

---

**From:** Nils Andreassen <nils@akml.org>  
**Sent:** Thursday, April 01, 2021 8:32 AM  
**To:** House Finance  
**Subject:** AML follow up  
**Attachments:** 8stars outline.docx; 8-stars.pptx; HFin response.docx

Dear House Finance Committee members,

During my testimony to House Finance this last week, I presented AML's "Eight Stars of Gold." This framework is simply a recognition of the multiple decision points facing the Legislature this year, and encouraging action. These eight items will require a lot of work to make sure the details are right, and to make sure they don't negatively impact our members and other partners, and Alaskans, but this represents a fiscal package or plan that if negotiated appropriately gets Alaska to a more sustainable State budget. That priority simply outweighs many other issues facing us – Alaskans and Alaska's local governments need a State able to pay for its obligations and one whose only choice otherwise isn't cost-shifting to local governments or reducing the services that Alaskans depend on.

The goal in House Finance was to plant the seed that something like this needs to be addressed this year and to signal an interest in working through these issues. I've followed up here with more detail about the Eight Stars of Gold, which remains a work in progress.

I'd like to respond to some of the questions that emerged during the Committee hearing. The attached response is in the form of a non-paper, which in diplomacy refers to a discussion paper. If and as legislation is taken up to address specific items, AML will weigh in more formally. This response is focused on the questions raised about taxation.

There were a couple other questions that came up:

- Question raised about communities that have riverine or coastal infrastructure outside the AMHS – yes, we would support State investment that increases access to these communities, including to strengthen port/harbor or barge landing infrastructure
- Question raised about disproportionate impact to some communities – yes, we encourage the State to consider ways in which to leverage available resources in support of those local governments, sectors, industries, and individuals who experienced disproportionate and severe impact. We're working on definitions for what that might look like in the case of local governments.
- Question about ARPA – AML hopes to work with state and federal partners to support local governments in implementation, reporting, and compliance, as well as to maximize opportunity through access to other resources and via partnerships.

We hope that you will find this dialogue reasonable, and that it serves to keep the conversation moving forward. What we don't want is the decisions facing the State to stall for lack of response to the challenges raised. Again, the goal of this engagement is that on the other side, the State has taken action to correct its deficit.

Nils Andreassen  
Executive Director, Alaska Municipal League  
Direct (907) 790-5305 or Cell (907) 351-4982  
*"Strengthening Alaska Municipalities"*



