

Senator Sackett Legislative Report

The Second Session of the 14th Alaska State Legislature began in January with the most important question hanging over the heads of legislators being just how much money would the state have to finance government programs and services for the coming fiscal year. Action on proposed budgets for the fiscal year 1987 has slowed greatly while legislators, the administration and the public wait to see what the future will hold for the state's financial well being.

Shortly after the 1986 session convened, the news from the oil centers of the world was not good for Alaskans. The price of a barrel of oil began to slip and as of this writing there is still an unclear picture as to just how far oil prices will fall.

In more precise terms, it is estimated that a drop of \$1 per barrel results in the loss of roughly \$150 million in revenues for the State. It is too early to tell if prices will fall so far as to have dramatically negative impacts on the amount of funds available to expend in the coming year. We hope to know more by mid-March.

Of equal importance to people throughout rural Alaska is the issue of subsistence priority hunting and fishing rights. Efforts last year to resolve the matter and preserve the integrity and traditions associated with subsistence fish and game use were stymied at the very end of session by a handful of legislators favorable to the interests of sports and recreation enthusiasts. Another effort will be made this year to fashion legislation that will preserve subsistence rights based on traditional use of our fish and game.

A rewrite of last year's bill, HB-288, was issued by the Senate State Affairs Committee on February 5 of this year, but this bill is unacceptable in its present form as it creates the potential for an expanded and unnecessary bureaucracy, and it could also mandate that one be unemployed in order to qualify for a subsistence permit. I and other legislators are working to make changes in the proposed legislation to bring the bill back in line to meet our subsistence needs.

Oil prices, slumping revenues, and subsistence though, are not the only issues concerning the Capitol City and lawmakers. The legislature will be grappling with other matters as well.

Of great importance to rural residents is continuing the Power Cost



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Equalization Program. This program, enacted a few years ago as the result of massive spending for hydroelectric power projects which are designed to benefit urban Alaskans, was originally tied to the continuing appropriations each year for the Susitna dam project. Last year the courts ruled the continuing funding for the Susitna project illegal. For a time there was serious concern that the ruling would jeopardize the Power Cost Equalization program funding, however, we have learned that the Power Cost Equalization Program will continue to benefit rural residents.

Other issues of importance include proposals for a new funding formula for our school systems, re-evaluation and consideration of changes in our insurance laws so that local government entities can obtain affordable liability insurance, possible expansion of state statutes governing local government rights to enact and enforce alcohol and drug abuse laws, and the ongoing concern that rural communities have safe water and sewer systems, safe airports and other basic human needs.

This is a brief overview of what we see as the major issues before the legislature. As I indicated, the overriding issues will be subsistence legislation and money, or the lack of it. I and my staff are in Juneau to serve you. If you have questions about these issues or other matters of concern, you are welcome to contact my office at 465-3753, or write to me, Senator John Sackett, Pouch V, Juneau, AK 99811. We will do all that we can to assist you in whatever way possible.