

Rep. Kapsner Column

By Representative Mary Kapsner

March 29, 2004

Last week the Governor introduced a bill that would require any increases in the budget to be offset by reductions elsewhere. The letter accompanying HB 541 says it is modeled on the “pay-as-you-go” federal law. Many people recognize this strategy as the “Gramm-Rudman” approach to budgeting. It may be just another idea on the table, reinforcing the importance of bringing fiscal certainty to the state, but it worries me. When I ask myself, “Is this good public policy for our state?” I have a hard time answering yes.

As the legislature continues to grapple with the challenge of matching revenues to expenditures, I am concerned that we may lose sight of important policy considerations. If we are focusing only on the bottom line - how much revenue we are receiving (primarily from oil) and how to cut government spending - we will end up with budgeting toward numbers and not toward missions. Instead of proactively seeking out solutions, we are reacting to and limited by our economic situation. Although oil prices are high right now, the “cliff” we have heard about for years will come.

Citizens and interest groups across Alaska are telling legislators our number one priority needs to be the development of a fiscal plan. Alaska needs fiscal certainty and the ability to work toward a quality of life that accompanies it. Jobs, basic public services like education, public safety, services for the elders, and stability in our infrastructure needs-including PCE.

Each year ten thousand of our kids turn eighteen and enter the job market. What public policy decisions are we making that will help assure young people will find their niche in Alaska’s future? The answer is intertwined with decisions we are making now in education, vocational training, business and resource development, healthy community systems and affordable energy.

Last week the Alaska Power Association met in Juneau, and I was asked to speak to the group. The endowment that we worked so hard to establish in recent years was a good step. Still, each year we fight for additional funds to bring the appropriation for PCE up to \$15.7. Most urban legislators now see that number as the level of need, but in fact to fully fund just residential uses we need \$19 million. A smarter public policy when it comes to PCE funding, in my view, would be to fully fund the program and bring schools and businesses back in.

As we debate the budget, too often we lose sight of the importance of government services. Our constitution requires that we provide public safety, health services and public education. We have to do that-it’s like our exit exam. Other government investments are important to the quality of life we desire. Saying that we don’t have the budget to pay for these services is like a mother saying, “I don’t have enough money to feed my kids, so they’ll just have to go hungry.”

Such focus on the bottom line begs the question: are we in the legislature to be accountant or are we here to be accountable for good public policy decisions and investments?

As the session progresses, let’s take the time to look at budget proposals not solely in terms of the money in/money out, but also in terms of whether they are bringing us to fiscal certainty and

developing good public policy for the people of Alaska.

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