

Legislative Caucus Seeks Your Opinion on Alaska's Financial Future

By Representative Andrew Halcro (R-Sand Lake - District 12)

Beginning early this past legislative session, an informal group of legislators began meeting to discuss a looming problem just over the horizon for the State of Alaska. This problem, the 'fiscal gap' that has recently plagued the state budget, is expected to only get worse in the years to come.

Let me explain: Every year, the state is receiving less and less revenue from the export of its natural resources, due mostly to the declining production of North Slope oil fields. In effect, we're pumping less oil through the pipeline than in years past, and therefore the state collects less in royalties. Unfortunately, this trend is expected to continue. New oil fields coming on-line are expected to help waylay this trend, but the experts say the overall long-term trend will continue to be a reduction in production; meaning a continued reduction in the amount of money the state takes in.

At the same time, many of the expenses the state faces, such as road maintenance, education funding, the courts system, and public safety are increasing. Due in part to inflation and population growth, the cost to provide these very important services is rising every year. Some of the expenses the state pays for are based on fixed formulas; such as education funding based upon the number of students enrolled, and are therefore outside the annual discretion of the Legislature. Thus we have the paradox: What to do when the state is taking in less money, but under obligation to spend more? (This difference totaled \$600 Million in FY 2001).

This is where your help is needed. I am asking for your ideas and opinions to help solve the state's fiscal gap.

The Fiscal Policy Caucus, a bipartisan group of state legislators, is soliciting your assistance in finding solutions for the financial future of the state. As a member of this informal caucus, I am asking the people of Alaska for their ideas at an upcoming 'Town Hall Meeting' to be held Wednesday, September 19th, 2001 at 6:30 p.m. The meeting will be take place at the Wilda Marston Theatre, at the Anchorage Loussac Library.

I would like to take advantage of this interim period before we head back down to Juneau to solicit your ideas and thoughts. Come share your views in an informal atmosphere on how you think state revenues should be raised and how that money should be utilized to provide state services. Anyone interested in sharing his or her views or simply observing the discussion is welcome and encouraged to attend.

Similar meetings are being held in communities across the state to gauge what Alaskans believe is the responsible way for Alaska to steer clear of the rocks of financial hardship. The general public is encouraged to attend and share their solutions for the financial future of our great state.

I look forward to hearing your thoughts and ideas on this very important topic.

As always, if you would like to reach me to discuss this or any other topic, feel free to call me at my legislative office at #269-0244 or at home #248-9580. Also, you can direct your email correspondence to

Representative_Andrew_Halcro@legis.state.ak.us.