



May 27, 2016

Dear Alaska Policy Maker:

The undersigned business organizations, working together as the Alaska Business Report Card group, represent hundreds of firms and tens of thousands of employees from every major industry in Alaska. These groups will be working together to compile an Alaska Business Report Card (ABRC) for the 29th Alaska Legislature, including the current Special Session.

This letter is to share with you the policy priorities we will be focus on during this Special Session. This year, more than ever, Alaska is in urgent need of leadership. Due to falling oil prices and declining oil production, we face a fiscal cliff here in Alaska that, if not addressed decisively, is a real threat to the livelihoods of all Alaskan families.

In light of these urgent realities, our criteria for the Special Session is shown below under one heading:

#### **RESPONSIBLE BUDGETING**

- Budget policy should focus first and foremost on reversing the unsustainable state budget growth of the past decade. A multi-year series of annual reductions in the state operating budget – including entitlement reform – will be required.
- Create an endowment model or similar framework to use Permanent Fund earnings to support essential services, which may include a cap on the individual dividend.
- Maintain a stable business climate for Alaska's oil and gas industry. Respect the decision of Alaska voters and give SB21 time to work.
- Only after reducing general fund spending to sustainable levels should revenue options be considered.

As always, the ABRC group will be evaluating committee actions and floor votes as well as your personal leadership in building support for the above policy priorities during the Special Session.

We look forward to working with you to meet the economic and fiscal challenges facing Alaska.

Sincerely,

Alaska Chamber  
Alaska Support Industry Alliance  
Resource Development Council for Alaska, Inc.  
ProsperityAlaska.org