

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004

10884 HOUSE JUDICIARY

**Subject:** Jim Holm's bill

**Date:** Thu, 19 Feb 2004 19:30:44 -0900

**From:** "Alan & Robin" <alaskathye@alaska.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>,  
<Representative\_Mike\_Chenault@legis.state.ak.us>,  
<Senator\_Thomas\_Wagoner@legis.state.ak.us>

Gentlemen:

There seems to be some question about how much interest the public has in Representative Jim Holm's bill seeking to give eligible Alaskans \$20,000 if the Alaska Permanent Fund and use the remaining half to support state services. I want you to know I support Rep. Jim Holm's bill.

The plan would make \$800 million a year from the fund available for state spending while still allowing what's left of the fund to grow with inflation. That would mean a supply of funding for public services for years to come. Alaskan's share of this money would be a true saving, and debt reducing opportunity instead of a smaller amount over many years. It's truly a win/win situation that's badly needed right now.

Keep up the good work.

Alan Thye  
Nikiski, Alaska

'FD's

**Subject:** PFD's

**Date:** Thu, 19 Feb 2004 19:30:53 -0900

**From:** Richard Senior <jordon@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Your idea is good and I should hope it would satisfy the needs of our state for some time to come. It would however be even more attractive if a lump sum pay out was tax free.

3/7/2004 11:41 AM

Good Job!!!

**Subject: Good Job!!!**

**Date:** Thu, 19 Feb 2004 23:56:13 -0900

**From:** carla kusmider <kusy@mtaonline.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

To Jim Holm,

You have done a good job!!!! Made it in todays Anch. Daily News FRONT page about the Alaska PFD. I had emailed you before on this subject! Well said. I especially liked the part where Alaskans USE to live withOUT dividends in the old days and everyone did just fine! (just like my parents raisng a family of 5 did in 60's and 70's).

I hope we get more people in on this and this Alaska Permanent Fund which was created by older generation of Alaskans in the first place; finally gets capped!

Sincerely,

Carla Kusmider

**Subject:** HJR31

**Date:** Fri, 20 Feb 2004 00:26:08 -0900

**From:** "Joe and Julie Ford" <joeandjulieford@acsalaska.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

**CC:** <Representative\_Norman\_Rokeberg@legis.state.ak.us>,  
<Senator\_Ben\_Stevens@legis.state.ak.us>

Dear Representative Holm:

My husband Joseph and I would like to let you know that we are very supportive of your sponsorship of HJR31. When a payoff was first suggested last year or perhaps even earlier than that, so many people that we knew thought this was a reasonable way to satisfy not only the residents of Alaska but also the pressing needs of our state to meet its budget woes.

Both my husband and I worked for the state...I put in 11 years of service until my position was cut in 2000. I now work in the private sector because of the uncertainty of another position in state government. I believe the future of our permanent fund dividends are in jeopardy as well. Our great state needs to do something about the fiscal crisis that we have all been hearing about for years and years.

We applaud you for your efforts and wish you success in your endeavors.

Best regards,

Joe and Julie Ford  
2253 Misty Brook Circle  
Anchorage, AK 99502

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NO ADVERTISING \$\$\$ FOR POMV!

**Subject: NO ADVERTISING \$\$\$ FOR POMV!**

**Date: Fri, 20 Feb 2004 01:54:56 -0800**

**From: "Joann Odd" <joalaska@ptialaska.net>**

**To: <representative\_jim\_holm@legis.state.ak.us>**

Please do not agree to give the Permanent Fund Trustees 1.4 MILLION dollars to advertise the POMV proposal.

A LARGE number of Alaskans are NOT IN FAVOR of this proposal, and do not want Permanent Fund dollars spent to promote it.

Please save time, AND money by refusing to allow this WASTE of funds, because if you DO OK this, there WILL be lawsuits by those who oppose it, demanding equal funding.

The Permanent Fund trustees should NOT be allowed to use money from the Fund for this objective. Those opposing that idea have no access to equal funding to promote THEIR side.

**Subject:** \$20k payout

**Date:** 20 Feb 2004 07:14:26 -0900

**From:** Don Anderson <don.anderson@softwarerorth.com>

**To:** Jim Holm <Representative\_Jim\_Holm@legis.state.ak.us>

**CC:** Mike Hawker <Representative\_Mike\_Hawker@legis.state.ak.us>,  
Cheryll Heinze <Representative\_Cheryll\_Heinze@legis.state.ak.us>,  
Johnny Ellis <Senator\_Johnny\_Ellis@legis.state.ak.us>

.. Representative Holm,

Just a brief note to let you know that I strongly oppose your proposed lump sum payout from the capital of the Permanent fund. At my age I do not expect to ever get enough dividends to reach that amount, never-the-less one should never use up your seed corn until you face near term death. Since the State of Alaska does not plan on dying soon, it should hold onto it's seed capital and maintain it's value with appropriate inflation proofing.

Donald N. Anderson, Ph.D.  
don.anderson@SoftwareNorth.com  
(907) 561-4412

**Subject: Permanent Fund**

**Date:** Fri, 20 Feb 2004 07:17:52 -0900

**From:** "Simpson, William \ (Bill)" <wsimpson@acsalaska.com>

**To:** <representative\_jim\_holm@legis.state.ak.us>

I support your initiative to pay a one time dividend and then you people can waste the rest.

\*\*\*\*\*

20/2/2004

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Simpson, William (Bill) (wsimpson@acsalaska.com) < <a href="mailto:wsimpson@acsalaska.com">wsimpson@acsalaska.com</a> > Engineer II ACS Advanced Network Solutions
--

**Subject: Alaska budget**

**Date: Fri, 20 Feb 2004 08:38:15 -0900**

**From: Jack and Sherri Hayden <akjackandsherri@netscape.net>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Sir,

I've been in business in Alaska for 35 years, member of NRA, etc.  
I believe the Hammond plan, taken in its entirety is a fair solution to Alaska's budget problems.

So what if a progressive income tax leaves the dividend intact in the hands of low income residents? We're going to support them one way or another anyway, this way at least gives it to them with some dignity.

I used to be a Republican, but I have recently changed my registration to "none", because of the Republican led refusal to find any solution except cut services and go for the permanent fund. I believe the majority of voters in Alaska will never go for direct legislative access without a shareholder filter.

Sincerely,  
Jack Hayden  
Eagle River

**Subject: PFD Payout**

**Date:** Fri, 20 Feb 2004 12:50:16 -0500

**From:** "Debbie LoMonaco" <mikendeb@ak.net>

**To:** "The Honorable James A. Holm" <Representative\_Jim\_Holm@legis.state.ak.us>

Debbie LoMonaco  
225 East 23rd Avenue  
Anchorage, AK 99503

February 20, 2004

The Honorable James A. Holm  
House of Representatives  
Juneau, AK 99801-1182

Dear Representative Holm:

I am a life long Alaskan, and a daughter of a 7 year pipeline worker. I have my teenage years invested in the Pipeline and Oil without my parent to guide me. My parent is no longer able to enjoy or reap the rewards of her hard work on the pipeline via the PFD.

What can be planned is a total cleanout of the PFD fund and distributed to every Alaskan. Then start a new fund for State of Alaska's purposes only with the oil revenues that would have been sent to the PFD.

Sincerely,

Debbie

**Subject: PFD**

**Date:** Fri, 20 Feb 2004 10:12:34 -0900

**From:** "Pat Udelhoven" <patu@ptialaska.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

I read the article in the Peninsula Clarion this morning concerning the PFD, there is also a "huge" contingency "out there" that thinks it's a mistake to do it this way and sell out our rights. The only good thing is, some would leave the state after a pay out like that and the ones of us serious about living here would stay. The taxes that would be collected would not make it worth while, the people on welfare would and should have to pay there own taxes unless we all would still pick up the tab for them also. I don't think people feel like the government can nor should be trusted with the remaining monies, that once again it was be pittled away on special interests. I realize this goes on your smaller stack of opinions, but so be it.

Pat

**Subject: PFD Payout**

**Date:** Fri, 20 Feb 2004 10:18:37 -0900 (Alaskan Standard Time)

**From:** "Kelly Gifford" <prism@alaska.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

I am actually a Peninsula resident but I want to let you know that my husband and I support the payout plan. We agree with the \$20,000.00. We would not agree with the plan if it were less than your proposed \$20,000.00

I have notified our representatives to express my opinion-unfortunately, I don't think they are in support of the payout idea.

Even my 18 year old daughter loves the idea because it would assist her in paying for college.

Governor Hammond used the analogy that we are shareholders in the stock of Alaska-well, I am ready to cash out my stock ----maybe if there was a check box on the application that if one wanted to cash out and forfeit future dividends that would be a possibility and those who want to stay in for more could do that as well.

Thank you for listening and coming up with a GREAT idea.

Sincerely,  
Kelly and Dennis Gifford  
312 Rogers Rd.  
Kenai, AK 99611

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**Subject: PFD**

**Date: Fri, 20 Feb 2004 13:05:59 -0900**

**From: John N Jenn <johnnjenninak@netscape.net>**

**To: representative\_jim\_holm@legis.state.ak.us**

Representative Holm,

I wanted to let you know that my family and many of my friends support your idea regarding the permanent fund dividend. Not only would it secure my daughter's future but it would give our family the tools to continue our education and pay off debts (including the IRS). Thank you for bringing the idea to the attention of the public. I am encouraging everyone that I know that is a registered voter to go out and vote and if they are not registered then I am encouraging them to sign up. This would be a positive life changing event for my family, my friends and my neighbors.

Thanks for thinking about the little guy  
The Fulmer's  
Jennifer, John and Morgan  
5th year residents

**Subject: Support for PFS Payout**

**Date:** Fri, 20 Feb 2004 14:15:11 -0900

**From:** jessica wilson <wilsonj@mail.ssd.k12.ak.us>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Mr. Holm,

I would like to express my support of the idea of a one-time payout of the PFD. Years ago, when the idea first came up, I was unsure if it was the best thing. But in the current economic situation, I think it would be a lifesaver for so many Alaskans and would put thousands of families on a different financial footing for many, many years to come. It would mean the difference between owning a renting a home, going to college or not, and even an opportunity for people to put more money into causes that they truly care about. I believe the infusion of money into the economy would be felt, in a positive way, for years. I know that it would literally change my life at this point.

If the bill should pass, I do think that serious thought should be given to a way to save people from a rude awakening when tax time rolls around. I don't know if it is possible, but withholding 15-20% for taxes makes a lot of sense to me. Then if someone does not have to pay that much for taxes, they could get it back when they file.

Thank you for putting this plan on the table.

Please let me know who else I should forward my opinion to... Thank You!

Jessica Wilson  
Sitka, Alaska

'FD Pay-Out--NO WAY!!

**Subject: PFD Pay-Out--NO WAY!!**

**Date: Fri, 20 Feb 2004 16:31:44 -0800**

**From: missbethb@acsalaska.net**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm  
From: missbethb@acsalaska.net  
Name: Beth Beaudette  
Street: 3903 Ismo Dr  
City: North Pole  
Zip Code: 99705

Subject: PFD Pay-Out--NO WAY!!

The PFD is supposed to be Permanent!! It is supposed to be an ongoing fund shared by all Alaskan residents. I believe its intent is to keep people living and working in the state of Alaska. If there is a \$20,000 (or any large amount) pay-out to current eligible residents--whats to keep these folks here in the state for the next 20 or so years (like our military folks, living here but \"passing through\")? And what about our young Alaskan children and grandchildren and future children/grandchildren? They will be short changed.

Jim, the pay-out is wrong--keep the PFD as it is for the current Alaskan residents and their futures!!!

Please Add My Email Address to your distribution list. Thank You.

Payout

**Subject: Payout**

**Date:** Fri, 20 Feb 2004 17:29:08 -0800

**From:** moore@acsalaska.net

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Email For: Representative Jim Holm  
From: moore@acsalaska.net  
Name: James M Moore  
Street: 1226 Holmes Road  
City: North Pole  
Zip Code: 99705

**Subject: Payout**

Please count me as a supporter of your plan. Unlike many Alaskans who have their head buried in the sand I realize that state services cost money and nothing is free. I will gladly take the payout to help my family now while giving the remainder of the fund to the legislature to use for the original purpose (to run the state). I am very much opposed to an income tax while we are still paying dividends. It makes no sense to give me money and then take it back as a tax. Redistribution of wealth is not only wrong it is destroying our country by creating a huge welfare state.

Please Add My Email Address to your distribution list. Thank You.

3/7/2004 12:04 PM

**Subject: PFD Payout**

**Date: Fri, 20 Feb 2004 17:47:57 -0800**

**From: bek@alaska.com**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm  
From: bek@alaska.com  
Name: Barbara Ellen Kendall  
Street: 206 Park St.  
City: Sitka  
Zip Code: 99835

Subject: PFD Payout

Hello, I just wanted to add my two cents worth regarding the PFD bill you sponsored. I am all for it. We could do something meaningful with this amount of money, unlike the small dividend. We enjoy receiving it each year, but it just goes into our bank account and forgotten. We could use the lump money toward our house or put away for our kids education. Many people could use the money to start a business or get out of dept. It would be a great reward for living in Alaska for 14 years and for many others much longer. I hope this bill gets passed. I think it is a lot better choice than an income tax. It is hard to make a living here as it is. We rely on tourists and you know how up and down that can be. Thank you for your time.  
Sincerely,  
Barbara Kendall and Family

**Subject:** Alaska Perm Fund Cash-out  
**Date:** Fri, 20 Feb 2004 20:20:30 -0800  
**From:** kfrsl@uas.alaska.edu  
**To:** Representative\_Jim\_Holm@legis.state.ak.us

Email For: Representative Jim Holm  
From: kfrsl@uas.alaska.edu  
Name: Rod Landis  
Street: 715 College Court  
City: Ketchikan  
Zip Code: 99901

Subject: Alaska Perm Fund Cash-out

Rep. Holm:

Add my message to the stacks of emails you're reportedly getting from Alaskans who would like to see the payout of Perm Fund earnings to date. In the past I thought this kind of plan was short-sighted and stingy, but I have come to see that it makes total sense...otherwise the governor and others like him are just going to fritter away the dividend on things that won't benefit any of us in tangible ways...what such "investment" would do, likely, is employ a bunch more middle managers and state administrators. We need no more of those. I and my wife and son are active voters, and we endorse such a plan as you have proposed. It would give the Perm Fund one last shot at doing what it has done best all these years: put the money in the hands of Alaskans who will use it to invest in our state.

I wish you the very best of luck in your endeavour.

Rod Landis  
Asst. Professor of English  
University of Alaska Southeast  
Ketchikan, AK 99901

Please Add My Email Address to your distribution list. Thank You.

'DF payout

**Subject: PDF payout**

**Date: Sat, 21 Feb 2004 06:44:54 EST**

**From: Nanalaska@aol.com**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Rep. Holm:

I can't believe what an irresponsible proposal you've made to hand out \$20K for every man, woman, and child. Have you even considered what would happen once word of this starts circulating around the lower 48? Alaska would be so over-run with losers, you wouldn't know where to put them all. And I don't understand why you legislators feel that you must buy off the public in order to use the Permanent Fund for it's original purpose, and that is to fund government. Yeah, you may be feeling popular with some constituents, lazy losers are always looking for free money. These dividends are driving this state into the ground, a huge payout that you are proposing would finish it off.

Nancy Cuddeback

'FD PAYOUT

**Subject: PFD PAYOUT**

**Date:** Sat, 21 Feb 2004 12:16:02 -0600

**From:** "Moriarty, Michael" <Michael.Moriarty@AirLiquide.com>

**To:** "'Representative\_Jim\_Holm@legis.state.ak.us'" <Representative\_Jim\_Holm@legis.state.ak.us>

Sir , I agree with your idea of a onetime payout , because state gov. will eventually get it anyway , and after the payout ???

how long will it be before they start looking at my pay check again ? I would also think that if you are going to sell this to most Alaskans

you are going to have to up the ante to atleast 40,000.00 . good luck on getting this bill pasted .

Michael D Moriarty

Nikiski , Alaska

3/7/2004 12:04 PM

dividend pay out

**Subject: dividend pay out**

**Date:** Sat, 21 Feb 2004 10:47:24 -0900

**From:** "Mike & Jody Starkey" <starkey@mosquionet.com>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

I don't support the one-time payout. Once the dividend is gone and the people have no vested interest in the health of the fund they will stop paying attention to what the government is doing with it and it won't take long for you to spend it all. Then we will be taxed to death to cover the cost of all the new entitlement programs you create with all that money. I do support using some of the fund earnings to fund government, but the dividend needs to stay in place to keep the citizens active in the process.

Mike Starkey  
North Pole

**Subject: PFD**

**Date:** Sat, 21 Feb 2004 16:20:51 -0800

**From:** Barbara Hartt <bahartt@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

We have spent too much time and money arguing the fate of the PFD. Please vote and support a one-time payoff to the people of Alaska. I believe this would be the best solution to end the debates and get the state back on track. We don't want to be taxed and there is no reason for one if the state would use the remainder of the PFD wisely. Thank you, Sincerely, Barbara Hartt (Registered Voter)<?xml:namespace prefix = o ns = "urn:schemas-microsoft-com:office:office" />

Dividend \"PAY OUT\"

**Subject: Dividend \"PAY OUT\"**

**Date: Sat, 21 Feb 2004 16:36:26 -0800**

**From: sjbdvr@gci.net**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm  
From: sjbdvr@gci.net  
Name: Dustin P Clanton  
Street: 35185 Huntington Dr  
City: Soldotna  
Zip Code: 99669

Subject: Dividend \"PAY OUT\"

Awsome, Idea! everyone I talk to agrees, the state wants to steal it so give us are mineral rights one \"time\" pay us the money. I'll take \$20,000 grand thank you! very much! it would end the endless scam game by the state. They are spending millions trying to change the laws (OR) rules to manipulate the dividend to \"SPEND IT\" their way, I along with allot of people agree with \"you\" pay us are one time check and be done...

I could invest it in stock market and make millions of the new fiber optics that is about to happen, and pay my student loan. Great idea!! JIM!!!!

Sincerely,  
Dustin

Please Add My Email Address to your distribution list. Thank You.

3/7/2004 12:04 PM

Dividend \"PAY OUT\"

**Subject: Dividend \"PAY OUT\"**

**Date: Sat, 21 Feb 2004 16:54:01 -0800**

**From: sjbdvr@gci.net**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm

From: sjbdvr@gci.net

Name: Dustin P Clanton

Street: 35185 Huntington Dr

City: Soldotna

Zip Code: 99669

Subject: Dividend \"PAY OUT\"

I also would like to add since they know the \"gas pipeline will be built, the State Of Alaska will now try to cap the dividends from the ever increasing revenues from the gas sales. I say give me the check but like most say! the gas pipeline will reap billions for the State Of Alaska so they need to factor in that pay out! @ a later \"DATE\" when the pipeline starts selling gas to the lower 48.....

Please Add My Email Address to your distribution list. Thank You.

**Subject: Permanent Fund Dividend**

**Date: Sun, 22 Feb 2004 08:43:10 -0800**

**From: crusherak@gci.net**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm  
From: crusherak@gci.net  
Name: Timothy Smith  
Street: Po Box 84083  
City: Fairbanks  
Zip Code: 99708

Subject: Permanent Fund Dividend

Jim Holm,

When you ran your ads in the last campaign, you campaigned on the issue that Joe Hayes was just trying to get our dividend monies..... Well??? who was lying to us?? Him or you?

I am very dissapointed in your proposal to give Alaskan\'s \$20,000.

How do you think people are going to do with the taxes that will be due 6 months later on that money?

This is a huge issue.

Every person I know wants a income tax. The also support a school tax of \$50-\$100 per person.

Lottery/Legalized gambling?? these are other revenue generators.

I really hope you folks take the high road and look for other avenues of fiscal resposibility. If we did split the dividend, my share is moe than \$20,000.

Tim Smith  
PO Box 84083  
Fairbanks Alaska, 99708

**Subject: No PFD Payout**

**Date:** Mon, 23 Feb 2004 11:12:29 -0900

**From:** Christine Smith <csmith@northstar.k12.ak.us>

**To:** representative\_jim\_holm@legis.state.ak.us

Hi Jim,

I applaud your efforts to close the fiscal gap, but **strongly oppose** a PFD payout. A \$20,000 payout would have an adverse effect on my and my husband's financial status next year. But the most compelling reason to re-think your idea is the effect a payout would have on people who do not have the resources to manage their financial affairs. There are many people who do not know how to invest "for a rainy day" but will use the money for one-time items (trips, vehicles) which lose value. These are most likely the same people who need social services as a safety net for survival. They will not use \$20,000 to provide their own safety net.

I do strongly support a state income tax because it seems the most fair. Those with the greater ability to pay help those who are not so fortunate. I would also support using a portion of the dividend for state government, social services and education.

Christine

--

Christine Smith  
FYF At-Risk Transition Coordinator  
FNSBSD  
520 5th Avenue  
Fairbanks, AK 99701  
Ph: (907) 452-2000, ext. 205  
Fax: (907) 451-1009

**Subject: P. Fund payout bill**

**Date: Mon, 23 Feb 2004 14:21:35 -0900**

**From: Pam Bradley <bradleyfairbanks@gci.net>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Dear Jim - I just want to go on record saying I think the Permanent Fund payout bill, HJR 31, is a really bad idea. I could go on at length why, and I will, if I think that thing is going to start to move anywhere (really), but at the least, and also at the most important, I will say that I think the bill creates and feeds hysteria and the lack of constructive, accurate, and institutional knowledge about state government, about the Permanent Fund, about the dividend, about our economic structure here within the state, and about our future. It's so important to get people to try to inform themselves, and the hysteria introduced by the existence of this so-called payout bill is not something I respect. Please add this to your stack of emails about the bill. It would go in the 'not supporting' pile.

Thanks.

Good luck down there. It's a tough job.

Pam Bradley, Fairbanks

**Subject: HJR 31**

**Date: Mon, 23 Feb 2004 19:02:36 -0800**

**From: paulhnnn@netscape.net**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm  
From: paulhnnn@netscape.net  
Name: Paul F. Hannan  
Street: 5705 Katie Jean Circle  
City: Homer  
Zip Code: 99603

Subject: HJR 31

Dear Rep. Holm:

I was pleased to discover today that you were the initiator of this brilliant Bill proposal. I believe beyond a shadow of a doubt that the people of Alaska, especially in light of recent talk of raiding the fund, would overwhelmingly approve the bill this coming November. If there is anything I can do to help you in seeing this bill get passed please let me know. I know/fished with Dan Ogg and Loren Leman came to my 4th of July Chamber of Commerce Salmon Bake at my business in Homer.

Best Regards & GOOD LUCK!

Paul Hannan

Please Add My Email Address to your distribution list. Thank You.

**Subject:** PFund

**Date:** Fri, 27 Feb 2004 11:42:32 -0900

**From:** "Larry Flanagan" <shirend@mtaonline.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

Jim,

In short I agree with your idea of a payout. That would put a stop to all the haggling and get funding for the state's needs. And, the gov't has created such a distrust with the public, they won't vote for "anything" else, even if it makes good sense. The common thought is "well they're going to finagle a way to it somehow, so I might as well keep them from wasting that part of it".

Thanks and don't give up

Larry Flanagan in Anderson  
AK resident since 1959 (off n on) eheh  
abt 20 yrs

**Subject: Alaska PDF payout**

**Date: Fri, 27 Feb 2004 16:39:49 -0500**

**From: "Jeff Haskell" <kelvaris@yahoo.com>**

**To: "The Honorable James A. Holm" <Representative\_Jim\_Holm@legis.state.ak.us>**

Jeff Haskell  
2511 Sunset Drv  
Juneau, AK 99801

February 27, 2004

The Honorable James A. Holm  
House of Representatives, Room 416  
Juneau, AK 99801-1182

Dear Representative Holm:

Dear Sir,

My name is Jeff Haskell and I am a long time Alaska resident. As it stands now I have lived here for almost 15 years. I plan on living here for another 15. I have a wife and one child and like most Americans I live paycheck to paycheck. I have a good job but with rising taxes, healthcare costs, auto insurance and student loans, it is hard to catch up. Right now I don't see buying a house in my family's future. Ever. If this payout goes through my wife and I could clear are debts completely. We could put a down on a house and make some real roots. I hope this payout becomes a reality. It would allow us a chance at a life beyond struggle. I thank you for your diligent work in this, and if I have a chance, I will definitely vote for it.

Sincerely,

Jeff and Rebekah Haskell

**Subject:** [Fwd: HJR31]  
**Date:** Thu, 04 Mar 2004 17:04:08 -0900  
**From:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@Legis.state.ak.us>  
**Organization:** Alaska State Legislature  
**To:** Ginny Austerman <Ginny\_Austerman@legis.state.ak.us>

bill file

---

**Subject:** HJR31  
**Date:** Thu, 4 Mar 2004 08:46:56 -0900  
**From:** "Ben & Kate Ballenger" <b.k.ballenger@worldnet.att.net>  
**To:** <Rep\_Bruce\_Weyhrauch@legis.state.ak.us>  
**CC:** "Dan Ogg" <Representative.Dan.Ogg@legis.state.ak.us>, "Gary Stevens" <Senator.Gary.Stevens@legis.state.ak.us>, "Kodiak Lio" <Kodiak\_LIO@legis.state.ak.us>

I am sitting here watching your committee discuss the subject Constitutional Amendment regarding the ending of the Permanent Fund as we know it and using it for a payout of x amount of dollars to each Alaskan citizen and the remainder to be set up to run the State of Alaska and I am more and more convinced that this should in fact be put to a vote. We certainly need to do something and I for one would like an opportunity to vote on what we will do. I can send emails galore and they don't seem to have the impact that a simple yea or nay vote would have. I am now listening to Rep. Berkowitz who naturally is against this and he is concerned with things like the mechanics of how it would be handled.

Please ask your committee to seriously consider passing this out so we citizens of Alaska can vote on it.

Kathleen (Kate) Ballenger  
P. O. Box 126  
Kodiak 99615  
b.k.ballenger@att.net

**Subject:** [Fwd: HJR 31]  
**Date:** Thu, 04 Mar 2004 17:01:51 -0900  
**From:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@Legis.state.ak.us>  
**Organization:** Alaska State Legislature  
**To:** Ginny Austerman <Ginny\_Austerman@legis.state.ak.us>

bill file for hjr 31

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**Subject:** HJR 31  
**Date:** 04 Mar 2004 08:36:51 -0900  
**From:** Don Anderson <don.anderson@softwarerorth.com>  
**To:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@legis.state.ak.us>  
**CC:** Jim Holm <Representative\_Jim\_Holm@legis.state.ak.us>,  
John Coghill <Representative\_John\_Coghill@legis.state.ak.us>,  
Bob Lynn <Representative\_Bob\_Lynn@legis.state.ak.us>,  
Paul Seaton <Representative\_Paul\_Seaton@legis.state.ak.us>,  
Ethan Berkowitz <Representative\_Ethan\_Berkowitz@legis.state.ak.us>,  
Max Gruenberg <Representative\_Max\_Gruenberg@legis.state.ak.us>

Representatives Weyhrauch, Holm, Cighill, Lynn, Seaton, Berkowitz, Gruenberg,  
Members of the House State Affairs Committee

After I read Jim Holm's letter, I was too late to sign up yesterday to teleconference into your hearing at 8 am this morning. I am including my testimony below in the hope you can include it in the record.

thanks,  
Don

--  
Donald N. Anderson, Ph.D.  
don.anderson@SoftwareNorth.com  
(907) 561-4412 / (800) 228-3846

=====  
HJR 31.

My testimony:

My name is Donald Anderson and I wish to comment on the federal income tax effects of the PFD and the proposed 20k dollar distribution.

Although my PhD is not in Computer Science, I have been a computer programmer for 39 years, and have run the software construction firm - Software North for the past 26 years. My specialty for a few of those years was the development of computer models to simulate real world events.

My intent today is to comment on the effect of the federal income tax on the PFD, and it's effect on extraordinary distributions such as the 20k proposed in HJR 31. These simulations are rather easy, if tedious, involving only an Excel spreadsheet and a tax program such as TurboTax for the correct year. There is a wide band of uncertainty in this type of simulation as the IRS only releases tax income statistics as an overall state average and in 12 categories of income. This uncertainty is not large enough however, to change the general effect of what I will report today.

I believe everyone who prepares federal tax returns for a PFD recipient is familiar with line 21 of Form 1040. This is "other income" and it feeds without modification into each taxpayers Adjusted Gross Income. Thus for anyone above the standard or itemized deductions it directly affects the tax paid.

The most recent tax year for which IRS summary sheets are available for Alaskan taxpayers is 2001. I have therefore calculated for that year's recipients, the effects of the \$1850 PFD paid in that year and simulated the effect of a \$22,000 payout. Since HJR 31 has settled on a 20,000 dollar payout, I will use that number in future calculations. The percentages should remain relatively unaffected.

Alaskans paid in 2001 about 200 million dollars in federal taxes on their PFD's. This amounted to 18% of the amount distributed.

Had a 22k dollar payout been in effect that year Alaskans would have paid about 3.2 billion dollars in extra federal taxes. Approximately 25% of the amount paid out.

Why is this important?

Well, if we are considering enacting a state sales or income tax to provide a portion of the funding for state government it matters very much.

If the state on one hand, distributes money on which our citizens pay a hefty federal income tax and then charges those citizens a equivalent tax to support state government the big winner is the federal government. The state and it's citizens are impoverished to the tune of as much as 200 million a year for the PFD and would have to endure the departure of 3 billion more if this extraordinary payout were to occur.

Attempting to bribe our citizens into relinquishing the PFD is a very poor strategy.

Using the minimum PF earnings necessary to fund state government is the only viable long term strategy producing minimum damage to the state.

Recommendations:

- 1) Retitle HJR 31 the "IRS enrichment resolution of 2004".
- 2) Give this bill a "do not pass" recommendation.

I hope to have my spreadsheets completed this weekend. If anyone wishes to have a copy just e-mail me at don.anderson@softwarenorth.com and put "IRS spreadsheet in the title. No message is necessary. I will reply with an enclosed Excel spreadsheet when it is complete.

Thank You.

[Fwd: HJR 31 in STA]

**Subject:** [Fwd: HJR 31 in STA]  
**Date:** Thu, 04 Mar 2004 16:53:16 -0900  
**From:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@Legis.state.ak.us>  
**Organization:** Alaska State Legislature  
**To:** Ginny Austerman <Ginny\_Austerman@legis.state.ak.us>

bill file

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**Subject:** HJR 31 in STA  
**Date:** Wed, 03 Mar 2004 09:38:38 -0900  
**From:** Mary Griswold <mgrt@xyz.net>  
**To:** Representative\_Bruce\_Weyhrauch@legis.state.ak.us

HJR 31 March 3, 2004

Thank you for this opportunity to object to HJR 31. While I appreciate its intent to get the dividend off the table so we can move forward toward resolving our fiscal difficulties and agree that massive cuts to services are not desirable, I strongly favor another approach. We can adequately fund education, safety, public health, and our infrastructure with a combination of revenue from a state income tax, permanent fund earnings under 5 POMV, and revised taxes on oil development.

Most disappointing, I think it is very greedy to assume that we who happen to qualify today should absorb all the benefit of a program designed to benefit present and future Alaskans. Whether or not the people can make better investment decisions for their capital needs is not really relevant. At the very least, we must recognize that future Alaskans will include more than just our children. The dividend program offers a good balance between individual and societal benefits from the earnings of the permanent fund.

One often-recognized benefit of the dividend is that it provides a steady economic infusion. A bloated one-time payout will only exacerbate the boom and bust cycle we are trying hard to tame. The annual dividend is of a reasonable amount that can contribute to the family budget or savings account without creating extravagant expectations or skewing family priorities.

Please support 5 POMV payout as a better management tool for the permanent fund and support dedicating 80% of the annual payout to continue a comparable dividend program. This will leave 20% to provide a predictable revenue stream for essential government services. A constitutional amendment to this effect will guarantee the people's dividend program and get us well on our way to responsibly funding important government services that improve our quality of life.

Thank you for generating a stimulating discussion. Please support a more reasonable solution.

Mary Griswold  
P.O. Box 1417  
Homer, AK 99603  
235-3725

**Subject:** HJR 31

**Date:** Thu, 4 Mar 2004 09:01:49 -0900

**From:** "Joe and Julie Ford" <joeandjulieford@acsalaska.net>

**To:** <hsta@legis.state.ak.us>

Dear State Affairs Committee Chair and Committee members:

I fully support this bill and believe that if it were left to a vote of the people it would overwhelmingly be approved. In addition I agree entirely with Representative Lyn - I can figure out what to do with my money all by myself. That said this plan also gives Government the much needed funds it needs to run - looks like a win win situation to me!

Joseph J. Ford



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**Subject:** [Fwd: HJR 31 in STA]  
**Date:** Sun, 07 Mar 2004 16:39:21 -0900  
**From:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@Legis.state.ak.us>  
**Organization:** Alaska State Legislature  
**To:** Ginny Austerman <Ginny\_Austerman@legis.state.ak.us>

my bill file

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**Subject:** HJR 31 in STA  
**Date:** Wed, 03 Mar 2004 09:38:38 -0900  
**From:** Mary Griswold <mgrt@xyz.net>  
**To:** Representative\_Bruce\_Weyhrauch@legis.state.ak.us

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Mary Griswold  
P.O. Box 1417  
Homer, AK 99603  
235-3725

**Subject:** hjr31

**Date:** Sat, 7 Feb 2004 12:20:15 -0900

**From:** "Dale Diviney" <ddiviney@wildak.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

Hello Jim:

I think your PFD bill should include a provision to protect the kid's money. I would not vote for this if the parents were able to spend anyone's money but their own. This way this would be a big boost to the economy for years to come, and a way for kids who want to go to college a way to pay for it. It would also show our youth how money grows when it is saved.

Also I tried to use the POM System on line but it would not recognize me, a voter in the state for since about 1969.

Thank you  
William Diviney

**Subject: PFD Payout**

**Date: Thu, 5 Feb 2004 12:05:21 -0800**

**From: tomkat@alaska.com**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm

From: tomkat@alaska.com

Name: Kate Hamilton

Street: 6406 Carlos Court

City: Anchorage

Zip Code: 99504

Subject: PFD Payout

Dear Rep. Holm,

I really like your plan for ballancing the state budget by offering a one time payout of the PFD. How can I get involved to get this bill passed?

Sincerely,  
Kate Hamilton

Please Add My Email Address to your distribution list. Thank You.

**Subject: Support for PF Plan**

**Date:** Wed, 04 Feb 2004 18:53:12 -0900

**From:** Terry and Marie <braves@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

We just wanted to send a note voicing our support for your permanent fund plan. One payout to those eligible then use it to support our state in the future. We think you could receive a lot of votes from the people for this plan if it went to vote. Most people would prefer one payout instead of increasingly smaller annual payouts. It appears to be a win-win for individuals and state services. Thanks and Good luck - Terry and Marie Osborne

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Central Microfilm Services  
Department of Education & Early Development  
State of Alaska

**Subject:** hjr31

**Date:** Sat, 7 Feb 2004 12:20:15 -0900

**From:** "Dale Diviney" <ddiviney@wildak.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

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Also I tried to use the POM System on line but it would not recognize me, a voter in the state for since about 1969.

Thank you  
William Diviney

**Subject: PFD**

**Date: Fri, 6 Feb 2004 23:10:45 -0900 (AKST)**

**From: annapanin@webtv.net (Ann Thompson)**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

I just read the Nome Nugget (jan. 29) about your suggestion. I no longer live there but occasionally read it on line. I don't recall the ADN publishing anything pertaining to this suggestion. I think your idea is great. We have too many migrants in and out of her benefiting from the PFD and get it illegally after their departure. Aliens also that bring there families here that get it. I was shocked when I applied for mine this year and saw at the bottom ALIENS. I guess After all these years it was the first time I noticed it. Let's do it your way and watch the exodus. Better yet stop all new applications after this year even new births in Alaska. They could tax everything except food and medicine. I don't know of any other state taxing food except in restaurants. I don't know where Murkowski got the idea to tax food...

Stop all the travel from Juneau that isn't necessary. Move the capitol up here build housing for rep. that commute. nothing fancy let them live moderate while they do their job. Build a modest house for the gov. He and others have their permanent residence. Taking the longevity bonus from our seniors has hurt them. I could complain forever but you go wth your idea Rep. Holm You'll get my vote.

Ann Thompson

**Subject: PFD Payout**

**Date: Thu, 5 Feb 2004 12:05:21 -0800**

**From: tomkat@alaska.com**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm

From: tomkat@alaska.com

Name: Kate Hamilton

Street: 6406 Carlos Court

City: Anchorage

Zip Code: 99504

Subject: PFD Payout

Dear Rep. Holm,

I really like your plan for ballancing the state budget by offering a one time payout of the PFD. How can I get involved to get this bill passed?

Sincerely,  
Kate Hamilton

Please Add My Email Address to your distribution list. Thank You.

**Subject: Support for Proposed Permanent Fund Buyout**

**Date:** Thu, 5 Feb 2004 09:41:51 -0900

**From:** "Hunt, Carol L." <HuntCL@alyeska-pipeline.com>

**To:** "Representative\_Jim\_Holm@legis.state.ak.us" <Representative\_Jim\_Holm@legis.state.ak.us>

Dear Sir,

I heard that you are backing the bill proposing the buy out of the PFD, and using the funds for government. I have been trying to push support for this idea forward, and am so very excited to hear that someone in government is also thinking that way. Working for Alyeska and living in Fairbanks, I've talked with quite a few people (ages 40 and up) that are also in support of this proposal. I feel that this is not only the best for State government, but also this will assist our seniors in planning and completion of final arrangements, plus assist in supplementing social security.

Thank you again, and please let me know how I can be of assistance.

Carol Hunt  
2751 Silver St.  
North Pole, AK 99705  
dumiss@alaska.net

Carol Hunt  
Environment Department  
Records & Documentation Coord.  
MS 814  
Phone: (907) 450-7848  
Fax: (907) 450-5579  
Email: HuntCL@alyeska-pipeline.com

**Subject: Support for PF Plan**

**Date: Wed, 04 Feb 2004 18:53:12 -0900**

**From: Terry and Marie <braves@gci.net>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

We just wanted to send a note voicing our support for your permanent fund plan. One payout to those eligible then use it to support our state in the future. We think you could receive a lot of votes from the people for this plan if it went to vote. Most people would prefer one payout instead of increasingly smaller annual payouts. It appears to be a win-win for individuals and state services. Thanks and Good luck - Terry and Marie Osborne

Great job!!!

**Subject: Great job!!!**

**Date:** Mon, 02 Feb 2004 11:26:43 -0900

**From:** Richard Zelinsky <zelinsky@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Dear Representative Holm:

Thank you for all of your hard work. You probably feel like your job isn't worth all the stress and negative criticism that you receive. However, you *are* doing a great job.

I really am happy that you are working towards using a portion of the Dividend to pay for our government services. Please continue to do what's right and make a difference in this area!! Don't give up!! We can cut the dividend to \$500 a year/person and the rest should go for government.

Please, please do whatever you can to add \$26 million in funding to the Anchorage City School budget for next year. Carol Comeau and the Anchorage School District have been working hard at making their school district an excellent place for students. I speak for a family of five, and we feel the education quality is the top sign of what kind of place Alaska is. Don't let them dismantle their district when they need your help. Funding must increase!!

You can set a great example by doing what is right in these areas.

Good luck, and thank you again for your many, many efforts.

Sincerely,

Richard Zelinsky  
Anchorage, Alaska

**Subject: PFD**

**Date:** Mon, 02 Feb 2004 09:56:47 -0900

**From:** Michael C Martin <mmartin1@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Mr. Holm

My name is Michael Martin and I have lived in Fairbanks 50 of my 51 years. I am interested in more information on your proposal on the permanent fund payout. I do not believe that in five years we will still be getting a PFD check from the state so I am all for the payout.

Where can I get more info or how can I track the progress of this proposal?

Thank you for your time

Mike Martin

**Subject: PFD**

**Date: Fri, 30 Jan 2004 15:52:19 EST**

**From: Jimyd55@aol.com**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

I saw an article on your idea to make one large payout to each Alaskan instead of yearly payment, this is an idea that I and most of my friends would support. My name is Jim Davis and have lived in Alaska for 30 plus years and I believe that this would solve many of the states problems let alone the boom it could bring to Alaskan themselves, Thank you for your time and your forward thinking

**Subject: More Money For Education**

**Date:** Thu, 29 Jan 2004 21:23:29 -0900

**From:** "Kimberley Garner" <garner@ptialaska.net>

**To:** <Senator\_Johnny\_Ellis@legis.state.ak.us>, <Senator\_Bettye\_Davis@legis.state.ak.us>, <Senator\_Fred\_Dyson@legis.state.ak.us>, <Senator\_Con\_Bunde@legis.state.ak.us>, <Senator\_Kim\_Elton@legis.state.ak.us>, <Senator\_Hollis\_French@legis.state.ak.us>, <Senator\_Lyda\_Green@legis.state.ak.us>, <Senator\_John\_Cowdery@legis.state.ak.us>, <Senator\_Gretchen\_Guess@legis.state.ak.us>, <Senator\_Lyman\_Hoffman@legis.state.ak.us>, <Senator\_Georgianna\_Lincoln@legis.state.ak.us>, <Senator\_Scott\_Ogan@legis.state.ak.us>, <Senator\_Donny\_Olson@legis.state.ak.us>, <Senator\_Ralph\_Seekins@legis.state.ak.us>, <Senator\_Bert\_Stedman@legis.state.ak.us>, <Senator\_Ben\_Stevens@legis.state.ak.us>, <Senator\_Gary\_Stevens@legis.state.ak.us>, <Senator\_Gene\_Therriault@legis.state.ak.us>, <Senator\_Thomas\_Wagoner@legis.state.ak.us>, <Senator\_Gary\_Wilken@legis.state.ak.us>, <Representative\_Tom\_Anderson@legis.state.ak.us>, <Representative\_Ethan\_Berkowitz@legis.state.ak.us>, <Representative\_Mike\_Chenault@legis.state.ak.us>, <Representative\_Sharon\_Cissna@legis.state.ak.us>, <Representative\_John\_Coghill@legis.state.ak.us>, <Representative\_Harry\_Crawford@legis.state.ak.us>, <Representative\_Eric\_Croft@legis.state.ak.us>, <Representative\_Nancy\_Dahlstrom@legis.state.ak.us>, <Representative\_Hugh\_Fate@legis.state.ak.us>, <Representative\_Richard\_Foster@legis.state.ak.us>, <Representative\_Les\_Gara@legis.state.ak.us>, <Representative\_Carl\_Gatto@legis.state.ak.us>, <Representative\_Max\_Gruenberg@legis.state.ak.us>, <Representative\_David\_Guttenberg@legis.state.ak.us>, <Representative\_John\_Harris@legis.state.ak.us>, <Representative\_Mike\_Hawker@legis.state.ak.us>, <Representative\_Cheryll\_Heinze@legis.state.ak.us>, <Representative\_Jim\_Holm@legis.state.ak.us>, <Representative\_Reggie\_Joule@legis.state.ak.us>, <Representative\_Mary\_Kapsner@legis.state.ak.us>, <Rep\_Beth\_Kerttula@legis.state.ak.us>, <Representative\_Vic\_Kohring@legis.state.ak.us>, <Representative\_Pete\_Kott@legis.state.ak.us>, <Representative\_Bob\_Lynn@legis.state.ak.us>, <Representative\_Beverly\_Masek@legis.state.ak.us>, <Representative\_Lesil\_McGuire@legis.state.ak.us>, <Representative\_Kevin\_Meyer@legis.state.ak.us>, <Representative\_Carl\_Morgan@legis.state.ak.us>, <Representative\_Carl\_Moses@legis.state.ak.us>, <Representative\_Dan\_Ogg@legis.state.ak.us>, <Representative\_Norman\_Rokeberg@legis.state.ak.us>, <Representative\_Ralph\_Samuels@legis.state.ak.us>, <Representative\_Paul\_Seaton@legis.state.ak.us>, <Representative\_Nick\_Stepovich@legis.state.ak.us>, <Representative\_Bruce\_Weyhrauch@legis.state.ak.us>, <Representative\_Bill\_Williams@legis.state.ak.us>, <Representative\_Peggy\_Wilson@legis.state.ak.us>, <Representative\_Kelly\_Wolf@legis.state.ak.us>

<Representative\_Bill\_Stoltze@legis.state.ak.us>

Honorable members of the Senate and Legislature,

The amount of money that has recently been slashed from Alaska's education budget is unacceptable. I and many of my associates would vote in favor of allowing the state to use a portion of the pfd in order to help fund such essential services as police, fire and education. Thank you for your consideration.

V/R  
Kimberley Garner

**Subject: Dividend usage**

**Date: Wed, 28 Jan 2004 10:57:03 -0900**

**From: Keven Mader <kevin\_mader@dot.state.ak.us>**

**To: Jim Holm <representative\_jim\_holm@legis.state.ak.us>**

Rep Jim Holm.

I have lived in this state for almost 14 years now. The state is in need of money to help pay for state services and maintenance. I wish the state would open ANWR and get the gas pipeline going, but until then we are still hurting because this would take years to get into place. I have read info your in favor of cashing out the dividend, 50 % to the state and 50 % to the individual. I'm in favor of this not to get my hands on money but for many reasons. One to improve the states budget gap. Next to help ones in need of money from dead beat fathers or mothers. Also the state can collect on criminal warrants or traffic warrants owed to them. New developments the state could put into place for economic growth. Also, collage money I could put away for my children who might stay in state and lead the next generation for our great State of Alaska

Thank You

Kevin Mader.

**Subject: Dividend****Date:** Wed, 28 Jan 2004 10:53:52 -0900**From:** "Julie Jo Johnson" <moo4me@hotmail.com>**To:** Representative\_Jim\_Holm@legis.state.ak.us

Representative Holm;  
Having been reading the News Miner (not the most accurate source of news around, granted) and talking with my family and peers, (again, accuracy notwithstanding) I have become rather confused about this "one big dividend" plan that you have been credited with coming up with. Am I correct in understanding that with your plan, everyone eligible for the 2004 dividend will receive a large payout, around 20,000 dollars, and then the dividend program as we know it will cease to exist? In theory, I can see wonderful things happening as a result were that to happen. My issues arise from current abuses already being perpetrated against the Permanent Fund. I do not know ONE SINGLE PERSON in Alaska who does not know at least one person who improperly receives a dividend. I include the criminal element, the deadbeat parents, the truly fraudulent "part-time" Alaskans who haven't even SEEN snow in the past 10 years except on television. And lest I forget...the military. I, sir, am a fifth generation Alaskan, very grateful to the military for their presence here in the Fairbanks area and the contributions to our local economy. I myself work for a military contractor, on Eielson. In the scope of my job, I run across people EVERY DAY who buy all of their groceries on base, buy and register their cars out of state, mail order anything they cannot purchase on the base or get a military discount for in town. These people vocally disparage the isolation of our great state, they count the days until they are sent to greener pastures, and they feel they have EARNED that dividend. They feel like their time here is like jail, they care nothing for our community or the people in it. One gentleman stationed here had the nerve to tell me at dividend time this past year that it was the 3rd year in a row that his dividend and those of his entire family (wife and 4 kids) were going towards the purchase of property in another state, that he couldn't WAIT to leave here in 2005, and that the dividend would be the only thing he missed. THESE 6 PEOPLE ARE GOING TO EACH GET 20 GRAND? Oh, no no no! Do I believe the military as a whole should be excluded from this payout? You bet. The cost of living for a military family in Alaska is considerably less than that of a civilian, regardless of where the "home of record" is. Another thing about this plan that disturbs me is the federal government getting a big chunk of everybody's cash. That, coupled with the fear of a mass exodus (all of those people who have been wanting to leave Alaska but could never afford to) and the resultant economic "boom-bust" make me very hesitant, and I must say that having known you personally for many years and respecting you as I do, it's difficult for me to not agree with you wholly on something. I trust your judgement to a fault, and I KNOW there must be something I am not understanding here. I would ask you "Why one large payout rather than 4 medium sized ones over the next few years?" or "Why mess with the dividend at all?" I realize that you are very busy and the LAST thing you have time for is explaining yourself to some ignorant blonde chick in North Pole, but I really want to understand this plan and the benefits that it will provide myself and my loved ones with, now and in the future. I look forward to a response from your office soon.

Sincerely,  
Julie Jo Johnson,  
North Pole

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<https://broadband.msn.com>

**Subject: Alaska Permanent Fund**

**Date: Tue, 27 Jan 2004 21:57:58 -0900**

**From: carla kusmider <kusy@mtaonline.net>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Hi,

I TOTALLY agree with you on the Alaska Permanent Fund. I have been raised/lived in Alaska since 1965.

I really hope to see the day the Alaska Permanent Fund will be handed out in big checks to everyone and use the remains for the State of Alaska. PLEASE...don't give up on this idea. I believe it is mostly the newer Alaskans that want to make sure they are in on the money and they think they will get more if it stays the same. I can vouch that since the first payout, which I did receive and every year after that; totals up around 20,000. Again that is 20 years worth. These people are (bluntly) stupid if they think the Dividend is going to last forever and that they will get rich off it. I really have my doubts on that. I would LOVE to see a Final big check in my hands. IF I could, I would sign off my share. I FAVOR the pay out. Not only because of the money , but I would like to see how many Alaskans really do love Alaska and would remain if the Dividend was gone. No more talk about it and the State could use the money. Especially for the Schools!!!

I have heard from the Alaskans that don't like this idea, but...if it was \$50,000.00 per Alaskan they told me they would really consider it. Me, personally, I would like to see any final payout to get it done and over with. My parents raised their kids here with NO monies and they did fine. I personally believe THEY were here in the 60's and 70's and 80's but the time the Dividend started, they already raised us. They had no extra help with raising their family. Soooo WHY should the new comers have the Glory of it all when they wasn't here during the hardships and slope working days like my family was ...who never had it easy like the new people have. Don't make sense to me.

I thought the Zobels wrecked the Alaskan ways with the Dividend . Gov. Jay Hammond was correct. He was thinking of the future with the older Alaskans. Payouts depending on years of residency. It is definately MORE fair than the way it turned out. Now the unfairness is to the older Alaskans who didn't have the Glories of the Dividend to help support their families.

But...in my heart...the people working and making it happen back then...regardless if they didn't receive monies to help thier familys in the days it was all forming and happening..are the REAL ALASKANS.

Thanks for bringing up the payout. I will vote for it if it comes to it.

Sincerely,

Carla Kusmider

kusy@mtaonline.net

**Subject: One-time dividend**

**Date:** Tue, 27 Jan 2004 21:43:59 -0900

**From:** "Mike & Jody Starkey" <starkey@mosquionet.com>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

I urge you to reconsider your proposed one time dividend payout. While \$15,000 (after taxes) may be nice for those of us who receive it, I believe it flies in the face of the original intent of the dividend program. Future generations have a right to continue to share in the profits from the state's natural resources. I believe those who support the one time payout are selfish and greedy. I further believe that once the citizens of Alaska no longer have a vested interest in the permanent fund they will stop paying attention to what is being done with their money and the government will soon squander it all. Of course, we all know that is exactly what politicians want. That's why every year there is a new scheme to raid the fund.

Sincerely,  
Mike Starkey  
North Pole

**Subject:** PF Bill

**Date:** Tue, 27 Jan 2004 16:49:22 -0900

**From:** "KM Cozby" <dustin@gustavus.ak.us>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

Representative Holm-

I heard a blip on the radio news last week, I live in bush Alaska and do not hear or read a lot of media. It talked about a bill you are sponsoring promoting a one time payout and then turning the fund over to the state? It sounds like it is before the ways and means for framing. My questions are is this true, do you think it has any teeth, and where can I find more information on it? Also would this ultimately have to be put before the people for a vote? What are the chances of framing it where you would have a choice, either a one time payout or continue yearly checks. Any information on this would be appreciated.

Sincerely, Keith Cozby

e-mail [dustin@gustavus.ak.us](mailto:dustin@gustavus.ak.us)

**Subject:** One time pay out

**Date:** Tue, 27 Jan 2004 12:39:11 -0900

**From:** John Libertini <John\_Libertini@dot.state.ak.us>

**To:** Jim Holm <representative\_jim\_holm@legis.state.ak.us>

Jim:

I think you have a great idea... It's time to get rid of the fund as we now know it and start supplementing the State's budget. Alaska is turning into a welfare state, people are immigrating at an alarming rate, just for the dividend check. If you did some research you would find many families with up to 15 individuals living in one house. Not only are they coming from the lower 48 but many are coming from outside our borders. As you stated in your article, Child support would have a great day. As a father of two I know what it would mean for all those single mom's out there, who are fighting their dead beat counterpart for support of their children. It would be nice to see them pay up. As for me and many others, we could start our own fund and by the time my two are ready for a higher education, the money would be there. Thanks again for your aggressive thinking.

John Libertini

**Subject: One time payout**

**Date:** Mon, 26 Jan 2004 23:03:08 -0900

**From:** Will & Dione <mulva@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Dear Mr. Holm,

I know you are a busy man, so I will not waste any more of your time than necessary. I'm not sure how many of these types of emails you receive, but I just wanted to put in my two cents worth about what you brought up late last week concerning the one time giant dividend payouts. This was brought up once before a few years ago and most everyone I talked back then, and right now would not only support it, but LOVE IT!!! So many people could get out of debt, maybe move to a better neighborhood, buy a better car, or get the Internal Revenue Service off there back. Not to mention all the back child support or student loans collected through garnashes. I would bet my life on the fact that if this was put to a statewide vote , it would pass easily. PLEASE do not give up on this. Thanks so much for your time

Sincerely,

Will Stuart  
Anchorage

**Subject: Permanent Fund Payout**

**Date:** Mon, 26 Jan 2004 12:32:09 -0900

**From:** "Finley, Warren" <WFinley@borough.kenai.ak.us>

**To:** "'Representative\_Jim\_Holm@legis.state.ak.us'" <Representative\_Jim\_Holm@legis.state.ak.us>

Dear Representative Holm:

Thanks for a little common sense in this whole mess. To turn over the permanent fund to the legislature is ludicrous. We both know that once the fund is tapped it will be used until gone. Granted we do have a budget crisis and we need to decide if further generations need a token yearly payout. However, your plan will insure that those who getting a dividend will continue to get one if they invest and it will continue to grow. Something will have to give or we will lose our dividend completely. Not to mention the money windfall for the State and the far reaching effects that your payout would have. Please keep fighting for it.....Thanks Warren Finley

**Subject:** PFD

**Date:** Mon, 26 Jan 2004 09:12:02 -0900

**From:** sam and kellie <canoeadv@alaska.com>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

My husband and I read the proposal in Sundays newspaper. We would be happy if the PFD was settled once and for all. We are tired of hearing how badly the states needs our PFD's and would love to take the pay off and be done with it once and for all.

We realize there was some good points brought up about those on assistance ect. However, I am sure there are solutions to work around these problems. It would be a good thing for many.

It was brought up that people would leave Alaska. It is not the PFD's that causes people to stay here in AK. The small amount of income the fund has provided is not much of incentive make people stay here. We live here because we love this state. For those who plan to leave--let them go!! They would eventually go either way. This topic has come up often in our circle of family and friends. We've all agreed that we would purchase land, homes, pay off debts and open retirement funds. If we had a lump sum that is exactly what ALL of us said we would do. It would provide security for us to stay here in Alaska.

We are all for it.

Sam and Kellie Munk Kenai AK

We vote--LET'S DO IT CNCE AND FOR ALL !!!

Sam and Kellie Munk Kenai AK

**Subject:** PFD

**Date:** Sun, 25 Jan 2004 21:11:04 -0900

**From:** "Freeman Family" <freeman@mtaonline.net>

**To:** <Representative\_Jim\_Holm@legis.state.ak.us>

I am interested in the recent proposal to "buy out" the dividend. I agree. Since the late 80's (and I admit that's not long after we started getting checks), I have thought this might be good for everyone. If people could have invested back then in homes, stock, bonds, etc, they might be better off right now. My husband and I ended up leaving in the oil crash of the mid-80's just so we could find jobs to feed our kids. If we had the money before then, we would have stayed. As it was, we didn't get back to our home state for 3 years.

I also think if you were to raise the amount by five or ten thousand per person, you would have an easier time getting the constituents to ok this "buy-out." People want to be able to do more with it than pay a few bills. Once the bills are paid, the money is gone, and a small sum doesn't bring much income when invested. Larger sums would be more likely to be sunk back into this economy be people paying off their homes or buying their first homes.

Thank you for your time.

Karen Freeman  
[freeman@mtaonline.net](mailto:freeman@mtaonline.net)

**Subject: PFD Buy Out**

**Date: Sun, 25 Jan 2004 21:12:57 -0800**

**From: freeman@mtaonline.net**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Email For: Representative Jim Holm  
From: freeman@mtaonline.net  
Name: Bryan K. Freeman  
Street: 4625 S. Navigators Circle  
City: Wasilla  
Zip Code: 99654

Subject: PFD Buy Out

Sir, your recent proposal to \"buy out\" the dividend is perfect. The only problem is all the people that I am in contact with and there are literally hundreds a day, prefer 30-50 thousand buy outs. I think if you were to boost the buy out by 5-10 thousand per dividend then you would have no problem selling your proposal to the public. 20 thousand is not a large sum now days. 25`is much better and anywhere between 30 and 50 thousand \"take home.\" You would be assured to have my vote. But 20 thousand would barely dent my debt and as an investment is not going to present a resonable return.

Please consider a higher number. Because the pay out will be one time, but your income for the government will be forever, as long as there is oil.

Bryan K. Freeman  
freeman@mtaonline.net

Please Add My Email Address to your distribution list. Thank You.

**Subject: Alaska Permanent Fund idea**

**Date: Sun, 25 Jan 2004 18:52:06 -0900**

**From: Gigi Pilcher <warriorwoman@kpunet.net>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

Dear Rep. Holm,

I read with interest about your proposal on the Alaska Permanent Fund. It has merit.

My son was born and raised in Alaska. He graduated from the Alaska National Guard Youth Challenge Corps (now called Alaska Military Academy) in 1996.

On April 30, 1996, my son's 17th birthday, we signed permission for him to enlist in the U.S. Marine Corps. He left for boot camp on June 3, 1996 from Anchorage, Alaska.

Since that time, my son has proudly served our country. He retained his Alaska residency and comes home every chance he gets.

This year, he served our country at war in Iraq. Before he left for Iraq and the war in March, he came home to Alaska for ten days.

He came home from Iraq in September and spent two weeks home in Alaska over the holidays.

Each year he has received his permanent fund check although each year he has to jump through many hoops to get it.

However, because he remains in the U.S. Marine Corps, in 2006 he will no longer be able to get his permanent fund check.

According to the law.....after ten years out of Alaska you loose it.....no matter your reason for being gone or how many times you come home and even if you plan on retiring here after your service is done.

My son hopes to return to Alaska when he is 37 (he will have 20 years of service ) and join the Alaska State Troopers.

If your plan regarding the permanent fund comes through, my son would still be able to get his share and use it to buy land to build his home on.

Good luck to you,

Gigi Pilcher

Ketchikan

**Subject: "Permenent Fund"**

**Date: Sat, 24 Jan 2004 14:17:40 -0800**

**From: clarkmf <clarkmf@plu.edu>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

TO Mr. Jim Holm,

You should run for the Senate! I can't tell you how happy I am with your proposal concerning the permanent fund. I am a college student attending Pacific Lutheran University... I need an insentive to come back to my home state. I plan on going into education ... and my feeling is that our state is not able to fund the rural schools very efficiently here in the last decade. The incentive for me to come back.. would be the assurance that the state would have more money to work with concerning education... perhaps that higher salaries, nicer schools, and happier people. There are plenty of down sides to a lump sum payment... but I'll take it. If there is anything I can do to push this thing through.., please let me know. Sincerely, Michael Clark

**Subject: PFD Buyout**

**Date:** Sat, 24 Jan 2004 12:45:24 -0900

**From:** Jerry J <muldoon1@gci.net>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

I support this idea. Let's make it a reality.

Gerald Johnston  
262 Melody Place  
Anchorage, AK 99504

**Subject:** pdf

**Date:** Sat, 24 Jan 2004 13:14:27 -0800

**From:** kwilsonalaska@hotmail.com

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Email For: Representative Jim Holm  
From: kwilsonalaska@hotmail.com  
Name: Kathy Wilson  
Street: 2019 Capitol Ave  
City: Fairbanks  
Zip Code: 99709

Subject: pdf

I support your proposal. I feel that one way or the other the government of Alaska will use the money eventually anyway. My husband has been ill and has not been able to work for over 4 years. He is young and appears well, however, no one believes us. We have applied for social security disability to no avail. I for one do not believe the system is there to help us, although it is supposed to. All we have come up against anywhere is brick walls.

We are sinking here and it would certainly help us. We love Alaska and have been here over 20 years.

Another aspect that might attract attention is to offer the onetime payout to those of us that want to opt out of the yearly dividend and let us take the onetime payment. It would be easy.

We have contacted senators, previous government employees, and state offices. No one can help us, they say. I believe no one is interested in really pursuing the issues of my husband's illnesses. It won't benefit them.

By the way, my son Matthew is friends with Austin and we LOVE your greenhouse. Marcia was my son William's kindergarten teacher and he still talks about her. Have a great year.

Please Add My Email Address to your distribution list. Thank You.

10/2/2003

wilderness. Izembek Lagoon hosts virtually all the Pacific Coast population of Brant geese part of the year because it has the Pacific coast's largest eel grass beds. Large numbers of threatened Steller's eiders, emperor geese and many other waterfowl and shorebirds also use this vital area.

A road connecting Cold Bay and King Cove should not be considered. Road proponents spuriously claim it is a medical necessity to be able to drive from King Cove to Cold Bay, which is served by larger aircraft to Anchorage. However, blizzards and flooding sometimes would make this proposed road impassible.

The most logical and economical approach to handling medical evacuations from King Cove is construction of a 5.6-mile road to a landing facility at Lenard Harbor and the use of a helicopter, hovercraft or ferry to Cold Bay. This alternative would cost much less than to build and maintain a 33.5-mile road to Cold Bay, and it would not violate Izembek National Wildlife Refuge.

If King Cove residents want a road for additional access for hunting, fishing and other recreational or economic reasons, they should build and maintain it on their own lands at their expense.

-- Edgar Bailey

Homer

**State should do one-time payout and then use fund for government**

I have been reading about sales taxes, income taxes, slashing vital programs, lower oil revenues, raiding the Permanent Fund and budget deficits.

A few years ago, former Sen. Jerry Mackie introduced what was called "The Mackie Plan." At that time, some people thought his idea was crazy! We now know that he was about four years ahead of his time on this one and that he was right! From all indications, the dividend will soon be gone. His plan was simple and easy to understand. It should receive a vote of the people.

The Mackie plan would pay a final, one-time Permanent Fund dividend of \$25,000 to each eligible Alaska resident. At this year's dividend amount, this would equal about 22 years' worth of dividends in advance. The Permanent Fund would then end. The Constitutional Budget Reserve would then be added to the remaining balance of the fund and it would continue to be managed by the Permanent Fund Corp. The principal of the fund would never be spent. Continued deposits of oil revenues and inflation proofing would ensure that the fund would grow every year. Using just the earnings of the fund would be more than enough to balance the budget on an annual basis. Forget about taxing everyone out of existence or stealing the dividend. Put it on the ballot, and the let the people vote!

-- Patricia Lewis 907-373-4020

Wasilla

possible testimony to plan

**Jerry Mackie, I laughed at your plan too early. Can we get it back?**

Dear Jerry Mackie Plan: I'm sorry I laughed at you. I want you back.

-- Curtis Smith

Anchorage

*No Curtis Smith listed  
million C. Smith's*

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**Subject:** Opinion on PFD Plan

**Date:** Wed, 12 Nov 2003 14:55:33 -0900

**From:** "Jim Dube" <dube\_jim@hotmail.com>

**To:** Representative\_Jim\_Holm@legis.state.ak.us

Sir-

I read in the paper that you are proposing a PFD payout similar to the one that was proposed a few years ago. I wanted to let you know that as an Alaskan resident I am in favor of your plan, although I'm curious how the \$16,000 was arrived at. I'm assuming it's the downturn in the stock market and the lower value of the stocks today than a few years ago. If I understand correctly, the state general fund would receive it's own sort of "dividend" in the form of interest on what's left of the principal. I think this would be a great way to help solve the deficit, while giving the alaskan economy a shot in the arm. This would give the average citizen a chance to start a business, buy a house, or invest in their childrens' education.

Sincerely,  
Jim Dube  
Anderson, AK

---

MSN Shopping upgraded for the holidays! Snappier product search...  
<http://shopping.msn.com>

**Subject: Jim Holm Budget Proposal**

**Date: Sun, 9 Nov 2003 10:38:21 -0800 (PST)**

**From: "C. Vincent Shortt" <inntv@yahoo.com>**

**To: barbara\_cotting@legis.state.ak.us**

Bravo! Please pass along my personal appreciation for Jim's work on the pending one time PDF payout....and my support for his efforts. It is the right idea at the right time...and you can count on the support of this Fairbanks household...100%. Best Wishes, C. Vincent Shortt, inntv@yahoo.com

**C. Vincent Shortt, Author, Columnist, Keynoter-NATPE, IFW/TWA, NATJA, IFA. President, Shortt Stories TV, Senior Editor, Shortt Trips, LLC, Executive Producer, Alaska Magazine TV, Historic Hotels of America, Great Country Inns, Inn Country USA, The 1840 Carolina Village. T: 907-452-3232, F: 907-452-3229 E: inntv@yahoo.com  
P.O. Box 84628, Fairbanks, Alaska 99708..1391 Ridgepointe Drive, Fairbanks, Alaska 99709.  
GOOGLE.COM enter C. Vincent Shortt**

Matt:  
For your file.

**Subject: Permanent Fund Dividend**

**Date: Thu, 20 Nov 2003 20:13:16 -0900**

**From: Bill & Jeannette Joosse <bjoosse@gci.net>**

**To: Representative\_Jim\_Holm@legis.state.ak.us**

>From what I have read I would support your imitative for a \$16,000 permanent fund dividend one time payment for all Alaskans. However, I strongly believe that for all citizens under the age of 18, the payment should be kept in escrow by the State until the individual reaches the age of 18. The State could offset the administrative fee for handling these escrows from the interest they would earn. I think it is unfair to the children of Alaska that many of the parents squander the child's dividend earnings. In fact, if we continue on with the current dividend payout program, an initiative to establish an escrow account for children under 18 would be a very noble action to take.  
Thank you for letting me voice my opinion.

Sincerely - a registered voter

Jeannette Joosse  
125 Charles St  
Fairbanks AK 99701

*file*

file [ other perm fund ideas ]

**Jim Holm**

**From:** "Tomsha" <musicmrt@mosquionet.com>  
**To:** <holmtownnursery@gci.net>  
**Sent:** Wednesday, November 12, 2003 1:37 PM  
**Attach:** header.htm  
**Subject:** Letter to JIM

Jim Holm  
PO Box 71565  
Fairbanks Ak. 99701

November 9, 2003

Hi Jim,

This correspondence is in regards to the conversation we had this afternoon. appreciate your return call and hope you succeed in finding ways to close and/or fill the state financial gap.

In regards to a budget alternative, these are a few ideas that should be considered. These ideas could solve this grave problem by utilizing our permanent fund. Alaskan voters must answer this question.

Is this plan the most beneficial to the citizens of Alaska?

Here are the main points of my assertion:

- 1) Payout 1/2 of the permanent fund to all Alaskans.
- 2) Keep the PFD program in place.
- 3) Access to the fund by the state would be granted only as a loan/bond.

My reasoning in regards to the three main points of this are as follows:

- 1) For Alaskans to vote for a payout, which then enables the state to borrow from the fund, a dividend of this amount is certainly enough to get the vote passed, I believe with a high majority.
- 2) By keeping the PFD programs in place we all will see future benefits, as I believe the fund will continue to grow.
- 3) By issuing a bond between the state and the PFD program, we are then only financing our government with payback scheduled. I believe we have no chance to lose because of the fact that our natural resources will be tapped in the very future.

In closing, I will spare you most rhetoric. However, I think there are representatives, such as yourself, who understand the direction the state should take to relieve it of it's fiscal responsibilities. I sincerely hope you grasp what Alaskans think!!

I sincerely thank you for considering all avenues which may lead to the security of knowing that not only us, but our children may enjoy our substantial freedoms

Sincerely,

**Subject: pfd proposal**

**Date: Sat, 8 Nov 2003 10:45:14 -0900**

**From: "Margaret Prater" <margaret@acsalaska.net>**

**To: <Representative\_Jim\_Holm@legis.state.ak.us>**

Mr. Holm,

I read about your proposed change to the permanent fund. I don't know all of the details or the federal tax ramifications of this, but initially it sounds like a good idea to me. It makes no sense to me to have billions of dollars in reserve and not be able to fund our universities without creating a state income tax or sales tax. I don't want taxes and I don't want to see the schools and universities continue to beg for money every year. They need to be improving the system and the programs, not spending endless man hours asking for funds and then trying to get by on what they receive. If I don't get a dividend anymore, so be it. My children both graduated from AK post-secondary schools and are employed in Alaska. They don't stay because of the dividend, but because of the low tax base, and the quality of life they enjoy here. They both also love their jobs. Jobs they were able to get because of the great education they received.

I am sure that the huge number of other programs that are funded by the state would love to be able to have a more stable budget, so that the great services they provide can continue. Again, I'll take the lump sum and no more dividends. In the long run, I think everyone will be money ahead. Just don't take the dividend and ask for more tax dollars and hire fees.

Thank you for looking at the fiscal problem and fighting for a realistic, long term solution.

Margaret Prater  
Fairbanks, AK

Representative Jim Holms  
119 North Cushman St, Suite 205  
Fairbanks, AK 99701

*Save this letter*  
*At PFD file*

Mr. Holms

Just wanted to drop you a note about my ideas on the current budget gap.

Cut government overspending and the problem will take care of itself. I am sure an over view of the current budget would reveal areas that could be cut, and should be cut.

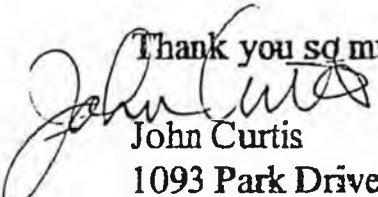
No! On a State income or sales tax.

Cash us out of the PFD. Have everyone who qualifies for a dividend, lets say for 2004, receive \$20,000.00 one time payout and the state would not give out another PFD check. The state would have that money in the future to use as they wish. (Hopefully to lower our taxes).

I hope our State does not take the same coarse as the others have done. Our taxes should not keep going up and up for what I consider over spending on government pet projects. However, we the people should pay for roads, defense, law enforcement and emergency services. The government should not be in business for anything.

It is my hope our State will take the lead in reversing its thinking about over spending and start cutting our government budgets, programs and pet projects.

Thank you so much for your time.

  
John Curtis  
1093 Park Drive  
Fairbanks, AK 99709

**HJR**

**101**

FRANK H. MURKOWSKI  
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

P.O. Box 110001  
JUNEAU, ALASKA 99811-0001  
(907) 465-3500  
FAX (907) 465-3532  
WWW.GOV.STATE.AK.US

June 21, 2004

The Honorable Pete Kott  
Speaker of the House  
Alaska State Legislature  
State Capitol, Room 208  
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a joint resolution proposing amendments to the Alaska Constitution relating to and limiting appropriations from the Alaska Permanent Fund based on an averaged Percent of Market Value (POMV) approach. The question presented to legislators by the joint resolution is whether to allow Alaskans to decide if management of the Alaska Permanent Fund should be modernized to a POMV approach. The POMV approach limits annual spending to five percent of the Alaska Permanent Fund's market value.

If adopted by the voters, the constitutional amendments in this joint resolution would change the way in which amounts available for appropriation from the Alaska Permanent Fund are determined. The joint resolution contains the same provisions as CS House Joint Resolution 26(FIN), which passed the House of Representatives during the second session of this Legislature. Under the provisions of this joint resolution, the Legislature could appropriate an amount that would not exceed five percent of the averaged market values of the Alaska Permanent Fund for the first five of the six fiscal years immediately preceding the fiscal year in which the money is appropriated. The provisions do not allocate the amount available for appropriation for a specific purpose.

I remain convinced that Alaskans expect us to resolve the state's long-term fiscal problem this year. This resolution is an important part of what must be a bi-partisan solution to the state's fiscal gap.

I urge your prompt and favorable action on this measure.

Sincerely yours,

A handwritten signature in black ink that reads "Frank H. Murkowski".

Frank H. Murkowski  
Governor



# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HJR 101  
 (H) Publish Date: 6/22/01

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title Constitutional Amendment RDU AK Permanent Fund Corporation  
Permanent Fund Income Component AK Permanent Fund Corporation  
 Sponsor Rules  
 Requester Governor Murkowski Component No. 109

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This resolution would ask voters in the next general election whether to approve a constitutional amendment that would limit annual appropriations to no more than 5% of the average year-end market value of the Fund for the preceeding five years.

This resolution would not affect the budgeted costs to manage and invest the Permanent Fund, nor would it change the amount of income earned by Permanent Fund investments.

See the attached schedule for financial projections of the Fund comparing the "Status Quo" to a 5% POMV spending limit.

Prepared by: Robert D. Storer, Executive Director Phone 465-2047  
 Division Alaska Permanent Fund Corporation Date/Time 6/19/2004 /11:43:00 AM  
 Approved by: Steve Porter, Deputy Commissioner Date 6/19/2004  
 Agency Department of Revenue



*Alaska Permanent Fund Corporation*  
 Financial projection comparison of the Alaska Permanent Fund under  
 current statutes versus POMV 5% lump sum payout, median case. All  
 dollars in millions except per person dividend.

FN #1, HJR 101

	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY05-FY15</u>
<b>Current Statutes</b>												<b>Totals</b>
Contributions & appropriations (principal)	24,452	25,383	26,278	27,189	28,120	29,077	30,053	31,049	32,061	33,090	34,139	
Unrealized appreciation/depreciation on assets	1,683	1,913	2,160	2,425	2,702	2,993	3,304	3,624	3,965	4,317	4,684	
Realized earnings account ( REA, after payouts)	1,297	1,879	2,375	2,778	3,185	3,617	4,074	4,568	5,092	5,658	6,263	
Total market value end of year (after payouts)	27,433	29,176	30,814	32,393	34,007	35,688	37,431	39,241	41,118	43,065	45,087	45,087
Total lump sum dividend appropriation	512	576	750	924	1,002	1,058	1,114	1,170	1,228	1,288	1,350	10,972
Per person dividend under current statute	\$ 790	\$ 890	\$ 1,160	\$ 1,420	\$ 1,530	\$ 1,600	\$ 1,670	\$ 1,740	\$ 1,810	\$ 1,880	\$ 1,950	\$ 16,440
Transfer status quo Inflation-proofing (REA to Principal)	620	643	666	689	713	737	762	787	812	839	865	8,132
	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY05-FY15</u>
<b>POMV - 5% (beginning in FY05)</b>												<b>Totals</b>
Contributions & appropriations (principal)	23,840	24,128	24,358	24,580	24,800	25,021	25,237	25,447	25,648	25,841	26,026	
Unrealized appreciation/depreciation on assets	1,683	1,892	2,103	2,322	2,548	2,781	3,026	3,274	3,532	3,793	4,059	
Realized earnings account ( REA, after payouts)	1,173	1,687	2,243	2,809	3,382	3,965	4,561	5,179	5,811	6,465	7,139	
Total market value end of year (after payouts)	26,695	27,707	28,703	29,712	30,730	31,768	32,824	33,900	34,991	36,099	37,224	37,224
5 year average market value lagged one year	25,851	25,902	26,508	27,614	28,846	30,012	31,066	32,140	33,234	34,344	35,472	
Total 5 % lump sum average market value available for appropriation	1,293	1,295	1,325	1,381	1,442	1,501	1,553	1,607	1,662	1,717	1,774	16,549

**Assumptions:**

Callan Associates 2004 Capital Market Assumptions, APFC 2004 asset allocation, Spring 2004 revenue forecast, financial statements through 06/30/03. All payouts are assumed to happen at fiscal year end, all dollar values in millions.

POMV payout assumes calculation methodology is 5% of the ending market value (pre payout) for the first five of the last six fiscal years.

# FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: HJR 101  
(H) Publish Date: 6/22/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: \_\_\_\_\_  
Title Constitutional amendment relating to and RDU Elections  
limiting appropriations from the APF based on an averaged Component Elections  
percent of the fund market value.  
Sponsor Rules  
Requester Governor Component No. 21

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing of an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Lauri Allred Phone 465-5347  
Division: Division of Elections Date/Time 6/18/04 8:44 AM  
Approved by: Laura A. Glaiser, Director Date 6/18/2004  
Agency: Office of the Lt. Governor, Division of Elections



Alaska Permanent Fund Corporation  
801 West 10<sup>th</sup> Street, Suite 302 Juneau, AK 99801  
Tel: (907) 465-2047 Fax: (907) 586-2057

## Sectional Analysis of WD 0168

### Overview

The Resolution proposes changes to the Alaska Constitution Article IX, Section 15, which governs the Alaska Permanent Fund.

### Summary of Changes

- 1) Page 1, line 9. Adds a reference to the new subparagraph (b) being added to the constitution.
- 2) Page 1, line 10. Removes the words "the principal of which" from the constitution. This change removes the distinction between the principal and the earnings reserve. The Fund becomes one pool of money versus two.
- 3) Page 1, lines 12 & 13. Deletes the guidance for where income of the Fund should be deposited. The intent is for all income to remain in the Fund until appropriated by the Legislature.
- 4) Page 2, lines 1 - 3. Adds a new subparagraph (b) that establishes an annual payout limit of 5% of the total market value of the Fund. The market value will be based on a five-year average. This is to protect the Fund from inflation and preserve the real value over the long term. Additionally, this provision allows the legislature and the administration to know one year in advance the amount available for appropriation.
- 5) Page 2, lines 6 - 9. Adds a transitional provision that makes clear the balance in the Fund's earnings reserve remains in the Permanent Fund. Some have argued that the earnings reserve belongs in the General Fund.
- 6) Page 2, lines 10 - 12. States that the changes first apply to appropriations for fiscal year 2006.
- 7) Page 2, lines 13 - 15. States that the amendments will be placed before the voters at the next general election.



# Alaska Permanent Fund

## A Fund overview and discussion of POMV

ACCOUNTABILITY

1

TO ALASKANS, FOR ALASKANS



**"To benefit all generations..."**

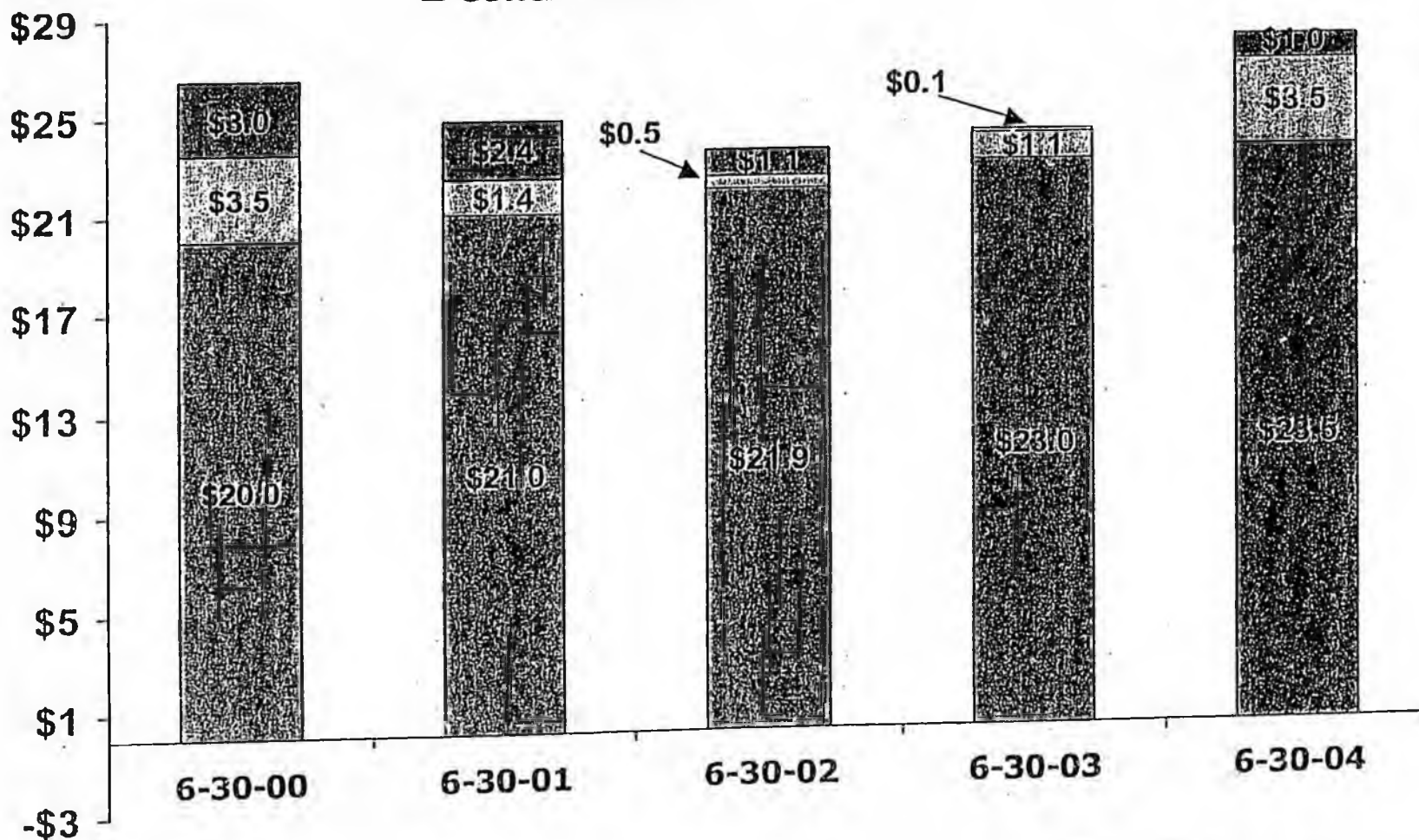
## **AS 37.13.020 (1)**

...the Fund should provide  
a means of conserving a portion  
of the state's revenue from mineral resources  
to benefit all generations of Alaskans.



# Permanent Fund market value

- Realized income account
- Unrealized earnings
- Contributions



ACCOUNTABILITY