



THE ALASKA BUSINESS REPORT CARD

Seeking Champions for Alaska's Economic Future



At the beginning of the 28th Legislative Session, each legislator and the Governor received a letter outlining the policy priorities and the leadership attributes the Alaska Business Report Card (ABRC) group would use to develop its consensus report card. Collectively, the ABRC group represents hundreds of firms and tens of thousands of employees from every major industry in Alaska. ABRC members include the Alaska Chamber, the Alaska Support Industry Alliance, Prosperity Alaska, and the Resource Development Council for Alaska, Inc.

The ABRC believes Alaska is in urgent need of strategic leadership to address a fiscal cliff here in Alaska that is at least as alarming as that faced by our federal government. With oil production declining each year, oil prices under downward pressure from surging supply in the Lower 48, and state spending at levels that are unsustainable, Alaskans face tough times ahead unless decisive action is taken.

The ABRC grades recognize policymakers who understand and promote decisive action on Alaska's twin economic imperatives of managing state spending down and, simultaneously, stimulating private sector investment in our basic natural resource industries. The policy priorities used to grade policymakers include strategic leadership, fiscal responsibility, oil tax reform, efficient regulation, litigation reform, in-state energy infrastructure, and general business climate. ■

Learn more at alaskabusinessreportcard.com

ABRC Policy Priorities

Strategic Leadership

Effectively promote a coherent set of policies designed to manage state spending down to sustainable levels while stimulating new private sector investment in Alaska's basic industries. We look for legislative action as well as leadership in explaining these strategic policies to Alaskans.

Fiscal Responsibility

Unrestricted general fund spending within the state's operating budget increased from \$2.7 billion in fiscal year 2006 to approximately \$4 billion in fiscal year 2013. During those same years, capital spending skyrocketed from \$600 million to \$3 billion. The University of Alaska's Institute for Social and Economic Research (ISER) has done extensive analysis showing current spending levels to be unsustainable. We support reductions in general fund spending that move toward sustainable levels.

Oil Tax Reform

North Slope oil production is only one-fourth the level of its peak and has been falling at an average rate of six percent annually. With recent changes in the oil and gas industry throughout North America, Alaska is becoming less competitive with each passing year. Oil tax reform (SB 21) has only been in effect since January and has already stimulated private sector investment, increased jobs and is expected to slow production decline. We support this reform and oppose the referendum repealing SB 21 on the August primary ballot.

Efficient Regulation

Alaska has one of the world's most rigorous permitting systems. It is imperative our permitting systems have high integrity and efficiency – e.g., they deliver the environmental quality Alaskans expect without undue costs or unnecessary delays. We support regulatory improvements, which provide a predictable and timely process for potential business developments.

Litigation Reform

Alaska's resource industries are ongoing targets of anti-development groups utilizing the court system to stop or delay responsible development. State agencies are often forced to spend inordinate amounts of staff and financial resources dealing with third-party lawsuits at the expense of their core mission. We support efforts to bring accountability to the appeals and litigation processes for community and resource development projects.

In-State Energy Infrastructure

There is a need to provide for lower cost energy for Alaska homes and businesses. We support market based solutions and a prudent approach to state investment in such projects. In a free enterprise system we believe energy projects should have private investment capital in a strong majority position (at-risk), be managed and operated by the private sector, and leverage other industry opportunities to the extent feasible.

General Business Climate

Alaska's business climate is consistently ranked near the bottom relative to other U.S. states by several ranking organizations. This needs to change. We support enactment of meaningful workers compensation reform, transportation and energy infrastructure development, access to land and resources, and other legislation that makes it easier for businesses to thrive in Alaska. ■

ABRC Grades

House

Alan Austerman	C+
Mike Chenault	A-
Mia Costello	A
Harriet Drummond	F
Bryce Edgmon	C
Eric Feige	A+
Neal Foster	C
Les Gara	F
Lynn Gattis	A
Max Gruenberg	D+
David Guttenberg	F
Mike Hawker	A-
Bob Herron	C
Pete Higgins	A
Lindsey Holmes	A
Shelley Hughes	A
Doug Isaacson	A
Craig Johnson	A-
Andy Josephson	F
Scott Kawasaki	F
Wes Keller	A
Sam Kito III	*
Jonathan Kreiss-Tomkins	D-
Gabrielle LeDoux	A
Bob Lynn	A
Charisse Millett	A
Cathy Muñoz	B
Benjamin Nageak	B+
Mark Neuman	A
Kurt Olson	B+
Lance Pruitt	A-
Lora Reinbold	A
Dan Saddler	A+
Paul Seaton	C
Bill Stoltze	A-
Geran Tarr	F
Steve Thompson	A
Chris Tuck	F
Peggy Wilson	A
Tammie Wilson	A

Senate

Click Bishop	B
John Coghill	A-
Mike Dunleavy	A
Fred Dyson	A
Dennis Egan	C
Johnny Ellis	F
Anna Fairclough	A+
Hollis French	F
Berta Gardner	F
Cathy Giessel	A+
Lyman Hoffman	D-
Charlie Huggins	A-
Pete Kelly	A-
Lesil Mcguire	B
Kevin Meyer	A-
Peter Micciche	A-
Donald Olson	D
Bert Stedman	C
Gary Stevens	C
Bill Wielechowski	F

Governor

Governor Sean Parnell	B+
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House and Senate

House Majority	A-
House Minority	F
Senate Majority	B+
Senate Minority	F

*Not enough information to grade.

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