



## 2022 Alaska Chamber Priorities and Positions

### State Priorities

#### **Support a comprehensive approach to create a sustainable state budget.**

The Alaska Chamber recognizes that to attract and sustain private capital investment in Alaska, the State must create a stable state budget climate over the long term. The Alaska Chamber supports a comprehensive approach to include continued but measured fiscal reforms over time and utilization of Permanent Fund earnings based on a rules-based framework. Together, these actions will support a responsible, balanced and sustainable state budget.

#### **Support a meaningful spending cap on operating budget expenditures**

The Alaska Chamber supports a meaningful spending cap on operating budget expenditures. With an ever-growing State operating budget, the business community will live in constant fear of large tax increases. Either a spending cap or a tax cap allows elected officials to make tough calls on spending. They work relatively well in many communities at the local level.

### Federal Priorities

#### **Support oil and gas exploration and development in Alaska's federal areas**

The Alaska Chamber strongly supports oil and gas exploration and production in Alaska's federal areas; including the Beaufort Sea, Chukchi Sea, NPRA, Cook Inlet, and the 10-02 area of ANWR. The Chamber encourages Congress to enact revenue sharing for Alaska and local communities. The Chamber also encourages the Alaska Congressional Delegation, the Alaska Legislature and Governor to support and strongly advocate for responsible development of these valuable resources, while the Chamber commits to actively support and participate in the education and advocacy efforts to open these areas.

#### **Advocate for a federal regulatory structure that is balanced, predictable and stable.**

The Alaska Chamber anticipates that there will be significant federal administrative and legislative actions that will impact Alaska's businesses and overall investment climate. The Chamber stands ready to engage on multiple fronts in support of our existing federal positions. The ability of Alaska to responsibly develop its wealth of natural resources and support a diverse private economy is paramount. Advocating for a stable and predictable federal regulatory and fiscal environment is a priority of the Alaska Chamber.

## 2022 Priorities and Positions

### **(S Priority) 1. Support a comprehensive approach to create a sustainable state budget**

The Alaska Chamber recognizes that to attract and sustain private capital investment in Alaska, the State must create a stable state budget climate over the long term. The Alaska Chamber supports a comprehensive approach to include continued but measured fiscal reforms over time and utilization of Permanent Fund earnings based on a rules-based framework. Together, these actions will support a responsible, balanced and sustainable state budget.

### **(S Priority) 2. Support a meaningful spending cap on operating budget expenditure**

The Alaska Chamber supports a meaningful cap on operating budget expenditures. With an ever-growing State operating budget, the business community will live in constant fear of large tax increases. Either a spending cap or a tax cap allows elected officials to make tough calls on spending. They work relatively well in many communities at the local level.

### **(S) 3. Oppose new targeted taxes**

Oppose new industry-specific targeted taxes, including increases on existing targeted taxes, unless self-imposed by the industry. Increases in industry-specific taxes should not fund general services.

### **(S) 4. Support a rigorous but efficient permitting process in Alaska**

The Alaska Chamber supports making the number of State of Alaska permittees commensurate with levels of exploration and development activity.

### **(S) 5. Reserve the authority to levy metal mining severance taxes to the legislature.**

Only the legislature should have the authority to consider severance taxes for metal mines. The potential for municipalities to impose a targeted severance tax creates significant fiscal uncertainty for the metal mining industry and can threaten both the longevity of existing operations and the economic feasibility of projects. Benefits from metal mining should accrue to the entire state and should not be compromised by municipal or borough taxation. This does not impact the local authority to levy normal broad-based taxes such as property tax.

### **(S) 6. Support a reasonable cruise ship passenger fee level and use of those fees consistent with state and federal law**

The Alaska Chamber supports reasonable cruise ship passenger fee levels and use of passenger fees which are consistent with state and federal law and the Commerce Clause and Tonnage Clause of the U.S. Constitution, requiring a direct connection to the passenger and the vessel.

**(S) 7. Oppose all new unfunded property tax exemptions as introduced on the state level**

The Alaska Chamber opposes all new unfunded property tax exemptions and will work to educate the governor and Alaska legislators on the effect of proposed exemptions on those individuals or businesses to which the tax burden would be shifted.

**(S) 8. Support streamlining fisheries landing tax regulations**

The Alaska Chamber supports streamlining fisheries landing tax regulations, simplifying the paperwork burden on self-marketing fishermen, and to align timing of reporting with the timing of payments due.

**(S) 9. Support and encourage a positive investment climate that provides certainty and stability for statewide oil and gas activities; oppose efforts to increase oil and gas taxes.**

The Alaska Chamber opposes any proposal that would add to the cost of doing business in Alaska's oil and gas industry. Thousands of Alaskans have already lost jobs due to the low oil price environment. Constantly changing fiscal policies on the state's largest economic driver stymies development, decreases opportunities for new production, and negatively impacts the state's economy. Any proposal brought forward should provide for a positive investment climate that provides certainty and stability for Alaska's oil and gas industry.

**(S) 10. Support royalty oil sales**

The Alaska Chamber supports state administrative and legislative approval of royalty oil contracts that use the same net back value as if the oil was sold out of state.

**(B) 11. Support funding for tourism marketing as the industry struggles to recover from the negative effects of COVID-19**

As a long-haul destination, Alaska competes with other states – and countries – for visitors. While other states may see increases in visitors as COVID-19 infections decline – especially through car travel – Alaska will remain dependent on airline restrictions being lifted, policies related to cross-border travel eased, and access to cruise ports due to restrictions on foreign-hulled vessels under the Passenger Vessel Services Act allowed. Recovery will take time.

Visitors plan for their Alaska vacation months ahead of time. Fortunately, the State of Alaska's support for statewide destination marketing efforts provides a greater reach to potential visitors than any one company or locale can do on their own. Statewide marketing efforts create opportunities for businesses and communities that do not have a local or regional convention and visitor bureau to present at travel shows, join forces for sales missions, and receive competitive advertising opportunities.

Without a strong tourism promotion program once the crisis has eased, Alaska’s visitation levels – and the 52,000 direct and indirect jobs created by the revenue from visitor spending – will take much longer to regain 2019 levels.

**(S) 12. Support for clarifying vocational training absences for purposes of receiving PFD benefits**

The Alaska Chamber supports the enactment of clarifying changes to the Permanent Fund Dividend statute in order to assure Alaskans attending training Outside at U.S. DOL federally registered apprentice programs remain eligible to obtain their PFD dividend provided they have met all other PFD eligibility criteria.

**(S) 13. Support a new structure for the Exxon Valdez Oil Spill (EVOS)**

The Exxon Valdez Oil Spill Trust (EVOS Trust) has approximately \$196 million in assets remaining. A “sunset” plan launched in 2011 proposed to spend down funds in 20 years. Seven years later, the fund balance has increased due to strong investment returns. The current structure for administering EVOS funds is expensive, rigid and bureaucratic.

**(F) 14. Support the Bypass Mail Program**

Alaska Chamber will help preserve Bypass Mail Program by demonstrating the impact the program has on the Alaska economy and the benefits to rural Alaska.

**(F) 15. Support the expansion of the military presence in Alaska**

The Alaska Chamber encourages the Alaska Legislature, governor and congressional delegation to work with the U.S. military to maintain current military investment and force structure in Alaska and to increase military missions, staffing, activity and investment.

**(S) 16. Support military spousal licensure**

Alaska's Administration and Legislature need to take action relative to Alaska’s professional licensing and laws pertaining to the hire of military spouses, thereby, materially improving the state’s competitive position regarding the Department of Defense (DoD) basing, mission allocation and force assignment decisions.

**(S) 17. Support the University of Alaska**

A vibrant university is vital for the education of our citizenry, the development of a highly trained workforce, and the research and development endeavors necessary to address the state’s critical

challenges. The Alaska Chamber urges the Alaska State Legislature and the governor to provide strong support for the University of Alaska. As our economy experiences transitions and budgets continue to be cut, the university must find creative ways to serve its important purpose as cost effectively as possible.

**(S) 18. Support the University of Alaska Land Grant Transfer**

The Alaska Chamber supports completing the land grant promised to the University of Alaska (UA) under the 1915 Wickersham Act. To date, America's largest state has received nearly the smallest land grant (with only Delaware and Hawaii receiving less). It is time for UA to realize the benefits of the nations' promise to support higher education. A joint federal-state strategy is needed to remedy the university's longstanding land grant deficit. Doing so would allow the university to monetize land grant assets to support important work, including arctic research, incubation of new businesses, and feeding our workforce pipeline with Alaska-trained professionals.

**(S) 19. Support the Iditarod Trail Committee in its efforts to preserve the rich tradition and future of the Alaska sled dog, mushing, and the Iditarod Trail Sled Dog Race**

The Iditarod Trail Committee (ITC) stages the Iditarod Trail Sled Dog Race, an event that generates more than \$12 million in economic impact. The Alaska Chamber supports the ITC in its dedication to preserve North America's earliest mode of transportation combining the efforts of human and canine traversing via sled through epic landscapes that include the Alaska Range, the Yukon River, and the Norton Sound on the National Historic Iditarod Trail. The Iditarod's continuum of care for all sled dogs entered in the race includes an elite corps of 45-50 veterinarians and 1300 to 1500 support staff (all volunteers) dedicated to ensuring the safety and well-being of the sled dogs.

**(S) 20. Support Economic and Financial Learning in Alaska Schools**

Allow Alaska educators to use economic and financial education training to fulfill continuing education requirements and encourage the State of Alaska and/or school districts to adopt financial education as a graduation requirement for students. The Alaska Council on Economic Education provides educators with basic economics training and access to an online library of lesson plans and resources for all subjects.

**(S) 21. Support a reformed, right-sized and sustainable Alaska Marine Highway System as a critical component of the statewide intermodal transportation system and economy of Alaska.**

Support the Alaska Marine Highway System (AMHS) mission to provide consistent, reliable marine transportation services to Alaska communities for the benefit of the statewide economy. Support initiatives to reform and right-size the operations with executive governance that will control costs similar to the proposal developed by statewide business and community leaders at [www.AMHSreform.com](http://www.AMHSreform.com).

**(S) 22. Support the Port of Alaska for its economic, military and transportation strategic importance for the State of Alaska.**

The Alaska Chamber supports the Port of Alaska (PoA) efforts to provide modern, safe and reliable Port operations. PoA is an Anchorage-owned facility that handles half of all Alaska inbound freight; some 4.3 million tons of cargo, fuel and dry bulk goods annually. Freight entering the PoA is distributed to some 600,000 Alaskans in 150 communities across the state. The PoA opened in 1961 and supports statewide prosperity, economic development, resiliency and national defense missions in Alaska, the Arctic and the Pacific Rim. PoA has exceeded its economic and structural design life and is failing due to corrosion and obsolescence. Its dock piles have lost up to three-quarters of their original thickness. Structural failure would impact food security and have up to a \$14B negative economic impact to the state. The Alaska Chamber supports initiatives to ensure modernization plans are sound, cost efficient, have stakeholder alignment, and earn government approval.

**(S) 23. Support both employers' and workers' rights to determine the value of labor**

Support employers' and workers' rights to determine the value of labor, based on labor availability and its contribution to the earnings of the business.

**(S) 24. Support Alaska's employers' right to choose to be a marijuana-free environment**

The Alaska Chamber supports regulations that allow workplaces to be marijuana-free, primarily for workforce safety, readiness and productivity.

**(B) 25. Support for overturning the application of the Roadless Rule in Alaska**

The Alaska Chamber supports efforts to overturn reapplication of the Roadless Rule to the National Forests in Alaska.

**(F) 26. Support for converting 2 million acres of the Tongass National Forest to a state forest**

The Alaska Chamber supports efforts to convert 2 million acres of the Tongass National Forest to a state forest.

**(B) 27. Oppose National Ocean Policy (NOP) implementation in Alaska, particularly Coastal and Marine Spatial Planning (CMSP)**

The Alaska Chamber opposes implementation of the National Ocean Policy (NOP) and Coastal and Marine Spatial Planning (CSMP) regulations on Alaska.

**(F) 28. Oppose any further federal land withdrawals in Alaska, other restrictive land-management designations, and preemptive actions by regulatory agencies**

The Alaska Chamber encourages the congressional delegation and the State of Alaska to support and advocate for responsible development of these valuable resources. The Chamber strongly opposes the federal government's continued erosion of Alaska's sovereign rights through federal law or administrative regulations. The Chamber will continue to challenge any unwarranted intrusions and defend Alaska's hard-fought guarantees under ANILCA to ensure our continued right to manage our natural resources.

**(B) 29. Support for litigation reform relating to resource development projects in Alaska**

The Alaska Chamber supports efforts to bring accountability to the legal processes for community and resource development projects. The Alaska Chamber supports changes to the public litigant, legal environment that will discourage frivolous lawsuits.

**(F) 30. Support increased responsible natural resource development by improving the efficiencies of the permitting process and gaining access to resources**

The Alaska Chamber supports a significant increase in responsible natural resource development and encourages the Alaska Legislature and the administration to uphold Alaska's strong regulatory and permitting laws and policies that will facilitate additional exploration, site development, employment, infrastructure, research and natural resource production in Alaska.

**(B) 31. Support development of environmental policies and regulations based on sound scientific basis over the precautionary method**

The Alaska Chamber supports protecting public health and the environment through reasonable, carefully considered programs that are developed and implemented based on sound scientific arguments; credible, reproducible studies; and economic analyses. The Chamber opposes efforts to implement the "precautionary principle" in developing or implementing environmental programs and regulations. The precautionary principle presumes that many activities pose a risk to health and the environment, even without the presence of any scientific evidence that such risks are, in fact, present or related to a specific activity, and requires that precautionary measures be adopted or implemented to mitigate those assumed risks.

**(S) 32. Support policies that encourage and protect food freedom in Alaska**

The Alaska Chamber supports food freedom in Alaska, which allows for the sale and consumption of homemade foods and to encourage the expansion of agricultural sales by farmers markets, ranches, farms, and home-based producers and accessibility of the same to informed end consumers.

**(F Priority) 33. Advocate for a federal regulatory structure that is balanced, predictable and stable.**

The Alaska Chamber anticipates that there will be significant federal administrative and legislative actions that will impact Alaska's businesses and overall investment climate. The Chamber stands ready to engage on multiple fronts in support of our existing federal positions. The ability of Alaska to responsibly develop its wealth of natural resources and support a diverse private economy is paramount. Advocating for a stable and predictable federal regulatory and fiscal environment is a priority of the Alaska Chamber.

**(F) 34. Support reform of the federal Patient Protection and Affordable Care Act**

The Alaska Chamber supports reform of the Patient Protection and Affordable Care Act.

**(S) 35. Support private sector solutions for delivering cost-effective health benefits**

The Alaska Chamber urges the Alaska State Legislature and the governor to examine private sector alternatives for resolving issues associated with rising costs of healthcare before growing state government and mandating further expansion of Alaska's state healthcare coverage.

**(S) 36. Support community-health-center system organization as patient-centered medical homes**

The Alaska Chamber supports efforts by the State of Alaska to enact structural reforms to the community-health-center system, which require organization as patient-centered medical homes as long the implementation does not require new State appropriations.

**(S) 37. Support reform of the 80<sup>th</sup> percentile rule in 3 AAC 26.110**

The Alaska Chamber supports regulatory reform regarding reimbursement in thin medical markets, which includes additional standards for prompt, fair and equitable settlements of healthcare claims.

**(S) 38. Support comprehensive workers' compensation reform**

The Alaska Chamber supports enactment of systemic changes to the Alaska workers' compensation insurance statutes to reduce the cost of insurance for employers while emphasizing effective treatment programs that promote injury recovery and the return to full employment of injured workers.

**(F Priority) 39. Support oil and gas exploration and development in Alaska's federal areas, including the Outer Continental Shelf (OCS), National Petroleum Reserve-Alaska (NPRA), Cook Inlet, and the Arctic National Wildlife Refuge (ANWR)**

The Alaska Chamber strongly supports oil and gas exploration and production in Alaska's federal areas, including the Beaufort Sea, Chukchi Sea, NPRA, Cook Inlet, and the 10-02 area of ANWR. The Chamber

encourages Congress to enact revenue sharing for Alaska and local communities. The Alaska Chamber also encourages the Alaska congressional delegation, the Alaska Legislature and governor to support and strongly advocate for responsible development of these valuable resources, while the Alaska Chamber commits to actively support and participate in the education and advocacy efforts to open these areas.

**(F) 40. Support the U.S. Congress to secure a viable, long-term solution for the U.S. Federal Highway Trust Fund**

The Alaska State Chamber of Commerce urges the US Congress to secure a viable, long-term solution for the Highway Trust Fund's (HTF) structural revenue deficit and recurrent insolvency by 2020. In December 2015, Congress signed off on the fully-funded, multi-year, surface-transportation reauthorization bill "Fixing America's Surface Transportation (FAST) Act of 2015", thus reauthorizing the HTF for five years. However, the reauthorization did not address the ongoing question of fund solvency. Since 2008, the HTF has required over \$100 billion in transfers from the U.S. Treasury to meet its obligations. This unsustainable model puts our surface transportation infrastructure system at risk. It's time for Congress to roll up its sleeves and do its long-delayed part and pass a long-term, fully-funded HTF bill, which is needed to restore our deteriorating and seriously outdated network of highways, bridges and transit systems. This must, at a minimum, match current federal funding levels for roads, bridges, public transportation and highway safety.

**(F) 41. Support the U.S. Congress to secure a viable long-term solution for the Federal Airport and Airway Trust Fund (Aviation Trust Fund)**

The Alaska Chamber applauds the U.S. Congress for approval of a five-year Federal Aviation Administration (FAA) reauthorization bill through 2023 and urges continued focus to avoid future situations in which FAA would again be subject to many short-term extensions. Long-term reauthorization bills are essential to core FAA functions. They should improve aviation safety and capacity of the national airspace system, provide a framework for integrating new technology safely into our airspace, provide a stable funding system, and advance the implementation of the Next Generation Air Transportation System. Stable funding provides resources for grants to build and improve airports, FAA facilities and equipment, and the Essential Air Service program, which are all vital to Alaska.

**(S) 42. Support review of State Regulatory and Licensing Policy**

The Alaska Chamber supports a change to the Alaska Administrative Procedures Act that requires any executive-branch administrative rule or licensing regime to be reviewed at regular intervals and certified as both current and meeting its stated objective by the appropriate commissioner. Rules that are not reviewed sunset.

**(S) 43. Support keeping Alaska state-chartered financial institutions competitive**

The Alaska Chamber supports updates to statutes affecting commerce, including Title 6 regarding financial institutions.

**(S) 44. Supports for efforts to reduce the high cost of energy**

The Alaska Chamber encourages the Alaska Legislature and the administration to support efforts that reduce energy costs throughout Alaska, key to economic growth. The Chamber encourages the State of Alaska to adopt a long-term, affordable energy plan that encourages private-sector investment in sustainable energy infrastructure for all Alaskans, particularly for rural communities and businesses.

**(S) 45. Support a sustainable funding model for Alaska tourism marketing**

Tourism is a sustainable opportunity for economic development in Alaska. Traditionally, the State of Alaska has supported statewide tourism marketing through an annual grant, managed by the Alaska Travel Industry Association (ATIA). This cooperative marketing program is leveraged by industry contributions through advertising buys in various marketing initiatives. Continued investment in Alaska tourism marketing is a public-private partnership that leads to long-term economic and resource opportunities for Alaska.

**(S) 46. Support ballot measure reform**

Initiative petitions often ask voters to make simple yes or no decisions about complex issues without subjecting them to detailed expert analysis or the opportunity to participate through a public process. Changes in the initiative process should produce more transparency and better public policy in a comprehensive and balanced manner equally benefiting both voters and the legislative process.

**(F) 47. Champion reform of National Environmental Policy Act (NEPA)**

NEPA should be amended to include a two-year time limit on an EIS, and a maximum length of pages of an EIS. Each phase of the EIS should have time sublimits.

**(B) 48. Modernizing Regulatory Frameworks for Advanced Recycling Technologies**

The Alaska Chamber supports regulating advanced recycling operations as manufacturing facilities rather than solid waste disposal sites. This policy would encourage new Alaska manufacturing by ensuring that post-use, recoverable plastics that are converted to plastic and chemical feedstocks or other valuable products via advanced recycling are classified as raw materials, not misclassified as solid waste. This action would provide much needed regulatory certainty for companies that may be interested in investing in and siting these types of facilities in Alaska. Advanced recycling refers to

several different processes that use existing and emerging technologies that return post-use plastics to their basic chemical building blocks for creating a versatile mix of new plastics, chemicals, and other products of chemistry. Companies are using advanced recycling technologies to complement ongoing traditional recycling efforts. Growing interest and investments in advanced recycling can reduce the amount of waste sent to landfills and help enable a transition to a more circular economy for post-use plastics.

**(S) 49. Support collaboration between governments and the cruise industry for returning to service**

The Alaska Chamber supports collaboration between governments and the cruise industry for returning to service.

**(S) 50. Support Fair Market Access for Alaska Seafood Exports**

The Alaska Chamber supports removal of both tariff and non-tariff barriers for Alaska seafood exports and encourages the State to work closely with the Federal Government to advance fair and reciprocal trade in seafood. Alaska seafood is the State's largest value export and a significant economic driver in Alaska. US seafood exports face unfair barriers to entry, compared to foreign competitors in key markets, including Europe, Japan, China and the United Kingdom.

**(B) 51. Support for the state's automation of titles, liens, notaries, etc. to an online or digital platform**

The state has the opportunity to automate the processing of titles, liens, notary signatures, and others paper-based processes to improve access, delivery turnarounds and lower cost of operations.

**(B) 52. Support the diversification of Alaska's economy.**

The Alaska Chamber encourages the State of Alaska to engage with private sector investors, communities, and regulatory agencies to identify and remove barriers to economic diversification.

**(B) 53. Support transfer or sale of land to private entities**

The Alaska Chamber supports the sale or transfer of a proportionate percentage of government-owned lands at all levels to privately held taxable entities to provide development opportunities for the citizenry of the state of Alaska.

**(S) 54. Support workforce development to increase the number of qualified employees needed to fill positions in resource industries**

The Alaska Chamber supports workforce development in the state, particularly as it relates to resource development and exploration.

**(F) 55. Support Small Business Administration Native 8(a) contracting program**

The Alaska Chamber supports Native 8(a) contracting due to the impact the program has on the Alaska economy and the benefits to Alaska Native corporations and tribal entities across the country.

**(F) 56. Support to establish a state fund for transportation**

The Alaska Chamber supports creation of a funding mechanism for maintenance of and capital improvements to Alaska's transportation systems.

**(S) 57. Support for privatization of construction projects**

The Alaska Chamber supports reducing the activities of state government in traditionally private sector industries particularly the construction industry.

**(S) 58. Oppose State competition with private business**

The Alaska Chamber encourages the State of Alaska to avoid competing with private business.

**(B) 59. Support foreign and domestic private sector investments in Alaska's resource and manufacturing industries**

The Alaska Chamber encourages the State of Alaska to implement policies, programs and regulations to encourage, support and protect local, state, domestic and foreign private sector investments in Alaska's natural resource and manufacturing industries.