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Governor Palin Notes Limits on Stimulus Package

January 12, 2009, Anchorage, Alaska – Governor Sarah Palin today emphasized that the stimulus package pending in Congress likely will be based largely on existing federal formulas for appropriations and will not be the vehicle for earmarked spending on specific projects for states.

"As I wrote to our congressional delegation on January 7, our administration recognizes that President-elect Obama and the congressional leadership of both parties favor the use of formulas to ensure fairness among the states and to avoid the earmark abuses of the past," Gov. Palin said. "We also have to be mindful about the effect of the stimulus package on the national debt and the future economic health of the country. We won't achieve long-term stability if we continue borrowing massive sums from foreign countries and remain dependent on foreign sources of oil and gas."

The governor has recommended five specific projects for the stimulus package, all of them in accordance with previous guidelines requiring that any individual spending requests must be in the national interest. Those projects are infrastructure upgrades to accommodate the natural gas pipeline, which will bring clean fuel to Lower 48 markets, and the Kodiak Launch Facility, which is important for the nation's defense. While the latest comments in D.C. suggest that no earmarks will be accepted, the governor is hopeful that the extraordinary nature of these national-interest projects will allow their inclusion.

While others have compiled wish-lists of Alaska-specific projects, many of them meritorious, the governor says the administration will not be commenting on or ranking them, given that they might not be considered for the stimulus package. "We don't want to get hopes up among community leaders that their local projects are likely to be included, when that probably won't be the case," she said.

Meanwhile, formula funds for transportation, health care and other areas, when received by the state through the stimulus package, will be subject to appropriations by the Legislature through its budget process.

President-elect Obama said last week: "We are going to ban all earmarks, the process by which individual members insert pet projects without review. ... We are going to bring a long-overdue sense of responsibility and accountability to Washington."

A spokesman for Senate Majority Harry Reid was even more blunt: "There will be no earmarks in the stimulus. Nada. Zero. Zilch." House Speaker Nancy Pelosi has expressed agreement.

"It's understandable that many Alaskans want to see some local projects advanced," Gov. Palin said. "But it's pretty clear that it won't happen in this stimulus package, and we need to be realistic about that."

Recent quotes on the stimulus package:

"[O]ur goal is not to create a slew of new government programs, but a foundation for long-term economic growth. That also means an economic recovery plan that is free from earmarks and pet projects. I understand that every member of Congress has ideas about how to spend money. Many of these projects are worthy; they benefit local communities. But this emergency legislation must not be the vehicle for those aspirations. This must be a time when leaders in both parties put the urgent needs of our nation above our own narrow interests."

- *President-Elect Obama, 1/8/09; Speech on economic recovery*

"There will be no earmarks in this economic recovery plan...I know it's the Christmas season, but President-elect Obama and I are absolutely determined that this economic recovery package will not become a Christmas tree."

- *Vice President-Elect Biden; 12/24/08*

"I can pledge to you that no earmark or any of that, any description you want to make of it will be in the bill that passes the House."

- *Speaker Pelosi, 1/11/09; CNN's "Late Edition"*

"Congress should have public hearings in the appropriate committees, the text of the measure should be made available online for the American people to review for at least one week, and it should be free from special-interest earmarks. This is the taxpayers' money, and they deserve to know their hard-earned tax dollars aren't being wasted."

- *House Minority Leader Boehner; 1/5/09*

"We must also make distinctions between what is 'stimulus'—defined by Speaker Pelosi earlier this year as 'timely, targeted and temporary'—and what is merely more government spending on favored projects we don't need with money we don't have."

- *Senate Minority Leader McConnell; Press Release 12/29/08*

A copy of the governor's Jan. 7 letter is posted at the following link:

http://www.gov.state.ak.us/pdf/ESLletter_Jan12-2009.pdf

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