



# Alaska State Legislature House and Senate Democrats

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CONTACT: Jordan Marshall • (907) 465-3842, Toll-free (888) 465-4919, Cell: 321-3682

Fax: 465-5125, [Jordan\\_Marshall@legis.state.ak.us](mailto:Jordan_Marshall@legis.state.ak.us)

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## *Permanent Fund Democrats*

### *Democrats to use CBR vote to defend Permanent Fund Dividend*

JUNEAU – House and Senate Democrats announced today that they do not intend to allow a withdrawal from the Constitutional Budget Reserve (CBR) unless the legislature acts to permanently protect the people's Permanent Fund Dividend (PFD).

"The Permanent Fund Dividend makes up about one-eighth of the state's economy. We just cannot afford to put our economy at risk," said Representative Harry Crawford (D-Anchorage).

The Democrats are not using the CBR vote to leverage any particular approach or piece of legislation, but to assure the people that the dividend will not be taken by government without the people's consent.

"Now that Senator Rick Halford is gone, Democratic legislators are the last champions of the Permanent Fund Dividend remaining in the Legislature," said Senate Democratic Leader Johnny Ellis (D-Anchorage). "We will use our influence to protect the Permanent Fund."

The Governor admits that his fee and tax proposals will not solve the state's fiscal problems, and many people fear that the next place Republican lawmakers will turn is to the Permanent Fund. It is increasingly clear that the Republicans will implement service cuts, some use of the Permanent Fund earnings, a sales tax of some type and a combination of taxes and fee increases in an attempt to balance the budget. Resource development has taken a back seat.

"If the Governor or Republican majority feels they need to use the dividend for government, then they simply must make a package that is fair enough to gain voter approval," said Representative Eric Croft (D-Anchorage).

Republican lawmakers need Democratic approval to balance the budget with CBR funds because the Alaska State Constitution requires a three-quarters vote of the Legislature to withdraw money from the CBR.

"Protecting the dividend protects the economy. Families and businesses have the right to know what our future holds," said House Democratic Leader Ethan Berkowitz (D-Anchorage).

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## *Putting Alaskans First • Moving Alaska Forward 2003*

Sen. Bettye Davis, Sen. Johnny Ellis, Sen. Kim Elton, Sen. Lyman Hoffman, Sen. Hollis French, Sen. Gretchen Guess, Sen. Georgianna Lincoln, Sen. Donny Olson, Rep. Ethan Berkowitz, Rep. Sharon Cissna, Rep. Harry Crawford, Rep. Eric Croft, Rep. Les Gara, Rep. Max Gruenberg, Rep. David Guttenberg, Rep. Reggie Joule, Rep. Mary Kapsner, Rep. Beth Kerttula, Rep. Albert Kookesh, Rep. Carl Moses