
Official Election Pamphlet -- Statement in Support

Guarantee your dividend with a YES! vote.

Vote YES and guarantee your dividend for decades to come and put Alaska back on the road to financial responsibility.

Vote no and lose your dividend. It will quickly disappear and the Permanent Fund will shrivel in value.

It's a simple choice.

We no longer have enough oil production to produce the revenues we need to keep vital state services flowing. Even if oil prices doubled, oil production is half of what it was just 10 years ago and continues to decline every day.

Cuts alone will not close the budget gap and will not save your dividend. Alaska has reduced state spending \$235 million over the last three years, and is the only state to actually lower its spending.

Even if we could fire every General Fund state employee, we'd still have a \$300 million deficit.

Even if we could cut all education funding -- we'd still be \$45 million in the hole.

And that doesn't guarantee your dividend.

Others call for taxes:

We could institute a state sales tax -- at a devastating 16% rate and still not close the deficit.

We could impose a state income tax of nearly 9% on every Alaskan and barely close the deficit.

And that still doesn't guarantee your dividend.

Or we could raise oil taxes and make our financial situation even worse. Alaska already extracts some of the highest oil taxes in the world. Increase taxes and we run the very real risk of jeopardizing the continued investment we need to ensure that oil revenues continue to fund our future.

And that still won't guarantee your dividend.

That's the problem we face. Huge deficits -- declining revenues.

Fortunately, Alaskans prepared well. We set up reserve accounts to help us through recent years. We diversified the economy -- and created the Permanent Fund.

A YES vote this September sets in motion a Balanced Budget Plan that provides a healthy dividend -- today and tomorrow. Dividends of \$1,700+ this year and next. Dividends that dip to \$1,300 in 2002 and then continue to grow. It preserves, protects and grows the Permanent Fund, while creating a new revenue stream to help fund essential services, such as education, public safety and roads for our communities.

This is a great start, but it isn't enough. We must continue to reduce state government. The Plan calls for an additional \$30 million of cuts next year.

We must find new revenue sources. The Plan calls for an additional \$100 million of new income over the next three years.

And we need the help of Alaskans. The Plan calls for creation of a Citizens' Task Force to help us through this budget problem.

The Plan is a beginning -- a solid start that will, according to University of Alaska economist Scott Goldsmith:

- Guarantee the dividend for all Alaskans.
- Protect and grow the Permanent Fund for current and future Alaskans.
- Provide a stable, growing revenue stream for general government.

Vote YES and guarantee your dividend.

Governor Steve Cowper
Governor Walter J. Hickel
Governor Bill Sheffield

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