

off the record

a weekly way to stay in touch

a legislative
update from
Senator Kim Elton

Room 115, State Capitol, Juneau, AK 99801 * 465-4947 * 465-2108 FAX * February 28, 2003

Capitol Undercurrents

Come 'n get it—The *Baltimore Sun* reports that the Libertarian Party has launched the Free State Project, an effort to have 20,000 Libertarians move to a state with a small population in order to stage a bloodless political coup. Potential target states include New Hampshire, Delaware, Maine, Wyoming, Montana, or Alaska. Leader of the project Jason Sorens says using this beachhead strategy could mean “we may be able to breathe free air in our lifetime.” The story says that of all the states Alaska probably offers the most—plenty of land and oil and a strong Libertarian Party but persuading people to move north might prove to be a tough sell.

Double down—It's rare that a legislator gets to sponsor legislation in one legislative body and then become a cross sponsor in the other legislative body. But that's what happened with HCR 6, a resolution that extended the life of the Joint Legislative Salmon Industry Task Force. The resolution was sponsored by then-Rep. Gary Stevens. Afterwards, Gary became Sen. Stevens when he was appointed to fill the term of Alan Austerman who resigned to join the governor's staff. Sen. Gary then asked to be cross-sponsor of his house resolution before he voted to pass the resolution on the senate side. The resolution now goes to the governor with Rep. Stevens' and Sen. Stevens' fingerprints all over it.

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A big choice: How to play the budget game

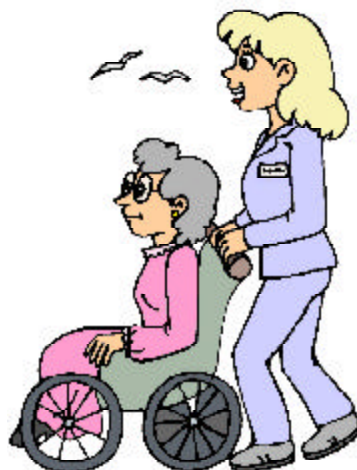
“Politicians look for weak clients of government dollars, policy makers look for weak claims on government dollars.” So sayeth David Stockman, President Reagan's budget director.

Next week, when the FY 2004 budget is unveiled, members of the 23rd Alaska Legislature and the new governor will confront the politician/policy maker dichotomy. But last week perhaps provided a glimpse of where Alaska's elected officials may stand on the politics vs. policy divide.

In his state of the state message several weeks ago, the governor said he would ask the legislature for general fund dollars to lobby Congress and the nation for opening ANWR. When his ANWR request finally came (though slow, that budget item arrived in the legislature before his education request, or state trooper request) it was quickly heard in House Finance earlier in the week and hustled to the House floor Wednesday. At the end of the day, the House plopped \$1.1 million into Arctic Power coffers. (Arctic Power is the ANWR lobbying group that has sustained itself with a steady infusion of about \$7.5 million state dollars—not including the \$1.1 million—over the last decade.)

Also last week, a request for not quite \$400,000 in the governor's supplemental budget received an especially hostile reception in the House Finance Committee. That money covers a slight salary adjustment for certified nurse aides and assisted living aides providing care to Alaska's elders in the state's pioneer homes. The salary adjustment bumps these important caregivers (think bed pans and bathing our elders) up into the less than lofty mid-\$20,000 per year range to try and stem the caregivers' flight to the private

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budget games...

sector where they can earn more after taking basic training in the pioneer homes.

The Arctic Power/nurse aide juxtaposition is as close as it gets to the reality of the politician/policy maker conundrum—the weaker claim for government dollars vs. the weaker client for government dollars. One is about “investing” in a non-governmental organization yet to be successful and the other is about “investing” in elder care. One is about giving more than a million dollars to an organization that fails to tell legislators what they pay their staff. One is about giving less than \$400,000 to keep experienced caregivers in the pioneer homes. One is about supplanting oil industry dollars (BP no longer participates in Arctic Power funding) with government dollars. One is about government dollars for an important government responsibility.

In the end, I suspect that nurse aides and assisted living aides will get their pittance. I pray the meager raise slows the revolving employee door in our pioneer homes. But I'm disappointed Arctic Power seems to get plenty of bonbons while nurse aides get a few sour balls.

While the nurse aide/Arctic Power dust up provides a glimpse into a dark budget pool, the governor's recently released supplemental budget shows how politically dangerous white water (budget) drafting can be. At the end of last session, during budget debate on the floor of the legislature, Democrats tried to patch some budget categories with obvious holes. That created an opportunity for the Republican majority to stand up and cry that we're the party of big spenders. Each amendment to add money to fix obvious shortfalls prompted a designated, loyal member of the majority party to ponderously rise to his feet and give a cumulative total of the cost of the needed budget amendments. Then the fixes were voted down on party lines.



It was good theater and straight from the pages of the manual describing how to gain partisan traction.

But, while it's a good political tactic, it is dishonest in the policy sense. The stigmatized 'big-spending' amendments by Democrats are defeated but the costs remain. The budget shortfalls are then quietly 'fixed' in the supplemental that inevitably follows at the beginning of the next session.

This year's supplemental budget totals more than \$63 million (more than \$66 million if the gov's request for Arctic Power for this year is added in and more than \$120 million if an accounting maneuver didn't lop a potential \$55 million Medicaid liability off the books). Even at \$63 million, this supplemental is the second largest supplemental budget request in a decade. The FY 2003 budget was shorted by between 2.75 percent and 5 percent depending upon whether the \$55 million liability is included.

Much of the supplemental from the governor is back in front of us because amendments made by the minority at the end of the last session were cynically defeated by the majority. For example:

- the governor says he needs \$3.86 more in this year's budget for medical assistance (the Democrats last year tried to add \$3.1 million on the floor last year to avoid carrying a deficit forward);
- the governor is seeking \$2.8 million more for subsidized adoptions (the Democrats tried to add \$1.5 million to avoid the need for more money in a supplemental);
- the governor is seeking \$600,000 to fund a caseload shortfall in the oil and gas division of the Department of Law (the Democrats tried to add \$442,500 in a budget amendment last session to avoid the need for a supplemental request);
- the governor is asking for \$2.5 million for highway maintenance costs (the Democrats last year ran an amendment to add \$2 million to avoid bloating a supplemental); and
- the Democrats pointed out the legislature has underfunded fire costs in the Department of Natural Resources by an average of \$14 million per year (this year the governor is back asking for \$19 million for fire suppression costs in the supplemental).

Ahhhh, it's nice to say "I told you so" but pointless. The minority lost the strategy game. In just the few instances I've listed above, we got blamed for trying to push spending up last session by \$21 million. We get labeled big spenders on the floor of the House and Senate for wanting a responsible, reality-based budget. Then, sneaking in under the radar eight months later is a supplemental budget from the governor that backfills spending.

The strategy is a political winner but shameful policy. It makes the budget process seem like a game of Pac-Man.

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