

2004_6_24_FBX_Speaker predicts early end to special session

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Speaker predicts early end to special session

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JUNEAU

House Speaker Pete Kott said Wednesday the special session of the Legislature will be over by the end of the week _ if not sooner _ and the only bill with any chance of passing is a tobacco tax increase.

"That's the only thing I can even perceive that has any breath left in it," the Eagle River Republican told reporters Wednesday evening.

And even that bill's fate was uncertain.

The Senate approved the \$1 per pack increase Wednesday, but during an afternoon House floor session Kott declined to send the bill to a House committee for hearings.

Supporters of the tobacco tax said they suspect Kott may be trying to kill it, which he effectively did during the regular session by delaying a vote on the bill until the midnight adjournment deadline.

"I'm concerned that it's just going to die out the way it did before," said Jennifer App, Alaska advocacy director with the American Heart Association.

The bill would double the tax on cigarettes to \$2 a pack and boost the tax on other tobacco products from 75 percent to 100 percent of the wholesale cost. Supporters say the measure would reduce smoking and raise about \$35 million for the state.

Kott said he's not trying to kill the tax. But he said most members of the Republican majority caucus do not support voting on the bill if that's the only thing they accomplish during the special session, which started Tuesday.

Most believe working on bills to solve the state's chronic budget gap _ the main reason Gov. Frank Murkowski called the special session _ is more important, Kott said.

But not all members of the caucus agreed.

"I think there's a legitimate disagreement in interpreting the mood of the caucus," said Rep. Mike Hawker, R-Anchorage.

Kott later said he may have misinterpreted the discussions.

During an evening floor session, he sent the tobacco tax bill to the House Finance Committee, which has a meeting scheduled for 1:30 p.m. Thursday.

But Kott said lacking any sign of progress on long-term fiscal plan bills in the Senate, the House could adjourn Thursday morning in time for members to be on a 12:30 p.m. flight out of town. In that case, the 1:30 p.m. meeting would never happen.

The prospects appeared even worse Wednesday for the long-term fiscal plan and workers compensation bills that Murkowski called legislators into special session to address.

To deal with the state's chronic budget gap, the governor is pushing constitutional amendments that would change the way payouts from the Alaska Permanent Fund are calculated, make some of the annual payout available for government and guarantee Alaskans an annual dividend.

Another version of that proposal failed 5-15 on the Senate floor during the regular session that ended in May.

Senate Finance Committee Chairman Gary Wilken said there aren't enough votes now to get the plan out of the Finance Committee and onto the floor.

"We've been through these bills over and over during the regular session," said Wilken, R-Fairbanks. "We're further behind today than when we started."

He pitched an alternative plan Wednesday that would require a simple majority vote of the Legislature. Constitutional amendments are tougher to pass because they require a two-thirds vote of the Legislature and a vote of the people.

Wilken's plan calls for the state to fill budget gaps through 2014 mainly by pulling equal sums of money from the state's \$2 billion constitutional budget reserve and the permanent fund earnings reserve account. Its earnings are based on the performance of the \$27.8 billion permanent fund.

Wilken said he did not know whether he'd bring his plan up for a Finance Committee vote.

A bill making changes in the workers compensation appeals system also appears unlikely to pass during the special session. Unions oppose the measure and are lobbying hard to kill it.

The House Labor and Commerce Committee voted 6-1 Wednesday to keep the bill from moving on to the Finance Committee.