

Consensus on Challenge



**Decline in oil price
and production**



**Savings used to
soften landing**



POMV implemented



**PFD reduction based on
available funds**



**Per capita, inflation
adjusted “less is less”**



**Cost-shifting to local
governments**



**Reductions to important
programs**



**Infrastructure deficit and
maintenance backlog**

This Legislature and Governor will need to agree to:

**Fulfill
Constitutional, debt,
and statutory
obligations**

- Public health, public education, public welfare and safety
- School bond debt and mandatory exemption reimbursement
- Shared taxes, matching grant programs

This Legislature and Governor will need to agree to:



**Address the
infrastructure
deficit**

- \$22 billion in need for
 - School construction and major maintenance
 - Transportation systems
 - Water and Sewer

This Legislature and Governor will need to agree to:

- Facilitate Alaska's economic recovery
- Support Alaska's most vulnerable populations
- Needs-based programs



**Provide targeted
economic relief**

This Legislature and Governor will need to agree to:


- Adhere to Percent of Market Value structure
- Increase “nest egg”
- Endowment model for base levels of State support



**Manage the
Permanent Fund
for long-term
sustainability**

This Legislature and Governor will need to agree to:

- Disproportionate spending of State relative to other obligations
- Amend the law and follow the law
- Ensure stability and fairness



**Make appropriate
changes to the
Dividend
Formula**

This Legislature and Governor will need to agree to:

- Will need to be in place as part of fiscal a package
- Reasonable to be negotiated and responsive to needs



**Implement a
reasonable
spending cap**

This Legislature and Governor will need to agree to:

- Strengthen partnerships with nonprofits and businesses
- Negotiate devolution of responsibilities to local governments
- Adequately resource partnerships

**Leverage
partnerships
to achieve
goals**

This Legislature and Governor will need to agree to:

- Doing more with more
- Establish level playing field
- Capture non-resident revenue

**Implement a
broad-based tax
and other
revenue**

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