



## **Alaska Chamber issues statement on the New Sustainable Alaska Plan**

**Anchorage, AK, December 10, 2015** – The Alaska Chamber appreciates the earnest gravity of Alaska’s current fiscal dilemma. The Chamber applauds both the Governor and the Legislature for tackling the hard topic of trying to matching State spending levels to long-term revenues. While we appreciate and agree that it will take a myriad of solutions, Alaskans and Alaska businesses alike firmly believe that state spending must be reduced to a sustainable level as a primary start to any discussion.

There is much work to be done in right-sizing government services to today’s fiscal environment. Governor Walker’s fiscal year 2017 budget calls for \$100 million in cuts from operations, far short of the reductions necessary to reach a \$4.5 billion sustainable budget.

Business will not invest in an undisciplined State that continually returns to taxation as an answer to unsustainable spending. Embracing the necessity for sustainable State spending is imperative, and only after that difficult work is completed is it appropriate to discuss other revenue sources.

"With Alaska's oil and gas industry laboring under depressed oil prices, it is the wrong time to sacrifice our pro-business climate in order to side-step challenging spending reductions," said Chamber president and CEO Curtis Thayer. "A modest, 2 percent reduction to State spending creates an onerous burden for Alaska's families facing an state income tax and a 50 percent reduction to their Permanent Fund dividends."

In his press conference yesterday, Governor Walker said "we want to work with the companies that are here." Unfortunately, that list is shrinking rapidly with companies like Shell and Repsol’s recent announcements of shelving their Alaska investments. The message should be that Alaska is open for business, not the opposite. Now is the time to make hard decisions, and not fuel undisciplined state spending on the backs of working Alaskans, small businesses and our tourism, mining and fishing industries.

The Chamber will continue to advocate for sustainable State spending levels before turning to new and increased taxes, and looks forward to working with the Governor, the administration and the Legislature to build a government that supports Alaskans and our state economy.



**About the Alaska Chamber**

The Alaska Chamber, a private, non-profit corporation, operating since 1952, works to promote a positive business environment in Alaska. The Chamber is the voice of small and large business across the state with a Board of Directors comprised of 80 members representing all regions of the state. For more information visit [www.alaskachamber.com](http://www.alaskachamber.com).

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**Contact:**

Brandy Dixon, Communications & Events Director  
(907) 278-2727; [bdixon@alaskachamber.com](mailto:bdixon@alaskachamber.com)