



Senate Majority News

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Gov.'s FY 04 Operating Budget

Aggressive Approach to Controlling Spending – Now Legislative Scrutiny Begins

(JUNEAU) – Alaska, like most states around the country, continues to face difficult fiscal realities, with budget shortfalls projected for the foreseeable future.

For the past eight years, Republican majorities in the Alaska State Senate have dealt with a governor intent on driving state spending higher. Today, Alaska's Senators face a governor who is committed to reining in spending. Senate President Gene Therriault (R-North Pole) said the caucuses' approach to the budget would be very clear.

“We will meet this governor's request just as we met the previous governor's,” said Therriault. “We will ask our co-chairs in the Finance committee to examine the details of the request and use the subcommittee process to scrutinize all changes to develop a budget for the next fiscal year that meets the goals and protects the priorities of our caucus.”

Last fall, the people of Alaska were given a clear choice on how to deal with the fiscal issues facing our State. We had a choice of electing a governor who called for income taxes to fund an ever-growing government bureaucracy – or elect a governor who promised to control the size of government and make it run more efficiently. The mandate was clear; Alaskans want a smaller, less expensive government.

“The governor campaigned on a long-term fiscal future that includes a more efficient, effective state bureaucracy and increased revenues derived from the development of our natural resource wealth,” said Therriault. “This re-alignment and reorganization will improve the delivery of services and bring agency missions into clear focus to help those being served.”

Senate Finance co-chair Lyda Green (R-Mat-Su) said that the issues facing Alaska are the same issues being faced by two-third of the states in this nation. “Governing” magazine, a monthly government trade publication, recently reported the National Governors' Association as describing the current fiscal crisis in the states as “the most dire fiscal situation since World War II.”

(MORE)

Page 2
FY 04 Budget
March 6, 2003

“We will be reviewing this budget, and it will go through the full committee process,” said Green. “Our first priority will be to assure that our constitutional requirements of providing for public education, public safety and public health are adequately funded, and then we will be weighing in the governor’s proposed reductions.”

Green says that the governor’s budget is a much healthier approach than that taken by the previous administration, which consistently inflated the budget numbers despite the lack of state revenue to fund it.

Finance committee co-chair, Sen. Gary Wilken (R-Fairbanks) said that while the governor’s steps may not be enough, by themselves, to prevent additional draws on the Constitutional Budget Reserve Fund, the majority does believe that the governor is on the right track for the long haul. Wilken applauds the effort the governor and his staff have made in the scant 90 days they have been in office.

According to Therriault, despite the attempts by the governor to reign in excessive spending, we will still face a gap until new resource revenue streams can begin. Therriault says that the Senate majority stands ready to review all proposals put forth to bridge this gap.

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Broadcaster’s Note: Actualities from Senate President Gene Therriault and Finance co-chair Sen. Lyda Green are available at www.akrepublicans.org.