

Editorial sent to Tundra Drums and Delta Discovery
By Representative Mary Kapsner
June 13, 2003

On the heels of Governor Murkowski's announcement last week that he was vetoing revenue sharing/safe communities funding and capital matching grants for local communities in this year's budget (the budget that begins July 1 for Fiscal Year 04) we learned that last year's capital matching grant funds (Fiscal Year 03) would be lost if the community didn't apply for a specific project by the end of June.

The money in question is that which has been held in community accounts and, until this year, allowed to accumulate on behalf of the community so that a larger project could be funded in future years. With less than three weeks' notice, the rules have changed, and any Fiscal Year 03 or prior years capital match funding that has not been obligated to a specific project will be "swept" into the Constitutional Budget Reserve. The deadline for action on this grant is different from anything we expected and after June 30 it will be gone forever.

Letters have been faxed, and I've had my staff calling the eleven impacted communities in our House District. The Governor's decision to pull the plug on the capital matching grant program means this funding source will no longer be available to meet local needs or, in some instances, to provide the matching funds for important infrastructure projects. It turns the clock back to the time when politics played an ever greater role in determining which communities would receive capital funding.

Vetoes in the State's operating budget raise similar concerns.

At the press conference in announcing his vetoes, the Governor suggested that plans for resource development will take five years to bear fruit, during which time Alaskans need to tighten our belts. He cut revenue sharing and safe communities, a program of sharing state financial resources with communities that has roots back to statehood. Cuts to revenue sharing will be felt differently in our small communities than they will be in larger communities that have the ability to access other funds, including, in some cases, their own permanent fund. A one-time, one-year payment in lieu of revenue sharing has been promised, but rural communities are going to face some tough financial challenges in the coming five years when this promise of renewed resource income is supposed to come.

I'm worried about the Governor's cuts to the VPSO program. Rural Alaskans have rallied behind VPSO's for the last several years, arguing the need to increase funding statewide and provide benefits for career officers. There's even a pending lawsuit concerning the state's failure to provide adequate law enforcement in rural Alaska. The Governor's veto of \$962,000 means three regions will lose their entire program. While our region is not among them, we are concerned about our rural neighbors and their public safety needs, just as if the cut had had been to our program we know they would have rallied to support us.

In an earlier column I wrote about my views concerning the Longevity Bonus Program. With the Governor's decision to eliminate the program eligible seniors are offered a consolation prize of a one-year \$120 per month payment. Not five years, but one year.

A good measure of a government is how it cares for its seniors and it's children, it's art and its garbage. The Governor's cuts of \$198 million come on top of those taken by the legislature and on top of multiple years of budget cutting. Figuring out what they all mean is going to take some time—I've noted just a few in this column.

One thing is clear, however: Things will be very different in Fiscal Year 04. In addition to funding that is being cut, many existing programs will see their funding shifted to one-time federal money. We still have no long range fiscal plan that accounts for both spending and revenue needs of the State to help all Alaskans in our quest for a good quality of life and standard of living--and only the promise of more cuts to come next year.