

## What others say...

### **Hammond decries fund 'raid'**

To the editor:

As the gaming tables in Juneau re-open July 1, for the Special Session crap shoot, the public should be clearly aware of the stakes and key players.

The stakes, of course, are the earnings of your Permanent Fund. The governor wants to "cover his bets" by being allowed to draw on those earnings. The Senate believes this unnecessary; they would gamble that oil income will be sufficient to cover the budget. No need for new taxes or "raiding" the Permanent Fund.

Some, of course, bristle at the word "raid." They'll try to lull you into complacency. "We wouldn't dream of touching the fund itself or your dividends," they'll pronounce in pious indignation. "We just want to 'drain off' a bit of the surplus."

Well don't you believe it! Both the fund and prospective dividends will be made more anemic through such a bleeding.

Those who'd have you think otherwise are like surgical quacks who try to convince you that a diet which carves 5 pounds off your carcass by trimming it from the heart muscle could well prove terminal; but the same poundage could be extracted in pints of blood, without any damage.

Since at stake are monies which by law can now be only used for dividends or inflation-proofing your Permanent Fund, by rights those who would gamble them on something quite different *should first be required to seek your approval before placing their bets.*

I can, however, appreciate why, in this instance, time might not permit this. Where there are dramatic reductions in oil revenues it might be necessary to use those earnings *before* the public could grant approval. Regardless, if both the governor and the Legislature wish to gamble, *both should be required to put their mouths where your money is.*

For example, if the Senate really believes oil revenues will be sufficient, they should "loan" Permanent Fund earnings to the governor. But only on the condition that he be permitted to spend them and the loan "forgiven," should there be the revenue shortfall the Senate believes highly unlikely.

On the other hand, should oil revenues prove sufficient, as the Senate is betting, *the governor should be willing to repay the loan and*

*deposit the money into the Permanent Fund where it belongs.*

However, the governor has drawn up the "house rules" for the Special Session, and they smack entirely too much of: "Heads I win. Tails you lose."

Under his proposal, even if it is not necessary to use fund earnings to balance the budget (as seems increasingly likely from current oil pricing), once those earnings are withdrawn from the fund's reserve account, *they'll be lost to the fund forever!*

It is upon that point that I take violent issue with the governor's proposition.

Certainly, he should be granted a "safety net" in the event of another free fall in oil prices. However, should prices hold, he should not be allowed to use that net as a "snare" to snatch monies away from the Permanent Fund and into the General Fund, where they will certainly be spent for other than what is now required by law.

At the very least, before Legislators "count their chips and throw in their hands," they should demand that, in return for allowing the governor to draw down on Permanent Fund earnings now, he first agree that in the future he'll not try to do so before gaining permission by a majority vote of the fund's "stockholders," namely *you.*

I'm increasingly convinced that only by structuring such an obligation into our Constitution can the dividend program, or the fund itself, long survive.

Now, I know the governor to be a honorable man. Accordingly, I'm dismayed by those who assert that his proposals are designed to seduce the Senate into an action which would breach what, to date, has been the virginal sanctity of the Permanent Fund. So far, neither the governor nor the Legislature have found a way to unlock that statutory chastity belt so wisely fashioned by the fund's founders to ward off the rapacious.

Similarly, it's hard to believe that for a few paltry items in the capital budget there are legislators who would be willing to throw the governor the skeleton key. But then again I'm not sure I'd bet on that. . . and neither should you.

Sincerely,  
Jay S. Hammond  
Naknek

### **Republicans support Stevens**

To Sen. Stevens:

This is to let you know that the Capitol City Republicans are in full support of your courageous stand on behalf of the ANWR project.

We feel Gov. Steve Cowper represents the same anti-development forces that delayed and, if possible, would have denied all Alaskans the benefits of the Prudhoe Bay oil

development.

In these times of economic hardships here in Alaska we cannot allow these obstructionists, anti-growth forces to prevail.

Keep up the good work. Your friend in Juneau.

Sincerely,  
Asbjorn Bo  
Chairman 4th District Republicans