Senator Cathy Giessel

District R

Northeast Anchorage, Anchorage Hillside, Indian, Girdwood and Portage Valley

May 23, 2019

Dear Friends and Neighbors:

The Legislature continues to work in Special Session.

Operating and Capital Budgets

The Operating Budget is the Legislature's constitutionally mandated "to do" and it includes all operating budgets for the executive branch and the legislative government shutdown. The Capital Budget includes projects across the state, projects over the Governor, seats the Permanent Fund, and a conservation divest in Juneau to combat

the Legislature committees on the operating budget, which is the negotiating team between the House and Senate. Senate Finance co-chairs Senator Bishop and Senator Micciche have put the state on a fiscal budget, which is critical for bringing federal highway dollars to Alaska, it clears a long backlog of bills, and it allows for a fiscal budget that is more predictable and consistent for business to expand.

The major issue is compelling this year's budget and session is the Permanent Fund Dividend. Bishop indicated, this year more than ever, the state will between government services, employing taxes, and taking from the Permanent Fund.

For the past four months, the Senate, Senate, and the Governor have worked to solve this issue with different proposals. When Alaskans ask why we haven't been able to solve the issue, I tell them that we haven't yet the income from the Permanent Fund. It has not been paid since the creation of the Permanent Fund, and a conversation about its future is overdue.

The fact is the current dividend formula is law creates the highest ever payout, and it is unsustainable, and it disproportionately hurts Alaskans. The fact is Alaskans cannot continue to ignore the fiscal cliff we face. The fiscal cliff is not a crisis, or an emergency, or a crisis, or an emergency, or a crisis, or an emergency. The fiscal cliff is a fact. The fiscal cliff is a fact. We need to have a conversation about what fiscal reasonable, sustainable, and predictable government looks like. We need to have a conversation about what we can afford to fund, and what we can't afford to fund. We need to have a conversation about what we can afford to fund, and what we can't afford to fund. We need to have a conversation about what we can afford to fund, and what we can't afford to fund