Say no to Murkowski's dividend tax

By Representative Eric Croft March 29th, 2004

Many Alaskans have asked me why I joined "Alaskans, Just Say No," the group working to protect the Permanent Fund dividend. Many mention that they do not like some of its members personally or their political philosophy. I don't like some of them either. But it is hard to get much done if you have to agree with everyone you work with on everything all the time. I will work with any group that seeks to protect the dividend. Let me explain why.

Alaska has always been rich in natural resources. The central struggle of Alaska's history has been keeping a fair share of the benefits for Alaskans as Outside interests extract first our furs and later our copper, fish and oil. We are still engaged in that struggle.

The dividend is the people's direct link to the resources they own. We, the people of Alaska, own the Permanent Fund in common because we own the subsurface resources that created it in common. The oil wealth is our common birthright, and it is the obligation of the Legislature to sell our oil at a fair and reasonable price.

The constitution directs the Legislature to develop the state's resources for the maximum benefit of its people. When the Legislature sells our resources for less than a fair price, legislators are violating their obligation as constitutional trustees. Doing this accidentally is shameful; doing this for personal or political gain should be criminal.

The Legislature has been systematically giving away our resources to Outside corporations for years now. These corporations hire expensive lobbyists and, directly or indirectly, fund many legislative campaigns. It is a cycle that feeds on itself. Contributions generate tax breaks that generate more contributions.

We are now getting less per barrel for our oil than in any time in the state's history. The true source of the current fiscal gap is that we are getting less and less money for our resources.

Why would we ever ask individual Alaskans for their money before making sure that we are selling their resources at a fair price?

I represent Spenard. How do I explain to the single mom in my district with three kids and an ex-husband late on his child support that I want to take half her dividend, and half her kids' dividends too, when the Legislature gave away \$80 million in new tax breaks last year to Exxon, BP and Conoco Phillips?

Some people in Spenard are doing fine, but some are barely making ends meet. When your paycheck barely covers rent and food, it is hard to scrape the money together for big expenses. The dividend is the money families in my district use to repair the roof or furnace before winter, to get the transmission fixed, to save for college or pay a big medical bill. Why should I take away this money just to continue a history of corporate subsidies?

Let me be clear.

I will not take money from individual Alaskans until we in the Legislature get an adequate price for selling the people's oil and other resources.

Because the governor and the Republican majority have the power to take the dividend and seem to have the intention to do it now or soon, I am looking for any allies I can find to prevent this public policy mistake.

I will work with people who want to protect the dividend, even if their reasons are different from mine. I will work with people who have different political philosophies from mine and those who have a different vision of Alaska's future. I will work with whomever it takes to fight the Murkowski dividend tax.

Even if some of them are a bit nutty.