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BILL MCALLISTER
COMMENT

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The upcoming special session of the Legislature will be worth it just to see rogue Rep. Kelly Wolf hauled into the House chambers by state troopers. A "perp walk" should set the stage nicely for what could be several days of Capitol punishment.

While Wolf's announcement of a one-man boycott of the session is the most extreme response, Gov. Murkowski's seven-point proclamation summoning lawmakers back to Juneau has something to irritate nearly all of them.

Murkowski said last month that he would leave it up to legislators to see if there was the two-thirds support necessary to call themselves back. But at his news conference Wednesday, he practically boasted that he hadn't talked to legislators about the agenda for the session, which is his to dictate.

Grumbled one House Republican: "I could puke on his shoes, and he wouldn't know me."

The alienation is great enough that there are both Republicans and Democrats who say it's possible nothing at all will pass.

The proposed hike in the tobacco tax is widely seen as having the best chance. The eventual \$30 million in additional revenue wouldn't make much of a dent in the fiscal gap, but administration officials assert that the higher cost per pack of cigarettes would discourage teen smoking. Critics object to a stand-alone tax and question the disincentive effect.

An odd issue out is the governor's call for a new approach to worker's compensation appeals, giving businesses more lev-erage vis-à-vis injured workers. Putting that on the agenda "does nothing but make some people very angry," said Democratic Sen. Kim Elton.

The real show, of course, will be on fiscal issues.

The governor tried to jump-start his Permanent Fund-only fiscal plan by coming out for a constitutionalized dividend. That's something he didn't do after his Conference of Alaskans recommended it in February.

The question now is whether it's too little, too late. Murkowski wants a constitutional amendment to pay out 5 percent of the Permanent Fund's market value every year - the POMV plan -- with half of that payout going to dividends and the rest to government. He can't get that on the ballot without support from Democrats, but most of them say they're not willing to go below a 60 percent share for dividends.

In the House, Ways and Means Chairman Mike Hawker says 60 percent is a nonstarter for the Republican majority. At 50 percent, Hawker thinks the proposal would be acceptable, given the 10-year sunset the governor proposes. But in the Senate, Republicans Scott Ogan, who supports a constitutionalized dividend, and

Gary Wilken, who does not, both say the governor's proposal failed to bridge the divide over POMV.

Another problem for the governor's plan is that he incorrectly asserts that by designating 45 percent of the payout for education (with another 5 percent going to municipalities) he is "guaranteeing" better or stable funding of education.

At the Permanent Fund's current value, 45 percent of a 5-percent payout is \$623 million, which falls about \$200 million short of what the state will spend on elementary and secondary education next fiscal year, let alone the university. The balance would have to come from the general fund, through an annual appropriation. Indeed, the Legislature would be under no constitutional obligation to increase K-12 spending and could even cut it. While some lawmakers see the education designation as an important symbolic gesture, others see it as false advertising.

Murkowski is dangling, as a carrot, a proposed bonding package for schools and road projects. He says he'll support that only if the Legislature goes along with his Permanent Fund plan. That's because the state's credit rating could be downgraded if it borrows more money without plugging the fiscal gap. But some legislators dismiss the package as a bribe.

Then there's the governor's call for a constitutional spending limit. Well, we already have a spending limit. It's called no money. Unless oil prices stay near the recent record-high levels for years, the fiscal gap will soon grow well beyond \$623 million. Thus, no wild spending spree is possible, unless you think that's what we've got now. Hawker says the 5 percent Permanent Fund payout is the de facto spending limit; he thinks the constitutional spending limit is dead.

Finally, the governor's proclamation refers vaguely to a possible advisory vote on the November general election ballot "regarding sources of money available for appropriation." Particularly for legislators who suffered through the 1999 advisory vote debacle on the Permanent Fund, this has little appeal. But it could end up as the fig leaf permitting politicians to say something was accomplished.

Asked about the prospects for success in the special session, Murkowski said: "Hope springs eternal. That's all I can say." Yes, it is.