

1 By: Matt Cooper
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9 Introduced: 07/08/2019
10 Amended: 07/08/2019
11 Adopted: 07/08/2019
12 Immediate
13 Reconsideration Failed: 07/08/2019
14 Adopted: 07/08/2019
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16 FAIRBANKS NORTH STAR BOROUGH

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18 RESOLUTION NO. 2019 – 27
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20 A RESOLUTION REQUESTING THAT THE LEGISLATURE OVERRIDE FY20 LINE ITEM
21 BUDGET VETOES AFFECTING THE FAIRBANKS NORTH STAR BOROUGH
22

23 WHEREAS, Governor Michael J. Dunleavy vetoed \$444 million from the
24 state operating budget adopted by the Alaska Legislature; and
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26 WHEREAS, Many of the vetoes directly and adversely affect the Fairbanks
27 North Star Borough and other municipalities and jeopardize the future of our
28 communities and state, including through the following vetoes:
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30 1. Municipal Programs

- 31 a. Reduction in the appropriation to the community assistance
32 fund, which will reduce the community assistance grant to the
33 Borough by approximately one-third or \$500,000;
34 b. Reduction of fifty percent of school bond debt reimbursement,
35 which amounts to an approximate \$4.5 million impact on
36 Borough taxpayers;

37 2. Education

- 38 a. A \$130 million reduction in state support for the University of
39 Alaska, amounting to a 41% reduction in state support including
40 the \$5 million reduction approved by the legislature;
41 b. Additional funding for K-12 education (\$30 million statewide);
42 c. Funding for Head Start (\$8.6 million statewide);
43 d. Forward funding for K-12 in FY21;

- 44 e. Elimination of certain library programs;
- 45 3. Health Care and Public Assistance
- 46 a. Elimination of Medicaid dental coverage for adults (\$27 million);
- 47 b. Elimination of \$50 million in Medicaid services, in addition to
- 48 \$70 million cut by the Legislature;
- 49 c. Reduction of behavioral health treatment grants by \$6.1 million;
- 50 d. Elimination of senior benefits program (\$20.8 million statewide);
- 51 e. Cut to adult public assistance (\$7.5 million statewide);
- 52 f. Substantial cuts to the homeless assistance program (\$7.2
- 53 million) and special needs housing program (\$2 million); and
- 54

55 WHEREAS, These vetoes are at the expense of Alaska's future because

56 they erode the bedrock principles of our state and our community, including economic

57 opportunity,¹ public education,² a state university,³ and public health⁴ and welfare;⁵

58 and

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60 WHEREAS, If enacted, these vetoes will set Alaska back decades, and the

61 state will not recover from their impact for decades to come; and

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63 WHEREAS, The vetoes will directly harm the Fairbanks North Star

64 Borough and its residents in the following ways:

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- 66 1. The University of Alaska fulfills the state's constitutional obligation to
- 67 provide for public higher education and is an economic driver in the
- 68 Borough and the state. The University proposes to cut an additional
- 69 1,300 to 2,000 jobs across the state if the veto remains in place.
- 70 Fewer employees and students means fewer Borough residents, fewer
- 71 property tax payers, and fewer dollars spent in the Borough economy.
- 72 The Borough's Comprehensive Economic Development Strategy
- 73 recognizes the University of Alaska Fairbanks is a major educational
- 74 asset in the region, contributing to its low unemployment rate and
- 75 serving as a critical institution to its residents' economic and social
- 76 well-being;
- 77 2. As with the University, cuts to Medicaid and other assistance funding
- 78 will harm the borough by reducing the provision of services, thereby
- 79 reducing the need for professionals, with the same impacts noted
- 80 above. Residents may go untreated for medical conditions and mental
- 81 health, may go without housing assistance, and may go without public

¹ See, e.g. Article I, Section 1 and Article VIII of the Alaska Constitution.

² Article VII, Section 1 of the Alaska Constitution.

³ Article VII, Section 2 and 3 of the Alaska Constitution.

⁴ Article VII, Section 4 of the Alaska Constitution.

⁵ Article VII, Section 5 of the Alaska Constitution.

- 82 assistance, resulting in a high societal cost. These cuts are adverse to
83 the Alaska Constitution's mandate that the state shall provide for
84 public health and welfare;
- 85 3. Cuts to education, including Pre-K, K-12, and post-secondary,
86 mortgage the future of the Borough. Since the founding of our
87 country, and then our state, public education has been and should
88 remain one of the highest aspirations of government, for an educated
89 population is necessary to sustain the future of our nation, our state,
90 and our community;
- 91 4. Cuts to municipal programs merely shift the burden of State
92 obligations to local taxpayers. This shift increases the local property
93 tax rate, which negatively impacts the ability of Borough residents to
94 spend those dollars instead in the local economy; and
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96 WHEREAS, The severity of the impacts of the Governor's vetoes on the
97 Fairbanks North Star Borough will materially impact the Borough; and,
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99 WHEREAS, Such impacts may reasonably include: the loss of a substantial
100 number of jobs by Borough residents; Borough residents leaving the Borough and the
101 state; reduced real property ownership and thus property tax base, thereby shifting the
102 property tax burden to fewer residents; reduced spending in the local economy; a
103 reduction in the number of small and large businesses alike conducting business in the
104 Borough; and potential negative impacts on the United States Air Force decision to bed
105 down two squadrons of F-35 aircraft at Eielson Air Force Base; and,
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107 WHEREAS, The time is NOW to put politics aside and take action in the
108 best interests of Alaska and her citizens, even if doing so creates political peril for those
109 willing to stand tall for Alaska and override the vetoes; and,
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111 WHEREAS, Alaska is better served by the development of a long-term
112 fiscal plan that balances appropriate spending reductions with new revenues, maintains
113 an acceptable level of government services, is in alignment with the values of the
114 Alaska Constitution, and does not seek to unilaterally dismantle the state over the
115 course of one year; and
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117 WHEREAS, The Alaska Legislature must fulfill its Constitutional duty to act
118 as a check upon the draconian actions of the Governor;
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120 NOW THEREFORE BE IT RESOLVED that the Fairbanks North Star
121 Borough Assembly opposes the line item vetoes identified in this Resolution; and
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123 BE IT FURTHER RESOLVED that the Assembly requests that the Alaska
124 Legislature fulfill its duty to act on behalf of all Alaskans as a check on the powers of

125 the Executive Branch and override these line item vetoes as doing so is in the long-term
126 best interests of the State of Alaska; and

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128 BE IT FURTHER RESOLVED that the Assembly further requests that the
129 Legislature and the Governor develop a long-term fiscal plan for the state that includes
130 new revenues without dismantling the state that so many Alaskans have worked hard
131 to pioneer, as this Borough and Alaskans across the state have repeatedly demanded;
132 and

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134 BE IT FURTHER RESOLVED that the Assembly requests the Clerk
135 distribute a copy of this Resolution to each Member of the Alaska Legislature, with a
136 copy to Governor Michael J. Dunleavy and Office of Management and Budget Director
137 Donna Arduin.

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139 PASSED AND APPROVED THIS 8th DAY OF JULY, 2019.

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Matt Cooper
Presiding Officer

ATTEST:



April Trickey, CMC, Borough Clerk
by Adena Benn, CMC, Deputy Borough Clerk

Yeses: Quist, Gray, Williams, Lyke, Sanford, Tacke, Cooper

Noes: None

Other: Lojewski (Excused), Wildridge (Excused)