

Emily Deach

Subject: Resolution 20-22R Economic stimulus

From: Cindy O'Daniel

Sent: Monday, June 1, 2020 4:58 PM

To: Emily Deach <e.deach@skagway.org>

Subject: [External Email] Resolution 20-22R Economic stimulus

Dear Finance Committee, Mayor, and Assembly.

Thanks to those that have been working on a plan to spend the CARES act money headed our way in a manner that will best support our community.

I would like to take a moment to comment on both Resolution 20-22R and the suggested amendments that were discussed at the finance meeting on May 28th.

The challenge that comes with relief packages that have been coming from the federal government is that they are coming quickly and the reaction to them must also come quickly. I have been dealing with the PPP program and find that to be the case there too. As such, ways to put them to use are not going to be perfect. That is how I see this resolution. It's not perfect, but it doesn't seem that there is time to make it perfect so we have to do the best we can and help the most people that we can.

I did, at first, think that \$1,000 per person was a bit excessive, especially for people who are still working full time. But the more I thought about it, the more I realized that the economic stimulus part of this resolution is equally important to the community assistance. While they go hand in hand in some cases, there are others where the economic stimulus is the main focus. It seems that much of the discussion surrounding this resolution at the last finance meeting was steering away from economic stimulus and putting more emphasis on community assistance. By getting money into the hands of community members, you can accomplish both.

The changes proposed at the last finance meeting would be putting an undue burden on the management of this program. The application may require you to sign an attestation to the eligibility requirements but who is going to verify and enforce all of that? Also, working 21 hours a week after having several months of no work is not going to pay the bills for some. Retirees are not notorious for being liberal spenders (fixed income, conservative spending habits from living through lean times, etc.) To include them as eligible but a 14 year old not eligible doesn't make a whole lot of sense. And, most of those who are still working, that some don't want to be eligible for this program, are the same folks who have been keeping the wheels turning through all of the shut downs. The ones keeping food available for your table, taking your garbage away and your water running, healthcare workers, teachers. These are the same people who we have been tooting the train horn for, painting our windows, cheering and celebrating. They too deserve to be part of this program. I believe that these are the folks who are most likely to spend their money in town.

Some changes that I would like to see considered:

1. A per household maximum. Without data such as average cost of living, it's hard to calculate an amount. Or, perhaps you could pay on a tiered calculation similar to the stimulus checks that were sent out earlier in the spring. Applicant and spouse get \$1,000 each and dependents get a smaller amount?
2. Allow individuals to apply for an additional hardship amount. For a single person living alone, \$1,000 may not be enough to live on. Perhaps that hardship could come in the form of reimbursement for a tank of heating fuel or something like that. By limiting the per household amount, there could be funds that could cover these hardships. There would also need to be a maximum with this as well.

3. On the 3rd bullet point under 'Now Therefore Be it Resolved that' include a date by which someone had to have established residency. It's possible that someone could move here from somewhere else in the state (qualifying them for the PFD), get their drivers license from the DMV and become eligible for the program. An additional item on the criteria list could be, 'Established residency on or [before July 1, 2020](#).'
4. If there is a concern about people who are not in town getting funding, checks could be picked up at City Hall rather than be mailed.

I would also suggest you launch a campaign to emphasize what this program is for, LOCAL SPENDING. Of course we are all worried about people filling their Amazon carts or jumping on to the Alaska Airlines website to see where they can vacation to. Making an effort to shop locally may take a bit of conditioning for some. I know a lot of people who load up on their subscribe and save items from Amazon, or go up to Whitehorse for their grocery shopping, or call Home Depot for their hardware supplies because that's how they have always done it. I do these things myself at times. Making an effort to find what you need locally is what we really need now and what this program should be used for. Perhaps a letter of sorts could go out with the checks with a list of recommended uses like, of course living expenses, hiring a local contractor to make home improvements, working with local vendors to acquire items that have not been available in the past, etc.

The reality is you cannot control where the money goes once it gets into the hands of the recipients. Some will still choose to shop Amazon or to use that money to take their vacation. That is part of the unavoidable imperfection of this resolution. But, I believe that most in the community want to support each other.

Thanks for your time.
Cindy O'Daniel