February 2016

Dear Legislators,

Thank you for all your hard work in trying to deal with the budget crisis. After spending the last several days listening to the budget hearings and reading public testimony regarding the current budget bills and options, I am left with more questions than answers.

## What I support:

- Further budget cuts- (esp. to Health and Human Services and DOC)
- Trying to stabilize the State's revenue by using some part of the earnings reserve (Sen. McGuire's plan seems the most feasible as a starting point.)
- Guaranteed cap on spending (perhaps something like Sen. McGuire's 125% from the previous year's budget.)

What I have not heard the legislature address:

## Before we Alaskans trust State government with our PFD, how will the State show clear public accountability for all money spent by State agencies?

To date the questions legislators have focused on two primary questions –

1) How to stabilize State revenue and close the budget deficit?

2) How to put forward a plan that will get past the voters?

## The (3) question they should ask is "How can we make State government more accountable to the people?"

Alaska government has been notoriously unresponsive to public outcries of corruption within the last few years. The National Guard scandal, the DOC investigation, and myriads of personal testimonies show a clear track record of the State bulling its citizens into silence and protecting corrupt employees. (David Haeg is another case most recently in the news, but I personally know of multiple others. You can't keep stuff like this quiet in a small state.) Citizens have repeatedly tried to get the attention of lawmakers and the governor to investigate these issues, but to no avail for many years. Now the State wants our support for the budget.

## Why should Alaskans give the State any more of their money when it has a track record of protecting itself at the expense of its people?

That there is a severe State corruption problem is clear by Governor Walker's proposal of a Public Integrity Unit to investigate cases of corruption. While I applaud any attempt to hold State officials accountable, establishing a unit to investigate state corruption under the Department of Law makes me suspicious of a further attempt by the State to have the tax payers pay for another State department to protect itself.

Before I support any changes to the Permanent Fund, I want to hear legislators address the corruption problem and what they can do about it. I have heard legislators say they don't know what they can do about these situations.

It seems to me they can follow the money trail and hold State agencies more accountable. More specifically, aren't these steps the legislature can take?

- 1) <u>Create a Public Integrity Task Force as part of any new budget proposal</u> to study ways to make State agencies transparent and accountable to the public.
- 2) Each state agency already reports to a special Finance Sub-committee. Do these legislators actually hold the agencies accountable for the money they spend? Are these records made public?
- 3) Couldn't each State agency have an independent audit every four years and the results made public?
- 4) Why don't we give the Ombudsman Office more investigative and enforcement power instead of creating and paying for another office, "Public Integrity Unity," within the Department of Law?

I am sure there are many other changes the legislature could initiate that would change how State agencies conduct their business, in order to ferret out corruption. With the massive budget crisis looming over us, now is the perfect time to hear serious discussion from our legislators about how to effectively deal with State corruption.

Sincerely,

Noël Maxwell Palmer, Alaska