

**From:** [Pat Race](#)  
**To:** [Senate Finance Committee](#)  
**Subject:** HB 247 -- Public Comment -- "Good Neighbor" Amendment  
**Date:** Sunday, May 15, 2016 3:00:18 AM

---

Senators,

Our tax credit program is ineffective. It doesn't generate meaningful public data or provide the state with any guarantees or leverage. If we're going to spend several hundreds of millions, we should be getting a lot more in return.

Currently, I support either the elimination of these tax credits OR increased value to the state in terms of data and leverage.

One idea I would like to propose is a "Good Neighbor" amendment to HB 247. The idea is to sever credits to any company that causes a major environmental disaster or is found guilty of ongoing negligence that could endanger human life.

For example, Company X spills 10 million gallons of crude into Alaska waters. Company X will not be eligible for tax credits from the state until remediation is complete and any litigation has ended.

In this way, the tax credits become an incentive and reward for continued good behavior.

This idea could also be put to work in deterring frivolous litigation against the state by credit recipients.

The "Good Neighbor" amendment could be implemented with specific language or by tasking a department or board with ongoing review of credit recipients eligibility. I believe this is similar to how the film incentive program worked to protect the state from granting tax credits to organizations that were not working in the state's best interests.

Thank you and happy legislating,

Patrick Race  
Juneau, AK