



Senator Cathy Giessel

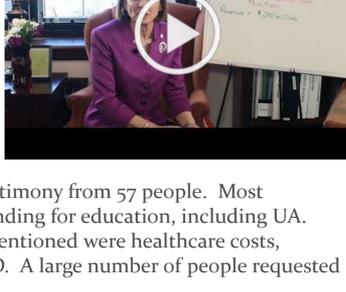
District N

Northeast Anchorage, Anchorage Hillside, Indian, Bird, Girdwood and Portage

March 5, 2019

Dear Friends and Neighbors:

Thank you, again, for the approximately 70 emails with suggestions for resolution on the budget. As I tell everyone, never has any Governor's budget been "rubber stamped" by the Legislature. The Legislature is the appropriating body. The proposed budget will change.



I attended the March 2nd Anchorage Caucus and heard testimony from 57 people. Most prevalent was a desire for more funding for education, including UA. Other subjects, much less often mentioned were healthcare costs, housing and restructuring the PFD. A large number of people requested creation of a personal income tax.

Quick summary of the budget challenge

The Governor proposes a "full PFD," which is about \$3,000 for every man, woman and child. This creates a budget shortfall of about \$1.6 billion, when coupled with inflation and the same spending we've had in the last year. The \$1.6 billion shortfall needs to be filled. Our savings account (also referred to as the CBR) has only about \$2 billion in it.

Income tax

In this newsletter video, I talk a bit about the income tax that was proposed in 2016. It would have generated revenue of \$200 million per year.

Tax Oil Companies

One of the things I heard at the Anchorage Caucus was "Stop paying tax credits to oil companies."

80% of Alaska's income comes from oil. In 2016 we removed a series of credits for small companies in Cook Inlet and on North Slope = \$400 million/year since 2009. There are no longer any cash credits for small companies; there were never any cash credits for large oil companies. In 2017 we increased taxes on large oil companies by changing tax law and deleting operating cost deductions.

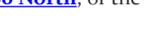
Alaska receives more money from each barrel of oil than the oil companies do. Alaska always gets money, even when the price of oil is low, and the oil companies are losing money.

In this week's newsletter you'll find:

- Senate Finance Hearings
- Investment Funds Update & Cash Flow Deficiency
- District 27 Constituent Meeting
- Senate Backs Development in ANWR
- Senate Press Availability on Crime
- Consular Office of Japan
- 2019 Community Transportation Program Call for Projects
- Constituents in the Capitol

Kind regards,
Cathy

[Click here to email me.](#)



Senate Finance Hearings

To tune into these informative hearings, you can visit [360 North](#), or the [Alaska State Legislature website](#).

Review of Legislative Finance Division

On Tuesday, February 26th, David Teal, fiscal analyst from the Legislative Finance Division, presented an overview of the proposed 2020 budget.

[Click here to watch a recording of the hearing.](#)
[Click here for a link to the documents for the hearing.](#)

Consideration of Governor's Administration Appointee

On Wednesday, February 27th, the committee heard from Commissioner Designee Kelly Tshibaka from the Department of Administration.

[Click here to watch a recording of the hearing.](#)
[Click here for a link to the documents for the hearing.](#)

Board of Nursing Sunset Bill

On Friday, March 1st, I went before the Senate Finance committee to present [SB 36](#), the Board of Nursing Sunset bill.

[Click here to watch a recording of the hearing.](#)
[Click here for a link to the documents for the hearing.](#)

Investment Funds Update and Cash Flow Deficiency



Commissioner Bruce Tangeman from the Department of Revenue went into detail on state cash positions and investment funds last Thursday, February 28th.

[Click here to watch a recording of the hearing.](#)

See below for documents from the hearing:

- [State of Alaska Performance Comparison](#)
- [Discussion of State Cash Flows](#)
- [Update on State's Investment Funds](#)

District 27 Constituent Meeting

On Saturday, March 23rd, I will be at the Muldoon Community Youth Development Center with Representative Pruitt from 1:00-3:00 pm for a town hall to meet with constituents from District 27.

I look forward to a respectful discussion of topics and issues in our community.

Senator Cathy Giessel & Representative Lance Pruitt invite you to the **District 27 Constituent Meeting**

➡ **DATE:** Saturday, March 23rd
 ➡ **TIME:** 1:00-3:00
 ➡ **LOCATION:** Muldoon Community Youth Development Center
 1005 Ermine Street
 Anchorage, AK 99504
 Any questions call 907-465-3438 or 465-4843

Senate Backs Development in ANWR

The Senate passed a resolution on Monday, March 4th, that supports responsible development in a small area of the Alaska National Wildlife Refuge (ANWR). [SJR 7](#) requests that the Bureau of Land Management implement an oil and gas leasing program in the coastal plain of ANWR, as outlined in the [Draft Environmental Impact Statement](#) released on December 20, 2018.

Since the passage of Alaska National Interest Lands Conservation Act (ANILCA) nearly 40 years ago, the Alaska Legislature has continually urged Congress to allow exploration and development in ANWR, which contains an estimated 7.7 trillion barrels of oil and 7 trillion cubic feet of natural gas.

The joint resolution passed the Senate by a vote of 16-2, and is now on its way to the Alaska House of Representatives for consideration.

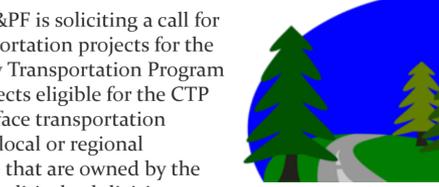
Senate Press Availability on Crime

On Wednesday, February 27th, I joined with Senator Hughes, Senator Shower, and Senator Micciche to discuss crime legislation.

[Click here to watch a recording of the press availability.](#)

Consular Office of Japan

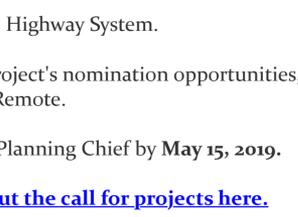
It was an honor to meet with Consul Masatoshi Sato and his wife from the Consular Office of Japan last week. Alaska and Japan have long and deep ties, and Anchorage has a sister city in Chitose, Japan. Senator Coghill, Senator Birch, and Senator Bishop joined the meeting to discuss resource opportunities between Alaska and Japan.



(L-R) Senator Coghill, Consul Sato, Mrs. Sato, Senator Giessel, Senator Birch, and Senator Bishop

2019 Alaska Community Transportation Program Call for Projects

The ADOT&PF is soliciting a call for local transportation projects for the Community Transportation Program (CTP). Projects eligible for the CTP include surface transportation facilities of local or regional significance that are owned by the state or its political subdivisions, which are not included in the National Highway System.



There are two sets of criteria for this project's nomination opportunities, including: 1) Urban and Rural, and 2) Remote.

Applications are due to your Regional Planning Chief by **May 15, 2019**.

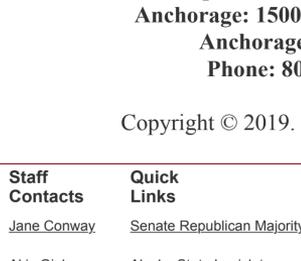
[You can find more information about the call for projects here.](#)

Constituents in the Capitol

It's always a pleasure to visit with constituents while I am here in Juneau. I appreciate the time and effort it takes to visit us during the legislative session. Here's who stopped by my office this past week:



Members of AARP



It's a pleasure to serve and represent the wonderful people of district N!

I look forward to hearing your ideas, suggestions and comments.

[To email me, click here.](#)



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