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20 February 2016

For Distribution

Resolution 2016-03 Regarding Alaska's Fiscal Situation

At its regularly scheduled public meeting on the 18th of February 2016, the Chugiak Community Council membership, by Resolution duly made and approved by unanimous vote, with one abstention, affirmed its support of the following:

The Council calls upon the legislature to pass a package of fiscal measures that addresses the short and long term sustainability of Alaska's fiscal situation. The Council views it as critical to authorize a package this session in order to maintain the perpetual income-generating power of our reserves and to minimize the draw from the individual pockets of current and future Alaskans. This package should include three main components:

Additional Budget Cuts

Many Alaskans do not currently trust that they are receiving best value from state government. Additional budget cuts--even those that appear minimal when compared to the deficit--are important indicators to Alaskans that every attempt is being made to reduce the size of government. The extent of budget cuts should carefully consider the impact on core public services.

Capital spending should be focused on maintaining our current infrastructure and no new capital projects should be undertaken, unless they can demonstrate clear and extraordinary benefits to all Alaskans. Additionally, all areas of spending should be open for examination and restructuring, even if it takes multiple years to complete.

New Revenue

New revenue streams should be authorized and should draw equitably from Alaskans (both individuals and businesses) as well as draw on the non-Alaskans who benefit from Alaska's public services and resources whether they be visitors, out-of-state workers, or out-of-state corporations and shareholders. Though all Alaskans must contribute to a solution, the suite of chosen revenue measures should consider the degree to which the impact of new revenue measures (combined with cuts) is proportional to means for any given Alaskan and is equitable across our many geographies.

The implementation of new revenue should also carefully assess potential impact to the economy, and some revenue measures may need to be staggered. In authorizing new revenue streams, special consideration should be given to the degree to which a revenue mechanism encourages Alaskans to participate in civic society and ensure restrained government spending.

Permanent Fund Earnings

A portion of the Permanent Fund Earnings should pay for the state services that benefit all Alaskans; however, some form of dividend is likely to continue to play an important role in our economy and in the lives of lower and middle income Alaskans

Respectfully Submitted,

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