

ALASKA STATE LEGISLATURE

HOUSE FINANCE COMMITTEE

REPRESENTATIVE
BILL WILLIAMS
Co-Chair
(907) 465-3424
Fax: (907) 465-3793



REPRESENTATIVE
ELDON MULDER
Co-Chair
(907) 465-2647
Fax: (907) 465-3518

State Capitol, Juneau, Alaska 99801-1182

FOR IMMEDIATE RELEASE: March 20, 2002

CONTACT: Rep. Eldon Mulder (907) 465-2647

House Finance Takes Up Revenue Measures Alaska Public Invited to Share Views on How to Fill Fiscal Gap

(JUNEAU) - Having fulfilled its commitment to pass an operating budget that holds the line on new government spending, the House has begun work in its [Finance Committee](#) on possible ways to fill the state's fiscal gap by raising new revenue, committee co-chairs said today.

"We promised Alaskans that once we passed a budget, we would immediately start discussions on the various options available to raise revenue," said Rep. Bill Williams (R-Saxman), co-chair of the committee. "Part of that process is hearing from the public on what kinds of measures they want and can support, and that's what we're doing this week."

The House Finance Committee has invited the public to take part in a statewide public hearing Thursday on the wide range of options available to the Legislature to raise additional revenues to reduce the gap between state spending and state income, he said.

Williams' fellow co-chair, Rep. Eldon Mulder (R-Anchorage), said the committee will welcome testimony from the public on any of the wide range of options available, including some use of Permanent Fund earnings, statewide sales or income taxes, taxes on alcohol or motor fuels, annual levies on workers' first paychecks, or any other ideas that may be brought forward.

"The House has taken an important first step by passing a budget Monday that doesn't dig us any deeper into our fiscal hole," Mulder said. "The challenge is still large enough that we need to hear about the full range of options available to us as a state."

The co-chairs said their goal is for the committee to take testimony Thursday from 9 a.m. to noon, from 1:30 p.m. to 3 p.m., and then from 6 p.m. until 8 p.m. or until all those present have had the chance to put their views on the record. The Finance Committee will then begin work Friday on specific legislation, with the goal of moving measures from the committee by early next week.

The committee has already begun discussing revenue options, meeting today to consider [House Bill 303](#), a bill sponsored by Rep. Jim Whitaker (R-Fairbanks), which would levy a 3 percent year-round retail sales tax. The bill was referred to a subcommittee comprised of Whitaker, Mulder, and Rep. Carl Moses (D-Unalaska).

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The committee also discussed [House Bill 20](#), a community dividend bill sponsored by Moses, which would use a portion of the Permanent Fund Earnings Reserve to guarantee a stable stream of revenue to local communities for municipal assistance, capital grants, community jails and other municipal services.

On Tuesday, members of the Finance Committee met in subcommittee along with nearly 20 other legislators in an open discussion about revenue measures, which included discussion of the economic costs and benefits of various revenue options, as well as assessments about the level of support for such options.

“We share the concern expressed by many Alaskans over the disparity between state income and state expenses,” said Mulder. “I look forward to having a vigorous and open discussion about the state’s fiscal plan in the committee most responsible for fiscal matters.”

Thursday’s hearing will take place in the House Finance Room, room 519 of the State Capitol. Those outside of Juneau interested in testifying should contact their local Legislative Information Office.

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