who are supporting a smaller PFD and are not speaking out for a higher income tax (deductible on for itemizers on federal tax forms). (3) SB 128 ties future dividends to oil and gas royalties which increases the idea that Alaska is dependent on oil and gas resource development. We need to encourage a diversified economy rather than having residents support some projects simply because it is in their PFD interest to do so. (4) SB 128 does not provide for a small head tax, formerly and erroneously called a school tax. We should have a small head tax because everyone uses state services and because some earners pay no federal tax. (5) I see no provision to address taxation of Sub S of LLC corporations.

I do not like to pay taxes and I support efficient use of our tax money. You will be hearing, I imagine, from a generation of Alaskans who think paying no state taxes is reality. Please keep that in mind as you read/hear their testimony. There is no free lunch as your parents probably told you too. Alaska is huge spread out place in which it is expensive to do almost any type of business/government function. We normally do not have economy of scale.

Listen to Clem Tillion and thank you for your time.

Daniel George

From: Charlene Derry <arcticchar@ak.net>
Sent: Wednesday, February 03, 2016 8:22 PM
To: Senate State Affairs
Subject: Testimony for SB128

Please add the following testimony for the 02/04/2016 hearing on SB128.

We're sending this message because we feel it is important that your constituents tell you what we think about the governor's budget plan, and potential action by the Alaska State legislature reference the permanent fund, taxes, and the budget. We are current Alaska residents and have been Alaska residents for over 44 years.

We are totally opposed to any action that changes the Alaska Permanent Fund law, rules, regulations, or procedures. . It's been tried before and Alaskans strongly rejected this. Once we make the initial change, it's a slippery slope that can result in yet further change and potential elimination of this critical fund.

Our first action needs to be to look beyond the low hanging fruit and really cut state expenditures. If a tax is necessary after that to address budget deficit, it should NOT be a State Income Tax. Rather, we could support an across the board state sales tax with a cap that requires voter approval. This gives us a larger base to draw from because of the tourists who come to this state and the significant infrastructure costs associated with supporting that industry.

We know your job is difficult and thank you for your efforts and the fact that you are willing to listen to our points of view.

Respectfully,

James and Charlene Derry

arcticchar@ak.net

(907) 694-3661

Daniel George

From: James R. Dahl <jrdahl@kpunet.net>
Sent: Thursday, February 04, 2016 11:33 AM
To: Senate State Affairs
Cc: governor@alaska.gov; Rep. Daniel Ortiz
Subject: Permanent Fund Protection Act, Senate Bill 128

To the Law Makers in Legislature,

I am voicing my full support to the language in SB128 as proposed by Governor Walker. I have been following the discussions and believe this bill is a good way to move forward and provide the State with a plan for financial stability. This plan looks at the long haul and solves funding issues in the future for a strong vibrant Alaska. This bill will allow "all" Alaskan's to share in the cost of State services that we need and have come to expect.

Speaking of sharing, I am asking my law makers to correct the deficiencies of the current law that allows for Corporate welfare and tax credits allowed in the Bills and Vote of 2014. This action needs to be reviewed and changed for the benefit of the State and the Citizens. We as citizens are being asked to make sacrifices and I believe it is reasonable to ask our oil partners to help with the issues at hand. They remain strangely silent and continue selling "our" oil and not extending a hand and taking all the benefits. This just is not fair to ask all Alaskans to share and pay an income tax and higher user fees then not ask the producers to participate in the current budget crisis. We have been good to Oil Corporations and now they need to step up and provide some solutions and be responsible when selling our natural resource.

If you do not solve this issue, the future will only be darker. Do not turn away from doing the right thing for all parties involved. The problem to be solved, rests in our able hands.

As a life long alaskan, I am asking you to fix this with fairness to all people in Alaska.

Jim Dahl
Ketchikan, AK

James R Dahl, Partner
OTTER CREEK PARTNERS
Registered Investment Advisor
(907) 225-6110

riastandsforyou.com

Daniel George

From: Jim Leach <alaskatraildoc@mtaonline.net>
Sent: Wednesday, February 03, 2016 3:52 PM
To: Senate State Affairs
Subject: permanant fund issue

Follow Up Flag: Follow up
Flag Status: Completed

DO NOT RE-STRUCTURE THE PERMANENT FUND

This monies belong to the residents of Alaskakeep the State Government's and governor's hands.... OFF OF OUR SAVINGS, OUR MONEY.

The poor pre-planning causing the present fiscal situation , is a problem for the legislature to resolve. The lack of long-term funding has been known for decades...common knowledge. Despite this common knowledge, there has been very poor government planning and foresight.

That the legislature continued to increase the " give-away" programs... THAT is THEIR problem to now resolve.

They are NOT to squander more of OUR MONEY !!!

Stop the WASTEFUL " freebie" and "give-away" programs and KEEP YOUR HANDS OFF OF OUR SAVINGS—OUR P.F.D ---OUR MONEY.

James Leach DVM

Daniel George

From: Jamie Lyons <capegallery@hotmail.com>
Sent: Thursday, February 04, 2016 11:18 AM
To: Senate State Affairs
Subject: Senate Bill #128

In my opinion, I would just rather see at this point in time, the permanent fund dividend be cashed out to the people. The people in the state of Alaska all are held to a standard of having to live within their means, and I believe that the state should be held to that same standard. With the sanctions being lifted for Iran, Iranians are now going to cause even a bigger glut of oil on the market which will cause oil prices to stay low in the future. Alaska needs to practice more diversity instead of relying so strictly on oil as the main bloodline to cover the states budget. I would like to see the permanent fund dividend get cash out to the people.

Sent from my iPhone

Daniel George

From: Brewsaun@aol.com
Sent: Thursday, February 04, 2016 9:02 AM
To: Senate State Affairs
Subject: Public testimony on SB 128

Senators

As a long term Alaskan of over 40 years, I wish to comment on SB 128. The PFD annual check is a nice boon for Alaskans. However, now that the oil boom is over and hard decisions must be made, I hope the Alaskan Legislators are up to the task of making the hard decisions on this matter which may well mean spending the PFD monies for necessary state budget items.

I worked in state government in Alaska for almost 20 years and have first hand knowledge of the numerous items that are wasteful in the budget every year. It is time to make the necessary decisions to bring the budget under control by investigating other means other than reinstating the state income tax. If this is to be the case, and it may very well need to be done, then it should be a flat tax which is fair to all residents.

It makes much more sense to drop the annual PFD and see if that solves the problem before reinstating a state income tax. As noted above, a flat tax would be much more palatable to voters.

Thank you for your consideration of my input on this issue.

Janice Brewer
Anchorage, AK

Daniel George

From: Jeff VanZandt <kayaonekaya@yahoo.com>
Sent: Thursday, February 04, 2016 10:00 AM
To: Senate State Affairs
Subject: Re Gov.Walkers SB 128

**To all Alaskan Lawmakers in the capitol regarding Gov Walkers SB 128,
This is not only wrong but the state is acting like a organized Crime Ring.**

The PFD that Alaskans receive is one of the biggest economic boosts to the State of Alaska every October. It goes to small businesses and we spend it on necessity's with in the State. It will not do that if the state gets it. We pay for our winter fuel, our winter wood, our yearly food shopping in Fairbanks, our insurgence on autos and vehicle upkeep. Some use it for their auto down payments or Sno -go / 4 wheeler payments. Many things are purchased in order to survive our way of life in rural Alaska.

You the lawmakers now and past are the reason the State of Alaska is in such bad shape. YOU are the reason not the people of Alaska for the last eight years. You all have spent like drunken sailors on shore leave, you have not set aside or CUT anything. Now you want to tax us and take the PFD from us as well.

If you take it you will never get re-elected again.

Cut and cut deep the DOT and the Fish and Game department and most of all education. Alaska pays the most per child of all of the states. The teachers take their high wages and Union dues to boost their selves and the Unions, children are the losers because of it. Cut them...

Cut 3.5 to 4 billion now and stop funding programs that are unnecessary ..do not attempt to even think about taking Alaskans PFD with out you politicians making Hugh cuts first !!!

I can promise you that if you attempt this further I and a immense amount of Alaskans will form in opposition to any one who pushes this through and we will come out against you everywhere and most definitely in the voting booth! So think very carefully as your own jobs will depend on the choices you make against the people of Alaska.

Sincerely.

**Jeffery George Van- Zandt
P.O. Box 742
Tok Alaska
99780**

907 883 9874

kayaonekaya@yahoo.com

Daniel George

From: Jerry Weaver <j.weaversr@att.net>
Sent: Wednesday, February 03, 2016 8:43 PM
To: Senate State Affairs
Subject: Budget Cut

Budget should be cut and then the PFD. If some of the freeloaders leave, so be it.

Daniel George

From: Jim Dube <dubej@mac.com>
Sent: Tuesday, February 02, 2016 2:04 PM
To: Senate State Affairs
Subject: SB 128

I rarely submit comments on legislation but I think it's a critical time for the state so I want to make my voice heard. I'll keep this short and sweet as I know you are all very busy.

I believe that capping the dividend makes good sense in this very difficult financial time for Alaska. \$1,000 seems like a great place to start. Let's use the rest to keep the state solvent and keep a respectable bond rating.

I believe that as citizens we need to pay our fair share for services, so I am not opposed to a small income tax as well.

In summary, I support Gov Walker's plan.

Respectfully,

Jim Dube

Daniel George

From: James Hoff <jimhoff@me.com>
Sent: Wednesday, February 03, 2016 9:37 PM
To: Senate State Affairs
Subject: Budget crisis

Honorable AK Senators and Representatives,

My name is James "Jim" Hoff, 315-0786, 7977 W Bassam Cir Wasilla AK, and I am writing about the budget situation. Please make a dollar of spending cut before each new dollar of state income tax is assessed, and don't let the jackals get a taste of the PFD's or it will be gone.

Sincerely, & JMHO,

Jim Hoff

Daniel George

From: Jimmie <jjkandkater@gmail.com>
Sent: Wednesday, February 03, 2016 9:51 PM
To: Senate State Affairs
Subject: PFD

Tap money from somewhere else. Every bit of my PFD goes back into the Alaska economy. I don't want to back backwards financially. My vote will count coming up.

Sent from my iPhone

Daniel George

From: Joanne Klein <joanneklein@gmail.com>
Sent: Thursday, February 04, 2016 7:21 AM
To: Senate State Affairs
Subject: Govenor's Permanent Fund Restructuring Bill #SB 128

I disagree with the Permanent Fund Restructuring Bill. The governor needs to be making more cuts to our Budget.

But I have no problem with capping the Permanent Fund Dividend for all Alaskans.

Joanne Klein
PO Box 757
Ward Cove, Alaska 99928

Daniel George

From: John Cooper <jcooper@gci.net>
Sent: Thursday, February 04, 2016 12:56 PM
To: Senate State Affairs
Subject: SB 128

Ladies and Gentlemen:

I was a voting Alaskan when the Permanent Fund was enacted. I was an Alaskan business man when the price of oil sunk in the 1980's. I remember the "give us a second chance bumper" stickers that promised we wouldn't "piss it away". I am afraid we didn't learn from the 1980's and must relive the mistake and even worse proposed solutions.

The Permanent Fund was set up with dividends to the qualified residents to discourage political raids in the fund. The dividend was to be divided between the citizens and the General Fund when other resource revenue did not meet state needs. The General Fund never got more than 50% of the Permanent Fund earnings.

The PFD has been attacked in many quarters as a state give away program rather than a profits sharing plan owned by Alaskans and the state government. SB 128 redefines the PFD as a state give away subject to annual change by the Legislature. Before we do that we need to make real cuts in state spending exactly as my business was forced to do in the 1980's. The 5% cut the Governor has proposed, after deducting non existent employees and other accounting maneuvers as best I can, does not demonstrate a commitment to good government or Alaska's future.

Government was instituted to provide for the common defense, insure domestic tranquility, and promote the general welfare. Government is not for providing the general welfare nor for providing for the welfare of specific groups, such as teachers and school administrators that "can't take pay cuts".

I request that you send SB 128 back to the Governor and tell him the PFD distribution formula at 50/50 is sacred and let him work out a budget that works with the projected revenue. Employees will scream; mine did in the 1980's. We were still here in the 1990's. The Governor has to make those tough decisions.

Thank you for your attention,

John D. Cooper
8183 Threadneedle
Juneau, AK 99801

Daniel George

From: John Harmon <jharmon@lumenchristiak.com>
Sent: Wednesday, February 03, 2016 4:31 PM
To: Sen. Bill Stoltze; Rep. Shelley Hughes
Cc: Daniel George
Subject: Mat-Su Constituent Comment

Senator Stoltze and Rep. Hughes: My family are long-time Valley residents and live on Lazy Mountain in Palmer, Alaska. We understand the difficult financial decisions legislators must make this session in order to protect Alaska's future. We understand that the decisions may include capping the permanent fund dividend, implementing a sales tax, and/or implementing an income tax – as well as other potential taxes.

Regarding SB 128, we would support capping the permanent fund at \$1,000.00 per year but only after there are appropriate reductions in the state's operating budget. To continue state spending at current levels is not being fiscally responsible.

We also support implementing a sales tax, to the extent it is not overly burdensome. We are hoping that if the state is able to reduce and control its spending, restructure the permanent fund, and/or implement a sales tax that the state can avoid implementing a state income tax.

Thank you for hearing our perspective on the issue. You have our continued support and we are proud to have you represent us in the Alaska State Legislature.

Best Regards,

John Harmon

PO Box 2926

Palmer, Alaska 99645



This email has been checked for viruses by Avast antivirus software.
www.avast.com

Daniel George

From: John Schaeffner <jaschaeffner@mtaonline.net>
Sent: Wednesday, February 03, 2016 9:58 AM
To: Senate State Affairs
Subject: budget and permanent fund

I am totally against the idea of using the permanent fund to balance the budget without severe budget cuts. Permanent fund earnings are for the people of Alaska. Many of our

citizens depend on that extra source of income to balance their personal budgets. My question is what will the state government do when the permanent fund is depleted?

There are those who are lobbying for use of that money but I believe that most of them (lobbyists) will loose very little if the permanent fund is gone.

I believe that budget cuts should be severe and if there is still a need for more monies a small sales tax would be the fairest method of raising that money. An income tax

penalizes those who work hard and productively while a sales tax rewards those who work hard and spend wisely.

John Schaeffner
Wasilla, AK 99623
907-864-0142

Daniel George

From: John Sindell <jsindell@hotmail.com>
Sent: Thursday, February 04, 2016 10:38 AM
To: Senate State Affairs
Subject: Public Testimony on using Permanent Fund to Balance Budget

Hello,

I would like to state that I am opposed to using the Permanent Fund to balance the state budget. I see cutting the PFD to fund government as a regressive tax. It makes funding the government more of a burden for the poor. I would much rather see an income tax so that everyone pays a fair share based on their means.

Thank you for providing me the opportunity to voice my opinion,
John Sindell
Anchorage, AK

Daniel George

From: John Suter <suter@gci.net>
Sent: Tuesday, February 02, 2016 2:39 PM
To: Sen. Bill Stoltze
Subject: Budget

Why doesn't the state get its budget in order before it hands out free cash in the PFD? After the state gets its budget in order, then use the left over funds for the PFD. Giving away free cash now means the state will not be able to get out of the budget deficit.

Suter@gci.net

Daniel George

From: John Welsh <welshmx@yahoo.com>
Sent: Thursday, February 04, 2016 1:07 AM
To: Senate State Affairs
Subject: SB 128

Dear Senators, A primary feature of permanent fund distributions has been their use for college savings plans. I suggest that minors who currently receive a pfd, and for whom half of their pfd is deposited directly into their college savings plan, do not have the current pfd arrangement altered. Minors should have their pfd protected from the speculations now going on about using the pfd to bail out state government. Go ahead and experiment with dividends belonging to adults. Don't rob minors of their college savings. John Welsh, Sitka.

Daniel George

From: bobbjo@mtaonline.net
Sent: Thursday, February 04, 2016 10:57 AM
To: Senate State Affairs
Cc: bobbjo@mtaonline.net
Subject: Gov Gov Barack Walker PFD plan

Hello Senate affairs committee,

I believe that the Alaska budget should be cut to ribbons before the PFD is touched and before any tax is implmented.

The state has been spending money as though it were water and a never ending supply. Every Alaskan family lives on a budget and exceeding the income is disaster.

This Governor is emulating Barack Obama- he makes demands that are rediculus and wants to take from the citizens to fit his agenda.

Personally I would request recall proceedingss begin.

This man is not above the Alaska Constitution and should be removed from office.

Yes, the state is in sad financial straits but it is the fault of the politicians and now the constituents have to pony up. NO cut the state work force to the bone, we all know that the statr work force is bloated.

Stop the, it's for the children- that's why we have the highest cost per pupil in the country. Throwing money at barely educated teachers is a travesty and cash does not make students smarter, it makes teachers richer and keeps unions in power,. Just look at how smart students are NOT.

I am sick and tired of this garbage.

Start recall proceedings immediately.

Do not alter the Alaska Constitution.

If the PFD savings has to be touched, it should only be for the BARE ESSENTIALS and nothing else and should be guaranteed to be fully reinstated once solvency is achieved BUT first trim, no Slash all spending and reduce the state goverment employee pool.

When I run out of money I have to take drastic steps and cut all expenditures to the bone- you and this so called governor have to do the same.

As long as there is a never empty teat to gorge on, things will continue in the wrong direction- so change the way our govt spends AND stay out of our POCKETS.

Disgusted with Governor Barack Walker

Joseph Spagnuolo

PO Box 877628

Wasilla, Ak 99687

907-841-7375

Daniel George

From: Josh Blake <josh050181@yahoo.com>
Sent: Wednesday, February 03, 2016 8:33 PM
To: Senate State Affairs
Subject: Formal Comments Regarding SB 128

----- Forwarded Message -----

From: Josh Blake <josh050181@yahoo.com>
To: "zmoore907@gmail.com" <zmoore907@gmail.com>; Laura <aelllc@mtaonline.net>
Sent: Wednesday, February 3, 2016 8:25 PM
Subject: Formal Comments Regarding SB 128

To the distinguished member of the Senate State Affairs and Finance Committees,

I have some comments that are critical of the Governor's Permanent Fund Restructuring bill and taxing plans in general. I will try to lay out a logical case without resorting to name calling or pointing fingers to make my point.

Alaska had a State budget of around 3.3 billion in 2007. Since then the budget has ballooned at a breakneck pace during the rise of high oil prices. It now stands at around 5.2 billion after a 9% cut. Now the citizenry are being asked to have their dividend cut and an income tax is being proposed to help fill the gap.

I do not feel the Legislature has done enough hard work getting to some form of fiscal sanity before it starts grasping around for more revenue to fill the gap. I will try to give some concrete examples of why I feel this way. The State of Idaho has a population twice Alaska's sitting at around 1.5MM (Alaska's population stands at around 710M) and yet has a fiscal budget that was near ours in 2007 (3.3 billion). If the State of Idaho can manage to provide services for twice as many people for the same amount of money as we spent back in 2007, I think the Legislature has some work to do cutting more fat out of the budget.

I am even willing to be reasonable and say that because of our larger state I would give you the benefit of the doubt. I could foresee a 25% larger budget than them (even though we have half the population requiring services) which leaves us at the 4 billion mark. So I see about 1.2 billion that need to go before you even consider raising revenue.

A lot of people in this state are feeling the pain from the economic downturn. There have been massive layoffs in the oil and gas sector and the support industries. Frankly, I get tired of government claiming they have cut to the bone and there is nothing left to cut, when they have basically only cut 3 yrs. worth of budget increases. If I lose my job and find another job at half the pay, I cannot continue spending 90% of what I used to make. I have to slash my personal expenditures to meet my income!

I know unfortunately what I am asking is going to affect some state & no doubt municipal employees. However, I get tired as a taxpayer of seeing constant cost of living increases for government salaries that I do not get in the private sector. Then when the rest of the economy is suffering cutting government expenditures is equated to the holocaust.

Bottom line.... if the legislature doesn't make some meaningful cuts to the budget. I will do everything in my power to vote out of office any politician who votes on this bill or any bill that raises revenue without first cutting spending. If spending were to be cut in a meaningful way (at least 20%) I would be open to changing my mind about raising revenue.

Sincerely,

Josh Blake
Wasilla, AK 99654

P.S. Anyone who want to echo these comment are welcome to add their name to it in place of mine and submit it to senate.state.affairs@akleg.gov . I have left links below so you can verify my points.

Popualation of Idaho 1.5MM

Population of Alaska 710M

<https://suburbanstats.org/population/how-many-people-live-in-alaska>

<https://suburbanstats.org/population/how-many-people-live-in-idaho>

Idaho 2016 Budget 3 billion

<http://www.legislature.idaho.gov/budget/publications.htm>

Idaho has a surplus

<http://www.spokesman.com/stories/2015/oct/24/eye-on-boise-idaho-state-budget-building-toward-su/>

2007 Alaska Budget 3.3 Billion

http://www.huffingtonpost.com/james-love/sarah-palins-increased-op_b_123400.html

Daniel George

From: JW Sivertsen Jr <canislupus@gci.net>
Sent: Thursday, February 04, 2016 7:25 AM
To: Senate State Affairs
Subject: SB 128

To Cmte Members:

I support SB 128. It is fair, reasonable, and necessary.

Sincerely,

John W. Sivertsen Jr

Juneau Alaska

Sent from jws iPad

Daniel George

From: Kat Geuea <kdgeuea@hotmail.com>
Sent: Thursday, February 04, 2016 12:22 PM
To: Senate State Affairs
Subject: PFD

I am an educator in the Northstar Borough. My husband just retired from the military and we are trying to acclimate to civilian life. The cost of living in Alaska is so high, that we really need the PFD to get the things that we otherwise would never be able to afford.

Not only that, many of my students are living in poverty. I can only imagine how this loss of revenue would affect their households. I know last year one student's family was able to refill their home fuel tanks. They had been without heat.

Please stop claiming you are trying to solve the problem with this measure. Instead, you will be creating a whole new set of problems.

Kat Geuea

Sent from my iPhone

Daniel George

From: Katherine Hicks <akhix49@gmail.com>
Sent: Tuesday, February 02, 2016 11:42 AM
To: Senate State Affairs
Subject: No on SB 128

Senator Stoltze,

Thank you for being a voice of common sense. I am not good at research but hear you on the radio and do admire your standing up to this governor. I am sick of his refusing to cut spending and urging the citizens of Alaska to foot the bill for all of his dreams.

I am not in favor of raiding the PFD or changing it's make-up in any way. I do think that the CBR will have to be delved into, but not the actual PF.

Keep up the good work and please share with any Legislators that will work for us to stop this maniac.

Regards,

Katherine Hicks

Daniel George

From: Katherine Hicks <akhix49@gmail.com>
Sent: Thursday, February 04, 2016 12:41 PM
To: Senate State Affairs
Subject: Not enough cuts

We need to reduce spending before we even consider any of the many taxes this Governor has proposed. I urge you to not be like the US Congress and let this governor be a dictator.

I would like you all to support Bill Stoltze's plan to make changing the PFD a Constitutional change. This will help stop Walker from his maniacal grab. Our bond ratings are falling and we will be paying more for all costs that we incur. If we raid PF even above the CBR, we will lower our rating even more and look even worse in the public eye.

I firmly believe that more cuts can be made in education. After all most school and state employees received a 1% raise along with their step increases. If this is possible, then there is plenty of room to decrease spending. I also heard the home schooler's are counted in the population for school funds. This is wrong! I think it's time we let these villages pick up some of their costs for education. With over 60% of my property taxes going to fund schools and some schools having no tax burden it's just not right.

Why can't all departments go to 0 based budgeting? Why do they get an automatic increase every year with no accountability? Why are we still pursuing the gas pipeline? I know that some are betting on the come, but we can't afford it and have no business being in a public/private partnership. I think a lot of us long time residents are willing to hunker down and use our entrepreneurial spirit to create more ways to make Alaska fiscally sound.

I hope that we are successful in our court case against Walker's Medicaid expansion. I don't believe that the Fed Gov. is fiscally strong enough to fulfill their promise. Thank you Liz Vasquez for all your work on this.

I also want to thank Shelley Hughes for bringing to our attention that the proposed gas tax will not even go to highway funding but be put into the general fund. This governor is sneaky and it seems he is just shuffling money around but doing very little in actually cutting anything.

I am trying to watch 360 North, but can't stick in one place long enough to testify or get a thorough read on all testimony. It looks to me like there are a few folks trying to get a handle on this in a fiscally responsible way. Thank you.

Stand strong and cut,cut,cut.
Katherine Hicks.

Daniel George

From: Kaffy M <cappijoe@gmail.com>
Sent: Wednesday, February 03, 2016 6:49 PM
To: Senate State Affairs
Subject: Senate Bill 128

I do not believe in robbing peter to pay paul! This is what the governor wants to do with the PFD. I firmly believe that before we start taking monies from the PFD we need to look closely at all areas of state spending, and make necessary cuts there first. Lets start by cutting some of the travel expenses of ALL state employees including all Senators, Representatives and their staff members! It would be cost effective to move all of the State Government employees to Anchorage, including the Governor, Senators and Representatives. The cost savings on housing, airfare, etc would be enormous.

Then we need to look at other areas of revenue! I am not opposed to a states sales tax, done right! Too many states enact a sales tax, then use that as an excuse to run wild with spending.

Getting more people working and off public assistance would save some money.

It is my understanding also that the State of Alaska owes the PERS retirement system millions of dollars. Lets get items like that paid off.

Sincerely,

Kathleen Maricle

Sent from Mail for Windows 10

Daniel George

From: Katie Nolan <katietnolan@gmail.com>
Sent: Wednesday, February 03, 2016 3:45 PM
To: Sen. Bill Stoltze
Subject: SB128

Dear Senator:

Thank you for great communication of what's happening down there. Please call Mike Pocaro frequently.

NO NO NO NO NO NO NO NO NO new taxes until we get real control of our spending! NO NO NO NO NO touching PFD until we make some drastic changes to our government to reduce it to the services our government is supposed to provide, i.e., infrastructure, public safety, etc.

Unfortunately, we don't trust our elected officials to make good decisions. Tennis courts, high school football stadiums, fish processing plants..... And that problem could be easily solved by untying bloc voting on budgets, something that I'd love to see.

I know you're inundated with lobbyists, but the rest of us that can't afford to get there feel strongly about cutting before taxes. We simply don't trust Juneau (the collective, not you!)

Thank you.

Katie

Daniel George

From: Kevin Turkington <kevin@midnightsuncare.com>
Sent: Thursday, February 04, 2016 9:51 AM
To: Sen. Bill Stoltze
Subject: Governor's Budget Plan

Sear Senator Stoltze:

I am not in favor of Governor Walker's proposed plan to reinstating the income tax, smaller Permanent Fund dividends, and \$100 million in cuts to state agencies, among other things.

As a business owner, and a concerned citizen I am not in favor of any plan that attempts to maintain or grow even more the current level/size of government in Alaska! I am very concerned that changing the Permanent Fund structure will make it vulnerable to Federal Taxing authorities.

Further, I think the Governor's plan is a direct assault on the private sector in order to maintain the public sector at current levels.

I support the plan put forth by United For Liberty which is based on lowering our states government footprint to attempt to right size it in order to live within our means. With Alaska's government twice the size of every other state per capita, it is time to stop this madness!

As both an employer, a wage earner and a property owner, I am at the breaking point and should not be expected to bear the brunt of bad government decisions that attempt to be everything for everybody. That's not the governments job!

The growing notion that you can keep taking from those who work and earn and give it to those who choose not to is a no-win situation. We have more on the 'poor' roles because you keep making it easier and more attractive! Hello! Enough!

As an employer, we provide jobs for over 75 people in he Anchorage and MatSu areas. However, with all these hits from the Federal, State and Local levels, it is getting extremely difficult to make enough to keep our doors open let alone grow to create even more jobs. And when we do start making any real profit to grow with, there stands every government entity with their hands out demanding their portion and leaving us with little if anything to do anything.

It is becoming a loosing proposition and the only way it is going to get any better is by lessening the size and cost of government, stop trying to be all for all and let the private sector grow and thrive and create the jobs that will raise incomes and grow the economy.

The Governor's plan and this idea that Government be everything to everyone will just cause an implosion. I realize change is tough and doing with less will be difficult. But something has to be done to stop the hemorrhaging

Sincerely,

Kevin Turkington, CSA

President

"Helping families remain families!"

Midnight Sun Home Care Inc.

Phone: 907-677-7890

Fax: 907-677-7989

www.midnightsuncare.com

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Daniel George

From: Lana and Steve Edwards <lana@mtaonline.net>
Sent: Wednesday, February 03, 2016 12:25 PM
To: Senate State Affairs
Subject: Senate Bill 128

I am in support of the Governor's proposal. I believe that it is a good start to a stable economy. I was here during the 80's and when State government was forced to slash the budget abruptly, it seemed that the economy tanked. We almost lost our home and went a few years just getting by as things gradually got better. I support any reasonable and measured approach to a combination of cuts, taxes, PFD cap, and use of the earnings of the PFD.

Lana Jones-Edwards
3847 N Gunflint Trl
Meadow Lakes, AK 99623

Daniel George

From: Lance Roberts <roberts.lance@gmail.com>
Sent: Thursday, February 04, 2016 6:44 AM
To: Senate State Affairs
Subject: SB128 PFD tax

To the Senate State Affairs committee:

I won't be able to make public testimony tonight since I have an assembly meeting. I would urge you to reject any plan that takes a large amount of the PFD dollars and uses them to try and balance the budget.

ISER did a study in 2010 that shows that dollars spend in the private economy from the PFD do more for the state economy than dollars spent by government. Therefore any money you take out of the PFD is only going to hurt the economy.

We already have a plan out there (ISER/Goldsmith) that will allow us to get to a sustainable budget without taxes or PFD cuts. Taking from the PFD as SB128 proposes will be a huge tax on the private sector.

Please make cuts in the state budget, not in the private sector.

Thanks,

Lance Roberts
Fairbanks
(speaking for myself)

Daniel George

From: Larri Spengler <lspengler@ak.net>
Sent: Thursday, February 04, 2016 9:55 AM
To: Senate State Affairs
Subject: action needed this year

Greetings:

Hard as it may be, please do not delay closing our state's budget gap this year.

Thank you.

Larri Spengler

Larri Irene Spengler
4545 Thane Road
Juneau, Alaska 99801
907-586-9768 (phone/fax)
lspengler@ak.net

Daniel George

From: Leroy Reid <leereid@alaska.net>
Sent: Wednesday, February 03, 2016 7:01 PM
To: Senate State Affairs
Subject: Senate bill 128

We are going into a condition that may be as serious as the 1985 crash. . In fact, with Iran coming on line with a half million barrels per day I doubt if the price of crude petroleum will rise anytime soon. I suspect the price will be lower than it is now. As a retiree, I am tightening my economic belt to ensure that I might survive the crash. As it is so for me, it is time to cut State spending. **Therefore, please take a very close look at cutting the State Budget before any thought of taxes.**

Thank you,

Leroy C Reid, Jr.
1273 Annapolis Drive
Anchorage 99508

Daniel George

From: Linda <snowbird65548@mtaonline.net>
Sent: Monday, February 01, 2016 5:34 PM
To: Senate State Affairs
Subject: Senate Bill 128

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Senators,

I have a few comments on the proposal for the Governor to use the permanent dividend.

First, how are the people of Alaska going to be 'guaranteed' that the funds are truly spent wisely? This is always the problem with bills that are written and money spent. Some politicians (not all) seem to have their own agendas and those agendas are not always for the best of all Alaska residents. There are always paybacks and pork barrel legislation that benefit only a few. The worse thing is no one seems to accept responsibility when something goes wrong.

The State had lots of money during the pipeline days and the money was spent like it was water. Once the fingers are in the pot of the PFD, who is to watch it so that is not blown as well.

More needs to be cut out of the budget and I am not saying police/trooper protection or road maintenance. I believe there are many items that are not mandatory for us to survive. All the freebees really need to be looked at and seriously trimmed down or eliminated.

Thank you,

L. Page

Wasilla, AK

Daniel George

From: lmstotler@gmail.com
Sent: Wednesday, February 03, 2016 8:28 PM
To: Senate State Affairs
Cc: Linda Stotler
Subject: Permanent fund policy changes

Dear Sirs / Madams:

I do not want anyone touching the Alaska Permanent Fund Dividend in any way.

The fund was not set in place so that the government could own it and use it at their whim.

Instead of taking aim at money which actually flows back into the Alaskan economy thus building revenue for the state, our officials could put their time into cutting spending - and eliminating habitual misuse of our states funds.

Why are we paying for 2 political lobbyists - \$50,000 per person - to advocate for a change in a program when those funds could have been used for current indebtedness?

Alaskans need to remain informed about our spending annually. Our legislature knew years ago that oil would not stay at \$94 per barrel and yet our budgets have never reflected an accurate sustainable value.

Bottom line: DO NOT TOUCH the permanent fund program or balance sheets in order to bandage a problem that has not yet been addressed for the long term.

Sent from my iPhone

Daniel George

From: Lois Conway <loisc@mtaonline.net>
Sent: Wednesday, February 03, 2016 4:15 PM
To: Senate State Affairs
Subject: Permanent Fund

I wish to express my extreme displeasure at the idea of completely destroying the Permanent Fund. As far as I am concerned it is set in stone. There already exists a plan to use money from the earnings when all budget deductions have been made. I sure don't believe that is the case right now, unless it has been in the last two days. We don't need any "guarantee" on the amount of the PFD. It should be figured as always. So if the amount goes down that is fine, we have had small ones in the past. Those earnings, if needed, are designated to be used as a rainy day fund, that's why it is not taxed by the feds. Don't mess with it, and never get into the principle amount.

Suggestions for the budget: 1. Go back to the original Medicaid program – no expansion! Then straighten up the abuses and fraud.

2. Completely get the State out of the oil and gas business. We have no business in competition with the oil companies, or as partners with them for a gas line. Government should never be in business, that is not the role of government. Get us out of this plan, PLEASE. Please don't let the oil companies get threatened for any reason.

3. Leave the Permanent Fund to stand as it is! After deductions, a portion of the earnings might be used.

4. NO new taxes of any kind. With enough budget deductions, they will not be needed.

Thank you

Lois Conway

Palmer

AK resident since Easter Sunday 1968 – before the oil discovery was announced.

Daniel George

From: JanieMcHale <janie2jim@yahoo.com>
Sent: Wednesday, February 03, 2016 2:56 PM
To: Senate State Affairs
Subject: Governor's Plan

Follow Up Flag: Follow up
Flag Status: Completed

In our area here on the peninsula, we are proud that our most trusted governor has formed a plan to finally stop the spending.

We agree totally regarding the PFD. However, the biggest reason we are concerned about a tax is that should we be fortunate enough to have Bill Walker for a second term, we know we will be better in the long run. But, should we ever get a democrat in Juneau, I'm afraid the spending will start again, when we really need to take a look at needless program spending.

On the Kenai River, we pay some of the biggest property taxes around just because we live on the river. It's the elderly living here who suffer the most.

However it turns out, we are with our governor. You have to know he has talked with the experts and thought this through for a long time. He is thinking about our future as a state.

Marian McHale
Soldotna, Alaska

Daniel George

From: Mary Lynne Dahl <dahlfacemld@gmail.com>
Sent: Thursday, February 04, 2016 9:09 AM
To: Senate State Affairs
Subject: SB #128

I am writing to voice my support of this bill. I have been following the discussion of the budget issues closely, and believe that this bill is a viable strategy for Alaska to use in becoming financially stable on a long term basis. Please note that I say "long term".

I am a certified financial planner, and as such, have spent the last 32 years giving financial advice to my clients. My analysis of the budget issues, and the proposed SB 128, indicates to me that it offers us a sustainable solution to the fiscal shortfall we face as stakeholders in Alaska's future.

In addition to SB 128, I believe that it is time to remove the tax credits given to oil companies, re-write that law and require that oil companies pay their full fair share of taxes. If we as citizens will be required to pay more in taxes, I think it is only fair that oil companies also pay more in taxes. Please do not ignore or overlook this issue as you progress towards a solution to our current fiscal shortfall.

I urge you to pass this bill and then proceed to build a long term financial plan for the state of Alaska. Failure to do so would indicate a dramatic lack of leadership on your part and I trust you do not intend to make this mistake.

Thank you for taking the time to read my comments.

Mary Lynne Dahl
Ketchikan, Alaska

Daniel George

From: Meghan Nelson <timegnelson@gmail.com>
Sent: Thursday, February 04, 2016 8:43 AM
To: Senate State Affairs
Subject: Governor's PFD plans

Dear legislators,

I am writing in regards to the governor's plan to restructure the PFD. I know that some have shown support for the governor's plan; however, I am not in support of it.

My family is in the lower middle class and, though we are able to pay our monthly bills by sticking to a tight budget, we rely on the PFD to pay for our heating fuel and medical expenses each year. This is true for many Alaskans in similar situations. We make too much for public assistance (and, frankly, we have no desire to accept welfare even if we qualified), so the PFD offers our family much needed help before the cold of winter sets in.

Furthermore, the PFD is, in many ways, a stimulus for our local communities as it is often used within the community to make purchases in stores and to pay local businesses for certain commodities/services (such as car repairs, medical checkups, heating fuel deliveries, etc.).

I know that some in the legislature see it as a way to end our budgetary woes, but the PFD is a lifeline to Alaskans, like myself, who struggle to make ends meet in this state that we love.

I was born and raised here. Please do not make it more difficult for us to raise our family here as well.

Sincerely,

Meghan Nelson
Juneau, Alaska

Daniel George

From: Melinda O'Donnell <odonnellmelinda@gmail.com>
Sent: Wednesday, February 03, 2016 1:23 PM
To: Senate State Affairs
Subject: Written Testimony for Senate Bill 128

I support Governor Walker's plan to strengthen the permanent fund and use a sustainable portion of its earnings to support public services. I strongly advise the legislature to pass this bill.

Daniel George

From: Michael Davis <mdavis@sunshineclinic.org>
Sent: Thursday, February 04, 2016 8:54 AM
To: Sen. Bill Stoltze
Subject: Permanent Fund

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

I trust that you're not one of the legislatures trying to steal the Permanent Fund away from us Alaskans. Governor Walker proposal is absolutely unacceptable, he should be cutting the amount of employees he has and leave the Permanent Fund alone. The budgets, as I've watched for each department has grown some doubling in the last few years. Every person I know who works for the State or is retired from the State, loves their wages and benefits. They admit that they don't live in the real world where companies have to budget and sometimes lay-off people. But taking the Permanent Fund away and letting Walker and his hidden agenda take it over is criminal. Let the people decide put it on the next ballot. I trust you'll dedicate your resources to stopping this folly. Michael Davis
PO Box 356 Talkeentna Ak. 99676

Daniel George

From: Michael Lares <akfury53@yahoo.com>
Sent: Wednesday, February 03, 2016 11:38 AM
To: Senate State Affairs
Subject: PFD

I believe the PFD to Alaskans should be cancelled. It's just another form of welfare. All the drones and deadbeats living up here with lots kids who won't work / living on welfare etc. hopefully will leave. Maybe even the crime rate in Anchorage would go down.

The money that is being sent out to Alaskans should go to state expenses such as infrastructure, roads etc. The only thing I would worry about is the politicians that would just want to go spend it on a bunch of baloney.

No fancy offices, no pay raises, no hiring more & more gov. employees.

Thank you, Michael Lares
P.O. Box 784
Valdez, Alaska 99686

Daniel George

From: Michael Mastin <mastinmichael@gmail.com>
Sent: Thursday, February 04, 2016 10:21 AM
To: Senate State Affairs; LIO Ketchikan
Subject: Re: SB128

I am opposed to any changes to the Permanent fund and also to any new forms of taxation by the State of Alaska due to the fact that the State has proven that they are routinely unable to responsibly forecast, manage or balance a budget up to this point.

It seems that SB128 is simply proposing to allow more access to even larger amounts of money, and once the State gets their hands on this new pool of funding, the State's needs will grow in order to consume it.

I want the State to put in ironclad prohibitions against itself. I want a demonstration of the commitment to responsible budget management in the form of law requiring a balanced budget, no deficit spending or financing, and the requirement to sell or bond state land to the residents of Alaska before the state is allowed to attempt to tax us. All new taxation should require a vote of all eligible residents before it can be enacted.

The above concepts will help ensure that the state does not simply walk us into another financial crisis requiring another taxpayer funded bailout.

--

Michael Mastin
Ketchikan, AK
mastinmichael@gmail.com

Daniel George

From: Michael Vandeventer <michaelv_ak@yahoo.com>
Sent: Tuesday, February 02, 2016 3:46 PM
To: Senate State Affairs
Subject: Leave our PFD's alone!

Just because you screwed up the tax base by trying to get more oil companies to get more oil, and then it did not happen, does not give you the right to steal from the people to make up the difference. How about some politician salary cuts instead! Show that you ALL are willing to give up some personal money first!

Michael Vandeventer
5640 Haystack Dr.
Fairbanks, AK 99712
907-699-8626

Daniel George

From: Mickey Henton <mickey.h@aptalaska.com>
Sent: Thursday, February 04, 2016 10:51 AM
To: Senate State Affairs
Subject: Alaska State Budget

Once government is allowed to tap into the permanent fund there will be no end to the greed to spend it by government, corporations, and private companies. All that they see are dollar signs, SO ABSOLUTELY NO to tapping the permanent fund, no way, no how!!! I cannot stress that enough to you!!. When private companies face income shortfall, they CUT. I would be glad to show you or others exactly where, when, and how much to cut, not a problem. Entitlements have to STOP, PERIOD. There is NO FREE LUNCH and I WILL NOT SUPPORT TAXES TO GIVE MONEY TO DEADBEATS, AND MOST OF THEM ARE DEADBEATS UNWILLING TO WORK!! THEY ARE PREVELANT IN TOK AND OPENLY BRAG ABOUT GETTING THEIR ENTITLEMENTS FROM THE STATE. This has got to end!! STOP funding all of the native villages, they need to support themselves! The STATE is not obligated to keep a native village going for any reason.

There is no responsible use of the permanent fund by government. That will not happen. There will be greedy entities just waiting to devour that fund, then what do you have left? I have witnessed the wasteful spending of state government in my 40 plus years here living in Fairbanks and then Tok, Alaska, and have not seen any real attempt to stop it at any level.

I will only favor a very small fuel tax and a sales tax, AFTER ALL NECESSARY CUTS HAVE BEEN MADE, AND ONLY THEN!

The current plan will break ALASKA AND its residents, which I suppose is what could be truly desired by government, to break the people. We the people of ALASKA will not stand idly by and let that happen. If you are unwilling to make the budget cuts, resign and I will be happy to take your place to make the necessary cuts. IT is very simple, CUT GOVERNMENT, IT is too LARGE!! Areas to CUT: State OSHA, DEC, DNR, Governor Boards, Special interest groups, Planned Parenthood, Abortion funding, extremely high salaries, etc.

M. Henton

Tok, AK

Daniel George

From: Mickie Proulx <buffalogal06@gmail.com>
Sent: Wednesday, February 03, 2016 8:00 PM
To: Senate State Affairs
Subject: dividends

Please don't change our dividends.
Being handicapped, the arrival of my special check is a highlight of my year.

Thank you,
mickie

Daniel George

From: Mike Alexander <alex7@mtaonline.net>
Sent: Thursday, February 04, 2016 9:01 AM
To: Sen. Bill Stoltze
Subject: PFD

Senator Stoltze

Abolishing the PFD should only occur after the budget is cut by at least 20%. Those cuts should come from a realistic reduction in the number of state employees, not the paltry amount the governor has cut so far. In addition, the education funds should also be on the block. Why not tie the amount given per student to the latest test results. Students test at 45th then they are funded at the level the 45th state funds its students. UAA is a land grant college, therefore a quick 300 million could be saved by not funding the Alaskan University in its current wasteful form.

This year's final budget number needs to be 4.5 Billion at the most.
LESS WOULD BE MORE.

Sincerely
Mike Alexander
Big Lake, Alaska

This email has been checked for viruses by Avast antivirus software.
<https://www.avast.com/antivirus>

Daniel George

From: Mike Harrison <signguy58@icloud.com>
Sent: Thursday, February 04, 2016 9:06 AM
To: Senate State Affairs
Subject: PFD

I may be wrong, as I understand the PFD was put into place for the people of AK not to run a blotted government. You need to look at the school budget see what can be cut. We spend more per student than any other state and yet we are at the bottom as far as performance. I would say if you don't perform you don't get funding. I'm thinking each department with in the state need to be over hauled may even combine departments where you can.

Sent from my iPhone

Daniel George

From: Mike Prax <gmprax@gmail.com>
Sent: Thursday, February 04, 2016 10:09 AM
To: Sen. Bill Stoltze
Subject: SB-128 Permanent Fund Deposits Dividends Earnings

Dear Senator Stoltze;

I support, in concept, depositing royalty and production tax income into the principle of the permanent fund and using income from the permanent fund to fund the state government budget. I believe this would reduce income volatility and encourage more careful spending.

However I do not support replacing the P-fund dividend with royalty income as the Governor proposes. I see this simply as way to reduce and eventually eliminate the benefit Alaskans are receiving from resource development without having to argue over who gets what while preserving the confrontational distribution model currently plaguing our society.

I would favor instead simply putting all of the royalty and production tax income into the principle of the permanent fund along with the CBR, the Statutory Budget Reserve and other surplus funds to build up that principle and subsequently the earnings of the fund.

This would leave the dividend payment subject to legislative appropriation as it is now, but make the trade-off between dividend payments and other appropriations more apparent in the public's mind.

Thank you for your consideration.

Mike Prax

Daniel George

From: Sharon Wessels <ncdrywal@mtaonline.net>
Sent: Thursday, February 04, 2016 7:40 AM
To: Senate State Affairs
Subject: STATE BUDGET

As a concerned Alaskan I want to see the government officials we elected **do their job**. If you cannot agree on things and need to go into overtime to fix our issues then you **should not be paid overtime wages**. It needs to be **done for free**. If I cannot get my job done in the time allowed no one gives me overtime to complete. You also have **too many give away programs**. You need to make serious cuts to **wasteful spending** before I will ever agree to have you use the PFD. **The more money you receive the more you waste. It has to stop.**

Mike Wessels

Business Owner

Daniel George

From: Mike Zuyus <mike_zuyus@yahoo.com>
Sent: Tuesday, February 02, 2016 4:29 PM
To: Sen. Bill Stoltze
Subject: PFD and budget

Simple. Unless I see a 20-25% reduction in government size (phased over x years to soften blow) I will vote for any other candidate.

I will consider tax or PFD only in a follow up session.

Sent from my iPhone

Daniel George

From: Nancy Cuddeback <nanalaska@aol.com>
Sent: Wednesday, February 03, 2016 9:04 PM
To: Senate State Affairs
Subject: Permanent Fund

Gov. Walker:

I have lived in Alaska for 35yrs., from my observation the PFD checks have done nothing more than create a false economy. Why else would the big chain stores have moved up here in the first place? An annual billion dollar giveaway might have something to do with it.

Even more important is the amount of poverty this annual giveaway has attracted to the state and the huge rise in crime. Remember when you could leave your car running and unlocked in the winter and go grocery shopping and it would still be there when you go out of the store? Not anymore!

The easiest way to go would be to reduce the PFD checks to \$500 and use the Permanent Fund for what it was intended to do and that is to pay for state government. Maybe some of these losers would go back to their home states. If nothing else we wouldn't get anymore losers moving here for free money and a variety of great welfare programs. At some point the amount of poverty moving here will overwhelm the state.

As a single woman who has no children I refuse to pay an income tax so that welfare recipients get monthly cash, subsidized housing, free medical, food stamps, the WIC program, free school breakfast and lunch and God only knows what else their getting. And then top it off with thousands of dollars just because they had children they couldn't afford in the first place.

Enough of the insanity,
Nancy Cuddeback
Anchorage

Daniel George

From: Nancy Kemp <nancyjkemp@gmail.com>
Sent: Wednesday, February 03, 2016 4:30 PM
To: Senate State Affairs
Subject: Budget

Dear Governor Walker, Lt. Governor Mallott, and Alaska Legislators

I have been an Alaskan resident since 1967, which of course is before Alaska ran on oil revenues. It makes good sense to me to follow Governor Walker's plan including capping the Permanent Fund dividends.

It has been said legislators are not going to vote to touch the Permanent Fund, because this is an election year. The thought is it would be difficult to be re-elected if a legislator were to vote to reduce the amount each resident would receive. We do not vote to send people to Juneau to do nothing so as to get themselves re-elected. We want legislators to have the courage to do what is right for our state.

If our elected officials can not see beyond themselves, I will work very hard to get them unseated in our senate and house of representatives!

Sincerely,

Nancy Kemp
PO Box 741
Kodiak, AK 99615
phone 907 486-4321

Daniel George

From: LIO Kodiak
Sent: Thursday, February 04, 2016 9:04 AM
To: Senate State Affairs
Subject: RE: Senate Bill 128 written testimony

Hello,

Mr. Neal Cooper of Kodiak has emailed the following message in regards to Senate Bill 128.

Best regards, *Heather*

Kodiak Legislative Information Office

305 Center Ave., Suite. 1 | Kodiak, AK 99615 | *ph.* 907.486.8116 | *fax* 907.486.5264

Toll Free: 855.486.8116 | *Email:* kodiak.lio@akleg.gov

Click [HERE](#) to visit the Alaska State Legislature Website
Click [HERE](#) to watch live streaming of the Alaska State Legislature
Click [HERE](#) to send your legislator a Public Opinion Message

From: Neal Cooper [mailto:ncooper@gci.net]
Sent: Thursday, February 04, 2016 8:26 AM
To: LIO Kodiak <Lio.Kodiak@akleg.gov>
Subject: Permanent fund

Members

My name is Neal Cooper and for many decades have received the permanent fund including the very first check.

I wish to instruct State representatives to vehemently resist a State income tax and I willingly forfeit all but \$10. Of my permanent fund to help pay deficits until times are better only.

The purpose of the ten dollars to keep all systems in place in the event of better times. Giving the fund up completely implies to liberal agenda's that may be coming in a State government and I do not wish to give them the idea that taxing and the permanent fund is theirs to spend on whatever they want.

Neal Cooper

Kodiak Alaska

Daniel George

From: Patw <patw@gci.net>
Sent: Wednesday, February 03, 2016 12:52 PM
To: Senate State Affairs
Subject: PFD Public Comment

Continued spending cut:

I stand in support of spending cuts but not cuts to critical services. Cuts need to start at the top levels, not at the delivery levels. Trim the fat at all levels!

Modest tax increases:

I support a temporary tax increase to carry us through the current budget crisis and that should include a sunset clause or criteria to end or fade this special tax.

Strengthening the permanent fund and using a sustainable portion of its earnings to support public services:

I support only temporary access to the PFD funds to support public services. However, in the next couple years, all grants and other avenues of monies made available to these services, should be evaluated for efficiency and duplications. While these evaluation are currently required for grants, this special evaluation would be to determine and encourage the blending and smooth flow and interaction between these services.

PS: Consultants get more money than the total of some grants. In my opinion they and other contracted individuals and firms are a major money leak that need to be monitored closely and high charging consultants at this time are not affordable for Alaska.

Thank you for the opportunity to participate in public comment!

Pat Wendt
152 Hillcrest Ave
Soldotna, AK 99669
patw@gci.net

Sent from my iPad

Daniel George

From: Patricia Fisher <psfisher@gci.net>
Sent: Wednesday, February 03, 2016 8:58 PM
To: Senate State Affairs
Subject: Support for Gov. Walker's Permanent Fund Protection Act

I strongly support this act and Urge the Legislature to pass it into law. This should be combined with Continued Spending Cuts and Modest Tax Increases, as the Governor has proposed.

Patti

Daniel George

From: Sally and Paul <ducbglk@hotmail.com>
Sent: Thursday, February 04, 2016 11:12 AM
To: Sen. Charlie Huggins
Cc: Sen. Bill Stoltze
Subject: Alaska Budget

A real good presentation this morning in Committee. I am in favor of using the earnings of the permanent fund to fill the fiscal gap. I would like to see a model showing a maximum payout dividend of \$500 and \$300 and then showing how much money would be available for the UGF to fill the gap. I do not approve of an income tax because a lot of people would not pay any tax do to the earned income tax credit. Also this would create an urban/ rural split. Spendings cuts must also be included. Paul DuClos, Long Island, Big Lake, AK

Sent from my iPad

Daniel George

From: Peggy Patton <liteweight46098@gmail.com>
Sent: Wednesday, February 03, 2016 8:11 PM
To: Senate State Affairs
Subject: Permanent fund

To whom it may concern,

Before we tap the permanent fund, we should cut gov costs. First of all read the contracts before you.. No self voted raises. Quit cutting education. Let's start with when you leave office. Your health care is like the rest of America. Just at cause you are government doesn't mean you pay double for anything. You want cut government? Cut the bull crap charges and unjustified expenses. Don't take food out of the elderly or the children's mouths. Whoa how bout you you look at people's net income and how hard they are looking for a job. Look for the loop holes in the system. Another thought, whoa not all churches are churches. They should pay taxes. Hey what a thought. You tax tobacco, education, gas and alcohol to death, I get it. But really, look at the Freud in churches that are no viable churches but frauds, because it is easy to claim Religion.. Come on people wake up Sent from my iPad

Daniel George

From: peter frost <peterstephenfrost@gmail.com>
Sent: Thursday, February 04, 2016 10:21 AM
To: Senate State Affairs
Subject: PFD hearing today

Follow Up Flag: Follow up
Flag Status: Completed

Leave the PFD alone; you people start using it you won't stop. Drop to the lowest CHECKS that can be given until the WORLD ECONOMY is figured out. Institute an AK STATE TAX again. Stop giving \$\$\$ to foreigners!! Make the change to stop giving MY ROYALTIES away to foreigners! The AK STATE LEGISLATORS should be made to read GOV. HAMMONDS book about just where and why the PFD came about! It belongs to the INDIGENOUS PEOPLE'S of ALASKA!! LEAVE MY INDIGENOUS \$\$\$\$\$\$\$\$\$\$\$\$\$ ALONE!!!!!!!!!!

Daniel George

From: Peter A. Giessel <peter@giessel.org>
Sent: Wednesday, February 03, 2016 8:05 PM
To: Senate State Affairs
Subject: PFD

I would rather see the PFD Distribution (not the fund itself, just the distribution) completely eliminated than to implement any tax on the citizens. Taxes hit those that make and produce things. Taking away the PFD Distribution makes everyone contribute equally. It hits both the makers and the takers equally. Taxes only hit the makers and continue to redistribute wealth from the makers to the takers. That is socialism and it's continued practice at a time when the State is looking at implementing taxes is unacceptable. The PFD Distribution must be eliminated before a single tax is imposed.

Peter A. Giessel, father of 5 PFD recipients Eagle River, AK (House 13, Senate G)

Daniel George

From: Diana Stone Livingston <dstoneliv@livingstonalaska.com>
Sent: Thursday, February 04, 2016 12:32 PM
To: Senate State Affairs
Subject: Testimony on SB 128, Permanent Fund Bill

We are longtime residents of the State of Alaska. We have celebrated the structure of the Alaska Permanent Fund because it provides a balance between competing factions within the state.

We oppose SB 128.

1. We do not think the legislature or the governor are in a superior position to judge what Alaska's residents choose to spend their money on. We have long term and recent evidence that the legislature and governors have elected to spend vast sums of money on projects that provide no benefit to our state or to its citizens, and they have demonstrated that they spend money with no good result.
2. SB 128 will snatch funds away from local businesses and institutions that benefit from the surge in investment provided by the annual dividend checks.
3. SB 128 will damage the hopes of future generations of Alaskans who have become accustomed to save their dividend for education and to fund the next step in their lives. The dividend has been something everyone could depend on. Now it will not be.
4. Some Alaskans, especially in remote communities, rely heavily on the annual dividend income as a significant portion of their family's budget. To snatch this livelihood from these families is unconscionable.
5. The popularity and acceptance of the Pick.Click.Give program has grown so it has become an important part of funding for many nonprofits. Not having these contributions will negatively impact many struggling organizations and the segments they serve.
6. Many families have availed themselves of the excellent opportunity to save for and fund education for themselves and children. Taking away this opportunity will certainly make it much more difficult for Alaskans to fund their education.

7. Finally, and perhaps more important, we are strongly opposed to the choices being made regarding schools and our public resources. We do not favor contributing our share of the Alaska dividend to facilitate unwise decisions on the part of our state government. Until our state government steps forward to significantly cut the budget back to previous levels, we will not be willing to approve use of the Permanent Fund, or any form of public taxation to fund operations.

8. We urge our legislators to stand strong, make the difficult decisions, and implement financial strategies that will benefit our state.

Phil and Diana Livingston

P O Box 580

Girdwood, AK 99587

Daniel George

From: Jeff VanZandt <kayaonekaya@yahoo.com>
Sent: Thursday, February 04, 2016 10:10 AM
To: Senate State Affairs
Subject: Regards Gov. Walkers SB128

Follow Up Flag: Follow up
Flag Status: Completed

**To all Alaskan Lawmakers in the capitol regarding Gov Walkers SB 128,
This is not only wrong but the state is acting like a organized Crime Ring.**

The PFD that Alaskans receive is one of the biggest economic boosts to the State of Alaska every October. It goes to small businesses and we spend it on necessity's with in the State. It will not do that if the state gets it. We pay for our winter fuel, our winter wood, our yearly food shopping in Fairbanks, our insurgence on autos and vehicle upkeep. Some use it for their auto down payments or Snow -go / 4 wheeler payments. Many things are purchased in order to survive our way of life in rural Alaska.

You the lawmakers now and past are the reason the State of Alaska is in such bad shape. YOU are the reason not the people of Alaska for the last eight years. You all have spent like drunken sailors on shore leave, you have not set aside or CUT anything. Now you want to tax us and take the PFD from us as well.

If you take it you will never get re-elected again.

Cut and cut deep the DOT and the Fish and Game department and most of all education. Alaska pays the most per child of all of the states. The teachers take their high wages and Union dues to boost their selves and the Unions, children are the losers because of it. Cut them...

Cut 3.5 to 4 billion now and stop funding programs that are unnecessary ..do not attempt to even think about taking Alaskans PFD with out you politicians making Hugh cuts first !!!

I can promise you that if you attempt this further I and a immense amount of Alaskans will form in opposition to any one who pushes this through and we will come out against you everywhere and most definitely in the voting booth! So think very carefully as your own jobs will depend on the choices you make against the people of Alaska.

Sincerely.

**Rhonda S. VanZandt
P.O. Box 742
Tok Alaska
99780**

Daniel George

From: Rich Mauer <mauer@wildak.net>
Sent: Saturday, January 30, 2016 2:18 PM
To: Senate State Affairs
Subject: SB 128 Perm.Fund: Deposits; Dividend; Earnings

Follow Up Flag: Follow up
Flag Status: Flagged

Good Afternoon Fellow Elected Officials, Ladies and Gentlemen,

Having read the text of this bill and fully cognizant of the budgeting dilemma we face as a once-prosperous state, I submit this testimony in favor of the bill as now presented.

Respectfully,

Richard Mauer

Daniel George

From: Richard&Irene Repper <ireneq@ak.net>
Sent: Thursday, February 04, 2016 12:55 PM
To: Senate State Affairs; governor@alaska.gov
Subject: Public Testimony on the Permanent Fund Protection Act

Before you steal the Permanent Fund do this:

Cash out the PFD. Divide the money equally to the Alaska residents. Return all of our Mineral Rights. Don't you remember the 1999 vote of the people?

Go look it up.

The State of Alaska has to cut 30 percent of the budget. Do not ask the residents to pay for your mistakes. Spend, spend and more spending.

Cut the spending.

For example: Why is Education spending over \$20,000.00 per student? Highest in the nation.

Lay off or remove **inessential** state personnel. 16,000 to over 20,000 State employees is excessive.

What is the purpose to take a bond out and pay for \$23 billion in unfunded liability?

I always vote and will need to see who is up for re-election this year and every year

The Repper's

Daniel George

From: Richard Grant <richg@mtaonline.net>
Sent: Tuesday, February 02, 2016 9:44 AM
To: Senate State Affairs
Subject: Alaska Permanent Fund

I voted for the permanent fund in 1976. Governor Hammond created, with the vote of Alaskan residents, the permanent fund, not only for the benefit of Alaskans but to improve, and in some areas, create an industrial infrastructure in our State. In particular, paving and extending our existing highways, and extending the Alaska Railroad. In short, creating a viable state to compete with the lower 48 and an industrial base for resident employment. I suggest that we utilize the annual interest generated by the fund, with appropriate capital funding, and reasonable annual permanent fund dividend reduction to draw down State debt. When the debt draw down is established at an appropriate level, as designated by the State legislature, no further funding should be required. Thanks you for considering my input.

Daniel George

From: sunset@mtaonline.net
Sent: Thursday, February 04, 2016 9:47 AM
To: Sen. Bill Stoltze
Subject: Income Tax and Permanent Fund

Richard Moore
PO Box 670730
Chugiak, AK 99567-0730

February 4, 2016

The Honorable Bill Stoltze
Alaska Senate
120 4th Street
Juneau, AK 99801

Dear Senator Stoltze:

Regarding the Income Tax and Permanent Fund,

I am not in favor of Governor Walker's proposed plan to reinstating the income tax, smaller Permanent Fund dividends, and \$100 million in cuts to state agencies, among other things.

I also think cut the waste in government, would help in saving money. cut all unneeded spending.

A proud member of National Write Your Congressman.

Sincerely,

Richard Moore
907-688-9141

Daniel George

From: Susan Stephenson <corinestephenson@gmail.com>
Sent: Wednesday, February 03, 2016 11:08 AM
To: Senate State Affairs
Subject: Alaska permanent fund testimony

I strongly support governor Walker's permanent fund proposed plan.

Richard Totten
Sterling, Alaska

Daniel George

From: Rick Epling <ricke162@gmail.com>
Sent: Wednesday, February 03, 2016 7:43 PM
To: Senate State Affairs
Subject: Senate Bill 128

Cut the budget!!! No messing with PFD!!!

Thank You
Rick Epling

Sent from my iPhone

Daniel George

From: Rick Marqusee <rickmarqusee@gmail.com>
Sent: Tuesday, February 02, 2016 5:09 PM
To: Sen. Bill Stoltze
Subject: My 2 cents on Gov. Walker's Permanent Fund plan

Reduce the permanent fund dividend check

re-establish the state income tax based on income earned in Alaska

DO-NOT establish a state sales tax (read that as **do not establish a state sales tax**)

thank you

Rick Marqusee
rickmarqusee@gmail.com

13723 Vasili Dr
Eagle River, 99577

Daniel George

From: bobbickel <bobbickel@mtaonline.net>
Sent: Wednesday, February 03, 2016 9:12 PM
To: Senate State Affairs
Subject: PFD

I believe any action on the PFD without a vote from the public violates the premise and law the PFD was founded on.

There many other revenue generating programs and things out there.

The biggest help to solving the budget crisis is to remove everything from the budget and then slowly add in the absolute necessities and afterwards the wants till you have a budget that is 10% less than the predicted revenue generated.

Robert Bickel, Realtor
Alaska Fine Homes and Real Estate
Phone: 907-745-8353
Cell: 907-715-2289
Email: bobbickel@mtaonline.net
Website: www.alaskafinehomes.com
<https://www.amitree.com/agents/robert-bickel>

This message was sent from my HTC phone

Daniel George

From: Robert White <horseshoewhite@gmail.com>
Sent: Wednesday, February 03, 2016 6:32 PM
To: Senate State Affairs
Subject: Cut the dam spending!

My opinion is that Alaska spends over their means period. Before you tax me one dime or take my permanent fund have a completely independent audit of our State spending relative to the rest to the states in the US. When you cut the budget to these averages and have no more money left put the taxation or permanent fund issues to a vote of the people. You have a constitutional reserve for oil issues, use it!

Daniel George

From: Roland Ceehorne <rolandceehorne@gmail.com>
Sent: Wednesday, February 03, 2016 8:21 PM
To: Senate State Affairs

Cut the budget, don't raise taxes and keep your hands off the permanent fund. You idiots created all these problems by creating a bunch of idiotic programs to build a dependent voting class. No other state with our population spends half money Alaska spends. You've created an appartied state were a minority with there powerful corporations suck all the revenue for their benefits. More taxes will only impoverish the working class, you've already been rewarding bad behavior for to long.

Daniel George

From: Ryan Schmidt <schmidtry@gmail.com>
Sent: Wednesday, February 03, 2016 11:19 AM
To: Senate State Affairs
Subject: PFD

Please do not take our PFD's we need those to help pay for heating and food. AK is Expensive enough to live and people need their money. There are plenty of other cuts you can make as well as funds spent on other programs that do not help people. Leave the dividend alone.

Thanks

Ryan

Daniel George

From: Sandy Blomfield <sandy@blomfieldcompany.com>
Sent: Wednesday, February 03, 2016 4:47 PM
To: Senate State Affairs
Subject: Budget Cuts and PFD Cap

Hello legislators,

It's a two-fold approach to a balanced State budget.

We MUST cut spending dramatically while simultaneously placing a Cap on the Permanent Fund.

Let's be responsible and work toward a comprehensive over haul of State spending.

Thank you for your consideration and stewardship.

Sandy Blomfield

Daniel George

From: Scott & Angie <mmm_hutchings@yahoo.com>
Sent: Monday, February 01, 2016 3:19 PM
To: Senate State Affairs
Subject: SB 128

Follow Up Flag: Follow up
Flag Status: Flagged

I'm just an average everyday working mom, and wife who has read the Governors proposal on balancing the budget. I'm opposed to the Governors proposal.

I implore Senator Stoltze to firmly denounce this request by the Governor. Please ask the Governor to please make the cuts necessary to an already over bloated budget.

I realize the Governor's pay is not as high as some, but his transportation and housing is paid for at this time.... What about the people who actually pay for housing, gas, and food etc...

The Governor has one chef instead of two. How about NO chef and he cooks his own food?

I realize we need to balance the budget which means looking at cut backs at every corner and not taking funds from an already overworked underpaid people. Yes, these cut backs mean some jobs will be lost. I realize this is not an easy task as the Governor.

Please ask these questions when discussing SB128. Is the Governor really making the necessary cutbacks? Is taxing people who are just barely staying afloat really the best? How many more homeless people does he want on the streets? Ask the Governor to stop wasting Alaska's money. How many more consultants does the Governor need?

If he insists on touching the Alaska's pfd the people should at least get a vote. Implore him to make the necessary cut back before we implement a tax on gas, create an income tax, and touch the PFD...etc..

Thank you for reading
A very concerned Alaskan

Daniel George

From: justin gerkin <gerkin303@yahoo.com>
Sent: Thursday, February 04, 2016 8:41 AM
To: Senate State Affairs
Subject: PFD Restructuring Bill

To the distinguished member of the Senate State Affairs and Finance Committees,

I have some comments that are critical of the Governor's Permanent Fund Restructuring bill and taxing plans in general. I will try to lay out a logical case without resorting to name calling or pointing fingers to make my point.

Alaska had a State budget of around 3.3 billion in 2007. Since then the budget has ballooned at a breakneck pace during the rise of high oil prices. It now stands at around 5.2 billion after a 9% cut. Now the citizenry are being asked to have their dividend cut and an income tax is being proposed to help fill the gap.

I do not feel the Legislature has done enough hard work getting to some form of fiscal sanity before it starts grasping around for more revenue to fill the gap. I will try to give some concrete examples of why I feel this way. The State of Idaho has a population twice Alaska's sitting at around 1.5MM (Alaska's population stands at around 710M) and yet has a fiscal budget that was near ours in 2007 (3.3 billion). If the State of Idaho can manage to provide services for twice as many people for the same amount of money as we spent back in 2007, I think the Legislature has some work to do cutting more fat out of the budget.

I am even willing to be reasonable and say that because of our larger state I would give you the benefit of the doubt. I could foresee a 25% larger budget than them (even though we have half the population requiring services) which leaves us at the 4 billion mark. So I see about 1.2 billion that need to go before you even consider raising revenue.

A lot of people in this state are feeling the pain from the economic downturn. There have been massive layoffs in the oil and gas sector and the support industries. Frankly, I get tired of government claiming they have cut to the bone and there is nothing left to cut, when they have basically only cut 3 yrs. worth of budget increases. If I lose my job and find another job at half the pay, I cannot continue spending 90% of what I used to make. I have to slash my personal expenditures to meet my income!

I know unfortunately what I am asking is going to affect some state & no doubt municipal employees. However, I get tired as a taxpayer of seeing constant cost of living increases for government salaries that I do not get in the private sector. Then when the rest of the economy is suffering cutting government expenditures is equated to the holocaust.

Bottom line.... if the legislature doesn't make some meaningful cuts to the budget. I will do everything in my power to vote out of office any politician who votes on this bill or any bill that raises revenue without first cutting spending. If spending were to be cut in a meaningful way (at least 20%) I would be open to changing my mind about raising revenue.

Sincerely,
SFC Justin Gerkin USAR

Daniel George

From: Sharon Wessels <ncdrywal@mtaonline.net>
Sent: Thursday, February 04, 2016 7:28 AM
To: Senate State Affairs
Subject: Before cutting PFD

I would like to see government **stop wasting money**. I work for DOC. We have all complained about the **daily runs** from GCCC to Anchorage Correctional for **court appearances**. The transportation and employee costs are huge. They need to stop. GCCC is too far from Anchorage. We are a sentenced facility and unsentenced people have no business being there. Transportation costs to the bush for repeat offenders costs the State 6 digit figures a year. **Video court needs to be utilized more**. There are times GCCC transports the **same people to court every day**. This is a terrible waste of time and money. Until Governor Walker starts taking a serious look on how to save money I will never authorize them to take the PFD. The more money you give them the more they waste. Prove to Alaskans they are willing to save money and stop the useless spending so we can all benefit.

A concerned Alaskan

Sharon Wessels

Daniel George

From: Shawn McGrew <mcgrewu812@yahoo.com>
Sent: Thursday, February 04, 2016 9:03 AM
To: Sen. Bill Stoltze
Subject: State PFD

Rep. Bill Stoltze

Thanks for your service to the state.

I am writing to say NO to any use of the PFD to pay any of the states budget. The people of the State Did Not agree to spend every single penny of the income coming into the state. I mean who in their right mind writes a budget based on \$120.00 barrel of oil. Hey I have an Idea write a budget based on \$30.00 barrel of oil. And when the OIL goes up to \$60.00 we put that in the bank. Sorry but that's How I have to write my budget at my house. Every single person that works on the slope is feeling the drop in oil prices. And everybody in the state will be feeling the drop in oil prices soon enough.

Wake up people we are all in for a world of hurt the economy is about to come to a screaming halt. And you guys in Juneau want to make it hurt worst.

I work on the Slope and my hours are being cut way back. I know why, because of the price of oil. So the same goes for the state budget the price of oil is down so we have to cut back. Make it easy cut it the same amount all across the board.

Thanks

Shawn McGrew
907-331-8728
9501 Puffin Cir
Eagle River Ak

Daniel George

From: Sherry Eckrich <seckrich2@gmail.com>
Sent: Thursday, February 04, 2016 9:26 AM
To: Sen. Bill Stoltze
Subject: PFD Plan Hearing

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

I am unable to attend the hearing at the LIO this evening, so I am expressing my concerns for dealing with our fiscal gap here.

I support cuts for mega-projects, particularly the Knik Arm crossing, and the AK RR extension featured in Sunday's Alaska Dispatch. I would like to see oil and gas tax credits reduced. I don't think they serve us well in this fiscal climate.

I favor the Governor's plan for the PFD. We have been very fortunate as a state, but it is time to be realistic and use part of the Permanent Fund to help pay for state government.

I think we should institute and increase several taxes. We need a state income tax, a state-wide sales tax (perhaps with offsets in communities where there is a local sales tax), and a state property tax that would include high price items like airplanes and boats.

Taxes I believe should be increase include taxes on alcohol and tobacco, motor fuel, tourism, oil and gas, mining and commercial fishing.

Sherry Eckrich

18514 Olivia Drive

Eagle River, AK 99577

Daniel George

From: Stephanie Bohrsen <SBohrsen@KPBSD.k12.ak.us>
Sent: Thursday, February 04, 2016 10:26 AM
To: Senate State Affairs
Subject: permanent fund restructure

I support the restructuring bill SB0128A.

The economic state of Alaska is awful. Educaiton in this state used to be the best. We can't get teachers to come and with the budget "crisis" that we are in the permanent fund is a "Perk" of living in Alaska not a right. We need to have a productive government BEFORE free money is continued to be distributed.

Stephanie Bohrsen

Daniel George

From: Stephen Duplantis <stephenduplantis@gmail.com>
Sent: Thursday, February 04, 2016 10:49 AM
To: Senate State Affairs
Subject: PFD

My name is Stephen Duplantis. I live in Anchorage. I am adamantly against the usage of the PFD to pay for ANY government expenditures. The PFD should be used for the citizens and the citizens alone. It is too important for our economy to take any part of it and by doing so is only masking the problem of a bloated government. Don't you dare take it without putting it before the people to vote on it.

Thank you,
Stephen Duplantis
Anchorage, Alaska

Daniel George

From: Steve Virg-In <virg_ins@hotmail.com>
Sent: Wednesday, February 03, 2016 11:24 PM
To: Senate State Affairs
Subject: Current Budget/Permanent Fund

Dear Legislature,

Sarah and I fully oppose the use of the Permanent Fund in ANY manner until the State has restructured its spending to the bare minimum.

As residents of Haines we have watched just on the local level very wasteful spending.

For example, massive money was spent this last year to build an additional pad and water front area for an additional ferry terminal right next to the one that is functioning currently.

This is unnecessary and wasteful spending when the current terminal is more than adequate AND the State is reducing ferry traffic to upper Lynn Canal.

Thank you for you time,

Respectfully

Steve & Sarah T. Virg-In

*PO Box 1133
Haines, AK 99827
(907) 766-3787*

Daniel George

From: Steven McLaren <steven.mclaren@k21schools.org>
Sent: Wednesday, February 03, 2016 6:52 PM
To: Senate State Affairs
Subject: SB 128

To whom it may concern:

There are so many other ways to effectively balance the budget. Please, do not use PFD funds!

It's time for the state government to cut back. For too long state government has been over spending and now, because of that overspending, some would like to use funds earmarked and promised to the citizens of this great state. Too much money has been wasted over the years by our government. This does not give that same government a right to take the people's money.

People rely on those funds. Those funds are a bonus and factor in keeping good people in our state. Taking that money from our people will have a huge negative impact on our communities. Every time the PFD funds are issued, they provide a big boost to our small town economies. There are many reasons why using our PFDs to solve our fiscal problems will further negatively affect our state.

Do not use PFD funds to solve our government induced fiscal crisis.

Thank you,

Steve McLaren

Daniel George

From: mtaonline.net <salaska@mtaonline.net>
Sent: Wednesday, February 03, 2016 12:53 PM
To: Senate State Affairs
Subject: Re: Public Testimony

Gov. Walker and Lt. Gov. Mallott:

Thank you for this opportunity to make my opinion as a long time Alaska resident considered.

#1. I support using the Permanent Fund in Gov. Walker's plan. This will keep benefits while "propping up" the state budget.

#2. My choice is a state income tax that is progressive dependent on income from salary and investments. A percentage of earned and unearned income before deductions. Someone earning \$24K a year should not be paying the same amount as those making \$124K a year and those with million dollar incomes should pay accordingly.

Thank you,
Sue Cassens

Daniel George

From: Susan Olsen <soeh@alaska.net>
Sent: Wednesday, February 03, 2016 6:19 PM
To: Senate State Affairs
Subject: Testimony in favor of SB 128

Dear Senators:

I have read the Governor's description of the provisions contained in SB 128. I certainly agree with the changes being proposed as to how we finance state government and which pots of money/reserves are used for what purposes. I believe using the earnings from the PF investments will provide a steady amount to be used to fund state government. While the actual language of the bill can be changed to reflect different percentages and technicalities I urge your support of the concept.

I also urge the Senate and the House to act this session for I do believe the lack of substantive steps taken to provide sustainable funding of Alaska's budget this year will cause great, serious harm such as the loss of the state's bond rating. Further delay will only make crafting an ultimate solution more difficult, if not virtually impossible. As part of resolving our budget problem I urge that the Legislature adopt an income tax so we all have "skin in the game" which should mean both the public and the legislators will pay appropriate attention to their responsibilities.

Thank you for this opportunity to submit testimony on SB 128.

Susan Olsen
8601 Sultana Drive
Anchorage, AK 99516

Daniel George

From: chris & taryn <luskleets@hotmail.com>
Sent: Wednesday, February 03, 2016 4:06 PM
To: Senate State Affairs
Subject: Say NO to SB128, Gov. Walker's PFD bill

Good Afternoon,

I am writing to ask that you vote against SB128. The size of state government at \$5.3 Billion, as promoted by Governor Walker, is not sustainable, although he mistakenly refuses to reduce government size any further. The United for Liberty plan at \$3.5 Billion is far easier to fund. The difference between the two may very well be the difference between retaining individual liberties in Alaska or surrendering to a ballooning government set on redistributing the wealth of private citizens. The Goldsmith plan, at \$4.5 Billion, could be considered as a stepping stone on our way to eventual lower spending with the UFL plan.

If you make any moves to cut or cap the PFD, then begins the avalanche of government hands reaching ever further into citizen's pockets. Will it ever be enough? Increased funds, such as from the PFD, will only enable further spending on new/increased programs. Alaska will end up broke and beholden to creditors. Proverbs 22:7 reminds us that "The rich ruleth over the poor, and the borrower [is] servant to the lender." What are the motives of those afraid of the tools needed to exert discipline? Please, do not irrevocably change fiscal policy in this state, and please do not formulate fiscal policy projecting out from the bottom of a commodity cycle and during a time of extreme volatility in the securities market cycle.

Why hasn't the state slashed spending first? Cut the budget down to legal requirements only. Let constituent voices be heard over paid lobbyists various budget plans are considered. The Governor would have you ignore a dangerous spending habit, instead grasping at the PFD -- a fund which, from inception, was specifically meant to be out of government reach. Please vote NO on SB128.

Sincerely,

Taryn Luskleet

North Pole, Alaska

Daniel George

From: Tom <tjh@mtaonline.net>
Sent: Wednesday, February 03, 2016 6:58 PM
To: Senate State Affairs
Subject: budget

Before doing anything on the income side of the equation, the state budget must be cut another 15%. Then sell land. Then use any emergency saved funds. Then look to the permanent fund. Do not raise taxes. Next year cut state budget by another 10%. Keep cutting the state budget and the programs until they have been scaled back to the size and scope of government from about 20 years ago.

Thomas J. Hendrix, PhD RN

Health Policy/Health Economics

Associate Professor

University of Alaska Anchorage

tjh@mtaonline.net

Daniel George

From: Tom Justice <tcla.justice@gmail.com>
Sent: Thursday, February 04, 2016 9:32 AM
To: Senate State Affairs
Subject: SB 128

Dear Senators:

Please do not decouple the permanent fund dividends from the earnings of the fund. Permanent fund dividends must stay linked to the earnings of the fund, otherwise they will eventually disappear forever.

Thank you

Thomas Justice
Anchorage, ak.

Sent from my iPad

Daniel George

From: Tom Smith <thsphoto@gmail.com>
Sent: Wednesday, February 03, 2016 10:51 AM
To: Senate State Affairs
Subject: PFD---SB 128

Dear Senators

I am writing to urge you to take the steps necessary to balance our state budget. I feel it is important to do this in three ways.

1-cut spending. But this should be the least of the measures. In order to maintain a quality of life most of our spending must be maintained.

2-reduce or eliminate the PFD. The PFD is not a God given right. It is a nice bonus when we have the money, but at the moment we do not have that luxury.

3-tax. Likely an income tax, but you can consider a sales tax.

Thank you for your attention and for taking the steps necessary to balance our budget.

Thos. H. Smith
Wasilla

Daniel George

From: Bucket <akbucket@alaskan.com>
Sent: Wednesday, February 03, 2016 6:42 AM
To: AK Governor; Rep. Mike Chenault; Rep. Matt Claman; Rep. Jim Colver; Rep. Harriet Drummond; Rep. Bryce Edgmon; Rep. Neal Foster; Rep. Les Gara; Rep. Lynn Gattis; Rep. Max Gruenberg; Rep. David Guttenberg; Rep. Mike Hawker; Rep. Bob Herron; Rep. Shelley Hughes; Rep. Craig Johnson; Rep. Andy Josephson; Rep. Scott Kawasaki; Rep. Wes Keller; Rep. Sam Kito; Rep. Jonathan Kreiss-Tomkins; Rep. Gabrielle LeDoux; Rep. Bob Lynn; Rep. Charisse Millett; Rep. Cathy Munoz; Rep. Benjamin Nageak; Rep. Mark Neuman; Rep. Kurt Olson; Rep. Daniel Ortiz; Rep. Lance Pruitt; Rep. Lora Reinbold; Rep. Dan Saddler; Rep. Paul Seaton; Rep. Louise Stutes; Rep. David Talerico; Rep. Geran Tarr; Rep. Steve Thompson; Rep. Cathy Tilton; Rep. Chris Tuck; Rep. Liz Vazquez; Rep. Tammie Wilson; Rep. Adam Wool; Sen. Click Bishop; Sen. John Coghill; Sen. Mia Costello; Sen. Mike Dunleavy; Sen. Dennis Egan; Sen. Johnny Ellis; Sen. Berta Gardner; Sen. Cathy Giessel; Sen. Lyman Hoffman; Sen. Charlie Huggins; Sen. Pete Kelly; Sen. Anna MacKinnon; Sen. Lesil McGuire; Sen. Kevin Meyer; Sen. Peter Micciche; Sen. Donny Olson; Sen. Bert Stedman; Sen. Gary Stevens; Sen. Bill Stoltze; Sen. Bill Wielechowski
Cc: Greg Hall; Randall R. Menzel; Rick Rydell
Subject: When Are We Going To Start Cutting Expenditures

ALL,

What is wrong with the inmates running the Alaska asylum?

Government creates nothing but the destruction of the people's wealth.

The private sector in Alaska is shrinking rapidly at this time – kinda' reminds me of 1986.

Maybe it is the location of the "capital" of Alaska being located in a such a remote location, beyond the real world – didn't we vote several times to move it?

When are we going to **CUT** state expenditures – by at least \$1 billion a year for the next 4 years.

If you can't decide what to cut line all the state bunglercrats up and fire every other one.

Maybe in the case of the DOT we can make an exception – fire them all since they are truly beyond incompetent.

We do not need a ferry system – the private sector can supply that service at reasonable cost.

And I can go on for several more pages as I have watched for going on 45 years the black hole that is the Alaska State Government.

Get cracking' - that's why you were elected.

--

Thomas B. Wood
Eagle River, AK 99577
907.227.8844

Daniel George

From: TIM and NAN WHITE <poiema@ptialaska.net>
Sent: Thursday, February 04, 2016 10:25 AM
To: Senate State Affairs
Subject: Re: Gov. Walker's PFD raid

It's always the solution to any government money needs. Look for the easiest way out first. The Alaska Permanent Fund and subsequent dividends it offers has become a target for a quick fix. The price of oil is low. The actual oil itself is still a reality. The Permanent Fund was created for the day the oil supply dries up....not for the day the price of oil drops. It's time for us to honor the intent of Governor Hammond and others when the PFD was born. The solution to our state government financial woes is to CUT ... And then CUT again. Nothing should be taken off the table. We will all tighten our belts together and get through this. Don't destroy something that has put the great state of Alaska above the other 49! Leave the Permanent Fund alone PLEASE!!

Tim White - Alaska resident since 1958
Nancy Gugel White - lifelong Alaskan and Alaskan Native.
655 Whispering Meadows
Homer, AK 99603
(907) 299-2691

Sent from my iPad

Daniel George

From: Tim and Jerri <tim-jerri@gci.net>
Sent: Thursday, February 04, 2016 9:30 AM
To: Senate State Affairs
Subject: Permanent Fund Dividend (testimony)

The design of the Alaska Permanent Fund was for it to be shared proportionally between state government and residents, ensuring ALL Alaskans benefited from it on an equal basis. It was NOT designed and implemented as simply a revenue source for state government! Any governor or voting legislator who doesn't understand or respect that premise, should be immediately removed from office as untrustworthy, and therefore unfit for public service! Alaska residents are forced to manage their financial resources balancing income and expenditures, it's high time Alaska's Governor and Legislators learned to do the same!

I stand opposed to any change in/to the current methodology of managing or distributing the Alaska Permanent Fund revenue source!

Tim Armstrong

8169 Thunder Street

Juneau, Alaska 99801

Daniel George

From: Tom Straugh <kostas202@gmail.com>
Sent: Thursday, February 04, 2016 12:33 PM
To: Senate State Affairs
Subject: Public Testimony for SB 128

Senators Stoltze, Coghil, Huggins, McGuire and Wielechowski,

I fully support the bill to help fund state government. Regardless of the eventual fate of this particular bill, however, please enact some solution involving pfd earnings, state budget cuts, and tax revenue to close the budget gap this session.

Sincerely,

Tom Straugh

Daniel George

From: Marianne and Bill <mlswds@gci.net>
Sent: Thursday, February 04, 2016 9:52 AM
To: Senate State Affairs
Cc: Marianne Schlegelmilch
Subject: public comment on Sen. bill 128

Dear Governor Walker and Alaska Legislators,

On behalf of myself and my husband, I would like to say that we oppose any changes to how the permanent fund is managed. As long time Alaskans, we stand by Clem Tillion's assertion that the permanent fund should be left as it is. We would also like to suggest that our legislators take necessary steps to limit the excessive personal spending that we have seen so much about in the news. This includes our governor, who seems to travel widely with his spouse. Is this paid for with public funds? Although we appreciate Governor Walker's outreach to the public, we also feel that government business should remain strictly and expeditiously business oriented. In another symptom of extravagant behavior by our legislators, we were very disturbed to read of the expenses by Sen. Lesil McGuire's staff and of her apparent unwillingness to acknowledge her own excesses in travel expenditures by saying something to the effect that it was not important. Dear legislators, it is important. We believe that each of you should clean up your own house before imposing taxes and expenses on the citizens of Alaska.

We also believe that things as simple as road construction can be streamlined and better managed. All too often as we sit in long lines on our highways, we see people who are supposed to be working standing around with no obvious work in sight. We experience pilot cars for 20 miles when there is no sign of danger or construction evident. Are road construction contracts being paid excessively? Can this be more closely monitored? Why are necessary and essential winter sanding and de-icing of roads for safety are being limited while road construction contracts appear to be largely unsupervised?

We believe that our police force has better things to do than to cite people for going 5mph over the speed limit downhill, as once happened to us. Although it is necessary for police to patrol our roads, how many times have we seen our police officers sitting at speed traps, while some drunk runs wildly up both sides of the road, passing unsafely and endangering everyone with never an officer in sight to stop them. Better use of our police resources should be examined. Why should people fear even driving anywhere in Alaska because of the out of control erratic drivers and the escalating crime rates everywhere? Time to streamline and re-prioritize police operations and quit wasting money on non-essential activities that produce no noticeable improvement in safety. We would like to ask you to better regulate all services that are provided to our people. To cut unnecessary expenses and streamline delivery of services where possible.

We also believe that there is a huge untapped resource in our tourists, yet so many seem to oppose things like bed taxes and the like. Be assured that when we travel from our home in Homer, we do not like paying 12% bed taxes in Anchorage, but we do it because we want to be there. Never has it stopped us from going to Anchorage. The rising crime rate has stopped us. The fear of unsafe travel has stopped us. The bedbug situation has stopped us, but never has the bed tax stopped us.

Has anyone considered a state lottery, which as we see it is a form of voluntary taxation? Has anyone considered the revenues from the new marijuana retailers, which are apparently planning to impose hefty taxes on all purchases? Or, found a way to better support this industry that has the potential to supply so much tax revenue?

And has anyone considered moving the state capital to limit travel expenses and to increase convenience? Our main population centers are in mainland Alaska. Although we hesitate to criticize those of you who are working hard for the benefit of all Alaskans, we believe that if each of you creatively examine what is possible in this state, that you will find a way to solve this fiscal crisis, that, as far as we can see, appears to have come out of nowhere. It goes without saying that this would also include better managing legislative sessions. As a matter of fact, good management should result in no overtime for both legislative sessions and state managed services.

And, on a somewhat unrelated subject—but is it really?—something needs to be done about crime, especially in Anchorage. It is out of control and it is driving law abiding people from our state and replacing them with people who are using our law enforcement, judicial system, and social services resources disproportionately. Since when have we turned our state over to punks and thugs?

Legislators, we are not in favor of you imposing more taxes on the citizens of this state nor tapping into the sanctity of the permanent fund—especially in view of the high cost of living in Alaska. We are in favor of each of you learning to better manage our state's revenues and in our state offices learning to better manage their resources (and that does not mean

wasting the time of your citizens by having them trudge through endless voicemails and poorly structured internet pages to seek information when accessing information about our state services).

Thank you for seeking our input.

Respectfully,

William D. and Marianne Schlegelmilch

4470 Kachemak Way

PO Box 2086

Homer, Alaska 99603

Daniel George

From: William S. Brown <coldsnap@mtaonline.net>
Sent: Wednesday, February 03, 2016 10:58 AM
To: Senate State Affairs
Subject: Cut the Budget FIRST

In any decision to tap the Permanent Fund, the decision to drastically cut our budget **MUST** come first. The concern is that the price of oil is way down. OK, we have seen this price of oil before. What was the budget when the price of oil was this low? Make that the starting point for the budget. Then, justify any additional expenses. Make a real budget that fits with the income we have. Do not start by raiding the Permanent Fund. Start by getting a realistic budget, based on the income we have.

William Brown

Palmer, Alaska

Daniel George

From: Moorzie100 . <zmoore907@gmail.com>
Sent: Wednesday, February 03, 2016 8:37 PM
To: Senate State Affairs
Subject: Comments Regarding SB 128

To the distinguished member of the Senate State Affairs and Finance Committees,

I have some comments that are critical of the Governor's Permanent Fund Restructuring bill and taxing plans in general. I will try to lay out a logical case without resorting to name calling or pointing fingers to make my point.

Alaska had a State budget of around 3.3 billion in 2007. Since then the budget has ballooned at a breakneck pace during the rise of high oil prices. It now stands at around 5.2 billion after a 9% cut. Now the citizenry are being asked to have their dividend cut and an income tax is being proposed to help fill the gap.

I do not feel the Legislature has done enough hard work getting to some form of fiscal sanity before it starts grasping around for more revenue to fill the gap. I will try to give some concrete examples of why I feel this way. The State of Idaho has a population twice Alaska's sitting at around 1.5MM (Alaska's population stands at around 710M) and yet has a fiscal budget that was near ours in 2007 (3.3 billion). If the State of Idaho can manage to provide services for twice as many people for the same amount of money as we spent back in 2007, I think the Legislature has some work to do cutting more fat out of the budget.

I am even willing to be reasonable and say that because of our larger state I would give you the benefit of the doubt. I could foresee a 25% larger budget than them (even though we have half the population requiring services) which leaves us at the 4 billion mark. So I see about 1.2 billion that need to go before you even consider raising revenue.

A lot of people in this state are feeling the pain from the economic downturn. There have been massive layoffs in the oil and gas sector and the support industries. Frankly, I get tired of government claiming they have cut to the bone and there is nothing left to cut, when they have basically only cut 3 yrs. worth of budget increases. If I lose my job and find another job at half the pay, I cannot continue spending 90% of what I used to make. I have to slash my personal expenditures to meet my income!

I know unfortunately what I am asking is going to affect some state & no doubt municipal employees. However, I get tired as a taxpayer of seeing constant cost of living increases for government salaries that I do not get in the private sector. Then when the rest of the economy is suffering cutting government expenditures is equated to the holocaust.

Bottom line.... if the legislature doesn't make some meaningful cuts to the budget. I will do everything in my power to vote out of office any politician who votes on this bill or any bill that raises revenue without first cutting spending. If spending were to be cut in a meaningful way (at least 20%) I would be open to changing my mind about raising revenue.

Sincerely,

Zack Moore
Kenai, Alaska 99611

P.S. Anyone who want to echo these comment are welcome to add their name to it in place of mine and submit it to senate.state.affairs@akleg.gov . I have left links below so you can verify my points.

Population of Idaho 1.5MM

Population of Alaska 710M

<https://suburbanstats.org/population/how-many-people-live-in-alaska>

<https://suburbanstats.org/population/how-many-people-live-in-idaho>

Idaho 2016 Budget 3 billion

<http://www.legislature.idaho.gov/budget/publications.htm>

Idaho has a surplus

<http://www.spokesman.com/stories/2015/oct/24/eye-on-boise-idaho-state-budget-building-toward-su/>

2007 Alaska Budget 3.3 Billion

http://www.huffingtonpost.com/james-love/sarah-palins-increased-op_b_123400.html

Senate State Affairs Committee,

I appreciate your solicitation of public opinion as you consider legislation to address Alaska's serious economic challenges.

I hope that your decisions will reflect a long term view. As you know, oil prices are cyclical. They never stay real high for long periods, nor do they stay extremely low for a long duration. That's why it is important that we not implement permanent revenue options that will be catastrophic to our economy in the near term, and may not be necessary in the long term.

More budget cutting is essential. The state had years of prosperity, and government grew accordingly. There are agencies and departments that could downsize and not be missed by the public.

The additional funding for state government needs to come from savings and the permanent fund. I would advise against setting an amount or floor for the PFD as some have proposed.

I would be totally opposed to the State implementing an income tax.

Thank you for considering my comments. Thank you for all you do and for your dedication to our great State.

Cynthia Henry
3216 Riverview Drive
Fairbanks, AK

hops@gci.net
907-388-5379

To: Senate, State Affairs
Re: Gov WALKER'S SB128

FAX-907-465-4928

To: ALL ALASKAN LAWMAKERS IN THE CAPITAL REGARDING
GOV. WALKER'S SB128.

THIS IS NOT ONLY WRONG BUT THE STATE IS ACTING
LIKE A ORGANIZED CRIME RING!

THE PFD THAT ALASKANS RECIEVE IS ONE OF THE BIGGEST
ECONOMIC BOOSTS TO THE STATE OF ALASKA EVERY COT.
IT GIVES AND GOES TO SMALL BUISNESSES AND WE
SPEND IT ON NECESSITY'S WITH IN THE STATE. IT
WILL NOT DO THAT IF THE STATE GETS IT. WE PAY FOR
OUR WINTER FUEL, OUR WINTER WOOD, OUR YEARLY
FOOD SHOPPING IN FAIRBANKS, OUR INSURANCE ON
OUR CARS! IT IS ALL SPENT WITH IN THE STATE!

You The Lawmakers now and IN THE PAST ARE THE
REASON the state is in such bad shape, you ARE
THE REASON NOT THE PEOPLE OF ALASKA FOR THE
LAST 8 YEARS. WE ARE NOT STUPID WE SAW WHERE
YOU BASED THE BUDGET ON HIGH OIL !! AND YOU
SPENT IT ALL LIKE DRUNKEN SAILORS ON SHORE
LEAVE.

IF YOU TAKE THE PFD YOU WILL NEVER BE RE-ELECTED
AGAIN !! CUT 3-TO 4 BILLION AND STOP FUNDING
UNNECESSARY PROGRAMS!

Sincerely
JEFFREY AND RHONDA VAN ZANDT
P.O. BOX 745
TOK ALASKA 99780
907-883-9874

February 04, 2016

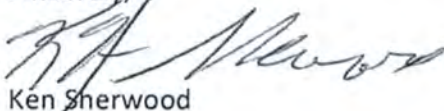
Dear Senator Stoltze:

Our Company has been in business in Anchorage for over 60 years. We operate a feed mill, a fertilizer blending plant, a wholesale distribution business and a retail store. The Company employs approximately 65 people. I have been with the Company 42 years. In 42 years the State economy has experienced a few lean years, but overall the State of Alaska has been very fortunate. With this current budget crisis, however, our past good fortune may be about to change unless we act quickly and decisively.

I support Governor Walker's plan to reduce the State budget deficit. I am in favor of capping the dividend, instituting a State income tax, and using earnings from the Permanent Fund. Since major cuts to State Government have already been done, I would hope that any additional reductions to the State budget would be done in a very careful and selective manner. I strongly urge you to implement the Governor's plan this year.

If we wait too long and major job losses occur, the economic situation will get out of hand quickly. All sectors of the economy will suffer and the people employed in all sectors will be at risk for additional job losses. If people have a perception that the economy is in trouble, companies will stop investing and individuals will quit spending money and the situation will become much worse. We can't control the price of oil, but we can stabilize our current economic situation with a few meaningful actions.

Sincerely,



Ken Sherwood

C. E. O.

Public Testimony to the Senate State Affairs Committee:

I understand the financial predicament facing the State of Alaska and that the Permanent Fund may be the easiest way to provide the immense support now required to fund the State's budget. I also applaud Governor Walker for making a legitimate proposal to rectify the State's fiscal crisis in the face of expected criticism. I encourage the Legislature to show the same courage, thoughtfulness, and honesty in its attempt to tackle the State's financial mess. However, I do not support the Governor's plan to restructure and siphon money from the Permanent Fund to support State spending.

1. The permanent fund and its dividend paid to individual Alaska residents who reside in the State at least 275 days in the calendar year is an essential source of income for many Alaskans, especially in light of its timing before the winter months when the cost of living increases dramatically. To limit the dividends paid to individual Alaskans in order to support State spending hurts only the Alaskan residents who spend the most time living in the State while not effecting seasonal employees, seasonal residents, seasonal businesses, and tourists who also utilize State services but are not asked to support State Spending. The Governor's proposed State income tax of 6% of each individual's federal tax liability does not go nearly far enough to fairly distribute new revenue generated by the State.

2. As I understand Governor Walker's plan, the individual dividends paid to residents would be based primarily on the steadily decreasing natural resource royalties collected by the State and thus the dividends paid to residents would be assured of decreasing steadily, if not rapidly.

3. How can the Permanent Fund make a stable and sustainable payment to support State Government when it does not make a stable dividend payment to residents? The individual dividends paid to residents have been far from stable from year to year and it doesn't make sense that money drawn from the Fund to support State spending could be stable from year to year if the principal of the Fund is to be maintained and protected. The Permanent Fund earnings and principle will certainly be negatively affected at times, possibly severely, by the cyclical and volatile nature of the stock market, real estate markets, or other markets in which the Permanent Fund is invested.

4. If the Alaska State Government is going to restructure and utilize a portion of the Permanent Fund to support State spending, the Governor and Legislature should admit that Alaskan residents will inevitably lose their entire individual dividend payments with or without the Governor's plan. Instead of threatening Alaskans with the statement that "If we don't make significant changes in how we fund government, we will drain the constitutional budget reserve within two years and the permanent fund earnings reserve in another two years. The permanent fund dividend will go to zero dollars in just four years." (quote from Feb 3, 2016 email from office of Gov. Walker), Governor Walker and the Legislature should develop a plan in which Alaskan residents keep a fair share of the Permanent Fund that was established specifically for the direct benefit of all qualifying Alaskan residents.

I will be happy to give the State government $\frac{1}{2}$ of the principle amount of the Permanent Fund to use as it sees fit to support State spending in return for a one-time dividend payment to each qualified Alaska resident that would account for 50% of the Funds principal and then eliminate all future dividend

payments to individual residents. In other words, the State's government gets half and the state's residents get half.

Thank you for your time in reading and considering my comments.

Sincerely,
Matthew A Lorenz
Kenny Lake, AK
Editor/Publisher Copper River Record weekly Newspaper
Ph: 907-259-5277
Email: contact@copperriverrecord.net

CITY OF VALDEZ, ALASKA

RESOLUTION #16-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, EXPRESSING URGENCY FOR THE ALASKA STATE LEGISLATURE TO TAKE IMMEDIATE AND DECISIVE ACTION DURING THE 2016 LEGISLATIVE SESSION TO ENACT A COMPLETE PACKAGE OF INITIATIVES TO PROVIDE FOR A BALANCED AND SUSTAINABLE STATE BUDGET FOR THE FORESEEABLE FUTURE

WHEREAS, Alaska has relied predominately on the development of its vast oil reserves to fund the majority of state government expenditures over the past 35 years; and

WHEREAS, production of Alaskan North Slope crude oil has steadily decreased over the past 25 years; and

WHEREAS, global oil prices have remained highly volatile over recent decades, but until recently, have trended higher over time, masking the effect of decreasing oil production; and

WHEREAS, global oil prices have dropped significantly over the past two years and are projected to remain relatively low for the foreseeable future; and

WHEREAS, the combination of reduced oil production, reduced oil prices, and an overreliance on oil as the primary source of funding for state government has resulted in a massive state fiscal deficit; and

WHEREAS, cash reserves currently being used to cover the existing deficit will be depleted in just a few years, threatening the state's annual dividend program and potentially the state's Permanent Fund itself; and

WHEREAS, the State of Alaska has been duly warned by Standard & Poors that due to the current fiscal imbalance, its credit rating will be downgraded if the Legislature fails to take appropriate action in 2016; and

WHEREAS, major business leaders in the state have warned that they would be unlikely to continue making significant commercial investments in Alaska if the Legislature fails to address the fiscal deficit during the 2016 legislative session; and

WHEREAS, Governor Walker has introduced a complete fiscal plan to provide a sustainable and predicible balanced budget, using the strength of our existing financial assets, and a balanced blend of spending reductions and additional new revenues; and

WHEREAS, while spending reductions must be a part of any balanced fiscal solution, extreme care must be exercised to not inadvertently cut our way into an economic recession as was done in the 1980's; and

WHEREAS, every dollar of cash reserves spent now to fund one-time budget shortfalls, is then unavailable to continue working for the state as an ongoing income producing asset into the future; and

WHEREAS, continuing to spend down cash reserves in the short-term, will reduce the amount of sustainable revenue we can plan to generate from our current financial assets in the future, resulting in the necessity to increase other sources of revenue (taxes) in the future to compensate; and

WHEREAS, now more than ever is the time for statesmanship, not provincial politics or electioneering rhetoric. Politically difficult decisions are required this year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that

Section 1. The City Council of the City of Valdez calls upon the Alaska State Legislature to take affirmative and immediate action this year to enact a comprehensive package of initiatives that will provide for a sustainable and predicible balanced state budget for the foreseeable future.

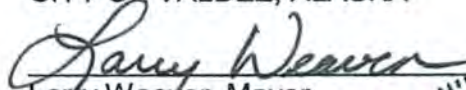
Section 2. The City Council of the City of Valdez appreciates the difficult work of the Administration to put forth one possible comprehensive fiscal solution; and while the City of Valdez may not support every aspect of this plan, does recognize it as an appropriate starting point for legislative deliberation.

Section 3. The City Council of the City of Valdez insists that the Alaska State Legislature engage in meaningful discussions of all fiscal options without regard to perceived negative political fallout.

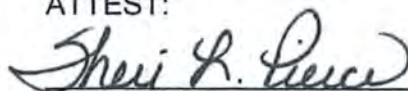
Section 4. The Valdez City Clerk is instructed to transmit a copy of this resolution to the Honorable Governor Bill Walker and every member of the Alaska State Legislature.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 19th day of January, 2016.

CITY OF VALDEZ, ALASKA


Larry Weaver, Mayor

ATTEST:


Sheri L. Pierce, MMC, City Clerk



Public Opinion Message

Received Wednesday, February 03, 2016

Taken By: Daniel George, Staff to Senate State Affairs Chair

Name: Ron Leonard

Phone: N/A

Address: 46297 Cloud Ave., Kenai, AK 99661

Message: "Regarding SB 128 and the Permanent Fund: If you're going to take away our property rights, then give us our mineral rights back on our land"



Daniel George

From: Charity Learn <charitypearl@yahoo.com>
Sent: Thursday, February 04, 2016 4:06 PM
To: Senate State Affairs; Rep. David Talerico; Sen. Click Bishop
Subject: PFD

Dear State Senate,

I am typing this email in regards to SB128, the bill you are trying to use to take away our PFD. To remind you of why we have the PFD in the first place, I must tell you I own property in Alaska and live here, but have no gas, oil, or mineral rights to my property because the state has retained them. Supposedly the PFD gives me a chance to benefit from Alaska's rich natural resources even though the government controls all of them.

Our family uses the PFD to help us survive in a place where the cost of living might otherwise be too much for us to do so. The PFD and lack of taxes have been major incentives for us to live here. Unfortunately it looks like those incentives and our freedom might shortly be taken away. Each year our four childrens' dividends are set aside for their future education. This money can also be used if we have a large purchase to make and don't have the cash. An interest free "loan" we can pay back gradually without the hassle of dealing with a bank. Our own two PFDs have been used in various ways. When we were building our house we used them to buy cement blocks one year, and windows the next. Frequently a portion fills our propane tank at \$600 a year. Sometimes we have had automobile repairs or a new used vehicle we needed that it went towards. We are probably still in Alaska right now because of the PFD. See, last year my husband was regulated right out of his handyman self employment in the name of safety. Without our savings from this past years dividends we might have already packed up and left. As it is we can stay a little longer and try to find some other income. We have to make cuts to our spending already. Why can't the state do the same? The size of the state government has increased 100% since 2006, which happens to be the year we moved here. Your income is less, so cut your spending, not ours.

Sincerely,
Charity Walker

Sent from Yahoo Mail on Android

Daniel George

From: Damita Duplantis <damitamarie@gmail.com>
Sent: Thursday, February 04, 2016 2:22 PM
To: Senate State Affairs
Subject: PFD - Do not take it from the AK residents

My name is Damita Duplantis. I live in Anchorage. I am adamantly against the usage of the PFD to pay for ANY government expenditures. The PFD should be used for the Alaskan Residents and the residents alone. It is too important for our economy to take any part of it and by doing so is only masking the problem of a bloated government. I demand that you do not take it without putting it before the people to vote on it.

Sincerely,

Damita Duplantis
7440 Randamar Place
Anchorage, AK 99507
404-428-2108

Daniel George

From: david huf <davidmfh@outlook.com>
Sent: Thursday, February 04, 2016 2:36 PM
To: Senate State Affairs
Subject: bill 128

I think itll be best to buy out the pfd at \$110,000 per person so that the fishing can also take a break to recoup the numbers other than that leave it alone its the peoples and the gov needs to figure how to put things into place to handle this without takeing from the people over and over again

Daniel George

From: alaska seafood company <alaskaseafoodco@wildak.net>
Sent: Thursday, February 04, 2016 2:53 PM
To: Senate State Affairs
Subject: Testimony

Thank you for giving us this forum.

I am not sure I can offer useful directions in revenue generation because I still don't understand what the state produces as a product as we do in the free enterprise industries. Last I checked the government was there to assist people not to keep us busier. In my industry we are kept very busy by government. It seems the more people our state has employed the busier we are kept to justify their existence. I am sorry if this appears to be a venting exercise as that is not the intent.

I would like to suggest that perhaps the state could try to operate more like a business. If we find ourselves coming up short in sales (income generation), we are only left with cutting our expenses. My bank doesn't want to hear that I have to do negative cash flow. We don't have the power of taxation we can impose on our customers. It is easy to be a hero when you can spend money on all the goodies, but it sure is hard to make cut backs. Part of the job, good with the bad.

Perhaps a beginning cut back on number of employees. Unfilled positions would be a start. Then go to the ones termed "Non-essential". These would be the ones we hear about when we have a heavy snow storm or adverse conditions making it difficult to go to work for the day.

Thank you for the opportunity to make input to the system.

Dick Hand

Alaska Seafood Company

Juneau, Alaska

907-780-5111

Daniel George

From: dixalaska@aol.com
Sent: Thursday, February 04, 2016 4:58 PM
To: Senate State Affairs
Subject: SB 128 Protecting the Permanent Fund

Follow Up Flag: Follow up
Flag Status: Completed

Dear Readers,

I am sending this email message because I have a professional training scheduled for today. Otherwise, I would be there to testify in person.

DO NOT put oil royalties into the Permanent Fund. DO NOT change the present system of determining the Dividend AT ALL. DO NOT propose an amendment to the State Constitution. Sen. Anna McKinnon's interpretation of the Constitution is totally outrageous and political. It does not serve the public interest whatsoever.

Those Alaska citizens who are suffering financial hardship DEPEND on the PFD. I use it to pay my fuel bills (even though I am already eligible for State Heating Assistance, it doesn't begin to cover the cost). I also use it to fly out of state for medical and dental services.

Persons who are more well off may use it for a vacation. They are also able to benefit charities by choosing to Pick. Click. Give. That is extremely beneficial to public needs of all sorts.

I support a 15% State Income Tax which would be based on level of income and be deductible from the Federal Income Tax as was the case when I moved to Juneau in 1975.

I oppose any statewide Sales Tax. Low income persons use most of their income for living expenses, the wealthy do not. The City & Borough of Juneau already has a Sales Tax. I am 82 years old and the Senior Tax Exemption has been reduced substantially to meet CBJ budget needs. Communities that have a Sales Tax already do NOT need an additional one.

I urge you to include this message to the Finance Committee and all other Committees in the House and Senate that are discussing the state revenue options.

Dixie A. Hood
9350 View Drive
Juneau AK 99801

Daniel George

From: Don Hoshaw <hoshawdj@gci.net>
Sent: Thursday, February 04, 2016 4:57 PM
To: Senate State Affairs
Subject: Budget proposal

To whom it may concern.

As a fiscally responsible and conservative citizens we would ask that you look at reducing the budget prior to dipping into the Permanent Fund. We don't have a problem with utilizing the P.F. for supporting necessary services, but like the rest of this country, we have gone way too far with "give away" programs. Enough is enough. In fact it's time to roll some of these programs back before we find ourselves in the same state as other countries like Greece, Spain, etc. and other US states, e.g. California, Illinois, etc.

Thank you.

Don, Susan and Rebecca Hoshaw.

Daniel George

From: tcup@gci.net
Sent: Thursday, February 04, 2016 3:43 PM
To: Senate State Affairs
Subject: PFD: TO HELP BALANCE THE BUDGET IN ALASKA

Greetings:

I support Gov. Walker's plan to use PFD monies to help run State Government in Alaska.

The PFD is a good thing; but it also has a negative: it attracts many folks' relocation to Alaska. Many who relocate are folks who need other programs to capitalize as with free-food giveaways. Others relocate because Alaska doesn't have State Income & Sales Tax requirements.

Signed:

E. F. Bean
Anchorage, AK

Daniel George

From: K, E, & E Martin <keeconstructionllc@yahoo.com>
Sent: Thursday, February 04, 2016 3:23 PM
To: Senate State Affairs
Subject: SB 128

Dear Senators,

As you struggle to balance Alaska's Budget, SB 128 seems to be the Governor solution, but is it? Alaska has from its early days valued its resources, and our founders recognized "us" as owners of such assets by establishing the Permanent Fund. In some Alaskans eyes the Fund isn't a "at will cash account" for government to spend, especially that of which is distributed as a Dividend! (as our advisory vote validated years ago).

I believe that most Alaskans have at this time conceded to the fact that our Representatives will spend it at sometime in the very near future, and on a short / long term basis utilize it's earnings for essential services. Now as reality sets in we also expect Government to legitimize it's use.

In doing so I don't agree with the Governors Plan.

First lets look at why we are where we are with regard to our resource development and what we can do to meet the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use to benefit all Alaskans. This is stated emphatically in the Alaska Constitution. With less than 1% of it's land in Alaska in private ownership, Alaska's hope for a sustainable private economy is nowhere in the immediate future, and it will be decades before we can realize this goal unless we act soon... NOW IS THAT TIME!!!!

My Plan is to offer legitimacy to Governmental use/taking of the earnings through a tangible to the people of Alaska:

Offer, by way of a Voucher, to all residents of Alaska to purchase one acre or multiple acres "utilizing the other 1/2 of the PFD earnings in a ONE MILLION ACRE SALE of land, to Alaskans first, then to other US citizens for the purpose of a revenue generator with the capability of ONE BILLION DOLLARS per year or up to 5 years and 5 Million Acres.

This program would give the State a revenue stream for 5 years and allow those resources & lands on which they sit to be developed and utilized as what they where intended to be, creating a tax base in Boroughs/ Municipalities thereby paying for those current essential services & creating Alaska's next boom in this lackluster economy.

After these Vouchers are spent then the Legislature can do as they please through the proper means to spend on government. This legitimatizes it's use of "the earnings for government"!!

The Program could be also used to convert leases to fee simple land sales for " any other ownership desires in mining, fishing, remote rec/trapping cabins or airport lease lands. This program is intended to further the Settlement, Utilization and Development of Alaska's Lands by it's People !!!

Thank you very much for your consideration on the issue of the use of the PFD Earnings.

Sincerely,

Edward D. Martin, Jr.

Kathleen A. Martin

Edward D. Martin III

KEE Construction, LLC

Daniel George

From: Jerry Alderman <jalderman@gci.com>
Sent: Thursday, February 04, 2016 3:26 PM
To: Senate State Affairs
Subject: Budget crisis

We are in a situation where we can't do the "politics" thing anymore. You know, the "no new taxes", "leave the Permanent Fund earnings alone", "cut the budget". None of these chants work. I understand how a politician would want to say these kinds of things to the voting public, because a lot of the voting public wants all kinds of stuff from government, but doesn't want to pay a single penny for any of it. That is a fairy tale. Fairy tales don't come true.

Simple arithmetic shows that you can't cut our way out of our fiscal situation. I don't want any more cuts to the State budget at all. Step 1 is using permanent fund earnings as a funding source. You must get this done now. Next year is too late. You have more budget work to do already next year. Again, this is simple arithmetic.

Please don't get all dysfunctional and political on this. Pass a bill that intelligently utilizes the Permanent Fund earnings as they are meant to be utilized.

Daniel George

From: Laurie Hueffer <l.hueffer@gmail.com>
Sent: Thursday, February 04, 2016 12:43 PM
To: Senate State Affairs
Subject: Act Now Please!

- • I agree with these points in Alaska's Future's message. Please work together for Alaska!
- •
- Act Now for a common sense long-term solution that solves Alaska's budget challenge.
- Our budget shortfall is not a Republican or Democratic challenge; it's an Alaska Challenge that requires an Alaska solution.
- If we don't Act Now we will deplete our savings in less than two years. After that painful cuts and taxes will further stress the economy and the state's bond rating will take another hit.
- We can't tax or cut our way out of this. Even if we cut \$500 million, and taxed an additional \$500 million, it would only prolong the life of our shrinking savings by less than a year.
- While taxes and new revenue should be part of any plan moving forward, the cornerstone of any plan is using a portion of the earnings of the Permanent Fund.
- No amount of spending cuts or tax increases will matter if we don't restructure how our Permanent Fund dividend is calculated, meaning leaner checks, but would provide long term stability for the state budget and protect dividend checks for Alaskans for generations to come.

Thank you,

--

Laurie Hueffer
l.hueffer@gmail.com

Daniel George

From: Lois Conway <loisc@mtaonline.net>
Sent: Thursday, February 04, 2016 4:22 PM
To: Sen. Bill Stoltze
Subject: Permanent Fund

Dear Senator Stoltze

Thank you. Just to confirm my email last month – PLEASE do NOT destroy the Permanent Fund as it is not established. There is no need to do so because we can already access the Fund earnings for the State budget, when needed. That is why we have a Federal tax exemption on the fund. Let it be. We may have decreases in the PFD and that is just fine. It won't be destroyed. I just can't understand any logic in destroying the Permanent Fund then setting up some other device and some kind of guarantee of dividend! It makes no sense at all.

JUST SAY NO, NO, NO!!!

Thank you

Lois Conway

Palmer

Daniel George

From: Deloris Azimi-Tabrizi <d_azimitabrizi@yahoo.com>
Sent: Thursday, February 04, 2016 5:06 PM
To: Senate State Affairs
Subject: budget

While listening to the radio today I understand that Gov. Walker is trying to take the PFD away from the citizens of Alaska. Our household of 3 voters would rather hear about cutting expenses. The spending of money way out of our means on the legislative building in Anchorage (that appears to be profiting a legislator's friend the trips that are more for personal vacation than for helping the citizens of Alaska with problems and the personal friends hired to increase the bureaucracy of our state should be addressed first. I am sure there are other practices of spending that we as ordinary citizens don't hear about that should be eliminated.

There should also be more time and energy in developing ways to raise money instead of trying to keep the status quo going.

Just because taking the PFD looks like an easy fix doesn't mean it's good government and is obviously not well thought out.

Mohammad, Deloris and Hassan Azimi

Daniel George

From: Janelle Slivinske <janelleslivinske@yahoo.com>
Sent: Thursday, February 04, 2016 3:26 PM
To: Senate State Affairs
Subject: do not take/reduce our permanent funds

We disagree with the governor's proposal to utilize our permanent funds. We as Alaska residents do not approve of SB 128.

Paul C Smith and Janelle Smith. 2/4/2016

GOOD MORNING FROM JUNEAU: Normally, Must Read is a Monday edition. But because our Alaska Permanent Fund is at stake, and Gov. Walker's SB128 sets \$1,000 as the 2016 Permanent Fund Dividend, we think you'll want to read on.

SB128, the Governor's Permanent Fund Restructuring bill, has just two Senate committees -- State Affairs and Finance. The State Affairs (Sen. Bill Stoltze) public hearing is Thursday.

Legislators need to hear that since the governor did not cut the budget, Alaskans are concerned that he'll restructure the Permanent Fund and add new taxes, without making cuts.

This is an opportune time to get your message across. Below you will find information and links to help you understand the bill and to get involved.

Alaskans Invited to Weigh-in on Governor's Permanent Fund Bill Using Permanent Fund Earnings & Permanent Fund Dividends. In order to maximize public participation, the Senate State Affairs committee has scheduled public testimony on Thursday, February 4 beginning at 5:30 p.m. so that Alaskans may weigh-in on Gov. Bill Walker's proposal to restructure the Alaska Permanent Fund.

Citizens may testify in person at their local LIO. Locate your nearest LIO by calling (907) 465-4648 or visiting <http://akleg.gov/lios.php>. If you live off the road system or in a community without an LIO nearby, please contact Senate State Affairs Chair Senator Bill Stoltze's office at (866) 465-4958 in advance of the hearing to arrange to testify by telephone. There are a limited number of phone lines to the Capitol; please plan to attend and testify at your local LIO.

To submit written testimony to be placed on the record and distributed to committee members, send your comments to senate.state.affairs@akleg.gov or fax to (907) 465-4928.

Daniel George

From: Ray JW <rayjw@gci.net>
Sent: Thursday, February 04, 2016 1:13 PM
To: Senate State Affairs
Subject: permanent fund public testimony

Dear Legislators and Governor

This is my testimony on SB 128,

My first comment is on the statement Walker made (**his comment was, he could cut all public employees and still not be able to balance the budget**) this kind of a stupid statement tells me that the governor is not serious about cutting any spending to balance the state budget he see's an opportunity to scare the public into using the permanent fund, adding state income tax and raising property tax. **HE NEEDS TO BE STOPPED IN HIS TRACKS.**

How did the state get to this point in our history, by spending be on our means to pay.

1. Approving city and state wage increases we could not afford, continually adding more employees to the city and state payroll.
2. Continually adding more spending to Schools, and social programs, plus adding Medicaid to the state's responsibility (**We all know that at some time the Federal government will stop picking up the cost of this program and the state is on the hook**).

The first approach to balancing the budget is to cut spending to the bone, to include city and state workforce, Schools, police, fireman, social programs, until I see were and how the cuts are made, I am apposed to any changes to the Permanent fund, or any tax increase or implementation of a state income tax.

To reiterate I appose the Governors approach to balancing the State Budget

**Raymond Woodworth
Anchorage, Alaska**

Daniel George

From: Ronald Johnson <rajohnson@alaska.edu>
Sent: Thursday, February 04, 2016 3:30 PM
To: Senate State Affairs
Subject: sb 128

I support SB 128 as we can't use cuts alone to solve our fiscal problems.

If revenue enhancements are adopted, I vote for one underlying principle to be **[all Alaskans should have "skin in the game"]**

Hence, if we implement an income tax [I will willingly pay if it is simple], we should also take actions that effect the PF dividend and/or a sales tax -I prefer the former. Maybe > 30 % of Alaskan families pay no federal income tax and hence wouldn't pay a state income tax if it is a flat % of the federal tax.

--

Ron Johnson
Professor Emeritus
Mechanical and Environmental Engineering
Univ of Alaska Fairbanks

2113 Jack St
Fairbanks, AK 99709

Daniel George

From: Rose Edgren <raedgren@gci.net>
Sent: Thursday, February 04, 2016 3:49 PM
To: Senate State Affairs
Subject: SB 128 Perm. Fund: deposits,dividends,earnings

I OBJECT to tapping into the PFD resource. Balancing the budget and controlling spending with available funds should be accomplished by: cut grants, examine the misuse of welfare such as Medicaid, food stamp and the myriad of uncountable giveaway programs. I OBJECT to giving more money to Forestry for woodland fires. Forestry administration should be examined on initial attack of fires. Their slow response or the "let burn" mentality is responsible for the HIGH COST. There is A LOT of unnecessary spending which should be cut. Trust me, we all can do without and should find our own means of getting the things we need. I OBJECT to an income tax as well because there is so much gross spending in Government!
Thank you Sent from my iPhone

Daniel George

From: Stephen Senisch <sasenisch@gmail.com>
Sent: Thursday, February 04, 2016 3:06 PM
To: Senate State Affairs
Subject: Gov. Walker's Permanent Fund Proposal

Good day,

State spending has grown during the high revenue years and it needs to be cut not just by millions of dollars but by billions of dollars. The state government must live within its means as each family living here has to. If I lost my job and had to work at one making much less money I would not be asking my kids or other family members to support the lifestyle I had been living.

The size of state government must shrink to accomplish the goal above.

I think it can best be accomplished by listening to the ideas that come from employees of the state government. I have worked for large organization most of my life. The best ideas usually come from those doing the work, but unfortunately those persons are not always asked for their input or listened to when they provide it.

Before any new tax is introduced I think we should use some or all of the earnings from the permanent fund dividend program to fund state government, but only after the annual budget is cut as indicated above. I do not agree that we should create a new endowment program as the governor has suggested. I would like to keep the permanent fund program in case oil prices do rebound at some point in the future. I have 4 grandchildren that have had half their permanent fund dividends invested for college.

While I do not want to be taxed any more than anyone else living here if some additional tax is necessary it should be a state wide sales tax. This way everyone in the state shares the burden of funding the state government and is reminded of it every time they go to the store. I watched a recent news story about an expected 2 million visitors to the state this year. Those visitors could help fund our state services by having a state sales tax. I think food should be exempt from such a tax. I also think this would bring in tax revenue from those working in the state but not living here. My concern with creating any new state department would be the need for additional state employees to administer it. Growing state government by creating new departments or programs at this time does not make sense.

I do not support a state income tax because the middle class will bear the burden of it, me included. Those at the low end of the income scale will not pay it and those at the top will be able to avoid it.

I do not understand why the state is even involved in the LNG pipeline. Any LNG pipeline should be left to private sector with oversight by the state. If it will be profitable then it will be built. Let the private sector assume the risk of building it and it not being profitable. Do not saddle the people of Alaska with that risk. I do not believe that any government can accomplish something on this scale more efficiently than the private sector. We will only squander our diminishing state revenue if we continue on the path we are on now.

Funding for education should not be treated any differently than any other state program. Parents should have more choices in the education of their children.

I was not born in Alaska, but I have lived in the state longer than any other and call it home. One thing I like about living in Alaska is that I do not have someone else telling me what I can and can't do every time I turn around. Another is that I do not have a heavy handed government with its hand in my pocket taking the money I work hard to earn and spending it less efficiently than I can. Unfortunately the federal government already does that.

Bottom line we need to cut spending significantly before asking for money from the people of Alaska. If the governor is unwilling or unable to do this then he should resign or be recalled and replaced with someone who will work with the state legislature to accomplish this goal.

Thank you for your time.

Stephen Senisch

4673 W Gold Leaf Cir

Wasilla, Alaska 99623

907 891 4471 cell

Daniel George

From: Steve and Karen <alaskalees@gmail.com>
Sent: Thursday, February 04, 2016 1:32 PM
To: Senate State Affairs
Subject: PFD Funds and new spending

Greetings,

I knew it would be just a matter of time before you politicians would come to grab the PFD. I am opposed to ANY change in the distribution of the PFD. I strongly suggest you folks figure out another way to pay the debt. Why do you guys, the Governor in particular just want to keep expanding the debt? I have to live with in my means, and quite frankly my means are not growing by any means. I say a state sales tax is the way to go, I say no to a personal income tax too. We, the citizens will be watching closely how you handle the budget problem. Remember you might want to listen to the people, because you need our votes to stay in office.

Respectfully,

*Steve Lee
Wasilla*

God, Guns and Guts, Made America Free

Daniel George

From: Tony Tengs <ttengs@ak.net>
Sent: Thursday, February 04, 2016 4:57 PM
To: Senate State Affairs
Subject: Testimony on SB 128

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senators,

Please add this submission to the testimony on SB 128.

While I recognize that "something has got to be done!", with regards to solving our budget woes, I am not in favor of harvesting the Permanent Fund as a primary solution. It should be looked at as a last resort, after an income tax, or as part of a "shotgun" solution approach. An income tax would be the most responsible solution, and would enfranchise Alaskans further to be more participatory in the process of government, which can only be regarded as a good thing in a democracy.

Sincerely,
Tony Tengs
139 W. 2nd St.
Juneau, AK 99801

907-723-8047

2/4/16

TO: STATE SENATE AFFAIRS

FAX: 907 465 4928

FROM: ROBERT MARY KREFT

907 746 0796

2/4/16

PFD

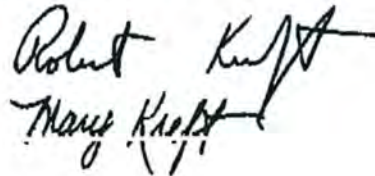
We are not for the bill SB128, to use the PFD for state shortages.
The fiscal shortages should be by reducing Government and regulations that tie up development of state resources. Reduce state employee's salary starting at the top with the Governor and his staff.

The Alaska Constitution can only be changed by the people by voting, not by the Governor stroke of a pen because he wishes to do so.

We are a nation of laws and the Governor is breaking the law, that we the people have in our state constitution...

We are against all the Governors proposals.

Thank you Robert & Mary Krefl



Robert Krefl
Mary Krefl

The Big Myth

Now that one Chinook salmon is worth more than one barrel of oil, here's a simple question for you during this difficult fiscal time: how much money does the State of Alaska make off of the commercial fishing industry? Specifically, what is the *Net Return* to the State after expenditures spent in direct support of the industry are deducted from the taxes and fees generated? Before you answer this question, let me first give you some statistics published by the Marine Conservation Alliance in their report titled *The Seafood Industry in Alaska's Economy*, published in 2011 and based on 2009 statistics:

- In terms of both volume and ex-vessel value of commercial fisheries landings, Alaska leads all states;
- In the list of the top 50 U.S. ports based on volume, Alaska has 11. When based on ex-vessel value, Alaska has 10, with 8 of them in the top 20.
- Alaska accounted for 95% of total U.S. pacific salmon landings in 2009.
- If Alaska were a nation, it would have placed 14th among seafood producing countries in 2008.

Let me also tell you that I have asked the same question to a variety of people including State Representatives, State Senators, members of Governor Walker's staff as well as many friends and acquaintances, some of whom have been commercial fishermen in the past. To a person, all of them have over estimated the actual return to our coffers. They too have heard the advertisements paid for by the commercial fishing industry (and the State of Alaska) espousing how great commercial fishing is for Alaska coffers. They too have bought into the big myth that commercial fishing adds significant dollars to our State budget.

So what is the answer for this multi-billion dollar industry? How much do we actually make on our fish? The answer: About \$24 million dollars. (That's million with an "M".) To put that in perspective, the State spends about \$35 million plus a day (enacted 2015 \$12.8 billion dollar budget over 365 days). We don't even make enough money from selling all of our fish to fund our State government for ONE DAY! Nearly 2 million metric tons of fish harvested from our waters annually and we can't even fund the State budget for one day with the money we receive for our fish.

To be fair, the values I give are somewhat outdated. They are from the 2008 Alaska Economic Performance Report published by the Commerce Department. Since 2009, the Commerce Department has not published the "*Net Return to the State of Alaska*" in their annual *Economic Performance Report*. Instead, their reports talk about how much money is generated from the various industries, but they fail to mention how much money the State spends in support of those industries. This is akin to only putting credits in your checkbook register and failing to add the debits. Look at how much money we have added to our checkbook! Instead it perpetuates the myth—the lie if you will, that the commercial fishing industry greatly adds to our State coffers. I am sorry to say, that is not the case. We receive a pittance of what our fish are worth.

Those ads we hear on the radio by the commercial fishing industry talk about the number of jobs commercial fishing provides for Alaskans. They fail to mention that over 74% of the workers in Alaska's seafood processing industry are non-residents (*Rate of nonresidents holding Alaska jobs climbs for the fourth straight year.* www.ktuu.com, February 1, 2016). Or that the majority of fishing permits are owned by non-residents. Alaska Dispatch just reported on January 15, 2016 that "*forty years ago at Bristol Bay, 36 percent of the more than nearly 2,000 permits were held by locals and 64 percent by nonresidents. By 2013, the numbers were 19 percent local and 81 percent nonresident. Similar trends, by varying degrees, are happening in other regions as well.*" (<https://www.adn.com/article/20160115/alaskans-own-dwindling-number-alaska-fishing-permits>).

The Alaska Seafood Marketing Institute (ASMI) perpetuates the lies and myths through their advertisements and publications. They claim in their December 2015 publication *The Economic Value of Alaska's Seafood Industry* for instance, that the Seafood industry contributes \$76.1M in tax revenues to the State of Alaska with \$39.8M going to the General Fund. Like the current Department of Commerce's economic performance reports, they fail to mention how much money the State pays to support the commercial fishing industry, however. The Alaska Department of Fish and Game, in just one example, brings in around \$16.2 million dollars from the commercial fishing industry. At face value, this sounds great. But ADF&G spends over \$42.5 million in support of the commercial fishing industry (at a loss of \$26 million). ASMI's 2015 report also takes credit for "industry self assessments" basically taxes they impose on themselves to enhance and support their industry. They collected \$10.2 million to fund ASMI for instance. They collect money to advertise selling our fish for their benefit and they want to show this as tax monies generated for the people of Alaska? This is disingenuous at best. They also fail to mention the actual dollar amount the State annually gives to ASMI to advertise and market our fish. The Juneau Empire reported on November 13, 2015 that ASMI would receive \$24.8 million in State funding.

Alaska produces more than half of all U.S. seafood (*2013 Alaska Economic Performance Report*). According to the ASMI's 2015 report, the Alaska seafood industry creates an estimated 111,800 jobs, \$5.8 billion in annual labor income and \$14.6 billion in economic output throughout the nation. These numbers are both awesome and impressive. What is not impressive is the fact that the State of Alaska only nets \$24 million from our fish. Why are we not collecting more money for our fish? Why is ADF&G spending \$42 million to support the commercial fishing industry and only bringing in \$16 million. We can't even get ADF&G to spend \$100,000 to fix the O'Brien/ Haley Creek Road used by thousands of Alaskans for reaching dipnetting grounds, but they can take a \$26 million dollar loss every year?

Raiding the Alaska Permanent Fund to fund our State budget is not a solution. It is theft. A better approach is to raise the fees and taxes on the commercial fishing industry and start actually getting a decent return for our resources. The same is true for the mining and timber industries. Mining actually adds significantly more to our State coffers than

commercial fishing—about five times as much. Non-resident cast members of the reality show *Deadliest Catch*, which often brags about how much money the boats and crewmembers make for one short season, should think about that before they protest the proposed Pebble Mine.

In addition to getting more for our fish and other resources, we should implement an income tax with a tax credit given to Alaska residents who qualify for the Alaska Permanent Fund. A 6% income tax with a credit up to \$6,000 for Alaskan residents would ensure that all residents that make under \$100,000 would pay no tax, and those that make more than \$100K would pay 6% on the amount over that ceiling. There were **87,888 non-resident workers in Alaska in 2014** (*Nonresidents Working in Alaska: 2014* Alaska Department of Labor and Workforce Development, January 2016). Both the seafood industry and oil industry added more non-resident workers than resident workers. According to the report, nonresident wages increased 7.0 percent to \$2.6 billion. That's \$2.6 billion dollars generated in our State and left our State. A 6% income tax rate could generate \$156 million from non-residents alone and at least keep a fraction of that lost money here in the State.

There's an old joke that 78% of all statistics are made up on the spot. Don't take my word on any of the figures you have read here. You should do your own research as I have and weed through the hype and myths perpetuated by the commercial fishing industry. There is no denying that the commercial fishing industry is a huge and impressive economic force in the State of Alaska. That is true. What is not true, however, is that the industry supplies a great deal of monies for our State government. There are a lot of people getting rich off of our fisheries resources. The State of Alaska—and the majority of its residents—are not part of that group, however. Think about that the next time you hear or see an ad by the Alaska Seafood Marketing Institute espousing how great the industry is for the State of Alaska. Think about that the next time the Board of Fish limits subsistence, personal use, and sport fishing in favor of the commercial fishing fleets like they have done time after time.

Sincerely,

Jake Sprankle
2665 Monteverde Rd.
Fairbanks, AK 99709
jakesprankle@gmail.com
(907)-590-3462

February 3, 2016

I would like to express my opinion on the proposals set forth by Governor Walker, the legislators, lobbyists etc. i.e. the political machine of the state of Alaska regarding the taking of the residents of Alaska's PFD and raising or implementing taxes. I have no doubt that the state is in financial trouble, but how did this happen? Let's look at the real cause of this situation: Racketeering by every politician and lobbyist in this state, due to the breaking of trust of the "Peasants" that put them in office and the mismanagement of every single thing they have been entrusted to manage. We therefore have a cluster of the state's fiscal Liability. A politician and lobbyist are a little above a pedophile and just below a horse thief as once described by one "ole-timer". Now, let's see whose running to support new taxes and fleecing of the permanent fund dividend. Well, first we have the labor unions that no doubt have been promised some job contracts, then we have the state employees who we all know deserve our money more than we do. How else would the DOT plow the bike paths here in Tok on Sundays, unless there is excess money to waste? Let's not forget the schools that spend the most money per student yet is dead last academically of all 50 states. This is not to mention that Alaska is rated the 7th most corrupt State in America. We are also rated the most violent per capita. GOOD JOB Political Machine!!

Now I have a few more things to mention about the town I live in. Tok, with approximately 1200 residents has three clinics, two of which are native and one which is state. The state clinic is manned full-time by a clerical person, but only has medical personnel once a week. Do we really need to keep this state clinic going when we have two others staffed with medical personnel all the time? We also have a full time legislative office that we really don't need. By the way, the building which the LIO rents here in Tok is owned by an ex-politician (so goes the rumor). I have to throw in the bio-mass boondoggle for the school that so much money has been invested in. Also, why do we need to pay for a superintendent of schools along with an assistant superintendent for such a small school district?

I say all this to try to point out to you great managers that you have not cut near enough or even care to cut enough to begin managing this state. Now you want the peasants to give you more money to waste when you couldn't manage or plan for the money you had.

So now let's get everyone we can together and on-board and extort the PFD and create taxes to keep our rackets going. **Typical Politician** Make the peasants believe that some-how they were involved in the mismanagement of the states money and make them agree to give "us" more or we will pull the plug on ALL these programs. Well, you hacks.... That's exactly what needs to be done... CUT programs without adding taxes or touching the people's PFD money. Start Over at the bottom is the only way to begin to get things back in order. One more thing, all you politicians and lobbyists who are on board with this, Watch-out, your days in office are numbered. My family and I all vote and we will make sure we vote against anyone who is involved in this scam against the residents of Alaska.

Patrick Woody

PO Box 1028 – Tok, AK 99780

Before we let our Governor or Legislature charge us one dime in tax, take away the Permanent Fund Dividend or cut the budget, we need to tell them to completely rid our tax laws of all the unconstitutional oil tax credits /payments that are made to private companies to subsidize private profits. I'm speaking of all the oil exploration credits, per \$5/8\$ barrel credits and tax exemptions included in SB21.

Article 9, section 6 of our Constitution states, "No tax shall be levied, or appropriation of public money made, or public property transferred, nor shall the public credit be used, except for a public purpose" . Yet our Governor and Legislature continue to fund this unconstitutional private corporate purpose. Our Constitution requires our resources be used for public purposes such as public safety, roads, education, and public health and not to pay welfare to a private oil company to subsidize its profits.

In addition to violating the public purpose provision of our Constitution, the tax credit system corrupts the public process in two primary ways. First, it keeps the beneficiaries of the payments secret because the credits are deemed to be confidential tax information. Secondly, it helps hide the credit program from budget cuts because the revenue the Legislature budgets to spend has already been reduced by all of the oil credits. Under the normal budgetary process of open government, when Alaska decides to build a public road, school, dock or a ferry, the contract is open to the public and each individual project is openly discussed. A bill is passed, signed by the Governor, and contracted to an open bidder. We know who and how much is being paid. We can exclude contractors who have shady records. The project is owned by Alaskans and is designed to serve a public purpose. Alaskans can directly verify that the project exists. Under the tax credit system, we don't know who was paid, how much they were paid or even if anything was ever built or accomplished. It is illegal for anyone to speak of the details of any of the expenditures reimbursed to the oil companies by the State because the credits and payments are issued using the Department of Revenue's confidentiality rules self-imposed by the Legislature. The Legislature has essentially criminalized open government. This is bad public policy and bad governance. All Alaskans have the right to know who is spending our money, how much is spent and what public purpose was accomplished. Our Legislature keeps the oil industry's information secret to our detriment. Perhaps only the few connected legislative leaders and their top political contributors know the details of this information. An ordinary Alaskan's only source of the credit payouts so far has been oil company bankruptcy filings.

It is long past the time to completely end the unconstitutional oil tax credit program just as the legislature did for the film credit program. Once the entire oil industry written tax credit program is removed from our tax laws, we will be able to plan for a future based on real economics instead of subsidies and slogans. If a Legislator can show economically how any of these former credit amounts would serve a public purpose in Alaska in can be addressed in the budget. This will allow for vetting and prioritizing of projects just as we do for every other expenditure for public purpose.

The successful private oil industry exists because prudent people using the best information available decided to drill a well after assessing that the reward will be greater than the risk. Today new unsubsidized wells are being drilled around the world despite the low prices, so why would we set up a credit program that incentivizes drilling only uneconomic wells which drain our oil and cash reserves in the process? If our Governor and Legislature honored our Constitution, this would not be an issue.

Wayne Blank, CPA

Daniel George

From: Cathy McCorquodale <cathymcc@gci.net>
Sent: Thursday, February 04, 2016 2:02 PM
To: Senate State Affairs
Subject: SB128

I support SB 128! I DO NOT support SB 114.

Sincerely,

Cathy McCorquodale

Daniel George

From: Clare Hill <chillydog1990@gmail.com>
Sent: Thursday, February 04, 2016 4:02 PM
To: Senate State Affairs
Subject: Testimony on Senate Bill 128

To the Committee:

I am a 25-year resident of Fairbanks and a recently-retired public school teacher. I vote in every election: national, state, and local. My voting status is Undeclared.

I am writing in support of Governor Walker's Permanent Fund Protection Act. I fully support his plan to restructure the Permanent Fund and cap the dividend at \$1000.

I believe this is a very important component of a multi-faceted plan to solve our fiscal crisis. I also support a state income tax, a limited state sales tax, restructured oil/gas taxes/credits, a gasoline tax, and an end to megaprojects.

I believe that the sovereign wealth plan, along with a state income tax and a small sales tax would be the most fair and equitable way for all Alaskans to "share the pain" and to participate in their government.

Thank you for your attention,

Clare Thurmond Hill

4320 Parks Ridge Rd.
Fairbanks, AK 99709 (residence address)

P. O. Box 196
Ester, AK 99725 (mailing address)

SB 128 public testimony
packet #3

3
(25)

Daniel George

From: Elizabeth Breuker <ekbreuker@gmail.com>
Sent: Thursday, February 04, 2016 6:41 PM
To: Senate State Affairs
Subject: SB 128

Hello,

I am providing written testimony about SB 128.

"Don't. Touch. My. PFD. It is not now, nor ever was, up for grabs. Cut needless State government positions instead. For example, there is no reason to have a DOL Employment Field Tax Officer AND a Wage and Labor officer. Those duties can be combined into one position. Get the government down to bare bones-essentials. Reduce, or better yet, abolish Legislature per-diem allowances. The oil belongs to Alaskans, not the government. New revenue streams is bunk-- I want to see reduced spending and cuts. We cannot spend our way into prosperity. I ask you to research, and implement, the economic ideas of Brad Keithley, Michael Chambers, and James Squyres. These men have extensive and invaluable knowledge in economics and finance, and Alaska will be better off with their Sustainable Budget plans. Don't touch my PFD. It was never yours to begin with."

Sincerely,

Liz Breuker
Deltana, AK

Daniel George

From: Angelika Harder <arcticgreyhound@yahoo.com>
Sent: Thursday, February 04, 2016 5:46 PM
To: Sen. Bill Stoltze
Subject: budget

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Dear Sir

As the legislature got underway I have watched with increasing anguish how powerful lobbyists are trying to steal funds from Alaskans to further their own ends. Capping the dividend and turning it over to GCI and the unions seems a very poor use of these funds, that were set up to the benefit of all. The AFL-CIO isn't interested in what's best for the general public. Their interest solely lies in maintaining their power and continuing the union dues at the current level, which means keeping as many state employee with raises as possible.

In my opinion the first thing that needs to happen is to shrink our over-bloated government. The legislature should concentrate on the primary functions of government (police, fire infrastructure) and supporting more oil production. While a gas line is nice, I am sure we should concentrate on putting more oil in the pipeline, so it does not shut down.

Cut education since the NEA's motto seems to be "more". It is high time that all communities contribute to education not just the big population hubs. Alaska already spends the most on education and we rank at the bottom of list!

The other elephant in the room is Medicaid. Medicaid was establish as a temporary means to assist individuals with their healthcare. This seems to have become a life-time entitlement and individuals are not motivated to improve their situation. Maybe we should consider capping Medicaid eligibility for able-bodied childless individuals to 18 months to 2 years. This would allow them to find improved circumstances, but not simply let them assume that the state will provide indefinitely. To my knowledge Arizona has instituted this rule.

In closing I would like to convey that adjusting the budget to the needs not the wants should be the first order of business before allocating the permanent fund and raising taxes to maintain an unsustainably large government. Just say "NO" to the governor's plan to re-appropriate the people's money for his buddies and supporters.

Respectfully
Angelika Harder
Eagle River

Daniel George

From: Douglass Gerke <douglassgerke@hotmail.com>
Sent: Thursday, February 04, 2016 5:37 PM
To: Sen. Bill Stoltze
Subject: Annual budget

Before any consideration is given to new taxes or fees, modification of the permanent fund or ANY new projects or programs, serious evaluation of the appropriateness and need of the existing projects and programs must be done.

Any project or program, etc. that involves grants, subsidies and so forth, that does not directly benefit the State at no additional cost to the State must be eliminated. The State cannot afford to fund feel good programs. In addition, the continual funding of programs and projects that have no likelihood of completion and/or have no economic return to the State must be defunded immediately.

Bottom line: if it's not essential under the Constitution, it needs to be eliminated.
The Budget must be substantially reduced again and no new spending items should be included in the budget.

Thank you

Daniel George

From: frank kelty <fvkelty@gmail.com>
Sent: Thursday, February 04, 2016 6:40 PM
To: Senate State Affairs
Subject: SB 128

Chairman Stoltz

I'm writhing on behalf of myself today, I accidentally sent my previous e-mail before I finished my thoughts, we have major needs in Unalaska the local ADF&G office doesn't have any sportfish or commercial salmon biologists, to monitor and survey the salmon streams of this area , there is no enforcement as well, hell this summer we had folks fishing for Reds right in the mouth of a local salmon stream on the road system. The local school district is facing a deficit of \$600,000 this year as you are aware 80% of a school districts budget is teachers and benefits we will either not replace of layoff teachers this year **WE DO NOT NEED FURTHER CUTS! WE NEED TO RAISE REVENUES NOW !** Once again we need to use SB 128 or SB 114 and move forward with and income tax, sales taxes and reduce to the oil tax credit program.

Thank you
Frank Kelty
45 year resident of Unalaska
City Council Member
School Board Member
Former Mayor of Unalaska

Daniel George

From: Jared of Kasilof <cellardooroantietam@gmail.com>
Sent: Thursday, February 04, 2016 6:03 PM
To: Senate State Affairs
Subject: Re: PFD Garnishment Comment

I would like to follow up on my previous email:

3. Increase taxes on Fisheries, Tourism and Mining.
4. Reduce education and social service grants

A family of 4 would lose \$8,000 if they lose their PFD based on the Governor's plan. How about letting a family of 4 keep their PFDs and create a income tax that captures the income of all workers, even non residents, and letting Alaskan families keep their PFD.

5. Any community that asks for capital projects from the State must prove they have expended all their own resources first. Ex: Kenai wants a free upgrade to their city water system. Kenai also has their own PFD, minimal property taxes and no fisheries tax. Deny their request until they, and every community funds their own projects.
6. Eliminate Sustina Dam, knik arm crossing, rocket launches in Kodiak, road to Ambler.
7. Once all this is done, than see how much is left to raise for funds and hold a hearing on the PFD.

Thank you!

Jared Hakkinen,USA
(907) 929-2414

On Thu, Feb 4, 2016 at 5:56 PM, Jared of Kasilof <cellardooroantietam@gmail.com> wrote:

I would like to express my discouragement from going after my PFD.

As you know, 20% of the workforce are out of State. Why go after every Alaskan's PFD and not first and foremost make things fair in terms of paying State Services?

I think the focus should be on the following:

1. Income tax.
2. Increase the base tax rate on oil companies when oil prices are low

Daniel George

From: johnjune@horizonsatellite.com
Sent: Thursday, February 04, 2016 5:19 PM
To: Sen. Bill Stoltze
Subject: governor Woalkers budget plan

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Dear Senator Stoltze,

I listened to the governor's speech to Alaska, and read and heard of the his budget plan. I can't agree with his proposal on how he want's to handle the permanent dividend fund or having income tax. After looking at how much the states budget and has increased in the last ten years, especially education and health and human services. I believe your budget needs to be cut first, and I think you need to take this one year at a time.

Alaska government is way out spending most other states, in many areas, and surely for those people that has been in the legislature the last several years surely new that their spending was unsustainable.

My family has to budget according to our means..so do you.

Thank you

Lois J Leto

Daniel George

From: Luana Stovel <luanastovel@gmail.com>
Sent: Thursday, February 04, 2016 5:17 PM
To: Senate State Affairs
Subject: Budget - Three words

Hello,

I do not oppose using Permanent Fund earnings if, and only if, you institute a STATE INCOME TAX. It is the only truly fair way to levy all people working in Alaska. I would gladly pay 15% of my Federal taxes to help offset the deficit we face. It would capture revenue from non-Alaskans who make their livings here but choose to reside elsewhere. A state sales tax would hurt the less advantaged in our state population. Please consider a state income tax. Just using Permanent Fund earnings is not the best approach though it appears to be the easiest. Does our state need \$3,000,000,000 in funding per year? Time to cut back.

Thank you,
Luana Stovel
4255 Pleasant Way
Homer, AK. 99603.

A proud Alaska resident since 1977

Daniel George

From: Lynette Clark <dclark@acsalaska.net>
Sent: Thursday, February 04, 2016 6:01 PM
To: Sen. Bill Stoltze
Subject: sb128

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Please do not pass this...it is a knee jerk reaction to what is a large problem but also an economic punishment on Alaskans before both houses can work on making cuts to the budget to alleviate the deficit Alaska is facing. I also believe there should be more in-depth contact for Alaskans to have a fuller understanding and input on the subject than what we are getting. I want a vote on this since it will be changing the structure of the 1979 vote of the people to put the formula in place for the dividends. The PFD is our corporation and any changes to be done to it needs to be a vote of the people, not the back door run in the form of SB128 this Governor is pushing. I want both houses to put aside their politics and party's' and represent what will be best for the population of this state while complying with our Constitution. This debt is fixable without SB128! There are solutions without taking from the citizens over and over again...build a better plain, give it time to develop, then bring it to the people. Use that Reserve, that's what it's for, and wipe out the debt, then tighten the budget belt with reasonable cuts. But this, SB128, is a bums rush and poorly planned. Thank you and please reply.

Lynette Clark, Chairman
Alaskan Independence Party

Daniel George

From: Mark D <markdondore@hotmail.com>
Sent: Thursday, February 04, 2016 5:23 PM
To: Senate State Affairs
Subject: SB 128 PERM. FUND:DEPOSITS;DIVIDEND;EARNINGS

Regarding the appropriation of PFD funds to rectify budget deficits:

"The fund was created because the legislature spent all \$900 million of that initial (oil) lease money within a few years" (and) Alaskans ... "wished to better safeguard the robust income forthcoming from the pipeline" (i.e. from government spending). <http://www.apfc.org/home/Content/aboutFund/fundFAQ.cfm#create>

It's been my experience that many government entities create their budgets based upon the previous year's budget rather than actual need; and there tends to be a culture of excess often built into discretionary spending. Additionally, when a government or organization expands the means of income to include a new type of revenue stream, unless there is a specific allocation for that revenue it is subject to become discretionary spending (and inherent excesses). In my opinion, this what the creators of the permanent fund were intending to prevent.

Another item of concern to me is that there is no language about the draw from the fund being temporary in nature, which implies a permanence of the proposal.

As the bill stands- with no termination date or specific allocations, I cannot support it.

Best regards,
Mark Dundore
Juneau

Daniel George

From: The Sutton Clan <thesuttonclan1997@gmail.com>
Sent: Thursday, February 04, 2016 6:19 PM
To: Senate State Affairs
Subject: SB128 opposition

Follow Up Flag: Follow up
Flag Status: Completed

Hello,

I believe we should have an income tax ,sales tax, and lower spending before we reduce the Permanent Fund. If you do decide to go after the PFD let's get our dividends spent back in our state.

Under AS 43.23.008. (Allowable absences) individuals still receive dividends and are spending them outside of our state. The list in fact is long and after starting to type them I gave up because I didn't want to labor you in reading them all. The 17 exceptions can be found

at: <https://pfd.alaska.gov/LinkClick.aspx?fileticket=VZb4QEzdRuA%3D&portalid=6>

I don't want to argue with any of the allowable absences. There are circumstances outside of our control or applicants who serve our State and Nation that require them to reside at an address outside of Alaska. What I am proposing is that when an individual is approved for a dividend with an allowable absence the state will hold that dividend in escrow until the individual returns. For example: An individual with dependents on Active Duty is stationed in Alaska for 4 years and stationed somewhere else for the next 5 yrs. Providing that the individual and dependents meet all the requirements they are approved for dividends but will not receive their first absent dividends until they reside in the state. Instead of receiving a lump sum of dividends when the person(s) returns I am proposing the first absent dividend is dispersed in addition to the current year they are applying for. Essentially they will get two dividends per year upon their return until they catch up.

I believe if a law is introduced/passed to escrow allowable absence dividends we will see potentially three things happen:

1. The assets of the Permanent Fund Dividend will grow.
2. Economic advantage within the State of Alaska.
3. Larger future dividend amounts.

As you read this it should be noted that individuals come and go with no intentions to be lifelong Alaskans but they fit in one of these exceptions and pull down our dividend amount in return. Let's take back our future and

ensure allowed absences are legitimate and ensure these folks come home to receive dividends. I encourage you to discuss this among your cabinet members,

Thank you and God Bless,

Matthew Sutton

North Pole

Daniel George

From: Nancy Kimball <nkimball227@gmail.com>
Sent: Thursday, February 04, 2016 6:32 PM
To: Senate State Affairs
Subject: PFD

You need my PFD. Fine, it's all yours. Take the whole damn thing.

As long as this state continues to write checks to babies crawling around in Pampers, the PFD is simply a reward for having kids. I'm single so at worst I'm out a grand or so. No big deal.
Your gripes will come from those parents used to getting THOUSANDS of dollars dumped ion their laps. It is about time that stops!
(and don't tell me it goes to the kids. I'm a 30 year retired elementary teacher.....and I know better!)

Daniel George

From: Newton Bingham <newt@mtaonline.net>
Sent: Thursday, February 04, 2016 6:38 PM
To: Rep. Jim Colver; Rep. Lynn Gattis; Rep. Mike Hawker; Rep. Shelley Hughes; Rep. Wes Keller; Rep. Mark Neuman; Rep. Cathy Tilton; Rep. Mike Chenault; Sen. Mike Dunleavy; Sen. Cathy Giessel; Sen. Charlie Huggins; Sen. Pete Kelly; Sen. Anna MacKinnon; Sen. Bill Stoltze
Subject: Suggested changes to reduce government costs and increase revenue
Attachments: Suggestions to cut State costs 2016.pdf

Legislators and Senators,

I have attached my suggestions that will reduce government expenses, utilize Alaska's resources; and some acceptable revenue enhancement methods. I adamantly will oppose any legislation to change the permanent fund distribution; however, will support voter approved withdrawals from the permanent fund principal if there is a reduction of government expenses and accountability imposed on each branch.

Your work is appreciated but normally it is done without thanks, so I say

Thank you,

Newton Bingham

17950 E Purser Pl

Palmer AK 99645

newt@mtaonline.net

February 4, 2016

Dear Senators and Legislators,

As a senior working Alaskan resident who wants reduced government costs, I ask you to critically evaluate each function of State government with the question, "why should all Alaskans pay for this...what benefit do all Alaskans get from it"? What accountability does each Department have for the assets they are entrusted (land, resources, funding, etc.)?

Note that there are only three functions required of State government; they are to;

1. Provide education (K-12),
2. Provide for Public Safety and
3. Provide for safe transportation.

Budget Reduction suggestions:

1. Eliminate all of the State Departments and Divisions that have a questionable function.
2. **University of Alaska** – is a land grant college which means it was given ownership of state land to support itself (totally), are they doing this? (no)
 - a. This is not a mandated educational function of government that taxpayers are required to pay over \$360 million a year when students can go to another state for a college education.
 - b. UA employs more staff (4849 positions) at taxpayer's expense than any other Department in State government (HSS-3623, DOT-3791). This is not an acceptable budget cost.
 - c. The University trains students in business management, surely UA should be able to easily invest its assets and get a return of 6% per annum. You should require UA to sell the land they control if they cannot realize investment income to pay for their all their expenses. This land will increase the borough tax bases in Fairbanks and Mat-Su (APU is doing this, but not UA).
 - d. UA should be able to demonstrate that >90% of the graduates get job offers in each degree program or state funding for that specific program should be eliminated and not supported by Alaskan tax payers.
3. **Mental Health Trust Land** -DNR & HSS are tasked to manage the land to pay for mental health services and costs. They need to sell the land or develop it to create funding for the intended purpose without requiring additional state funding from taxpayers.
4. **Department of Agriculture** – Land under its purview should be sold more rapidly to pay for this function, e.g. Point McKenzie "farm land" sold to the private sector would grow into a suburb of Anchorage, increase the tax base for the Mat-Su, and possibly justify the KABATA bridge project.
5. **Department of Natural Resources and Parks** –
 - a. They should manage the resources entrusted to them to pay for their operational cost as you would manage a forest for a sustained yield. If they cannot, what acceptable criteria should be used to justify their need for annual taxpayer funding?
 - b. This Department has a staff of 1060 and has realized minimal budget cuts, this Department should be required to manage the vast resources of Alaska at no net cost to taxpayers
6. **Department of Labor** –
 - a. Give back to the federal government the functions that the State assumed to reduce costs i.e. OSHA
 - b. Should work with the Department of Education to provide optional technical vocational training for students as part of high school curricula to change the high school graduation rate from 76% to over 95% and providing graduates good employment skills. This has the potential of reducing unemployment, welfare and crime.
7. **Department of Environmental Conservation** - give back to the federal government (EPA) the functions that the State assumed thereby reducing the Department's expenses.

8. **Health & Social Services** –
 - a. Welfare should not be offered to able body people, there should be a welfare-to-work program where the state would subsidize industry and business to hire and train / work people on a 4 year "apprentice training plan" with the state paying 75% of the wage the first year and decreasing the subsidy by 25% per year. Note that welfare payments are tax free and payments are much higher than to an individual paying taxes and working for wages wage, so make the plan "no willingness to work= no welfare, no food stamps, no free lunch". This was a requirement in the Knowles Administration and it worked.
 - b. Industry will then manage the cost of employee health insurance, indirectly paid by the State to the employer and the workers will pay their own way.
9. **The Division of Elections**
 - a. should set up electronic voting similar to signing up for the PFD, Currently only electronic absentee voting can be done in a very tedious manner unlike signing up for the PFD. Electronic voting is currently offered by many utility companies
 - b. Provide a language translation on the web to native Alaskans in their native language in lieu of paying the expense of translators in the villages. My family does this with my 100 year old mother who wants to continue voting.
10. Set up a **website managed by the legislature** where Alaskans could make suggestions how to cut government costs without giving their names or addresses so there would be no repercussions if they work within state government. This cannot now occur within the Governor's chain of command e.g. the DOA requires all travel by state employees be processed through a travel agency that DOA contracted at a surcharge of about \$14 per airline ticket or car rental. Is this cost effective?

REVENUE:

Only after the all the **spending cuts** noted above are made and maintained, will I then support implementing any taxes or use of the Permanent Funds. Currently Alaskan voters do not believe that the legislature or Governor is managing state business cost effectively.

Do not change the permanent fund plan or its calculations in any manner as this distribution to Alaskans greatly supports Alaska's economy.

Suggestions:

- **Permanent Fund** – If the price of crude oil is less than \$50/bbl (average during the fiscal year) and only during an election year (every other year), allow Alaskans to vote on a referendum to allow the legislature to withdraw from the principle in the Permanent fund only enough money to make up any actual deficiency in the Budget Reserve Fund but not to exceed \$3 billion. This could be repeated only during every election year in the future, never borrowing for anticipated future expenses. This can be initiated in November 2016.
- **Income Tax** - I would only support a **capped income tax** per person equal the PFD dividend of the same year as proposed by former governor Jay Hammond. Thus the PFD dividend would negate the income tax for Alaskans but generate taxes from nonresidents earning wages in Alaska i.e. slope workers, fishermen, construction workers.
 - Note there would be additional **administrative costs** to set up a **IRS type function in the Dept. of Revenue** which to me is very undesirable.
- **Sales Tax** – A seasonal sales tax would be acceptable during the tourist season to pay for the additional cost imposed on Public Safety and Transportation.
 - Also I request that a **dedicated State sales tax** be levied on **gasoline** that is dedicated only to transportation and public safety since DOT/PF construction contracts provide major support and employment to all areas of the state. If this tax revenue goes into the general fund and is redistributed to Departments in the current prorated manner, then only 4% will be returned to fund the transportation industry.

Sincerely,
 Newton Bingham
 17950 E Purser PL
 Palmer, AK
 newt@matonline.net

Daniel George

From: pstark@mosquitonet.com
Sent: Thursday, February 04, 2016 6:22 PM
To: Senate State Affairs
Subject: SB128

I fully support SB128 and the Governor's Alaska Permanent Fund Protection Act. Alaskans have been paid to live in the state since the oil pipeline began. The permanent fund was not created as an entitlement It was for a rainy day when oil prices or reserves declined. Now is the time and Alaskans must step up to the plate and approve this bill. We cannot afford to ruin our schools and university because we want a large dividend. I would support taking all the dividend money and supporting education, social services, all infrastructure Please pass this bill.

Patricia Stark
P.O. Box 82525
Fairbanks, AK 99708

Daniel George

From: Sen. Bill Stoltze
Sent: Thursday, February 04, 2016 5:16 PM
To: Senate State Affairs
Subject: FW: Governor Walkers budget proposals

From: Paul Winkel [mailto:pdwinkel@yahoo.com]
Sent: Thursday, February 04, 2016 4:40 PM
To: Sen. Bill Stoltze <Sen.Bill.Stoltze@akleg.gov>
Subject: Governor Walkers budget proposals

I won't be able to attend the hearing on Governor Walker's budget proposals. I did want to contribute my views on our current budget crisis.

I know there are many budget cuts being proposed. I hope any cuts being made would be of capital projects. We don't need any more cuts in services and education. The main focus should be additional sources of revenue. As Jay Hammond said, it was a mistake to eliminate a state income tax. People got an entitlement mind-set of expecting a PFD check every year, and having no responsibility toward paying their way for our state services or infrastructure.

I would like to see the pain spread around equally as much as possible. Everyone should feel the pinch, but no one should be disabled. I am in favor of a more or less even revenue split between the Permanent Fund (capping the PFD at \$800 or so), a state income tax and a state sales tax to close the budget gap. Taxes can and should be structured to weigh more heavily on out of state travelers and workers. Resource consumption, extraction industries (timber, mining, fishing) should pay a fee for use of something all residents own in common. Taxes paid should be deductible on federal taxes.

Programs should pay their own way as much as possible. Gas taxes should pay for road clearing and repair, with additional taxes levied against those who choose to use studded tires. Tobacco taxes should pay for smoker's health care, alcohol taxes should pay for treatment programs.

I have painted my views with a broad brush. The rest is up to the Legislature. Thank you for inviting public comment on this critical subject.

Paul Winkel
18514 Olivia Drive
Eagle River, AK 99577
pdwinkel@yahoo.com

Daniel George

From: frank kelty <fvkelty@gmail.com>
Sent: Thursday, February 04, 2016 6:19 PM
To: Senate State Affairs
Subject: SB 128 and SB114

Chairman Stoltze,

I'm writing in support SB126 and Senator McGuire bill SB114 I believe it is time to use a portion of the Permanent Fund Dividend to fund our government. I also support a state Income tax, a state sale tax in 3% range and I believe the oil tax credit program needs to be amended to reduce the amount of funding going to some of the worlds wealthiest corporations. I believe all of the state mega projects should be mothballed at this time including road out of Juneau, Knik Bridge and other large projects. I can't say strongly enough that we can't cut our way out of situation in rural Alaska communities we have already been cut to the bone; in Unalaska we have seen reductions in Public Safety, PV Stimson removed last year along with the troopers, the number #1 fishing port in the nation has 1 brown shirt left, ADEC has only one seafood inspector to cover large shoreside groundfish plants, plus the offshore catch processors that do offloads in Unalaska.

Daniel George

From: Sandy Dauenhauer <ravensandyd@yahoo.com>
Sent: Thursday, February 04, 2016 5:14 PM
To: Senate State Affairs
Cc: Rep. David Guttenberg; Sen. John Coghill

I ask the legislature to adopt Governor Walker's proposed budget with minimal changes. I think all of its elements taken together make sense and get us very close to avoid falling into a fiscal abyss, at the same time stabilizing the Permanent Fund and its dividend. The legislature must not duck this issue. Without action this term, the state faces the prospect of real financial ruin that will be linked for decades to the names of those in office at the time. The deficit cannot be erased by cuts alone, as has been pointed out by several reports, including that by the legislature's staff.

Unless we pay for the services we receive, we essentially have no influence on our own state government. Many are most concerned, of course, at the prospect of changing the dividend program and re-instituting an income tax. Constituent education is required for those who moved here after or were born after the start of the dividend program and the ending of state income and school tax, and individual legislators should be speaking honestly to residents about the realities of our responsibilities as citizens to pay for our government ourselves, and not leave it to giant corporations in a global industry. Many complain of how expensive these services are, yet very few of the services provided by statewide government are funded by residents at all. The state collects only a pittance of minor taxes that do not come close to the amounts needed for, say, highway and airport maintenance. As far as I know, I pay nothing for state troopers, state firefighters, the elections division, the legislature itself, etc. and yet I expect them to be there doing their jobs. Someone must pay those bills, and in a democracy, we residents must be mature enough to accept at least part of that responsibility.

I have lived in Alaska for 46 years, having arrived in Anchorage a few weeks before the \$900,000,000 oil lease sale in 1969. I paid income tax and school tax throughout the 1970's, as well as local property taxes, and I clearly remember the discussions that created the Permanent Fund. At its inception, the dividend was to be \$50 per year of residency up to a ceiling of 20 years, to top out at \$1,000 maximum per year. This was to encourage people to stay in Alaska for the long haul, rather than live in the state for a few years, collect the dividend, and go back "home". It would also have reduced the fraud that is all too familiar by lowering the payoff for short-term "residents", such as our recent reality TV actors. Unfortunately, two newly-arrived attorneys – Ron and Penny Zobel – didn't want to put in their time, took the state to court, and this system was declared illegal and the present system was initiated.

Because it depends on a volatile market, the dividend swings widely from year to year. If we do nothing to increase revenues, the dividend is projected to disappear entirely by 2020. The governor's plan, by decoupling the fund and the dividend from the vagaries of the oil market, would stabilize the payout from year to year, making family financial planning more realistic and dependable. If we are to keep the dividend at all, we must reorganize the entire fund. Stabilizing the state treasury through the creation of the governor's Sovereign Wealth Fund is the best idea to come along in decades.

The vital element is time. We do not have time to wait for oil prices to go up, for the gas line to go into construction, for the realities of the global market, distance and climate to be worked out in our favor, or for the next election. We have to do something NOW. Please vote to pass the governor's plan

Sandra Dauenhauer PO Box 418 Ester, Alaska 99725 (930 Richards Avenue Fairbanks 99709)

Daniel George

From: Tim Buckman <mini14kid@hotmail.com>
Sent: Thursday, February 04, 2016 5:24 PM
To: Sen. Bill Stoltze; tim; Tim Buckman; esther buckman
Subject: Re: Email Address

Use of the PFD

From: Sen. Bill Stoltze <Sen.Bill.Stoltze@akleg.gov>
Sent: Wednesday, February 3, 2016 3:30 PM
To: 'mini14kid@hotmail.com'
Subject: Email Address

Hello Sen.

I know your time is important so I'll keep this brief, first would like to compliment you on your integrity in thinking of the people first

I have been following the proceedings on 360 N. , for your knowledge yesterday there was a small press conference talking about

the food banks in Alaska there are 105,000 Alaskan families eating out of the food banks

The PFT is sustaining the vast majority of low income Alaskans my family included we have been reduced to food bank and

eat mainly rice and noodles like many other Alaskan families, the governor's plan is simply to oppressive

I realized the need to use some of the PFT money , but there are other ways,, There is the inflation proofing aspect could be used 1.3 billion there

the extra amount that would normally go back into the fund could be drawn upon for a period of time of need

Also perhaps the PFB should be preserved for lower income Alaskans may be a On the qualification as if you may \$80,000 a year

you don't need the permanent fund dividend that could be a possible solution, just so you know I talk to many Alaskans

When I'm out and about the vast majority of those I have spoken to are opposed to using the permanent fund dividend

to support government spending

You might have heard me on a.m. 650 radio again my name is Tim ,, there are 640 charitable organizations depend on the pic click and give

the PFD is interwoven into the fabric of Alaska , is a beautiful place but a very difficult place to live, from the cold weather

Bugs , road conditions long dark winter nights many people look forward to the one time a year will go get a little extra help

for some it is the only help they receive , Studies have shown the PFD contributes \$1.4 billion dollars into the economy of Alaska

Removing this source of revenue will cause many smaller businesses to fail which will in turn cost jobs to Alaskans

Most individuals that are not invested in Gov. Walker's plan when they look at the benefit of the PFD openly will and can confirm it has nothing but positive economic benefit to the state of Alaska as a whole and its residents

Please bill maintain your integrity stand against any pressure to bring down this Alaskan heritage that has benefited so many Alaskans and the state

There are others on your committees that know this please support them so they can also stand firm to protect the PFD

Oil will begin to rebound back up Maybe to \$50 a barrel, I know the throughput in the pipeline is low but if there is a balanced approach

And not a hurried judgment call Alaska will benefit, I know this is a difficult position in some ways for you to maintain but know every Alaskan

I have spoken with supports keeping the PFD in its current state perhaps they would support a 10 to 25% reduction during times of economic

difficulty for the state with the idea being if oil comes back up to balance the budget,, then the 10 to 25% reduction would be reinstated back onto the dividend

There are better ideas for the dividend other than to just consume it completely for government I would be willing to work on some of these other ideas

Anyway I have gone longer than I wanted To inflict your time with.

Sincerely

tim buckman

Daniel George

From: Vanessa Reinhardt <nessraerein@live.com>
Sent: Thursday, February 04, 2016 5:46 PM
To: Senate State Affairs
Subject: Public Testimony Permanent Fund Use

Good evening Legislators,

I am writing to offer my point of view on our current budget situation, as well as using our permanent fund, to fill in the debt gap.

It makes good sense that when one is unable to pay the bills, they first see where they should tighten their belts. It is a frustrating and embarrassing situation, but it is the mature thing to do. While pursuing the cutting of extras, outside of basic needs, we then seek new and sustainable income. On a personal level, that means taking on an extra couple jobs. On a government level, that means tapping into an annuity account (not a savings account) and developing natural resource/other opportunities.

Lastly, there are a number of well-organized entities who make it their business to be the squeaky wheel. They are well-versed in playing heart strings to their own benefit, but do not represent all Alaskans, or even the majority. I beg you to view the testimonies of these organizations through that filter.

I appreciate the sticky situation you all are in, and that politics gets in the way of making hard decisions. Thank you for taking a moment of your time to look over this lifelong Alaskan's thoughts.

Warm regards,

Vanessa Reinhardt
Wasilla, Alaska
907-414-9331

WRITTEN TESTIMONEY FOR;

COMMITTEE: STATE AFFAIRS;

Chair, Sen. Stoltz, & all Committee Members

BILL: SB 128

SPONSER: Senate Rules Committee by Request of the Governor

DATE & TIME: 02/04/2016 @ 5:30 PM

My name is DENNY KAY WEATHERS, I live on Hawkins Island in Prince William Sound. For the record I **OPPOSE** SB 128. Since the conception of "The Permanent Fund Dividend Program" (PFD) it has been a target for the Governor and Legislators any time they perceive an economic downturn.

Other than Sen. Coghill the rest of you on this Committee were not in the Legislature in 1999 when the same thing happened. Government **OVERSPENDING** and oil prices **PLUNGED** to **\$9** per barrel and Consultant Daniel Yergin was forecasting low prices for the foreseeable future. The State put out an advisory vote before Alaskans, asking if government could spend part of the Permanent Fund earnings for government purposes. The Governor, Lt. Governor and other elected officials urged a "yes" vote. **Campaign spending** greatly favored the "yes" side but the public voted "**no**" by **nearly 84%** and oil prices rose once again.

The State of Alaska's economic problems are not caused by oil prices it is caused by the State of Alaska's **OVERSPENDING!** The State of Alaska must start cutting their spending instead of looking for more money at the expense of the people of Alaska. Thank you for your time. Any questions call me at 907-253-3745 or email me at alaskanortherngirl@gmail.com

DENNY KAY WEATHERS

c/o PO Box 1791

Cordova, Alaska

To Senate State Affairs Committee Members,

I am writing to voice my concern of the state of Alaska taking the permanent fund.

Let it be known that we the people live within our means. If not, we have property and wealth taken away from us. Now, you who have not lived within your means are trying to take away from us. Once again, the government feels it can manage and spend our money more wisely than us.

You have not done enough to cut spending to justify taking more from us. It used to be where \$28 per barrel oil was more than enough to run this state. WE have had over \$100 dollars per barrel oil and you have done nothing to save. If the state has not cut all bonus' raises, advertising, grants and a minimum of 10% of all social programs than don't ask for more.

It is your job to find the wasteful cuts and I have only named a few. Cut the costly subsidies for these villages. I burn wood to save and cut my own. I am sixty-three, have a handicapped spouse, travel 225 miles for supplies and take no state funds.

Years ago another state agency was started that controlled the DOT equipment. Now each camp must rent equipment the state owns. If that is still the case get rid of that excess department.

Tighten your belt not mine!

Thank you,

Sheila Hoffman
HC60 Box 153
Copper Center, AK 99573

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Office of Sen. Stoltze

Name: Andrea Staniforth

Phone: [Click here to enter text.](#)

Address: Anchorage, AK

Message: "I've lived here since 1972. I believe that spending has gotten out of hand and they should look to other avenues besides the PFD to get their money from. I also believe they should put it up for a vote to take the money. I also don't believe it is legal for him to take it. I believe it is wrong. There's lots of other avenues they haven't explored yet."

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Sen. Stoltze

Name: Charles Wheaton

Phone: [Click here to enter text.](#)

Address: Juneau, AK

Message: "I've been homeless for 9 years. I was born in Alaska. I think the Governor, he has taken a tough position. I think he is doing a good job. I totally agree with using a PORTION of the Permanent Fund to balance the budget. It would benefit the government and citizens of Alaska. It's a tough call. Being without for 9 years, I think it's a proper thing to do. I think we can do with a little pinch in helping out with our state government. It's a little price to pay instead of going into a fiscal crisis."

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Chair Stoltze, SSTA

Name: Craig Sorenson

Phone: [Click here to enter text.](#)

Address: Anchorage, AK

Message: "I really think you guys need to find about 15-20% to cut before you dig into the Permanent Fund. You need to make it work without taking more from the people. Smaller government is going to be more of an answer to our problems than just throwing more money at it from the people. There is too much waste going on."

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Office of Sen. Stoltze

Name: Joan Truett

Phone: [Click here to enter text.](#)

Address: Big Lake, AK

Message: I think the Governor is wrong by using PFD money. That money belongs to the people. I needs to be voted on by the people. There are a lot of senior citizens that rely on that money every year. Start from the Governor and work their way down and cut wages 10%.

Daniel George

From: POMS@akleg.gov
Sent: Thursday, February 04, 2016 5:41 PM
To: Daniel George
Subject: New Pom:Budget

Ronald Benkert
670 N Tiffany Dr

Palmer 99645,
rbenkert@gci.net
317-7845
317-7845

Hi, I am writing to express my support of Governor walkers plan to balance our budget. I was born here and support restructuring the Permanent Fund, instituting an income and sales taxes and getting us out of this mess.

SB 128 public Testimony to SSTA
packet #4 (50 pages)

4

Daniel George

From: Aaron Miller <asmadmill@gmail.com>
Sent: Thursday, February 04, 2016 8:46 PM
To: Senate State Affairs
Subject: SB128

Follow Up Flag: Follow up
Flag Status: Completed

To; Senate State affairs Committee

From; A. D. Miller
50868 Maranatha Ln.
Kenai, Ak. 99611

I would like to be counted as opposing the governors proposal in SB -128. I don't trust the governor. His proposal is unnessarily complicated. The committee needs to take the lead on this and come up with an alternative that is straight forward and easy to understand. It is a trick by slick attorneys to confuse the issues. You politicians over spent for years knowing this was going to happen.

Before anything is done with the earnings from the PF you need to cut out all the give-a-ways for the last 8 years to the special interest groups you did not say no to! Cut the state employees back, the middle management, not the snow plow drivers. Cut out all the legislative aids hired for the last 8 years. You need to cap the spending budget.

Your trying to make every Alaskan pay for your overspending by giving part of their dividend. Jay Hammond knew politicians would one day try to raid the PF, and that is what the governor is trying to do. There is a way to use part of the earnings from the PF without depleting the dividend. You also need to cap the amount of the earnings from the PF that can be taken each year for state government.

I am a small business owner and I know how to balance a budget. You politicians are horrible at running the business of this great state. You need to do what you were elected to do, and that was to spend our money wisely.

Respectfully Submitted

A. D. Miller

Daniel George

From: andree <andree@andree.us>
Sent: Thursday, February 04, 2016 9:02 PM
To: Sen. Bill Stoltze; Sen. Bill Wielechowski; Sen. John Coghill; Sen. Charlie Huggins
Cc: Sen. Berta Gardner
Subject: Andree McLeod SB 128 public testimony

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Thank you for the opportunity to speak to SB 128. Please shelve this bill and stop this raid of the permanent fund because and it is rife with conflicts of interests and goes against any modicum of transparency.

This bill was crafted and hatched by the governor and who knows who else behind closed doors in secret meetings last year with a select few members of the public....while the media and other Alaskans were refused entry.

Some of these chosen people brought a whole host of conflicts of interests ...but we can't assess them because of the secret nature of these meetings.

This sort of government is undemocratic.

For instance, last week, we caught a glimpse of the secret nature of this undemocratic bill process and the people involved. Invoices of one of the governor's lobbyist, Art Hackney showed meetings between the governor, and his staff, including the Lt. gov and AG, working in concert with GCI's owner and officials, a union head, some lobbyists, the Blackrock group, a financial expert working whose CV omits some of his experience, the publisher and owner of the state's largest newspaper who has a significant conflict of interest with one of the Permanent Fund's investment managers, and many others who were not elected.

Talking points and a Leg List were created by the governor's staff and shared with these people through the governor's agent. A Plan was developed and given to Hackney by the governor's communications director and shared with these lobbyists and others. As an aside, I've put in a request for these documents since they have been taken out of the chain of custody. With my senator's assistance, they will be released and shared with the rest of the public.

We do not these unelected people dickering with the permanent fund and the method our resource revenues and dividends are distributed and calculated.

Please, do not let the governor and his shadow government raid our permanent fund for their covert purposes to continue funding a bloated and wrong-sized government in such a disproportionate and disparate manner.

Thank you for the opportunity to give my 2 cents on this bill, continue your good work and for pete's sake, no more \$400 hotel rooms for staffers who can well afford to pay for them on their own.

KENAI LEGISLATIVE INFORMATION OFFICE

Email: Kenai_LIO@akleg.gov

Phone: 907-283-2030 / Fax: 907-283-3075

WRITTEN TESTIMONY

Registered Voter

NAME:

L.R. Baback

Kenai AK

99611

REPRESENTING:

Self

BILL # or SUBJECT:

SB 128

COMMITTEE:

SSTA

DATE:

2/4/16

I oppose SB 128. Personally I work a part-time job and in my off time I care for a loved one that is on a fixed income. We both depend upon the PFD to catch up on our accrued bills.

We have both cut our life style, our quality of life, and even the quality of the food we eat. We can't afford suits & ties, we can't afford to fly back and forth between Juneau & Anchorage, we can not afford to even put siding & gutters on our 30 yrs dwelling nor remodel even the water damaged bathroom; unlike the multi-million dollar renovation of the Anchorage LIO building and the 1/4 million dollar a month rent.

We have limited our life style, please limit "OUR" government spending. We have to balance our budget, government will live with-in their budget.

Please consider our needs.

L.R. Baback

Po box 1076

Kenai AK
99611

Daniel George

From: Will Manuel <wmmanuel@hotmail.com>
Sent: Thursday, February 04, 2016 9:24 PM
To: Sen. Bill Stoltze; Sen. John Coghill; Sen. Charlie Huggins; Sen. Lesil McGuire; Sen. Bill Wielechowski
Subject: FW: S.B. 128

Budget Comparisons FY 2006 - FY2016 (UGF)

Department	FY 2006 millions	FY 2006 w 20% increase (inflation) millions	FY 2016 millions	Increase % above inflation
Administration	49,259.60	59,111.52	78,410.20	33%
Commerce	8,091.20	9,709.44	27,707.30	185%
Corrections	155,704.70	186,845.64	281,178.00	50%
Education & Early Dev	830,516.10	996,619.32	1,302,321.90	31%
Environment	12,934.80	15,521.76	20,468.50	32%
Fish & Game	28,571.70	34,286.04	66,443.30	94%
Governor	19,075.00	22,890.00	23,538.90	3%
Health & Human Services	530,551.40	636,661.68	1,171,114.00	84%
Labor	13,850.60	16,620.72	26,249.60	58%
Law	31,481.10	37,777.32	53,973.30	43%
Military	9,175.80	11,010.96	17,600.50	60%
Natural resources	53,604.60	64,325.52	71,464.30	11%
Public Safety	84,988.60	101,986.32	163,274.30	60%
Revenue	12,099.20	14,519.04	29,515.20	103%
Transportation	98,905.20	118,686.24	247,963.90	109%
University	228,333.20	273,999.84	355,787.00	30%
Alaska Courts	58,817.20	70,580.64	110,402.90	56%
Legislature	41,344.00	49,612.80	73,397.90	48%

From: Will Manuel <wmmanuel@hotmail.com>
Sent: Thursday, February 4, 2016 9:19 PM
To: Senator.Bill.Stoltze@akleg.gov; Senator.John.Coghill@akleg.gov; Senator.Charlie.Huggins@akleg.gov;
Senator.Lesil.McGuire@akleg.gov; Senator.Bill.Wielechowski@akleg.gov
Subject: S.B. 128

To the members of the Alaska Senate State Affairs Committee:

Please include my following statements, and those pertaining to subject matter I've made in previous correspondence, in the public hearing on Governor Bill Walker's proposed legislation SB 128: "An Act relating to the Alaska permanent fund; relating to appropriations to the dividend fund; relating to income of the Alaska permanent fund; relating to the earnings reserve account; relating to the Alaska permanent fund dividend; making conforming amendments; and providing for an effective date."

Being born in 1988 I did not witness the origin of the Permanent Fund and the Dividend (PFD) distribution program from the workings of Gov. Jay Hammond, and legislators Oral Freeman, Hugh Malone, Clark Gruening, and Clem Tillion. I have, however, spent a great deal of time in formal and informal study of these programs. The Permanent Fund is essentially a savings account to be eventually used as a renewable resource for Alaska when the revenue sources (royalties, not taxes, from the development companies) for the Fund are minimized. The corresponding Dividend program is a trade-off to recipients in lieu of our inability to rightfully own and develop our sub-surface mineral rights as a result of the Statehood Act and our State's Constitution's Article 8.

As is obvious, I write to you today in complete opposition to S.B. 128

I have seen the exponential growth of state government since 2006. In fact, I've submitted to the Governor and all members of the legislature an info graphic depicting how bloated the budget has become in previous correspondence (I will include with this email). Instead of using fiscal responsibility previous administrations and legislatures have chosen to spend the excess revenues from high oil prices and high production taxes, and continue state government over-spending like the federal government has been doing for decades. Now Governor Walker and some in the legislature want to fleece the average citizen, like me, who use the PFD checks to pay our bills or make small investments, while we have to live within our means. It's time that the state government also live within its means and stop trying to gouge the citizens of Alaska. We need to restore the scope of state government back to its essential core Constitutional functions and mission, and a good example of that would be to stop offering benefits beyond the minimal required federal Medicaid programs.

After studying the United For Liberty (UFL) state budget analysis and plan I would recommend adopting their approach of a sustainable budget of about \$3.8 billion by using the excess earnings of the Earnings Reserve of the Permanent Fund after inflation proofing and dividend distribution. The ISER Plan, with a \$4.5 billion plan would be a secondary consideration. The Sovereign Wealth Plan (SWP) which involves (along with added and increased taxes to the average citizen) sweeping the Constitutional Budget Reserve and adding it to the Earnings Reserve, and capping the PFD to use the excess to "fast track" growth of the Earnings Reserve only serves to grow government further. This plan of the Governor's not only goes against the intent of the Permanent Fund and PFD, but it puts a thumb on the citizens of Alaska.

Let's look at the facts, the numbers, and the long term. There are not enough people in Alaska to tax through income, sales/consumption, sin, or fuel taxes to make up for the continuing budget deficits. Frankly, with the additional taxes that have been proposed, I fear the administration will want to tax the rain/snowfall on private property in the manner of Governor O'Malley in Maryland next. The most logical plan is to keep cutting the costs of state government until we reach a truly self-sustainable level. Again, the UFL and ISER plans adhere to this idea, whereas the SWP is nothing more than continued "tax and spend" policy. We also have to open up our lands to more private ownership and development so that people can be financially independent without government intervention for the long term. SB 128 makes no sense fiscally.

Let's look at this from a political perspective. To the Democrats who have prided themselves on traditionally helping the poor and the fixed income seniors, SB 128 would not do this, but increase the financial load of them. To the Republicans who have prided themselves on limiting government or helping small businesses, SB 128

would not limit state government, but would allow government to continue to grow beyond its Constitutional essential core functions and missions and would restrict potential markets for small Alaskan businesses. SB 128 makes no sense politically.

In conclusion, please vote NO on SB 128. Please continue to cut state spending. Put state government on a sustainable level by living within its means, just like people and families have to do. The Permanent Fund Dividend program belongs to the people of Alaska.

Thank you for your time and consideration.

William M. Manuel, MICP, NR-P

1513 Pine Ave

Kenai, AK 99611

wmmanuel@hotmail.com

Daniel George

From: Elizabeth Hess <emathis456@gmail.com>
Sent: Saturday, February 06, 2016 11:53 AM
To: Sen. Bill Stoltze; Sen. John Coghill; Sen. Charlie Huggins; Sen. Lesil McGuire; Sen. Bill Wielechowski
Subject: Support for Senate Bill 128

Dear Senate State Affairs Committee members,

I would like to express my support for Senate Bill 128. Restructuring the Permanent Fund and capping Permanent Fund Dividends would go a long way toward helping the state close its budget gap. Although there are probably still more areas in which state government could be cut, what Alaska needs the most now are new revenue sources.

Although it would take awhile for Alaskan citizens to adjust to a capped PFD, this change would greatly benefit the state and its residents in the long run. I strongly urge you to support this bill.

Sincerely,

Betsy Hess
2310 Maria St., Cabin A
Fairbanks, AK 99709

Daniel George

From: Carol Curtis <curtismom06@gmail.com>
Sent: Friday, February 05, 2016 1:41 PM
To: Senate State Affairs
Subject: PFD

I think that you need to cut budgets elsewhere!! The permanent fund is not to be used for government but the citizens of this state! Maybe you all should take a cut in pay and benefits, you need to see the waste from our view point. You people need to curb your spending, you are out of control and need to cut back on your life styles!!

Daniel George

From: Carol Haugstad <afarmer@mtaonline.net>
Sent: Friday, February 05, 2016 11:25 AM
To: Senate State Affairs
Subject: NO to permanent fund raid

Don't even think of raiding the permanent fund or income tax until you cut a whole lot out of the budget and DON'T reinstate what is cut!!!

You must listen to Lora Reinbolt, she has more sense in her back pocket than any of the rest of you. Bill Stolts is another one with common sense.

Daniel George

From: C Isg <snowlilly55@yahoo.com>
Sent: Thursday, February 04, 2016 6:50 PM
To: Senate State Affairs
Subject: Permanent Fund Protection Act

To Whom It May Concern:

IF YOU TAKE MY DIVIDEND YOU WILL BE PUTTING ME IN THE STREETS BECAUSE I WILL LOSE MY HOME !!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

I do not think or feel that taking monies from the dividend account is a fair or right thing to do. That monies was designated for the people and there are a lot of people who depend on it every year to survive. I personally would lose my home if it weren't for the money I get each year from the dividend. I use it to help pay the property taxes on my house as I am disabled and live on a fixed income and have no way to come up with extra money for extra bills. My house is paid in full and I have almost lost it several years in a row because of property taxes and there is no program out there to help people like me in this situation. I'm sixty years old and cannot work outside the home. The government gets billions of dollars every year to run their offices and take care of their business. If they are running out of money maybe they need to find ways to just cut back instead of taking more from the people who supplied it to them to begin with. When we have financial problems no one steps up to give us other people's money so that we will have more to spend. They could start cutting by changing how many letters a person gets from Social Services to tell them the exact same information over and over again. That's tons of papers, envelopes, stamps, ink, labor, etc.

Sincerely,
Cheryl Isgrigg

Daniel George

From: Chris Cooper <wiskerchew@yahoo.com>
Sent: Sunday, February 07, 2016 1:04 PM
To: Sen. Bill Stoltze
Subject: AKA Budget

Mr. Stoltze, I do not support the governors budget. There have NOT been enough cuts to it and it is not stainable in its present form. I do not support any taxes or looting of the permanent fund until this is done (with the exception of the CBR). Special interests (organized labor, GCI, ASRC, etc. are pushing this plan only because they are profiting from the high spend and want to keep it. Legislators will probably just rollover because of the campaign donations from them. We are watching and will respond with our votes.

Education should be cut because they are inefficient and not doing their jobs. AKA has the lowest graduation rate, wasted millions on state testing we're failing, and just a bad organization that demands a complete re-vamping. And why is there a phone in each classroom??? Just more \$\$\$ for GCI

You guys need to do a line by line detailed run thru and cut services and people like all private businesses are doing now. What makes government any different??? We the people will not allow any new taxes to us until this difficult but necessary process is followed accurately. And an income tax is NOT POSSIBLE as why do us working people have to support all the people being supported by the government??? Everyone should pay their fair share including tourists so SALES TAX is the only course once cuts are made.

You guys allowed this uncontrolled doubling of government so it's your job to get it back to sustainable levels. Not these token cuts Walker is pushing but deep hard cuts to allow it to survive.

I've contacted you a few times but not once ever received a response. I wonder if you re even listening...

Rgds,

Chris Cooper
Wasilla
(family of 5 voters)

Daniel George

From: Connie Moore <rcwjmoore@aim.com>
Sent: Thursday, February 04, 2016 7:52 PM
To: Senate State Affairs
Subject: SB 128

I support the efforts of the governor to pursue multiple avenues of income for creating a more sustainable state budget, including SB 128. Our family has resided in Alaska since February 1979. We have raised 3 children in Alaska. Our family of 5 have all received degrees from the University of Alaska, Fairbanks. We have 2 grandchildren residing in Fairbanks and they deserve a stabilized optimistic Alaska future.

Thank You,
Connie Moore

Daniel George

From: Craig Douglas <craig6578@gmail.com>
Sent: Thursday, February 04, 2016 7:48 PM
To: Senate State Affairs
Subject: Fwd: State Budget- State Sales Tax

Good Afternoon-

There needs to be heavy consideration for a state sales tax. If you review the Economic Impact of Alaska's Visitor Industry for 2013-2014 on DCCED's website (link below). Tourists \$1.8 billion in Alaska. A 4% sales tax is \$72,000,000 from tourism alone. We could then put back to developing our state for the better. Our residents would easily manage a 4% sales tax; true Alaskans want our state to move forward, we are tired of putting bandaged on our roads, schools, and businesses. We want to develop a future for our state.

The state spent over \$100 million on a new accounting system, IRIS, which is still not functioning properly and has caused major issues for getting vendors paid in a timely manner for state services. AKSAS and AKPAY may have been old systems for accounting and payroll management, but they worked for several years.

Many people are eager to fire state employees and cut services, because it is the easy cut, however stepping away from looking at balancing the budget, cutting state employment will lead to people leaving the state and loss of state economy. Cutting services cause cities and village to become dilapidated and again Alaskans will start leaving Alaska. I have lived through Alaska for 30 years. My family is the typical Alaskan gypsy and move where work is. My family has worked as state employees and private employees for Alaska.

The state is wanting to pay to move the village of Kivliana, we could give each resident of the village a million dollars and still not pay as much as we would to move the village. While it is not politically correct, we can move the people's and families out of the village, just as we did in King Island when the feds determined it was unsafe to stay on the island.

<https://www.commerce.alaska.gov/web/ded/DEV/TourismDevelopment/TourismResearch.aspx>

Have a nice one,
Craig Douglas

Daniel George

From: Danny Slane <dslane3006@gmail.com>
Sent: Thursday, February 04, 2016 11:10 PM
To: Senate State Affairs
Subject: Budget comments

Do not impose state income tax. This hurts the economy. Cut the state government, across the board. The Governor and his staff need to be working towards more reductions. The government is over staffed, cut salaries and positions. Get rid of duplicate services. Quit bowing down to the natives and subsidizing their lives. Make the Native Corporations pay more towards social services and fuel for villages. They can afford it from what I see.

Do not take from the PFD to pay for government. Reduce the size of government and leave the PFD alone!

Danny Slane
370 Louise Lane
Fairbanks, AK 99709

Daniel George

From: D Grace <graceinnenana@outlook.com>
Sent: Sunday, February 07, 2016 3:56 PM
To: Senate State Affairs
Subject: Testimony on pfd garnishment

Garnishing the PFD directly effects the poor. Many of the people that I know need the perm fund just to keep them off of welfare. If they don't have perm fund they will either have to get on public assistance or they and their families will go hungry. I am completely against taking perm fund from the poor. I understand that state services need to be paid but you need to make necessary cuts, deep cuts.

I know that you want to take the pfd to pay for education but education costs are ridiculous. Here in Nenana the schools budget is over 8 million dollars and they only have 205 students this would give each student 39,000 to purchase their own private tutor, heck they could have a live in tutor for that much. Think outside the box when it come to education.

Tax the hell out of gambling, strip joints, smoking, pot, etc. it could be the sin tax. Put up a sales tax because that makes it voluntary to a certain degree. If we don't want to pay the tax then we don't buy it.

Don't touch perm fund and don't all of a sudden put an income tax on people of 25%. If you are going to institute a income tax you need to do it gradually so that people have a chance to budget and prepare. Take maybe 2% and then gradually raise it a few percent per year but cap it at 10% because not even God expects more than that. If it gets to difficult for people then they will move and then you will have less people to tax.

Cut back on big Government. All of you should take a pay cut first. Why not make every department head cut 5% of their expenses. You got to look to yourselves first before you make it harder on everyone else. If it gets too difficult then you will empty out the state. Try funding your government when half of the population moves away.

Thank you for your time,

Darcia Grace

From Nenana, Alaska

"At the end of life we will not be judged by how many diplomas we have received, how much money we have made, how many great things we have done. We will be judged by, "I was hungry, and you gave me something to eat, I was naked and you clothed me. I was homeless, and you took me in."

Mother Teresa

Daniel George

From: debra kirk <debrar@gci.net>
Sent: Thursday, February 04, 2016 7:32 PM
To: Senate State Affairs
Subject: sb128

dear members of the senate state affairs committee:

i am another alaskan who has lived here forever, since the earthquake, i own property and grew up in mr stoltzs' district, having attended birchwood grade school, but now live full time in kodiak. i support the governors bill that would take a portion of the earnings of the PFD. a state income tax is also being considered so between the two there is buyin for all state residents, as well as non-residents who only work here, but still use our state services. i was here in 1984 and that was ugly, so please use a portion of our dividend to save us from a replay of those times.

-debra lathrop

Daniel George

From: Delice Calcote <aitc.dcalcote@gmail.com>
Sent: Thursday, February 04, 2016 10:05 PM
To: Senate State Affairs
Subject: Please do not cut our PFD's.

The Permanent Fund Dividend has allowed me to help my 3 sons with their first vehicles.

I supported my ex husband thru his attendance at UAA for his Family Counseling Degree. He does not have a Student Loan to repay.

I've had dental work done with my PFD.

I was able to pay bills, celebrate Christmas and celebrate 2 birthdays in December with the assistance of the PFD.

I am thankful for what the original peoples of original title have received and do not want to see any PFD cuts.

Please do not harm and damage the peoples, the inhabitants, nor the residents of Alaska.

If there are cuts to the PFD program it should be cutting off the Military --- only those that enter from Alaska, those who plan to return to Alaska have been truthful in filling out the PFD applications. Those military that are based out of the other states are being paid for OVERSEAS DUTY and plan to return to their home states. NO, this program was not meant to be deviated to supplement the Federal governments obligations and duties to the service men and their families.

Dept of Revenue, Dept of Corrections, Dept of Health and Social Services need serious revamping and serious cuts.

I reserve and preserve all my rights.

Delice Calcote
PO Box 248
Sutton, Alaska

Daniel George

From: Don Fritz <halibut58@yahoo.com>
Sent: Thursday, February 04, 2016 8:11 PM
To: Senate State Affairs
Cc: Sen. Peter Micciche; Sen. Charlie Huggins; Sen. Bill Stoltze; Sen. John Coghill; Sen. Lesil McGuire; Sen. Bill Wielechowski; Sen. Pete Kelly; Senator.Keven.Meyer@akleg.gov
Subject: SB 128 testimony

Thank you for this opportunity to testify regarding SB128

I encourage you to both support and modify as appropriate Senate Bill 128, and to also seek additional cuts in government beyond those proposed by the Governor. If you can only identify 200 million dollars in additional cuts this year, I am fine with that. If you identify 1 billion dollars in additional savings I would be happy with that. If you identify more, you have my support. So far, you have identified nothing yet this session, even though many legislators pledged to be working on identifying additional cuts last spring. You have to start leading on this problem, not hiding behind the multitude of positions, many erroneous, held by your constituents.

I fault the legislature for the situation that we are currently in, including the debt and unfunded liability that we have amassed, and for the false belief that continues throughout the state that we can simply cut the budget to a point where we find our way out of this situation.

While Senator Kelly faults the reporters for failing to get the word out regarding cuts already made, I fault our legislature for failing to provide realistic feedback to their constituents regarding efforts undertaken so far, as well as for failing to communicate actions that we should take to escape this situation. While I accept that you cannot educate those unwilling to listen, many constituents are willing to accept facts once presented as such.

I am fearful when I hear the moronic suggestions of either enshrining the PFD in the constitution, or cashing it out among all current citizens and taking away this source of revenue meant to pay for government; both for our generation and for future generations. Unfortunately, some legislators seem to perpetuate this belief. I find this shameful.

The Permanent Fund belongs to the people of this State collectively, not individually. The revenue that it generates needs to be first used for the public good, not for individual entitlement or greed. My preference based on the entitlement mentality many demonstrate today would be to completely stop the issuance of PFD's and use the money for both the State Government that we need, and to further grow the fund, in hopes that a PFD could be paid to future generations that would appreciate the gift that it is rather than demand the welfare that many of us seem to view it as today.

Our legislature needs to face the fact that our collective failure to adequately save our money and to instead overspend over the last 3 decades has put us up against a wall, and you need to educate the public that the only realistic means of funding our government going forward is to utilize the earnings of the Permanent Fund. Our natural resource revenue has minimal ability to continue to pay for 90 percent of the government that we collectively demand. My belief is that the Permanent Fund was designed for this eventuality; unfortunately the PFD has clouded that position.

There is no solution to our situation without use of the Permanent Fund earnings. Dr. Scott Goldsmith and Director David Teal have provided you sage advice regarding the need to utilize the Permanent Fund. It is time for you to follow their advice and to lead your constituents into accepting the realities we face. You have an obligation to educate your constituents as well as represent them. Representing their position when you know that it is wrong is not leadership.

Thank you for your consideration of my comments!

Don Fritz

Daniel George

From: Milton Wiltse <mfwiltse@acsalaska.net>
Sent: Thursday, February 04, 2016 7:49 PM
To: Senate State Affairs
Subject: senate bill 128

I have lived in Alaska for 42 years. I support Gov. Bill Walker's Perm Fund Endowment plan and Senate Bill 128.

Flora Wiltse

719 DePauw Dr.

Fairbanks, AK 99709



This email has been checked for viruses by Avast antivirus software.

www.avast.com

Daniel George

From: Kathleen Logan <birchtre@alaska.net>
Sent: Thursday, February 04, 2016 5:19 PM
To: Senate State Affairs
Subject: We support the governors plan to limit the permanent fund dividend.

Follow Up Flag: Follow up
Flag Status: Completed

Sent from my iPad

Daniel George

From: Kendall Brehm <Ken@akforestproducts.com>
Sent: Thursday, February 04, 2016 7:46 PM
To: Senate State Affairs
Subject: not change P.F.D

Hello. I have B.B.A with emphasis in Finance. There are many other ways to balance the budget and every state in this country but has no P.F.D. and they still get by. The Alaska state government and Alaska will still exist is no change to P.F.D is made.

-when poor families take a huge hit to income how will pay these families get by . expect government assistance needs to go up the number of people qualifying for Medicaid to increase.

-leave it alone and tax those that have income.

-if anything, action should be taken to keep government out of the P.F.D earnings.

-you will be voted out of office if this bill passes

many other reasonsto many to list

Kendall Brehm

Daniel George

From: Libby Dalton <libby.dalton458@gmail.com>
Sent: Thursday, February 04, 2016 10:51 PM
To: Senate State Affairs
Subject: Budget comments

In his election campaign Gov. Walker promised no income tax and reduction of 17 or 18% in state government. I vote no to income tax until he fulfills this promise. Originally I supported a cap on the permanent fund. But I've changed my position because the PFD is an important part of the economy. I've worked for the state for many years and I'm familiar with many state agencies. State government needs to be reduced and start doing more with less. I'm seeing big changes where I work, the Alaska Court System. Furlough days imposed, cut in employee work hours to 36 hours per week, hiring freeze and reduction of travel. This needs to happen in every branch of government, cut back and do more with less.

I wouldn't be so opposed to state income tax if I didn't get gouged so much by the IRS. My major expense is federal income tax, more than my mortgage, utilities and living expenses all put together. I don't mind paying my fair share but 28% of my income is too much. Especially to a bloated, inefficient, corrupt federal government.

No on taxes. Yes on cutting state government more!

Libby D Slane
PO Box 70922
Fairbanks, AK 99707

Daniel George

From: Ken,Darlene,Linda <lindab@ptialaska.net>
Sent: Thursday, February 04, 2016 11:20 PM
To: Senate State Affairs
Subject: State budget & Permanent Fund

I think you need to keep looking for cuts, I would agree to take some permanent fund money's, But I'm afraid that if you start you will not stop and the fund will disappear and you will still want more. Then what?

I think it is time to start living within your means, just like the people of the State do, you cannot spend what you don't have.

City's are looking for money too!

They want to cap the property tax, plus add more. They also need to live within there means.

One suggestion is to add more taxes to liquor, tobacco, Marijuana, how about a toll to travel on the Glenn hwy & Seward hwy.

Cut all un-necessary spending, use video conferencing - leaving people in there local districts.

Add state sales tax, create a lottery

Sent from my iPad

Daniel George

From: Liz Chapman <akliz5@yahoo.com>
Sent: Friday, February 05, 2016 11:19 AM
To: Sen. Click Bishop; Rep. Mike Chenault; Rep. Matt Claman; Sen. John Coghill; Rep. Jim Colver; Sen. Mia Costello; Rep. Harriet Drummond; Sen. Mike Dunleavy; Rep. Bryce Edgmon; Sen. Dennis Egan; Sen. Johnny Ellis; Rep. Neal Foster; Rep. Les Gara; Sen. Berta Gardner; Rep. Lynn Gattis; Sen. Cathy Giessel; Rep. Max Gruenberg; Rep. David Guttenberg; Rep. Mike Hawker; Rep. Bob Herron; Sen. Lyman Hoffman; Sen. Charlie Huggins; Rep. Shelley Hughes; Rep. Craig Johnson; Rep. Andy Josephson; Rep. Scott Kawasaki; Rep. Wes Keller; Sen. Pete Kelly; Rep. Sam Kito; Rep. Jonathan Kreiss-Tomkins; Rep. Gabrielle LeDoux; Rep. Bob Lynn; Sen. Anna MacKinnon; Sen. Lesil McGuire; Sen. Kevin Meyer; Sen. Peter Micciche; Rep. Charisse Millett; Rep. Cathy Munoz; Rep. Benjamin Nageak; Rep. Mark Neuman; Rep. Kurt Olson; Sen. Donny Olson; Rep. Daniel Ortiz; Rep. Lance Pruitt; Rep. Lora Reinbold; Rep. Dan Saddler; Rep. Paul Seaton; Sen. Bert Stedman; Sen. Gary Stevens; Sen. Bill Stoltze; Rep. Louise Stutes; Rep. David Talerico; Rep. Geran Tarr; Rep. Steve Thompson; Rep. Cathy Tilton; Rep. Chris Tuck; Rep. Liz Vazquez; Sen. Bill Wielechowski; Rep. Tammie Wilson; Rep. Adam Wool
Subject: PFD thought

Hello,

I am a registered voter, and a resident of Alaska for only 6 years. I know the State needs money, and if they need the PFD, then so be it.

One thing to consider, is tightening up at least one of the groups of people allowed to receive it. I know of two people who know military families who have NO intention of returning to Alaska, but because of the way their exemption is written, that if they say on their forms that they want to come back, that they can keep receiving the PFD. This means that for a family of 4 for 20 years of service, PFDs will be going to them wherever they are. And before they do get out, just change their mind to where they will really be going. Military are forced here, and forced away. Yes, some want to come, and some want to stay. But there is so much fraud going on based on this clause that it just needs to be eliminated. How many would have come in the first place if the military hadn't paid for it? If you have to fund them, then set up a savings account for when they really do move back (which is paid for by the military), and they have to remain here at least two years to receive it. Not just like the family of lots of kids that are here for 6 months, get the money, then go back.

Liz Chapman

Daniel George

From: Margo Matthews <mmatthews@gci.net>
Sent: Sunday, February 07, 2016 10:25 PM
To: Senate State Affairs
Subject: Alaska Budget Solutions

Hello - I am sorry I was unable to attend the hearing on Friday regarding this important issue.

This year starting in May, I will have lived in Alaska for forty-one years. I have seen many changes over these years. It is critically important that the legislature deal with this issue this session. The future viability of Alaska's economy depends on it.

I fully support Governor Walker's plan to tackle Alaska's budget problems and restructure how state government is funded along with the Permanent Fund. It makes total sense to me. Please support his plan as best you can. Even though it means we may have a somewhat lower PFD check for the next little while, that is vastly preferable than the alternative. Alaskans have had a free ride for a long time, and it is about time that each one of us started paying our way through new taxes and a lowered PFD check.

We should never have eliminated the state income tax in the first place. When this happened many years ago, I thought it was a big mistake. I thought that instead, we should have simply lowered the tax level to a very minimal level, rather than eliminating it. I foresaw the day we would have to reinstate an income tax, and I knew that would be much more difficult than simply raising the tax level somewhat.

Thank you for listening - **Marguerite**

Marguerite Matthews

P.O. Box 82024

Fairbanks, Alaska 99708

Telephone (907) 455-6888

Fax (907) 457-1838



This email has been sent from a virus-free computer protected by Avast.

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Daniel George

From: Marty Steinriede <martinb@gci.net>
Sent: Thursday, February 04, 2016 10:29 PM
To: Sen. Bill Stoltze
Subject: PFD

Senator Stoltz, I don't envy your position at this time. Any decision you make on the PFD regarding the budget shortfall will be criticized. I strongly urge you to suspend the issuance of PFDs until a time when it is fiscally prudent to issue them again. To receive a PFD and then pay state taxes as large or larger than the PFD doesn't make sense. If there has to be a tax in addition to giving up the PFD, I strongly urge that it be a sales tax. Everyone pays a sales tax, to include tourists.

Thanks for your time,
Marty Steinriede

Daniel George

From: Dick/Mary Bishop <dmbishop@ptialaska.net>
Sent: Friday, February 05, 2016 8:59 PM
To: Sen. Bill Stoltze
Cc: 'Dick & Mary Bishop'
Subject: Hearing on Governor's Plan, State Finances/Budget

To: Senate State Affairs Committee, Bill Stoltze, Chair

From: Mary Bishop, Fairbanks, 907-455-6151

Date: Friday, February 5, 2016

Re: SB128, State Finances & Budget, SB128

Below is the testimony I provided on Thursday evening at approximately 8:55 pm. I hope you will share it with the entire committee.

Mary Bishop , Fairbanks, 907-455-6151

Thank you Senators; I really appreciate your problem-- and your efforts.

At this time I am sympathetic to the Goldsmith-Keithley approach. In my opinion the Walker Plan suffers from lack of "explainability" and therefore is more susceptible to the law of "unintended consequences". Maybe throughout this and next year the Governor can explain his Plan better.

I encourage you to move forward this year using the Goldsmith-Keithley Plan -- but still keep an open mind for continuing study of the Walker Plan and Senator McGuire's plan. These are all sincere efforts. I appreciate that.

Specifically – and in order of my priority:

1. I do not mind a reduction in the amount of my PF Dividend. I just don't want it to go largely away!
2. I would like to see each year's PFD better reflect whatever the state's fiscal condition is at that time. \$2000 this year is ridiculous! Better to stabilize the state's income than to stabilize the individual resident's PFD. Former Sen. Bert Sharp had some comments about this.
3. Raise "sin" taxes as high as you possibly can. Those taxes will never be high enough to compensate for the cost of alcohol to this state.
4. Raise motor fuel taxes. I was pleased to hear the Trucker's Assoc. supported this.

5. I don't want to see an income tax at this time; maybe later. A luxury tax on high priced items might be considered.
6. Perhaps encourage municipalities to use sales tax as compensation for lost municipal sharing dollars.
7. Figure out a way to get school funding dollars from the residents of the unorganized borough. That's a hugely unfair situation.

Thanks again. You've got a tough job. Good luck.

Daniel George

From: norsealaska@mtaonline.net
Sent: Friday, February 05, 2016 9:40 AM
To: Sen. Bill Stoltze
Subject: Income Tax and Permanent Fund

Follow Up Flag: Follow up
Flag Status: Completed

Melanie Kopperud
P.O. Box 1822
Palmer, AK 99645-1822

February 5, 2016

The Honorable Bill Stoltze
Alaska Senate
120 4th Street
Juneau, AK 99801

Dear Senator Stoltze:

Regarding the Income Tax and Permanent Fund,

I am in favor of Governor Walker's proposed plan to reinstating the income tax, smaller Permanent Fund dividends, and \$100 million in cuts to state agencies, among other things. People are concerned that making the PFDs smaller will affect the economy. Well, so will cuts in the budget! Or doing nothing! We might as well bite the bullet and pay our way as every other state's citizen does!

A proud member of National Write Your Congressman.

Sincerely,

Melanie Kopperud
907-745-4318

Daniel George

From: Michael Hughes <brotherbruno@hotmail.com>
Sent: Thursday, February 04, 2016 7:08 PM
To: Senate State Affairs
Subject: Permanent Fund Protection Act

Hello,

I waited to testify by phone for 80 minutes but have to deal with medical issues and could wait no longer so instead, I am writing to you about SB 128, the Permanent Fund Protection Act.

I remember Governor Jay Hammond and his passion in creating the Alaska Permanent Fund. During his first term as governor, Governor Hammond, along with State Representative Hugh Malone, conceived of this program to invest oil royalties to cover future state budget shortfalls as well as create a long-term savings account. In 1976, We the People of the State of Alaska, passed the permanent fund. Before cutting our PFDs, consider following, these, the original intentions for the permanent fund. He also recommended a constitutional amendment limiting state spending., which unfortunately never came to be.

As we all know, there is a lot of waste in government, such as the high wages and benefits state employees receive compared to the private sector. In dealing with state departments, I have seen how slow and relaxed some of these people work, something that is never permitted in the private business factor. I have also experienced arrogance from pretty much every employee with whom I have to deal in the Adult Public Assistance offices, and have several years experience of not receiving answers from, written, questions. Hire people that have business experience to manage state employees and get rid of the unions. No public employee should be able to unionize.

I would also ask that the legislature seriously consider a constitutional amendment limiting state spending before using any of the permanent fund to cover the shortfall in state spending. This would guarantee that future legislatures cannot continue increasing spending such as is now happening leading to this proposal to cut, not spending, but the power of the dollar in citizens hands, as was the original intention of the fund. We the People of the State of Alaska know what is best for ourselves and how to, individually, use our portion of the income derived from the permanent fund that, We the People put into our state constitution. Much of this is spent in our local economies; consider what would happen when this spending is decreased due to lower PFDs.

Also, please consider what cutting the PFD will do to people like myself who count on it to help pay bills. I have been an Alaskan for 38 years, working until I came down with serious illness that made me not be able to work. Although I do not like it, I now have to rely on help from government to pay for everything, including the PFD.

Please remember the least of us as you work to balance the budget of our state's government, which certainly needs to be done.

Thank you for your consideration,
Michael P Hughes
Anchorage
907.345.3635

Daniel George

From: Mike Shadley <anchorriverrappliance@gmail.com>
Sent: Friday, February 05, 2016 2:18 PM
To: Senate State Affairs
Subject: Permanent fund

Why don't you run the govt the same way as a household, if you don't have it .you dont spend it ,and you certainly don't steal from others.

Sent from my iPhone

Daniel George

From: Milton Wiltse <mfwiltse@acsalaska.net>
Sent: Thursday, February 04, 2016 7:54 PM
To: Senate State Affairs
Subject: Senate Bill 128

Follow Up Flag: Follow up
Flag Status: Completed

I have lived in Alaska for 42 years. I support Gov. Bill Walker's Perm Fund Endowment plan and Senate Bill 128.

Milton Wiltse

719 DePauw Dr.

Fairbanks, AK 99709



This email has been checked for viruses by Avast antivirus software.

www.avast.com

Daniel George

From: randy weed <tokite50@yahoo.com>
Sent: Friday, February 05, 2016 12:29 PM
To: Senate State Affairs; Lynda Gregory Weed
Subject: Gov. Walker's PFD Reconsrtuction Bill

Governor Walker's PFD Reconstruction Bill is not in the best interest of the People of the State of Alaska. To rewrite the PFD to sustain State Government is grossly in violation of the original idea set forth by the author's of the PFD.

The PFD has grown to it's current value based on it's earnings through investments through the years.

Now holders of certain State Offices want to cash in on years of careful PFD management.

To base the State's Budget on the PFD and not on it's own careful self management is a recipe for disaster for the People of our great state.

On the other hand State Government would enjoy funding by the Multi Billion Dollar Nest Egg set aside for our people.

State Government could grow to a powerful overlord because threat of it's downsizing caused by economic, population or industry growth is vastly reduced or even eliminated.

We urge you not to consider Governor Walker's PFD Reconstruction Bill.

Mr. and Mrs. Randy Weed

POB 565

Tok, Alaska 99780

Daniel George

From: Nancy Bird <nbird5800@gmail.com>
Sent: Thursday, February 04, 2016 10:46 PM
To: Sen. Bill Stoltze; sen.chuck.huggins@akleg.gov; Sen. John Coghill; Sen. Lesil McGuire; Sen. Bill Wielechowski
Cc: LIO Cordova
Subject: Alaska Permanent Fund

Follow Up Flag: Follow up
Flag Status: Completed

Dear Chairman and Senator Bill Stoltze and members of the Alaska Senate State Affairs Committee, I appreciate your interest in Alaskans' views about the Permanent Fund and our fiscal challenges. Your patience in listening to so many views tonight is admirable; I was signed in before 5 pm this afternoon at the Cordova LIO to present testimony via teleconference to you. I had other commitments which forced me to leave just before 7 pm - before you called on Cordova - and want to offer my comments in writing below.

I strongly support the general ideas contained within Governor Bill Walker's plan for our state's budget. Specifically,

- **I strongly support use of the Permanent Fund earnings to close the fiscal gap.** While I can appreciate the views of those who see this as a "regressive" tax, I view *these funds as public monies* that should be put to use for the greatest good. Unfortunately, our unwillingness in prior years to recognize the depth of our fiscal gap and the dramatic drop in oil prices has resulted in a desperate need for additional revenues NOW. Oil prices will not return above even \$35/barrel for 2-3 years... and we cannot cut our way to a sustainable budget!
- **I strongly support implementation of a state income tax.** At this point in time, I prefer the Governor's proposal for a 6 percent tax on our federal income tax. However, I also find a lot of merit in Rep. Paul Seaton's income tax proposal as I understand it would increase revenues from non-residents and some corporations.
- **I strongly support increased state taxes on tobacco and alcohol,** as proposed by Governor Walker.
- **Finally, I strongly support elimination of the oil development and exploration tax credits.** These credits are not serving the purpose they once did and it is past time for these tax credits to be abolished.

I also am adamantly opposed to a state sales tax. This is the most regressive form of taxation and too many communities in rural Alaska already rely on it as a part of their income to support city services.

In closing, I am pleased to note that, according to the Rasmuson Foundation's recent polling on the fiscal gap issue, all political sides in Alaska - Republicans, Independents and Democrats - agree in giving overall support to Governor Walker's plan to move us to fiscal sustainability. That's an amazing achievement! I urge you to adopt SB128.

Thank you.

Nancy Bird
P.O. Box 1185, Cordova, Alaska 99574
nbird5800@gmail.com

Daniel George

From: Penny Gage <gagepenny@gmail.com>
Sent: Thursday, February 04, 2016 8:16 PM
To: Senate State Affairs
Subject: SB128

Hello,

I am an Anchorage resident (zip code 99517), and I want to voice my support for SB218.

Thank you,

--

Penny Kathleen Gage

gagepenny@gmail.com - (907)738-4600 - [LinkedIn](#)

Daniel George

From: Princess Lucaj <princesslucaj@gmail.com>
Sent: Friday, February 05, 2016 12:40 PM
To: Senate State Affairs
Cc: Scott Kawasaki
Subject: Re-structuring Permanent Dividend Fund

Dear Legislators,

I am writing in support of the Gov. Walker's restructuring of the Permanent Dividend Fund and I am also in favor of an income tax. Frankly, we have known since I was in high school (when Gov. Cowper was in office) that we have had to diversify our economy. Yet, taxes being wildly unpopular the can kept getting kicked down the road. Just imagine if we had implemented back then!

So here we are and I see no other way out of our current fiscal crisis that to implement a number of different tactics.

Mahsi' choo! Thank you for your time and consideration!

Princess Lucaj
Fairbanks, AK

Daniel George

From: red bradley <red_bradley@me.com>
Sent: Friday, February 05, 2016 6:15 PM
To: Sen. Bill Stoltze
Subject: Budget

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Of course the public would not favour cutting their PFD - no surprise there.

We must cut the PFD, start a state income tax, cut non-essential government, and cut the UA budget while leveraging technology for delivery of online curriculum to rural campuses. These are not choices, rather mandated by circumstances.

The PFD is not an obligation, but rather a benefit we can no longer sustain.

red bradley
anchorage

Sent from my iPad

Daniel George

From: Renne Champagne <renne@gcl.net>
Sent: Friday, February 05, 2016 12:55 PM
To: Senate State Affairs
Subject: PFD Bill

Follow Up Flag: Follow up
Flag Status: Flagged

Hello, I would vote for a one time cash out to all eligible PFD recipients. I am against Governor Walker's bill.
Thank you for your time.

Renne Champagne

Real Estate Broker

907 357-0102

Daniel George

From: Richard Erickson <richarderi@gmail.com>
Sent: Thursday, February 04, 2016 7:39 PM
To: Sen. Bill Stoltze
Subject: Senate Bill 128

Dear Chairman Stoltze, Senate State Affairs

Listening to the call in tonight. I'm not against the use of some of the permanent fund earnings, it's obviously necessary right now, but I like the idea of the loan from the PF to the State and not do anything permanent at this time.

My thoughts one cutting: maybe we should take a cue from social media. When I buy something on Amazon, I check the reviews. Same for Air BnB and many others.

Perhaps we could do away with professional licensing and set up a website for reviews of people offering professional services.

Income tax, good idea. Sales tax, not good idea.

You guys earn your money!

Richard Erickson

Daniel George

From: cmmgen@mtaonline.net
Sent: Thursday, February 04, 2016 9:40 PM
To: Sen. Bill Stoltze
Subject: Income Tax and Permanent Fund

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Bill in Committee

Robert Caywood
p.o. box 670972
Chugiak, AK 99567-0972

February 5, 2016

The Honorable Bill Stoltze
Alaska Senate
120 4th Street
Juneau, AK 99801

Dear Senator Stoltze:

Regarding the Income Tax and Permanent Fund,

I am not in favor of Governor Walker's proposed plan to reinstating the income tax, smaller Permanent Fund dividends, and \$100 million in cuts to state agencies, among other things.

I also think we need to make way bigger cuts before we do anything else, and if we still need a tax it should be a sales tax.

As a constituent of yours, I would like to know your thoughts on this issue.

A proud member of National Write Your Congressman.

Sincerely,

Robert Caywood
907-694-8758

Daniel George

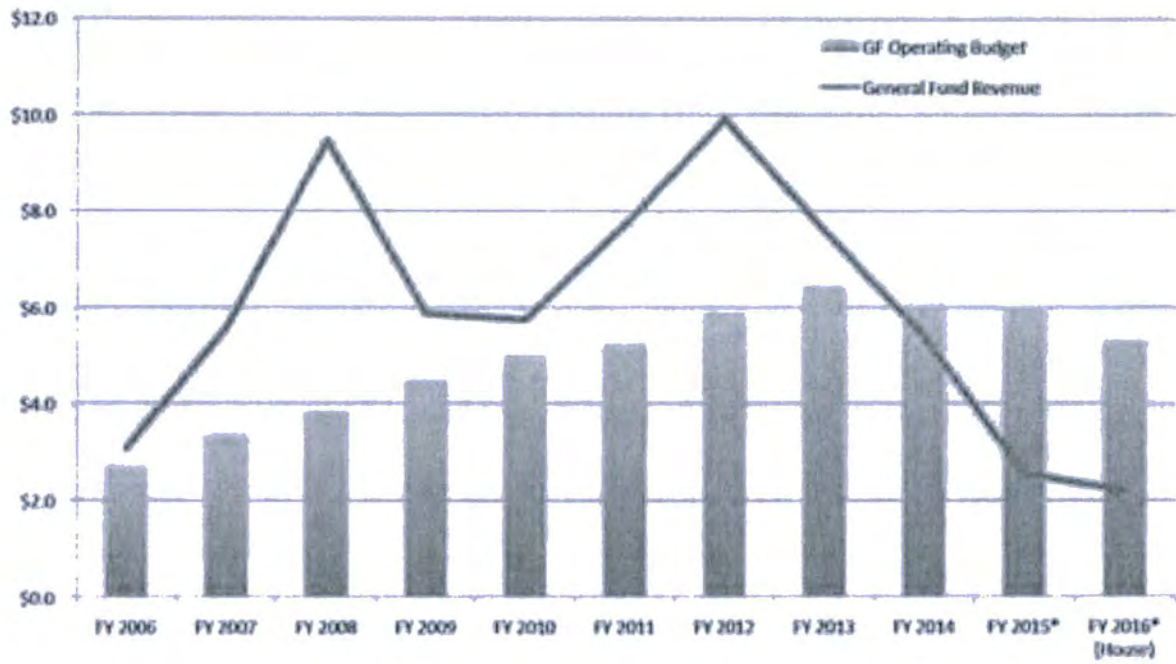
From: Sheepman <sheepman@gci.net>
Sent: Sunday, February 07, 2016 9:20 AM
To: Sen. Bill Stoltze
Subject: Budget
Attachments: Alaska State Budget History Graph.pdf

Bill

Do not support any taxes until the budget is cut more significantly. For every penny in taxes, and for every penny cut from the PFD, the budget must be cut the same amount!!! Governor Walkers proposal merely shifts the burden to us while doing nothing to reign in the completely irresponsible spending spree the State has been on since Palin was Governor and the so called fiscally conservative Republicans have been in control of the House and Senate!!

I wrote and complained about this reckless spending spree back in 2007. That fell on deaf ears and now we're in this crisis. If we were able to live on a \$2.5 billion budget in 2006, we can do it again now. Enough games, make significant cuts to the budget. Taxes and screwing us out of the PFD (any amount) is not an acceptable solution!!!

Sam



Daniel George

From: Stephen Hendricks <llama@ak.net>
Sent: Friday, February 05, 2016 11:06 PM
To: Senate State Affairs
Cc: Sen. Kevin Meyer; Rep. Bob Lynn
Subject: SB128 Testimony

Hello,

I'm an Alaskan, live in Anchorage, and have lived in Alaska since 1978.

Please leave the PFD payout calculation to Alaskan citizens as it is.

The PFD helps the ultra-poor, the poor, the not-as-poor poor, the lower-middle class and the middle class, each citizen in some way, some more than others. It helps our citizens and economy by a sum greater than all of its parts. It helps all these citizens counter the effect of inflation and stagnant wage growth they have been experiencing since the 1980s.

Alaska state government, meaning the governor and legislators, should respect Alaskan citizens by not giving tourists and tourist employees (those who work in Alaska but have a permanent residence elsewhere) 1) a pass on paying their part of maintaining the infrastructure they enjoy in their roles as tourists and tourist employees and 2) not take away or lower Alaskan citizen's PFD as a means of accomplishing this task instead of implementing sales and state income taxes.

Both tourists and tourist employees presently get a free pass on all the services they use. Making Alaskans pick up the tab for tourists and tourist employees by relinquishing their PFDs is both disrespectful and disingenuous.

Please institute BOTH a state sales tax (with food and prescription medication exemptions) and state personal and business income tax. Increase the amount above 3% and 6% respectively as required to offset any revenue suggested by Governor Walker to be obtained by use of the Permanent Fund.

Each of these taxation methods will affect groups differently which is why a blend of the two is required as taxing both ways will mitigate the combined tax burden more equitably.

A state sales tax will include the taxation of tourists who visit Alaska and use our state and local services. They and we pay taxes as tourists nearly everywhere else in the U.S. where they and we travel so that will not pose a specific Alaska destination deterrent for them to continue coming up here.

A state income tax, in addition to taxing Alaskan residents, will also tax tourist employees for wages they make even though they do not live in the state.

Sales tax exemptions for food and prescription medication will provide tax relief for basic necessity purchases for the poor. People who have more disposable income and choose to spend it on taxable items can consider this a use tax. They use the state system in which to live to make income and a sales tax helps to provide maintenance and services provided by that infrastructure. Without such a state system in place providing the infrastructure for them to earn a living, they would likely have to live and work elsewhere to make as much money.

Income tax paying Alaskan citizens can consider their tax payments a use tax. They use the state system in which to live to make income and an income tax helps to provide maintenance to and services provided by that infrastructure.

Taxpayers who itemize their deductions are allowed to deduct state and local taxes from their federal taxable income. This deduction is limited to either income or sales taxes, but not both. Personal property taxes, such as local taxes on housing and real estate, can also be deducted.

Poor citizens will pay little to no taxes on income and their PFD will help them offset sales taxes and continue to keep them more stable on the poverty ladder and may just help some move a little upward towards the middle class.

For some middle class citizens, a great majority I suspect, the PFD to tax ratio will be closer to even, some will come out a little ahead while others will, as upper middle class, end up paying a little more than they collect in a PFD. The upper middle class will have to pay more taxes than their PFD will offset but not as much as for higher income earners.

For higher income citizens, their PFDs will help offset their state taxes, for some at a smaller percentage than others. They use the state system in which to live to make income and a income tax helps to provide maintenance to services and opportunities provided by that infrastructure. Without such a system in place, they likely would have to live and work elsewhere to make as much money.

It would appear the only people that want to use the Permanent Fund solely to fund government are either only seeking reelection or who already make enough money that a newly imposed state income tax would exceed any size PFD they would ever get.

Any legislator who votes to reduce the PFD without raising taxes should get voted out of office and replaced with someone who won't pander only to those who can afford to donate significant sums of money to their reelection campaigns. The same holds true for any legislator who fails to support taxation as a form of revenue production.

Sincerely yours,

Stephen Hendricks
4930 Omega Circle
Anchorage Alaska 99516
907-223-4547

Daniel George

From: Tom and Danita Martin (Anchorage, AK) <yoooperak@aol.com>
Sent: Sunday, February 07, 2016 7:54 PM
To: Senate State Affairs
Subject: state budget crises

good evening,

first of all before any new revenue sources are introduced, the state budget which has ballooned in the last 7 or 8 years needs to be cut drastically. A few areas to consider are reducing the rural schools which should have been done a decade ago, we can no longer afford to pay for schools that have only 12 students. The top management in numerous areas need to be reduced. I would be in favor of suspending the permanent fund each year to fund government until the oil prices go back to 70 dollars a barrel and that is what the state budget needs to be. It makes no sense to institute a tax and to still give the permanent fund only to tax it also! by utilizing the permanent fund everyone would be contributing as that is what the fund was created for anyway!

come on Legislatures, wake up and become accountable or we will remove you in your next voting round!

WRITTEN TESTIMONY

Name: G. Leonard
Representing: _____
Bill No./Subject: SB-128
Committee: Senate State Affairs
Date of Hearing: 02/04/16

Gov. Jay Hammond, open
the AK. Permanent Fund
Dividend in Sept. of 1982-83,
It's our grandfather rights, A.P.D.
are already dwindling funds!
within the last two decades.

Those that are minorities in the
State of Alaska, poverty, we
minorities depend on the Permanent
Fund Dividend as a Shareholder
of a Native Corp.
Sustainable: (?) it's our livelihood.

February 4, 2016

Cindi Squire
907 Wildrose Ct.
Anchorage, AK 99518

Dear Alaska State Legislators,

Thank you for asking for public input from Alaskans about Governor Walker's Budget/fiscal plan.

Please know that this I completely support this plan! (exclamation point added for emphasis!)

I have been a resident of Alaska since December 1970 and have seen the boom of the pipeline and the bust of oil affect this state. For the last 25 years, I have listened to every member of the legislature complain about the method that is used to fund the state's budget. We all agree that it would benefit the state to change the process and move away from the price of oil driving our actions.

I remember watching the evening news when Jay Hammond signed the permanent fund into law. With that action he demonstrated what it meant to be a statesman and not a politician. I now ask you all to be statesman and stateswomen and resist the urge to protect the many groups asking exemption from the changes that must be made.

Together we must all accept the fact that a small state income tax, sales tax, small reductions in oil tax credits, re-purposing a portion of the permanent fund and slightly higher taxes on extracted minerals from our state need to become reality.

Now is the time for the entire legislature to band together and create a new model that (like a diversified portfolio) draws the states income from many sources. This re-balancing of our income sources and the creation of new ones will require that every group 'give' a little bit for the common good and for a strong future.

Please know that I am very supportive of statesman and woman that support this plan and will make these changes. I am NOT supportive of keeping the status quo model of funding our state government as times are changing and we need to be responsive to that. Please be brave and move forward!

Sincerely,

Cindi Squire

February 5, 2016

Governor Walker and Alaska Legislators,

My personal view and opinion on the Proposed bill SB128 is that I am 100% against any attempt to create more taxes or to take my PFD, because of Politicians failure to manage the people of the state of Alaska's money. Any changes that cost or take from the people of Alaska and are brought about by this or any other legislative session will cost everyone involved at election time.

Harold Woody

PO Box 1028 – Tok, AK 99780

TO: Senate State Affairs Committee (via: senate.state.affairs@akleg.gov)

RE: SB128

2-8-16

Hello:

Do not enact any legislation or regulation that enables the State to take any Permanent Fund monies for Alaska State spending and no new taxes on people or businesses! There is plenty of money!

The Legislature and various Governors have expanded State spending unnecessarily over the past 40 years by adding many programs that either do not assist the majority of Alaska citizens or are promoted by large and small special interests. Also, many funds exist in closed or dormant programs.

It is laughable that the Governor is proud he reduced administrative costs "slightly" and the legislature cut travel expenses \$160,000. Give me a break. Here are a few actual reductions ... off the top of my head.

1. Do not expand the installation of guardrails on the highways that are being rebuilt. More guardrails reduce the efficiency of snow removal and give drivers a false sense of security by reducing their watchfulness.
2. Give up the idea of a "road to Juneau."
3. Give up a road to Nome or Bethel.
4. Reduce substantially the state funding of schools (they fritter the money away) until after schools produce better educated students. One place schools can reduce spending is to use the system of "student immersion into English." One yardstick would be higher graduation rates.
 - a. Give up the idea of providing early child education (k-12 is more than adequate).
 - b. Utilize "distance education" for schools of less than 30 students.
 - c. Reward districts that do maintenance without new bonds.
5. Sell some land and get it on the tax revenue stream.
6. Encourage tier-one employees to retire and do not re-hire them again at any government level. They must stay out of the public sector for 5-years at least. Make every attempt to not fill their positions. Reduce State payment of employee health insurance.
7. Reject any Federal Programs offered. Especially Medicaid.
8. Privatize the Department of Motor Vehicles.
9. Privatize many unionized sectors of employees such as secretarial, food service, road & snow services, vehicle and property maintenance etc.
10. Reduce some of the "police" presence in the State. We are the highest "police to citizen" ratio in the country.
11. Reduce many licensing requirements. Do hair dressers really need 5 different licenses.
12. Remove law where Architectural firms get paid whether their plans are used or not.
13. Do everything you can to reduce controls from the Alaska Bar Association.
14. Provide understandable and simpler accounting to the public (income & expense). Including annual Salary and benefit information by name and position in the newspapers and force Boroughs and Cities to do the same,

I am sure others have good ideas too. Thoughtful and rapid implementation is the key.

Cordially,

Ruby Denison

Ruby Denison, Box 39334, Ninilchik, Alaska 99639, 907-598-1191

WILLIAM M. TOPEL
6707 MINK AVE.
ANCHORAGE, AK 99504
907-333-1234 (H), wmtopel@yahoo.com

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February 4, 2016

ALASKA STATE SENATE
STATE AFFAIRS COMMITTEE
SEN. BILL STOLTZE, CHAIR
CAPITOL BLDG., ROOM 205
JUNEAU, AK 99801

Dear Sen. Stoltze:

Please include my following testimony in the public hearing on Gov. Bill Walker's proposed legislation SB 128: **"An Act relating to the Alaska permanent fund; relating to appropriations to the dividend fund; relating to income of the Alaska permanent fund; relating to the earnings reserve account; relating to the Alaska permanent fund dividend; making conforming amendments; and providing for an effective date."**

To: Senators Stoltze, Coghill, Huggins, McGuire, and Wielechowski:

Greetings. I first came to Alaska in 1966. I've seen and experienced the boom and bust cycles of Alaska's economy since then. I've witnessed the origin of the Permanent Fund and the Dividend distribution program from the workings of Gov. Jay Hammond, and legislators Oral Freeman, Hugh Malone, Clark Gruening, and Clem Tillion. It's a savings account to be eventually used as a renewable resource for Alaska when the revenue sources for the Fund are minimized. It's also a trade-off to recipients in lieu of our inability to rightfully own and develop our sub-surface mineral rights as a result of the Statehood Act that allowed Alaska to become the 49th State in our Union and our State's Constitution's Article 8. It's also one of the few state programs that actually is successful. I've been a recipient of the Permanent Fund Dividend checks since the

inception of the distribution program. **I write to all of you today in opposition to SB 128.**

I've seen the exponential growth of state government since 2006. Instead of frugally spending the excess revenues from high oil prices and high production taxes, state government kept over-spending like the federal government has been doing for decades. Now Gov. Walker and some in the legislature want to fleece the average citizen, like me, who use the PFD checks to pay our bills or make small investments, while we have to live within our means. It's time that the state government also live within its means and stop trying to gouge the average citizen. We need to restore the scope of state government back to its essential core functions and mission and a good example of that would be to stop offering benefits beyond the minimal required federal Medicaid programs. After studying state economist Scott Goldsmith's ISER state budget analysis, private sector economist Brad Keithley's state budget analysis, and the United For Liberty (UFL) state budget analysis, I would recommend adopting their approach of a sustainable budget of between \$3.8 and \$4.5 billion by using the excess earnings of the Earnings Reserve of the Permanent Fund after inflation proofing and dividend distribution.

The effect of capping the Permanent Fund Dividend checks to Alaskans would be near disastrous to those who need it the most, the average citizen, and small businesses. It would be an excessive tax, not even considering any other proposed sales taxes or income taxes on the poor low-income Alaskan, the seniors living on fixed incomes, and those in the private sector, all of whom use the PFD checks to pay their bills. Those who would benefit from the passage of SB 128 would be those who have state jobs. Those state jobs are very lucrative in pay and benefits compared to similar private sector jobs or public sector jobs in other states. Keeping all of those state jobs at current levels while reducing the disposable income of those in the private sector is **grossly unfair** to those in the private sector and the poor people, the fixed-income seniors, and small private sector businesses. From a macroeconomic level, the loss of the "multiplier effect" from the movement of the expenditures of those PFD checks in the economy

would constrict the private economy even further by reducing consumer consumption and private investment. Do we really want to nearly destroy the private sector of Alaska and hurt the poor and the seniors on fixed incomes while keeping the grossly overgrown and bloated state government? Do we really want to further reduce the private sector middle class while expanding the amount of the poor and maintaining the largesse of those in the public sector? I would hope that this legislature would not want to create economic class warfare.

Let's look at this from a political perspective. To the Democrats who have prided themselves on traditionally helping the poor and the fixed income seniors, then SB 128 would not help the poor or the fixed income seniors. To the Republicans who have prided themselves on limiting government or helping small businesses, then SB 128 would not limit state government, but would allow government to continue to grow beyond its' constitutional essential core functions and missions and would restrict potential markets for small Alaskan businesses. SB 128 makes no sense politically.

Let's look at the facts, the numbers, and the long term. There are not enough people in Alaska to tax, through income or sales taxes, to make up for the continuing budget deficits. We have to rely upon resource development, not only for private sector jobs, but also for state revenues. We also have to keep cutting the costs of state government until we reach that sustainable level. We also have to open up our lands to more private ownership and development so that people can be financially independent without government intervention for the long term.

In conclusion, please vote NO on SB 128. Please continue to cut state spending. Put state government on a sustainable level by living within its means, just like people and families have to do. The Permanent Fund Dividend program belongs to the people of Alaska. Thank you.

William Topel.

Public Opinion Message

Received Friday, February 05, 2016

Taken By: Daniel George – Staff to Sen. State Affairs

Name: Betty Carrington

Phone: [Click here to enter text.](#)

Address: Wasilla

Message: “I don’t think this is the right time to take money from the Permanent Fund. I cannot believe that the governor and powers that be have not been able to cut the budget of things other than schools, roads, Medicaid, etc. They pick the high profile things to cut that causes controversy and gets them their way. We’ve got so many things in the state budget that shouldn’t be in there to begin with, and they’re not looking at them. The main thing is, I think they need to look back at the original budget and address each thing on it to be able to assess what is really needed for the state to pay for. Get rid of things that the state doesn’t need to pay for before they start cutting schools and Medicaid and roads, which the state should be responsible for.”

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Senate State Affairs Chair

Name: Billy Wilson-Katchatag Jr.

Phone: [Click here to enter text.](#)

Address: Palmer, AK

Message: “What really upsets me, I’m a registered voter and I voted for Bill Walker.. I’m a little upset because I was not aware he was going to use the dividend for covering the budget. It appalled me. It made me feel like I made the wrong decision, if he is going to use that for the budget. If I would have known he was going to use the dividend for the budget, I would not have voted for him.”

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Senate State Affairs

Name: James H. Brunelle

Phone: [Click here to enter text.](#)

Address: Anchorage, AK

Message: “I don’t agree with the Governor having carte blanche to take all of the PFD. He wants to increase taxes and take all the money, which is not to his advantage. He is trying Alaska to a give-me give-me state like California or Oregon. I moved out of Washington state because they were getting that bad. I’ve been up here for 37 years. I started swabbing toilets and worked my way up. My wife and I retired, we earned it, and we retired. In my mind, I cannot justify that this so-called group of people seem to want to spend every dime and nickel they can get a hold of. The government is a money-maker for itself. Initially I voted for this Governor, but I do not agree with what he is doing at this point. He is going to have to go into debt—and he should recognize and you cannot get carte-blanc he at this point to take money out of the Permanent Fund.”

Public Opinion Message

Received Thursday, February 04, 2016

Taken By: Daniel George – Staff to Sen. Stoltze

Name: John Whiting

Phone: [Click here to enter text.](#)

Address: Eagle River, AK

Message: “All money taken from the Dividend owners is really taxes. Based on the concept that all money is not the same, because each family needs about \$30,000/year to survive. A portion of the dividend that would be taken from a family of four making \$25,000/ year would be much greater than the portion taken from a family making \$100,000/year. All of the money that is taken from the lower income family is survival money. Survival money is different from having more than enough to live—it’s all you’ve got to live. Therefore, it is inequitable to tax people with less money the same amount as money as people with more than enough money. The best answer is to stop large projects currently being funded in Alaska, such as the bridge, the dam, the road, etc. and increase taxes on a graduated level for all people on a graduated basis.”

Daniel George

From: POMS@akleg.gov
Sent: Friday, February 05, 2016 9:13 AM
To: Daniel George
Subject: New Pom:SB 128 Perm. Fund:deposits;dividend;earnings

Theodore D Bartko
PO BOX 4206

PALMER 99645-4206,

Regarding the PFD, it is not the people of Alaska's fault that the money has been mismanaged. The oil tax needs to be adjusted to increase state income, not by taking our PFD.

SB 128 Public Testimony to JSTA
packet #5 (15 POMS)
2-22-16

Daniel George

From: JimW <2jweid@alaska.net>
Sent: Friday, February 19, 2016 4:19 PM
To: Senate State Affairs
Subject: Raiding the Permanent Fund comments

February 19, 2016
Fairbanks, Alaska
4:16 PM

To: Comments PF <SenateStateAffairs@akleg.gov>

Dear legislators,

Comments on SB 128 PERM. FUND:DEPOSITS;DIVIDEND;EARNINGS (Sponsored by the Governor)
Comments on SB 114 PERM FUND: EARNINGS, DEPOSITS, ACCOUNTS (Sponsored by Senator McGuire)

For those of you who defend the Permanent Fund:

Not only are you NOW defending the Permanent Fund from being raided this year. Your defending against future raiding.

According to the newspaper, the dividends are expected to be the same amount for the next couple of years – in other words, \$2000 this fall \$2000 next fall. And maybe another \$2000. The next full.

If one of the voters in your district has a family of four – two adults and two kids you're talking \$8000 this year \$8000 the year after this and \$8000 the year after that.

In other words, you're protecting \$24,000 worth of cash and come in the next three years to that individual voters family.

There are some reasons to defend the Permanent Fund:

1) 83% of us voted NO to raiding the Permanent Fund,

2) No is NO and we still mean NO because the dividends are the essential to the economy, Alaska.

3) It is the only thing that benefits each of us fairly and equally regardless of race, economic status, or physical location.

Therefore, I urge these two bills to be killed in committee so that they never see the light of day again.

Sincerely yours,

"A friend of the dividend"

Jim Widener
5479 Chena Hot Springs Rd.
Fairbanks, Alaska 99712

verification phone number 488-6366

PS: I have lived in Alaska nearly 44 years and I helped establish the Permanent Fund and especially the dividend program. It is the one and only thing that is benefited all of us equally from the oil wealth and the oil boom.

It is a trust fund set up to last for in perpetuity providing dividends to the people of Alaska.

You legislators are trustees --- not representatives some predatory interest group that thinks they should get more than one dividend check--in some cases 50 – 60 and up dividend checks EACH.

Daniel George

From: pamela goode <prgoode@yahoo.com>
Sent: Friday, February 05, 2016 3:23 PM
To: Sen. Bill Stoltze
Subject: SB128 - Public Testimony

SB128 PUBLIC TESTIMONY BY Pamela Goode
Private Citizen from the Alaska Interior.

Let me put this bill in very simple laymen terms

This bill basically wants Alaskans to hand over their keys to the multi-billion dollar Permanent Fund (PF) LOCKBOX, which belongs to all Alaskans; present, and future.

The whole purpose this PF was set up was to reserve a portion of the Oil revenues and keep the politicians and special interests out of it. And now they want us to give them, the same politicians that spent all the money, sole access to the PF so they can use a small percentage of market value to run then government.

AND IN RETURN: We've got this great deal for you!

INSTEAD of giving you a gradually increasing PFD, we'll promise you a dividend off the gradually decreasing Petroleum Royalties which will currently cut your dividend in half.

WOW!

I'll tell you what, if you can pass this bill without being tarred and feathered, I'll congratulate you for pulling off the biggest "CRIME OF THE CENTURY." This truly is a Crime against all past, current, and future Alaskans.

AND IN MY OPINION if this bill passes, all legislators and the governor should be behind bars. Therefore, to help keep you folks from possibly being tarred and feathered and out of jail, I oppose SB128 and hope you do too. It is constitutionally unethical and immoral.

Thank you.

Daniel George

From: Sen. Bill Stoltze
Sent: Monday, February 15, 2016 11:09 PM
To: Senate State Affairs
Subject: FW: Budget Crunch

From: Michael Chartrand [mailto:machartrand@mtaonline.net]
Sent: Monday, February 15, 2016 12:17 PM
To: Sen. Bill Stoltze <Sen.Bill.Stoltze@akleg.gov>
Subject: Budget Crunch

Dear Senator,

We are writing to let you know our thoughts on dealing with the current budget crunch. First and foremost we strongly object to any attempts to use our PFD to finance state government. Many Alaskans really depend on the earnings of that fund to make it financially in this place of high prices. There are some that can afford to donate a portion of their dividend to worthy charities and that's wonderful, but many of us really need that full amount. The PFD was not intended to fund any part of state government and should stay that way..

We would not object to a state tax of some type (income or sales) but it should come with a sunset provision that would eliminate it when oil prices return to a certain predetermined level. If a state sales tax is decided on it should not include any levy on groceries.

We strongly object to any use of taxes to fund the gas pipeline proposal that the state is now unwisely a part of. If the government cannot afford that pipeline through excess revenues it must not use an additional tax or our PFD to fund it.

It is obvious that major spending cuts must be made. All of us must bite the bullet on this point. Spending cuts should be across the board and not overburden any one group or organization. It must be fair. All funding should be eliminated for "pie in the sky projects" including Susitna Hydro and the Knik Arm Crossing.

The Oil Tax issue must be revisited. We are missing out on tax revenue from oil companies that can certainly afford to pay their fair share for our resources

We hope you will consider these points in making your determinations.

Thank-you

Michael and Aimee Chartrand

Daniel George

From: Bob Solberg <bsolberg@gci.com>
Sent: Monday, February 15, 2016 3:31 PM
To: Senate State Affairs
Subject: State Budget Deficit

In 1999, the last time raiding the permanent fund was put to a public vote, it of course resulted in a resounding 80% "NO". After which, one Juneau politician made an interesting statement I will never forget. Paraphrasing, it went something like this:

"Our current deficit is so large that oil would have to go to \$22 a barrel in order to fill it and that will never happen".

So the idea that we cannot reduce state government to a sustainable point is just plain ludicrous. It is not time for surgical finesse, it is time to get out the chain saws! We have a state with a population of a small city; we do not need much government.

Constitutionally destroying the current permanent fund "owner dividend" and replacing it with some contrived mechanism, regardless of what you call it, will just turn it into another government handout at the whim of politicians.

If the state government gets its fingers into the permanent fund, the massive overburden of government we are currently saddled with will just continue to expand. It is time to end this madness now!

Regards

Bob Solberg

Palmer, AK

Daniel George

From: Shannon and Nick Farstad <farstad1982@gmail.com>
Sent: Tuesday, February 09, 2016 8:41 AM
Subject: budget & taxes

Representative Ortiz.

I was born in Ketchikan in 1961 and have lived here since. I have been married to my wife Shannon for 34 years. We have raised three great children while living in Ketchikan.

I have been a D.O.T. M&O Highways employee since 1990, and currently still employed with the State.

Regarding SB 128 & HB 245, I'm not in favor of using the permanent fund. This helps many families with the high cost of living in Alaska.

I would like to recommend in order to receive the permanent fund that a citizen would have to be a resident for 3 years instead of 1 year.

Regarding HB 249 & SB 132, I'm not in favor of increasing the fuel tax. Alaskans pay some of the highest prices for fuel in the country. For some reason we are still paying \$ 2.99 to 3.14 per gallon for unleaded in Ketchikan. The Governor refused a request to have the attorney general investigate this matter. I would think he is concerned about the high costs also and was disappointed he didn't allow the investigation.

Regarding HB 250 & SB 134. I'm not in favor of having a income tax.

I believe all of the departments can work on operating more efficiently before any of these bills are passed into law.

I have seen first hand with M&O that they do in-fact have some work to do to become more efficient.

If you have any questions I would be happy to reply. I can be reached by email or my cell phone 907-220-5061.

Thank You for your time and consideration.

Nick Farstad

Daniel George

From: Arthur Corliss <arthur@corlissfamily.org>
Sent: Monday, February 15, 2016 1:38 PM
To: Senate State Affairs
Subject: Fiscal crisis

Follow Up Flag: Follow up
Flag Status: Completed

Categories: Completed

Greetings:

As an Alaskan resident I've watched for decades how the AK government is mismanaged our economy budget. With the current chaos on world oil markets things have reached a fevered pitch. Before everyone follows through with knee-jerk reactions I'd like to add my voice to the din.

First: ignore the idiotic notions by the GCI's lobby. None of it address the most fundamental problem: your spending problem. I had lunch with (then) Lt. Gov. Parnell several years back and I told him that excessive capital investment is stupid because it's not only *doesn't* guarantee you growth, it only guarantees greater carrying costs on the expense budget.

Math is simple. At some point all of you will have to learn how to do it. Stop spending. Leave the PFD alone. Finding more ways to siphon funds, whether it be the citizens via new taxes, raiding the CBR & the PFD, whatever, does nothing to solve the root of the problem. And that problem is undeniably undisciplined and unsustainable spending by the state government.

--Arthur Corliss
Live Free or Die

Daniel George

From: Brett Morehouse <stinkbear@gmail.com>
Sent: Thursday, February 18, 2016 5:23 PM
To: Senate State Affairs
Subject: Testimony on SB 128

I urge the indefinite suspension or elimination of the Permanent Fund Dividend.

The dividend was not meant to exist in perpetuity and the time has come to end it.

It will take much more to balance the budget than reducing the PFD to \$1000.00. It will take taxes as well, and taxing while distributing PFD's amounts to nothing more than redistribution of wealth.

"Cutting the PFD would be disproportionate to the poor" If that is the case then giving all applicants the same amount of dividend regardless of their income has been disproportionate to middle and high income people for the past 33 years.

All received the same amount, all should lose the same amount.

I have not received a PFD since 2007 because I work overseas for at least 6 months / year. I do not qualify for a PFD because I am not in Alaska for 180 days / year.

If I become liable for an income tax despite my absence, but I am excluded from the PFD because of my absence, that would be quite disproportionate.

Brett Morehouse
Fairbanks, AK

This email has been sent from a virus-free computer protected by Avast.
www.avast.com

Daniel George

From: Fran Ulmer <faulmer@gmail.com>
Sent: Saturday, February 13, 2016 9:51 AM
To: Senate State Affairs
Subject: Fiscal crisis

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senators,

I am writing to you to express my appreciation to you for your service to the people of Alaska, both those here now and future generations of Alaskans.

As you consider the possible solutions to the budget gap and the economic crisis which looms in the near future, I sincerely hope you will be thinking about that future and not about next year's election campaign.

As a former member of the Alaska Legislature, I understand that it is very difficult to put aside the politics, and to focus on solutions that may be unpopular in the short term but benefit the state for the longer term. But that is what is called for at this moment in Alaska's story.

I am not advocating for a specific piece of legislation, but rather for a balanced package that includes: reducing spending (but not so much that you precipitate a recession), imposing new taxes (long overdue in the state with the lightest tax burden of any state), using earnings from the Permanent Fund (which was exactly what was intended when the Constitutional Amendment was adopted in 1976), and adjusting oil tax credits (if needed to achieve balance).

Thank you for doing your very best to be fair, open minded and courageous.

Sincerely,
Fran Ulmer

Sent from my iPad

Daniel George

From: Judy Andree <jagster42@gmail.com>
Sent: Monday, February 08, 2016 3:13 PM
To: Senate State Affairs
Subject: Alaska Budget Crisis

I would like to share some thoughts that I have on the budget situation

1. New revenues should be progressive. The burden should not fall more heavily on lower income families who are already struggling. I know many low income families with children who are having a difficult time financially. Some are working two jobs; others find the cost of childcare prohibits both parents working. A progressive income tax would be more fair than, say, a state sales tax which everyone would have to pay equally.
2. The Permanent Fund with its PFD should be protected in perpetuity. I do support using some of the earnings for state budgeting; I support a cap on the dividends; I support creative ways to determine the cap which might, for example, reflect in a percentage point the amount of earnings on principal; I support creative ways to utilize the other various savings accounts held by the State. I tend to be financially conservative in that safeguarding the principle is important.
3. I do not support budget cuts that impact public education. Strong public education is essential to continued growth for the State economically. Our universities can foster the next innovation in healthcare, technology, climate change, and other areas important to our citizens. Pre-K to 12 education establishes the foundation for advanced learning, critical thinking, communication and the other skills that employers seek or that companies might seek when considering locations for expansion.
4. Nor do I support cuts to healthcare. However, I do support letting the expansion of Medicaid play out to find the accrued benefits to the State budget. I do strongly support a continuing search for measures to stabilize costs and slow the rise in costs. I urge the Legislature to work with DHSS to find these various measures.
5. Oil tax credit policy should be adjusted to fit more sensibly with current oil revenues. I understand the desire to encourage oil exploration, but that has to be balanced with our need for strong public education and other essential State services.
6. I am not automatically opposed to the Governor's Sovereign Wealth approach, but I do want to study that further as it does revamp the entire PFD process.

I urge the members of the Legislature to work together in nonpartisan fashion to solve the budget question. Thank you.

--
Judy Andree
5985 Lund Street
Juneau, Alaska 99801
907-780-6767 (home)
907-321-1559 (cell)

Daniel George

From: jma@mtaonline.net
Sent: Tuesday, February 09, 2016 5:01 PM
To: Sen. Bill Stoltze
Subject: Income Tax and Permanent Fund

MARIANN FALCONE
PO BOX 671548
CHUGIAK, AK 99567-1548

February 9, 2016

The Honorable Bill Stoltze
Alaska Senate
120 4th Street
Juneau, AK 99801

Dear Senator Stoltze:

Regarding the Income Tax and Permanent Fund,

The pfd is a huge pump into our economy & PROTECTED by the constitution.
\$100 million in cuts is squat! Every year the legislature comes up with CUT the pfd.

You have your rainy day fund use it then write a budget NO FRILLS, (fancy office space, \$\$ spent on project for studies that are NEVER going to go anywhere, FRESH FLOWERS??? Really at your meetings?) get down to BASICS.

You guys always want more but never learn to count pennies. Try that instead of counting millions bet you'll get further.

It wouldn't matter how much you taxed us the way the \$ gets spent we'd still be in the hole.

You don't give raises to undeserving--that's what you're asking for. NO!

A proud member of National Write Your Congressman.

Sincerely,

MARIANN FALCONE
907-694-0653

Daniel George

From: Michael P. Blair <Michael.Blair@tananachiefs.org>
Sent: Tuesday, February 09, 2016 9:54 AM
To: Senate State Affairs
Subject: State budget -income tax vs permanent fund

To Whom it may concern:

As a working resident of the State of Alaska I am offering my opinion on the State budget and financial obligations.

First, I would prefer that the legislature use the earnings of the Permanent fund to fund the State government over the implementation of an income tax. Many of these costs are benefits to every citizen of this state, and many are federally mandated programs. The use of the permanent fund earnings would mean all citizens of Alaska would be paying the cost of these programs, and have a greater stake in the workings of the state government.

Second, the limiting/end of the annual permanent fund payout, would reduce the amount of fraud that takes place by part time residents claiming to be full time residents. It would also reduce the number of people moving to Alaska to take advantage of social welfare programs, and the permanent fund, thus reducing the State costs to these social welfare program.

In conclusion, I would say it does not make a lot of sense to me, to give me money from the permanent fund, only to be taxed by the State government on the money they just gave me. Reducing the permanent fund yearly payout would also reduce my Federal income tax.

Thank you for you time,

Michael P. Blair

Daniel George

From: Shannon and Nick Farstad <farstad1982@gmail.com>
Sent: Saturday, February 13, 2016 10:45 AM
To: Senate Labor and Commerce; Senate State Affairs; Senate Transportation Committee; Sen. Bert Stedman
Subject: Budget & Taxes

Dear Legislator,

I was born in Ketchikan in 1961 and have lived here since. I have been married to my wife Shannon for 34 years. We have raised three great children while living in Ketchikan.

I have been a D.O.T. M&O Highways employee since 1990, and currently still employed with the State.

Regarding SB 128 & HB 245, I'm not in favor of using the permanent fund. This helps many families with the high cost of living in Alaska.

I would like to recommend in order to receive the permanent fund that a citizen would have to be a resident for 3 years instead of 1 year.

Regarding HB 249 & SB 132, I'm not in favor of increasing the fuel tax. Alaskans pay some of the highest prices for fuel in the country. For some reason we are still paying \$ 2.99 to 3.14 per gallon for unleaded in Ketchikan. The Governor refused a request to have the attorney general investigate this matter. I would think he is concerned about the high costs also and was disappointed he didn't allow the investigation.

Regarding HB 250 & SB 134. I'm not in favor of having a income tax.

I believe all of the departments can work on operating more efficiently before any of these bills are passed into law.

I have seen first hand with M&O that they do in-fact have some work to do to become more efficient.

If you have any questions I would be happy to reply. I can be reached by email or my cell phone 907-220-5061.

Thank You for your time and consideration.

Nick Farstad

Daniel George

From: schuri95@gci.net
Sent: Monday, February 08, 2016 1:10 PM
To: Rep. Charisse Millett; Rep. Kurt Olson; Rep. Lora Reinbold; Rep. Dan Saddler; Rep. Louise Stutes; Rep. David Talerico; Rep. Steve Thompson; Rep. Cathy Tilton; Rep. Liz Vazquez; Rep. Tammie Wilson; Rep. Mike Chenault; Sen. John Coghill; Representative.paul.seaton@akleg.gov; Sen. Kevin Meyer; Sen. Click Bishop; Sen. John Coghill; Sen. Mia Costello; Sen. Anna MacKinnon; Sen. Gary Stevens; Sen. Bill Stoltze; Rep. Charisse Millett; Rep. Jim Colver; Rep. Mike Hawker; Rep. Shelley Hughes; Rep. Craig Johnson; Rep. Wes Keller; Rep. Gabrielle LeDoux; Rep. Bob Lynn
Cc: Rep. Lance Pruitt; Rep. Paul Seaton; Sen. Mike Dunleavy; Rep. Mark Neuman; Rep. Kurt Olson; Rep. Cathy Munoz; Sen. Cathy Giessel; Sen. Charlie Huggins; Sen. Pete Kelly; Rep. Lynn Gattis
Subject: Budget Crisis Direction
Follow Up Flag: Follow up
Flag Status: Completed

ALCON,

What I want to see from my Party and our Legislative branch:

1. I do not want to see the Governor's Plan enacted.

I would like the PFD Earnings (Rainy Day) to be used, as bridge to gap our deficit, while extensive cuts are made across all the Departments for the next three years. Please do not solely rely on the heads of the departments to suggest their reduction plans. We need unbiased individuals to dissect, line by line expenditures, and identify potential savings, fraud, waste and or abuse of taxpayer funds.

2. I reject the Letter from the other side of the aisle about "power sharing" as a path to fix our Budget crisis. As I've heard from our National stage over the last seven years, "...elections have consequences."

v/r,

Shaun and Julie Churilla

Eagle River, Alaska

My name is Melanie Glatt

I speak on behalf of myself & my family. My husband & I have been residents of AK since the mid-80's. We currently reside in Palmer.

I have the following comments re: the Governor's proposal to limit PFD's:

#1) Cut spending. Why the Legislature didn't allocate more \$ to savings earlier to cover further entitlements is beside me. Many people have moved here because our entitlements are so high. I hold the Legislature responsible for blowing tons of \$ for poorly thought out projects as well.

#2) Use part of the Permanent fund earnings for the state budget. However, continue to inflation proof the PFD fund, but leave the corpus alone.

#3) I am not in favor of an income tax on Alaskans at all. This hurts the worker's in AK only.

#4) If you must tax, institute an income tax on out of state worker's only. This is in force in states like PA.

#5) If a sales tax is instituted - tax everyone

#6) Furthermore have you considered charging the Feds a rent of sorts per acre on all of the locked up lands in parks, monuments etc.? I am sick & tired of the Feds limiting our economy. Perhaps the Legislature could partner w/other western states on this. Utah & NV come to mind. Perhaps tax the Feds on lands not yet distributed to the state?

#7) Any fool could have guessed that Pres. Obama wouldn't approve the Keystone pipeline after 7 years of waiting. I have to question why the Legislature didn't jump on this and partner w/Canada, get a pipeline to TAPS so that Canada could get their oil to market and AK could gain royalties?

#8) Lastly, continue moving forward w/the gas pipeline in terms of permits and approvals but wait to build it.

#9) While it is all well & good as to the sale of AK lands to the private sector but we personally know of a current project that is wasting much more \$ than it will ever bring in. You might want to scrutinize DNR Land sales. The state will lose \$. You might also look into DVR and limit their expenditures for patrons. As a prior employee, I was aghast as to the waste of \$ going to alcoholics.

#10) Why the State has limited it's economy to oil & tourism is nuts. The lack of diversification has hurt us exponentially, making the rooster come home to roost.

Thank you



CITY OF BARROW

"Farthest North Incorporated City"

RESOLUTION 01-2016

**A RESOLUTION OF THE BARROW CITY COUNCIL ENDORSING
GOVERNOR BILL WALKER'S "NEW SUSTAINABLE ALASKA PLAN" AND
BESEECHING THE ALASKA STATE LEGISLATURE TO ADOPT A SUSTAINABLE
BALANCED BUDGET DURING THE CURRENT LEGISLATIVE SESSION TO INSURE
LONG-TERM FISCAL STABILITY FOR THE STATE OF ALASKA**

WHEREAS, global oil prices have dropped significantly over the past two years and are not expected to rebound for the foreseeable future, thereby impacting Alaskan oil production which also continues to decline resulting in a huge state budget deficit, currently being funded with saving; and

WHEREAS, even with significant budget cuts, all state savings are projected to be depleted in just a few years; and

WHEREAS, Alaska faces a period of fiscal uncertainty unrivaled in state history, which in the current fiscal year, unrestricted general fund revenue will cover only 40 percent of the budget, leaving a \$3.4 billion gap between spending and revenue – despite a 35 percent reduction in state spending since 2013; and

WHEREAS, even under the most optimistic assumptions, neither oil prices nor North Slope production are expected to increase sufficiently to make up for these large revenue shortfalls demanding dramatic government cost reductions; and

WHEREAS, if the status quo budgeting approach continues, savings from the state's Constitutional Budget Reserve (CBR) will be required to cover the gap and at current and projected oil prices, these savings will be depleted by the end of fiscal year 2018, which at that point the Permanent Fund Earnings Reserve would be needed to address the ongoing shortfall; and

WHEREAS, this grave situation resulted in the Standard and Poor's Rating Service revising Alaska's credit rating outlook to negative on August 18, 2015 and calling on lawmakers to address the state's structural deficit and warned that: "We expect that if lawmakers do not enact significant fiscal reforms to reduce the imbalance within the next year, the state's rating could begin transitioning downward. The rating migration lower would likely persist and accelerate if lawmakers continued to fail to act"; and

WHEREAS, Governor Walker has unveiled and submitted to the State Legislature *The New Sustainable Alaska Plan* which involves using the existing Permanent Fund in a new way which is similar to what is sometimes referred to throughout the world as a sovereign wealth model, an approach, which in simplest terms, uses very large financial assets in a formulaic, sustainable way to provide a stable source of revenue; and

WHEREAS, all future resource revenues (except those needed to fund the annual dividend program) would now be directly deposited into the Permanent Fund and is expected to not only exceed the rate of inflation, but provide real growth or in other words, that which would otherwise have gone to fund spending sprees during the good years is now diverted into savings to ensure the long term health of the Fund; and

WHEREAS, by moving this revenue into our sovereign wealth account (Permanent Fund), excess money received from future spikes in global commodity markets will stay in our savings, rather than funding bloated and unsustainable budgets, whereby then a stable and consistent withdrawal from our sovereign wealth earnings would be made to fund the state budget, based on carefully calculated formulas and reasonable assumptions; and

WHEREAS, deep budget cuts, along with new sustainable revenue from our sovereign wealth, can cover most of the state's huge budget deficit, but to completely close the gap a balanced suite of targeted and broad based taxes possibly including a state income tax which would enable the state to capture revenue from out of state workers and an increase to alcohol, tobacco and motor fuel taxes, cross-industry tax adjustments, as well as, reforming the current oil and gas tax credit program is necessary; and

WHEREAS, the New Sustainable Alaska Plan will provide a balanced path to long-term fiscal stability, protect the economy, preserve dividends, and make the Permanent Fund permanent, as well as, enable the state to continue meeting its obligations – to protect the safety and health of Alaskans, provide quality education, and promote employment opportunities in a growing and increasingly diverse economy; and

NOW THEREFORE BE IT RESOLVED that the Barrow City Council through a unanimous vote of the body hereby formally beseeches the Alaska State Legislature to sincerely work together to create and adopt a sustainable balanced budget during this current legislative session utilizing the sovereign wealth model described in *The New Sustainable Alaska Plan* as presented by Governor Bill Walker to include both additional substantial expense reductions, as well as, sustainable new revenue generation..

PASSED AND APPROVED UNANIMOUSLY BY THE BARROW CITY COUNCIL THIS 28th DAY OF JANUARY 2016

Attest:



Bob Harcharek

Bob Harcharek, Mayor

Ronette Panningona

Ronette Panningona, City Clerk