



May 12, 2022

Dear Honorable members of the Alaska Legislature,

The state's operating budget as passed by the Senate is unsustainable and poses a risk to Alaska's future economic growth. The Alaska Chamber urges the legislature to pass a budget that does not overly rely on savings or create deficits requiring severe cuts to state services or job-killing taxes to make up the difference.

For more than twenty years, the Alaska Chamber has advocated for a sustainable fiscal plan. Our membership, which is made up of both large and small businesses statewide, is keenly aware of who will be targeted to fill revenue gaps in the future - the business community, via increased taxes and fees.

We are seeing this stark reality play out in real time, with a horribly anti-business piece of legislation scheduled for a sudden hearing tomorrow with the justification that a surge in state spending requires a massive increase in oil taxes to pay for it. That bill, if passed, would unquestionably kill jobs, chill investment, and reduce oil throughput in the pipeline. This is just *one* example of what our members fear would result from passing an unsustainable budget.

The Alaska Chamber continues to advocate for a sustainable approach to our state budget by implementing a spending cap along with other measured fiscal reforms. A prudent approach to government spending will increase certainty for Alaska's businesses and allow our economy to grow.

Thank you for considering the viewpoint of the Alaska Chamber at this critical time.

Respectfully,

A handwritten signature in black ink that reads 'Kati Capozzi'.

Kati Capozzi, President & CEO  
Alaska Chamber



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