

**Interim Report for Monday, September 29, 2003**  
**by**  
**Senator Gary Stevens**

In just a few short months, the 23<sup>rd</sup> Alaska State Legislature will convene for its second session to consider numerous issues, most notably, the Fiscal Year 2005 Operating Budget. This year, Governor Murkowski is proposing to cut \$250 million dollars from the budget in order to reduce the draw from the Constitutional Budget Reserve (CBR). Last session, the Governor introduced, and the Legislature voted to approve, several measures designed to spur new resource development, however these projects will take time to develop. Without a new revenue stream, such as a broad-based statewide tax, or drawing from the Permanent Fund, the proposed cuts will not be an easy pill to swallow, and will lead to a further reduction in the budgets of many state agencies that my constituents rely on.

This Interim, I had the chance to speak to numerous civic and business leaders, and many other constituents regarding our fiscal problems. Many of our District R communities already have a local sales tax and their leaders are, understandably, very concerned about the potentially negative impacts an additional tax would bring to their local economies. Many of these same people have also suggested the fairest way of paying for essential state services is an income tax. Frankly, without the support of the Governor, or the majority of lawmakers, and with an election year upon us, it is unlikely an income tax will pass during the upcoming session. I do expect that there will be continued attention to the sales tax issue, and also to use of the Permanent Fund to help fund state government (with a vote of the people).

As with any issue, I value your opinion on this issue. Please do not hesitate to contact me. I can be reached in my Kodiak office at (907) 486-4925, Homer at (907) 235-0690, or toll free at 1-800-821-4925. E-mail me at: senator\_gary\_stevens@legis.state.ak.us

***House Ways and Means to Meet in Kodiak***

On a related note, Kodiak Representative Dan Ogg has invited the House Ways and Means Committee to hold a hearing in Kodiak on the state's fiscal issues and the various options to resolve the dilemma on October 16<sup>th</sup>. The meeting will be held in the Drama Pod of the Kodiak Auditorium, so please plan on attending. For more information, please contact Representative Ogg's office at 486-8872.

***Salmon Task Force Update***

The Legislative Salmon Task Force met September 12<sup>th</sup> and 13<sup>th</sup> in Anchorage. I have been asked to chair a panel that will be taking a close look the Alaska Seafood Marketing Institute (ASMI) and explore possible ways of adapting its operations to the challenges of the ever-changing seafood industry. Please contact me with any suggestions you may have on this topic.

### ***Interim Legislative Business***

The Senate Labor and Commerce Committees will hold a meeting, Wednesday, October 1<sup>st</sup> in Anchorage. At issue will be the various gaming bills still being considered by the Legislature, such as video poker and a lottery. I have heard from several District R residents on this subject already, and welcome your input prior to attending this meeting.

Thursday, October 2<sup>nd</sup> my Senate State Affairs Committee will be holding a hearing on [SCR 12](#) (sponsored by Senator Gary Wilken of Fairbanks). This meeting will take place in Anchorage, please contact my office for details. The measure, which is supported by both the Kenai Peninsula Borough and the Kodiak Island Borough, asks the Alaska Local Boundary Commission (LBC) to pursue borough incorporation proceedings for the Upper Tanana Basin, Copper River Basin, Glacier Bay and Chatham Region. Under current state law, residents in the unorganized areas of Alaska are not required to contribute property taxes to fund their local school system, though several of these areas have the capacity to do so.

### ***District Travel***

I had the opportunity to visit with community members in Nanwalek, Port Graham, Homer and Seward earlier this month. Thank you to everybody who took time out of their busy schedule to meet with me, and thanks to the Homer Chamber of Commerce for allowing myself and Representative Paul Seaton the chance to share our thoughts on the state's budget situation. I look forward to meeting with more of you in the coming months.

Also in recent days, I had the opportunity to speak in several Kodiak classrooms on the subject of Alaska's Legislative process. Thank you to the teachers and students at the East Elementary, and Kodiak High Schools for allowing me to speak to you.

### ***Alaska Marine Highway Schedule***

The Alaska Marine Highway System has released its 2003-2004 Fall/Winter/Spring schedule for District R communities. Service levels will be increasing in Seward, Seldovia and Homer, compared to last season, however Kodiak will see one less run compared to last year, and Port Lions will receive no ferry service in March because the M/V Kennicott cannot dock at Port Lions. For more information on the ferry schedules, contact the AMHS office in your community, or access the schedule through the Internet at: <http://www.dot.state.ak.us/amhs/schedres/scheds/index.html>.

### ***Homeowners Insurance Guide***

The state Department of Community and Economic Development's Division of Insurance is out with its 2003 Homeowners Insurance Guide. This new version of the guide contains useful information on available coverages and advice on purchasing or

reviewing a homeowner's insurance policy. Consumers may compare their current insurance premiums of premium quotations to examples furnished by companies providing coverage in Alaska.

You can get a copy of the guide through the Division of Insurance website at [www.dced.state.ak.us/insurance](http://www.dced.state.ak.us/insurance), or contact the division at: (907) 269-7900.