From: <u>Loren Stanton</u>

To: <u>Senate Finance Committee</u>

Subject: So you want input on the state budget??

Date: Tuesday, March 08, 2016 12:28:19 PM

Dear Legislators:

I am going to take you all at face value and suspend disbelief for a moment and actually try to give you some advice about the state's finances.

If I am going to believe that you will listen I will lay it out for you. I understand you think you need money to run, you need to secure your base, and you think you need to be political about the budget but the fact is Alaskans are tired of all that political nitpicking. The only thing you need to run, win, and secure your base is to take care of the budget. I have worked on in excess of 20 campaigns, worked on capitol hill in Washington, and have worked for the Alaska Senate.

First, no one wants the Oil business to receive any tax credits. Cut them all. I know that once Alaskan's are reducing their PFD's or paying an income tax or a statewide sales tax that the gifts to the oil business will basically us giving the oil companies money back that we already put in the PF or are paying out of our own pockets. This cannot stand.

Second, we need to get out of the gas business. Cut the gas line money. All of it now reputed to be at around 100 million depending on who you talk to...we don't need to be paying into a fund with our "partners" when they are not even interested in making this investment now. This is a good business decision. Stop sending good money after bad. No more planning for a gas line. No more funding "marketing" money for a gas line and certainly we do not need a line item for 1.3 million for someone to galavant around the pacific rim trying to sell our overpriced, non existent gas. Cut the 40 Million. Cut the subset of 26.5 million.

Third, cut all consultants and so called experts that you all hire. If you cannot understand something yourself hire staff that can do the research. If staff cannot understand it get new staff or consult the professionals in the department most relevant to the subject at hand or even ask legislative research.

Fourth, stop paying Washington lobbyists.

Fifth, you need to look at the last 15 years of budget actuals. I found the information so you certainly can. If the legislature spent 47 M in 2007 then you certainly don't need 69 M in 2016! Almost every department needs to be cut back to reasonable levels where they can do the job they are supposed to and no more. I don't think you need to do it line by line or even itemize it. Let the commissioners do their jobs and be the "bad guys". Cut the departments by a percentage or an amount. I am not a believer in across the board cuts but almost all departments need to be cut a reasonable amount and the 2007 actuals are educational and reasonable. 10 years ago we were not poor nor were we being as extravagant as today.

There are some department exceptions but not many. Education is an obvious exception. There are other good reasons that a department increased its expenditures since 2007 but the legislature is not one of them. The governors office has not grown its budget much in 10

years. It is time to be leaders...cut your budget by 40% minimum!

As for corrections we need to stop jailing people for no purpose. Specifically we need to follow the constitution and allow for reasonable bail pretrial. Most judges around the state are jacking up bail pretrial. We need to end the practice of requiring third party custodians pretrial. That does not allow for the constitutional reasonable bail provision to work.

I could talk about line items but I think the work should be done by administrators.

I give this advice quickly and concisely but if you need additional help contact me by email.

Sincerely,

L. Keith Stanton Ketchikan