



# Alaska Economic Stabilization Team

## TRANSITION DOCUMENT

April 22, 2020

We have concluded the initial phase of the Alaska Economic Stabilization Team's work and want to offer an initial short-term action plan as the foundation for Alaska's economic stabilization and long-term economic growth.

To arrive at this point, in the past month we have communicated with over 2500 Alaskans via phone and videoconference. We have heard clearly how significant and real economic hardships are impacting Alaskans. In addition, Alaskans have provided some very good ideas and strategies for stabilizing the economy. We provided daily feedback to the Office of the Governor; drafted four high-level information sheets for the Governor's Office containing both concerns and ideas from Alaskans; and, briefed the governor, lieutenant governor, and Governor's Office staff on numerous occasions.

Alaskans who still have jobs to go back to want to do so as soon as they can do so safely. This week, the Administration announced initial measures in a phased approach to begin re-engaging Alaska's workforce. While going "back to work" is an option for some, a huge swath of Alaskans are now unemployed and many Alaskan businesses are struggling. Besides going back to work when safe for those who can, we think the following short-term economic action plan accurately summarizes the information we heard from Alaskans and that we have provided to the Administration.

1. Provide more cash directly to Alaskans (including making emergency payments to Alaskans at fixed amounts across about five months, including the federal stimulus) as outlined in Information Sheets 1 through 4;
2. Provide substantially more cash to savable Alaska businesses. "Savable" is defined as those small to mid-sized businesses with solid management, a good business model, but with cash-poor balance sheets. Capital can be made available via loans, loan guaranties, and investment capital. We outlined these ideas in Information Sheets 1 through 4;
3. Develop and communicate the Administration's plan for the efficient and effective allocation of the \$1.25 billion in federal stimulus dollars authorized and appropriated by the legislature. We recognize the Administration has started to present a partial plan on how to use this money;

4. Prioritize and communicate to the federal delegation the state's infrastructure priorities for potential inclusion in a federal infrastructure stimulus bill. We discussed this idea more in Information Sheets 1 through 4;
5. **Transition Recommendation: Create the Office of Economic Stabilization within the Governor's Office.** This office would serve as the clearinghouse or point of contact for Alaskans to access information about COVID-19 emergency benefits and programs offered by federal, state, and local governments. Ideally, the Office should be led by someone capable of working both from a constituent relations perspective (and interfacing with the Governor's C.R. office), and with the agencies and commissioners. The AEST website should be transitioned to change the name from AEST to Office of Economic Stabilization and contact phone numbers posted. A similar concept to this idea was discussed in earlier Information Sheets.

Each of the ideas above require decision-making by elected officials, including the Governor and the Alaska Legislature.

AEST has completed gathering Alaskans' ideas and strategies that would promote economic stabilization and has communicated them directly to the Administration via the previous four Information Sheets. At this stage, most of the requests now coming into AEST are requests by individuals or individual businesses seeking information or support from state government or requests to advocate for particular dollar amounts in state appropriations. We believe these requests are best handled through the Governor's Office either by Constituent Relations and/or a new Office of Economic Stimulation. For these reasons, we think it's time to adapt the AEST to the ever-changing nature of this health and economic emergency by transitioning to an Office of Economic Stabilization within the Office of the Governor.

It has been our honor to serve in this volunteer capacity and to provide the Office of the Governor with the tools upon which Alaska's elected officials can take action with the private and non-profit sectors to stabilize the economy in the months and years ahead. We know the work is only just beginning and hope that this first phase will help set the state on the right path. We want to thank the Governor, Lt. Governor, and staff for their support and hard work throughout this process. We remain available to the Governor and his team for conversations around these ideas and further actions that may be required in the months ahead.