

From: [Sue Steinacher](#)
To: [Senate Finance Committee](#)
Subject: Budget comments
Date: Tuesday, March 31, 2015 1:45:17 PM

I am the executive director of the Nome Emergency Shelter Team, or NEST. We run an emergency shelter for chronic and transient alcoholics and homeless, and a homeless prevention program. Nome is in both a housing crisis and an alcohol crisis, and yet instead of treating the underlying problems, the state pays more for police and ambulance time, ER visits, incarceration and court time than treatment and transitional housing. This doesn't make economic sense - and it's inhumane.

Studies by the Alaska Housing Finance Corporation and the National Low Income Housing Coalition show housing costs are 40+% higher in Nome and other outlying communities, while median income is much lower. Barge rates are now nearly equal to air freight. We are still paying \$6/gallon for heating fuel and gas. We are awash in alcohol and the MYRIAD of expensive ills that creates, and yet we can't even get an alcohol treatment center funded. This doesn't make financial sense!

We have NO available housing stock - for low income or high income. Professional positions go unfilled, and poor families are doubled and tripled up. The natural resources are in rural Alaska, but you won't have the necessary infrastructure if you don't help relieve the pressing cost of energy and housing here.

We have people who want to develop housing but can't because the finished building will appraise for less than it costs to build. Rural Alaskans are innovative, tough and hard working, but we need the playing field leveled a bit in order to give us a fighting chance. My suggestion is that the State subsidize the exorbitant shipping costs to rural Alaska, and we'll take it from there.

And where does that money come from? We can't cut ourselves to prosperity. It's time for a sliding income tax, where those earning more pay more, to help balance the tremendous and escalating fiscal and social inequities in the state. Do NOT go cutting the PFD. For many families in rural Alaska it can amount to half their yearly income and helps them survive, while an oil executive losing their PFD can easily make up the for the loss.

I've been here 35 years, and never before have I seen such an obvious need for an income tax. C'mon folks - it's time.

Sincerely,

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