

May 15, 2024 Alaska State Senate

Re: Senate Bill 189, Extend Alaska Commission on Aging

Dear Members of the Alaska State Senate,

The Alaska Chamber (the Chamber) writes in support of Senate Bill 189, as it was amended in the House today, May 15th. Our interest in SB189 is specific to the section that extends the education tax credits and adds child care tax credits.

By vote of our diverse membership, the Alaska Chamber has a formal policy position to support Education Tax Credits (ETC) and request the ETC sunset be extended. SB 189 would extend the ETC through 2028. Extension of the ETC would encourage continued and long-term investment in our future workforce.

In addition, the Chamber has a long-standing policy position to support an increase in the availability of and access to child care in Alaska. The Chamber holds a seat on the Governor's Task Force on Child Care and we are encouraged to see elements from the initial set of task force recommendations incorporated into SB189. Specifically, the recommendation to consider tax credits or incentives to encourage the private sector to transform existing spaces into child care facilities. This credit would expand access to child care across the state.

Bill 189 would also increase eligibility for the child care assistance program. Currently, the income eligibility limit for participating in child care assistance is 85% of state median income. Increasing this eligibility limit would allow more families to participate in the child care assistance program, reducing their child care costs. This change has the potential to increase workforce participation across multiple industry sectors.

In closing, the Chamber supports SB189 and encourages passage of this bill.

Sincerely,

Kati Capozzi President and CEO

The Alaska Chamber was founded in 1953 and is Alaska's largest statewide business advocacy organization. Our mission is to promote a healthy business environment in Alaska. The Chamber has more than 700 members and represents businesses of all sizes and industries from across the state, representing 58,000 Alaskan workers and \$4.6 billion in wages.

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