

Alaska State Legislature

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Senator Pete Kelly
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Sponsor Statement for SCR 29

Hiring Freeze

“Relating to urging the Governor to institute a hiring freeze on state government.”

The State of Alaska is facing a billion dollar deficit and unfortunately the constitutional budget reserve fund cannot fill the gap. Revenue officials project it will be drained by July 2004 if the proposed fiscal year 2003 budget is funded. This budget includes an increase of 858 full-time state positions from the current fiscal year with a price tag of \$115 million.

In the face of such an enormous budget deficit, state spending must be reduced. The most logical first step you take when you have a fiscal problem is a hiring freeze. It will be impossible for the state to sustain such an increase in state employees. A hiring freeze will reduce the number of state positions through attrition, a much better solution than forced layoffs a year down the road.

This hiring freeze will include all positions funded with general funds **except** those temporary positions needed to respond to emergencies or needed for reasons involving health and safety.

The Alaska State Legislature respectfully requests the Governor to institute an immediate hiring freeze.