

NEWS FROM Representative Mary Sattler Kapsner

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Keeping our Eye on the Ball

The state capital building has been buzzing this week with talk about Senator Jerry Mackie's proposal to distribute half of the permanent fund as a one-time \$25,000 dividend and use the remainder for government services. It makes for interesting speculation, ranging from how each individual would spend or invest to the implications for individual tax obligations to the impact on the state's economy, both in the dividend year and in future years when there would be no dividend.

While Senator Mackie's proposal has given us something new to talk about, it is important that we don't let it distract us from the critical issues of 2000. For rural Alaska, that includes finding a stable long term funding source for PCE, protecting other programs important to the bush, including Municipal Assistance and Revenue Sharing, and getting a funding solution for rural schools.

Resolution: SJR 33 - Permanent Fund Dividend

Constitutional Amendment

Sponsor: Senator Jerry Mackie (R-Craig)

Referred to: Senate Finance

SJR 33 proposes an amendment to the State Constitution changing how permanent fund earnings are spent. The resolution requires a 2/3 vote of the legislature to place it on the ballot for voters on the November 7, 2000, general election.

If approved, one final dividend payment of \$25,000 would be issued. The dividend program would then terminate and remaining earning from the fund would be available to protect the fund from inflation and to balance the budgets of state government operations.

The full text of SJR 33 can be found on the legislature's web site, *www.legis.state.ak.us* and selecting BASIS. You can also call Rep. Kapsner's office (1-800-323-4942) and we'll be happy to fax or mail a copy to you.

Municipal Assistance and Revenue Sharing targeted for additional cuts

Over the last 10 years revenue sharing programs have declined 65%. The Governor's budget calls for funding at the same level as last year. Legislative leaders, however, have said they expect additional cuts will be proposed. Some legislators would do away with the program entirely.

Rep. Kapsner supports these programs and will be arguing that we should restore some of the funds we have lost. Part of the challenge is to show how critical municipal assistance and revenue sharing dollars are for the continued operation of local governments.

Visitors from Home ...



In his State of the State Address Govenror Knowles publicy thanked Fish & Wildlife Trooper Scott Quist from Dillingham for his heroic rescue of 2 local residents in December.



Sen. Hoffman, Paula Albert, Governor Knowles, Rep. Kapsner and Bethel Alternative School principal Bob Medinger. Paula Albert was recognized by the Govenror for her efforts to make positive changes in her own life and efforts to reach out to other young people.



Valerie Davidson, chief counsel for YKHC, surprised us with a visit during the first week of session. Valerie talked with Rep. Kapsner about current issues of concern to YKHC.