

SJR

43

**CS FOR SENATE JOINT RESOLUTION NO. 43 (STATE AFFAIRS)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**SEVENTEENTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE STATE AFFAIRS COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): SENATORS STURGULEWSKI, Pearce, Collins, Uehling**

**A RESOLUTION**

**1 Urging the Congress to amend the Budget Enforcement Act of 1990 to allow savings in  
2 military spending to be spent for domestic needs as well as for budget deficit reduction.**

**3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**4 WHEREAS the Budget Enforcement Act of 1990 enacted by the Congress established three  
5 separate categories for federal spending; and**

**6 WHEREAS these categories of defense, domestic, and international spending have spending  
7 limits set within each category and transfer of funds between categories is prohibited; and**

**8 WHEREAS any savings in military spending can be directed only toward budget deficit  
9 reduction and may not be reprogrammed for domestic spending; and**

**10 WHEREAS Alaska, like the other 49 states, faces pressing social and economic needs ranging  
11 from health care and day care to transportation and public safety; and**

**12 WHEREAS state and local government responsibility for providing human services and paying  
13 for the renewal of infrastructure has increased over the past decade while federal aid to states and  
14 communities has dropped from 29.4 percent to 16 percent of their budgets; and**

**15 WHEREAS the number of Americans living below the poverty line has increased to 33,000,000  
16 according to 1990 census figures and many families even above the poverty line are facing very difficult**

1 economic circumstances that affect the health and education of their children and the well-being and  
2 productivity of their adult members; and

3       **WHEREAS** the fiscal constraints faced across the country retard efforts to preserve our families,  
4 develop jobs, clean up our environment, and repair and expand our infrastructure; and

5       **WHEREAS** President Bush proposed a 10-year reduction of 22 percent in the military budget  
6 even before the breakup of the USSR; and

7       **WHEREAS** the potential domestic effect of even a small savings in military spending is truly  
8 significant as evidenced by the fact that the \$865,000,000 cost of just one B-1 bomber exceeds the cost  
9 of Aid to Families with Dependent Children (AFDC) in 49 out of the 50 states in the nation; and

10       **WHEREAS** a "peace dividend" would make a real difference in whether our families can be  
11 strong and healthy and whether our nation will be economically competitive, environmentally  
12 responsible, and socially compassionate;

13       **BE IT RESOLVED** that the Alaska State Legislature urges the Congress and the President, for  
14 the sake of present families, future generations of children, and the continued greatness of our nation,  
15 to

16               (1) reach a new budget agreement that would allow savings in military spending to be  
17 used to meet the nation's enormous social and economic needs; and

18               (2) develop mechanisms to provide for the timely and orderly conversion of our economy  
19 from an emphasis on the military to one that is civilian oriented.

20       **COPIES** of this resolution shall be sent to the Honorable George Bush, President of the United  
21 States; the Honorable Dan Quayle, Vice-President of the United States and President of the U.S. Senate;  
22 the Honorable Robert C. Byrd, President Pro Tempore of the U.S. Senate; the Honorable Thomas S.  
23 Foley, Speaker of the U.S. House of Representatives; and to the Honorable Ted Stevens and the  
24 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative,  
25 members of the Alaska delegation in Congress.

PROPOSED

CS SJR 43 (STA)

ADD: (line 3) (page 1)

WHEREAS, A STRONG NATIONAL DEFENSE  
REMAINS A HIGH PRIORITY, ALTHOUGH  
THE COST OF MAINTAINING A STRONG  
NATIONAL DEFENSE HAS BEEN REDUCED  
SIGNIFICANTLY, AND

CHANGE: (line 6, page 2)

"the breaking of" to "CHANGES IN"

DELETE: (lines 18 + 19)

ok with unless

TO: SENATE STATE AFFAIRS COMMITTEE  
RE: Swift adoption of SJR 43, forthwith  
Date: 2/21/92  
Fr: James E. Fisher, 630 Harris St., Juneau, AK

I urge swift adoption of SJR 43, entitled: "Urging a reduction in federal military spending and an increase in federal nonmilitary domestic spending".

This type of declaration appears imperative, if one will only recall the steady drumbeat of such statements as:

-- ...this is a very dangerous world...

-- ...the US must keep up its guard against nuclear proliferation...

--... the US should be ready to help in trouble spots across the world, i.e., the Yugoslavian situation...

These counsels appear obsolete at the least and most self serving at the most. Following such reasoning the US might continue to spend on military apparatus, supported by reckless Federal deficit financing that absorbs financial resources critically needed for this country to maintain -- and regain -- its place the economic firmament of world markets.

Here in Alaska we should avoid much, if any, effect from the restructuring of U.S. military deployment. See attached clipping from the Anchorage Daily News of January 29th, 1992.

SJR 43 is a "get with it" plea of a type which should be emphasized, as so frequently is required for the obvious, by repetition over and over and over.

For the momentum so helpful to Legislative declarations, I suggest the members of this Committee add their names as co-sponsors.

(SJR43CIV.292)

# Alaska State Legislature



SENATOR  
ARLISS STURGULEWSKI

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Senate

MEMORANDUM

10 February 1992

TO: Senator Pat Rodey  
Chairman, Senate State Affairs Committee

FROM: Senator Arliss Sturgulewski

Thank you for scheduling SJR 43 for a hearing before the Senate State Affairs Committee. This resolution calls for using current reductions in federal defense spending to be allocated toward domestic spending.

Women Legislators Lobby members in Connecticut, Georgia, Hawaii, Massachusetts, Minnesota, Missouri, Rhode Island, South Carolina & Vermont introduced similar legislation into their respective legislatures on February 3rd.

I look forward to your favorable consideration of this resolution.

## **Federal Spending Priorities** ***Time to Put Our Money Where the People Are***

**ITEM:** *In FY 1991 a record number of states suffered severe budget shortfalls.* For much of the fiscal year states had to resort to slashing program spending, furloughing employees, and raising taxes and fees in an attempt to eliminate these shortfalls. Still, at the end of the fiscal year, the National Conference of State Legislatures recounted that 31 states plus Puerto Rico and DC reported potential deficits — some as high as 15% of their original budgets.

**ITEM:** *The federal deficit is growing.* This past July the administration revised its deficit projections for fiscal year 1992 (which began October 1), predicting that the deficit will reach \$34 billion — \$67.4 billion higher than the President's original projection last February. The Congressional Budget Office reports that the deficit may be even worse — \$362 billion.

**ITEM:** *The rate of poverty in the United States is increasing.* This fall, the Census Bureau released statistics for 1990. The report showed that the poverty rate rose to 13.5% last year from 12.8% in 1989. According to the Census report, 33.6 million people were living below the poverty level in 1990. Given the current state of the economy, we can expect that number to continue to increase.

**ITEM:** *Despite the dramatic end of the Cold War and the death of communism, military spending remains high — \$291 billion in FY 1992.* Although President Bush announced modest unilateral reductions in the U.S. nuclear arsenal, the administration is determined to continue funding big ticket items such as the B-2 stealth bomber and Star Wars, and has cautioned that the proposed reductions will not bring about a peace dividend.

**Q:** Does the federal budget affect WLL members?

**A:** Absolutely. WLL members know the pain of having to cut needed services for their constituents in order to balance their state budgets. The national recession accounts for some of the states' fiscal woes, but so does the fact that fully fifty cents of every federal tax dollar goes to the costs of the military and paying for past wars. During the past decade, state and local government responsibility for providing human service and paying for infrastructure has increased, along with federal mandates to do so. But during that same time, federal aid has dropped from 29.4% to 16.% of state and local budgets.

**Q:** How can WLL members help reorder federal spending priorities?

**A:** Let Congress know that you support changing budget laws in order to further reduce military spending and reallocate those funds to critical domestic programs in your state or district.

**Q:** Are there budget laws standing in the way of making the "peace dividend" a reality?

**A:** Yes. In the fall of 1990, budget experts and members of Congress returned from the budget summit with a new budget agreement designed to control a runaway federal deficit and limit most types of federal spending. The Budget Enforcement Act of 1990 (BEA) established three separate categories for discretionary spending — one for defense, one for domestic and one for international. Spending "ceilings" were set for each category and "walls" were erected between them to prohibit transfer of money from one to another, thus silencing popular calls to turn swords into plowshares. Under the BEA, any money cut from the military budget goes directly to deficit reduction — it may not be reprogrammed for domestic or international uses. Furthermore, any spending above the caps triggers an across the board cut within that category. Finally, the BEA institutes a pay-as-you-go philosophy to discourage deficit spending. In FY 1994 and 1995 the walls between the categories will disappear and one overall spending cap will be set for all discretionary programs (defense, domestic and international).

**Q: Has the Budget Enforcement Act worked?**

**A:** By several counts — No. The world has changed dramatically since the BEA was enacted. Not only has the Cold War ended and the Soviet Union as we knew it disintegrated, but growing domestic problems such as unemployment, homelessness and environmental deterioration demand a re-examination of resources dedicated to domestic needs. In 1992 it makes no sense to prohibit a transfer of funds from military to domestic programs, particularly when the cost of one B-2 bomber, \$865 million, exceeds AFDC costs in 49 out of 50 states. The BEA was also created to control the deficit. However, the deficit continues to grow. Recent projections show that over the five year period of the budget agreement the deficit will exceed earlier projections by at least \$328 billion.

Congressional support for removing the walls of the BEA is growing. Over the past months a number of initiatives to cut military spending in order to free up resources for deficit reduction and domestic needs were introduced in both the House and Senate. Although the efforts failed to gain the needed majority, they did spark Congressional debate on the budget agreement. House Speaker Thomas Foley (D-WA) said, "If world conditions continue to change dramatically, it's legitimate for us to review the budget agreement, as I'm sure it's being done in the administration."

**Q: Why is it important for WLL members to act NOW to change federal spending priorities?**

**A:** Despite administration plans for gradual reductions in military spending, recent studies show that unless deeper reductions in military spending are begun this year, domestic programs will suffer additional funding cuts in the mid 1990's.

Robert Reischauer, director of the Congressional Budget Office, recently testified that without significant cuts in the military budget over the next few years, we would face one of two undesirable scenarios by FY 1995. Either domestic discretionary funds would have to be cut by \$21 billion from current levels, or dramatic and economically dislocating cuts would be needed in military production programs. Because there is no orderly way to reduce military spending enough in 1994 and 1995 without additionally cutting non-defense programs, deeper cuts must be made in the military budget next year, FY 1993.

According to analysts, these cuts can be made safely. The current military budget of about \$300 billion, as well as Administration plans for a 22% reduction in military spending over 10 years, were determined prior to the break-up of the Soviet Union. respected organizations such as the Brookings Institution believe that the military budget could be reduced to about one half of current spending over that period of time.

It is important to remember that reordering federal spending priorities need not mean a greater federal deficit. As long as overall spending remains within the limits set by the BEA, it is possible to decrease military spending and increase domestic spending with little or no effect on the federal deficit.

**SPECIAL WLL ACTION**

On *February 3rd*, the President is scheduled to release his budget proposal for the next fiscal year. We expect that he will announce modest reductions in military spending. WLL members know the economic reality in their states and districts. WLL members know that larger cuts in the military budget are needed in order to address the critical needs of constituents at home.

Join WLL's Georgia delegation in sending a unified message to Congress and the administration. On February 3rd, the same day that President Bush releases his proposed spending plan, WLL members in Georgia will introduce a resolution proposing alternative spending priorities. Their sample resolution is enclosed.

We encourage you to focus on the particular needs of your area, whether they be health care, economic conversion, homelessness, or environmental clean up. It is time to address the economic needs of this nation and put our money where the people are.



Official Business

# Alaska State Legislature

FEB 01 1992

## NEWS RELEASE

P.O. Box V  
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Juneau, Alaska 99811

FOR IMMEDIATE RELEASE  
Feb. 3, 1992

Contact: Caren Robinson  
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### ALASKA WOMEN LEGISLATORS SEEK REPEAL OF U.S. BUDGET ENFORCEMENT ACT

JUNEAU--In an unprecedented bi-partisan display of unity, today eight Alaska women legislators are joining other women lawmakers from around the country in urging Congress to scrap the 1990 Budget Enforcement Act (BEA). The BEA sets spending ceilings for defense, domestic and international programs. It also prohibits the transfer of military funds to domestic or international programs.

Joint resolutions are being introduced today in both the House and Senate by Rep. Bettye Davis, D-Anchorage; Sen. Arliss Stugulewski, R-Anchorage; Rep. Fran Ulmer, D-Juneau; Sen. Virginia Collins, R-Anchorage; Rep. Kay Brown, D-Anchorage; Rep. Georgiana Lincoln, R-Rampart; Sen. Drue Pearce, R-Anchorage; and Rep. Betty Bruckman, D-Anchorage. The resolutions call for a reduction in federal military spending and an increase in federal nonmilitary domestic spending.

"The American defense budget can be substantially reduced without risking national security," said Rep. Bettye Davis, chair of the Legislative Children's Caucus. "It's time to reorder our national priorities; we need to direct more money toward educating children and promoting healthy and stable families. Due to the end of the Cold War we can't afford an out-of-control military budget at the expense of our national well-being."

Despite modest unilateral reductions in the U.S. nuclear arsenal, military spending for fiscal year 1992 is \$291 billion. Fifty cents of every federal tax dollar goes to the military and paying for past wars. One B-2 stealth bomber costs \$865,000,000, which exceeds the cost of Aid to Families with Dependent Children in 49 out of the 50 states in the union.

-MORE-

"Due to the dramatic changes in the Soviet Union and the Eastern Block, the world is an infinitely safer place," said Sen. Arliss Sturgulewski, chair of the Senate Health and Social Services Committee. "Huge needs exist in our economy. More of our kids need a lifelong start in increased accessibility to Headstart programs. Too many of our rural community health clinics don't have access to the most basic of life's needs, safe water. That's simply unacceptable! For America to be strong and competitive, we need to transfer military resources to programs that meet human needs."

According to the Women's International League for Peace and Freedom, if the U.S. reduces its forces in Europe, ends funding for chemical and biological weapons, cuts the CIA budget, and reduces its nuclear arsenal, there will be an additional \$98 billion to spend on domestic programs. Specifically, jobs, housing, health and nutrition, education, community development, environmental protection, prenatal care and child care are all areas that would benefit from a military reduction.

The joint resolutions introduced today request that Congress and President Bush do the following:

- reduce military spending to a level that is more appropriate to a post-Cold War world situation;
- reach a new budget agreement that would allow savings in military spending to be used to meet the nation's enormous social economic needs; and
- develop mechanisms to provide for the timely and orderly conversion of our economy from an emphasis on the military to one that is civilian oriented.

Women state legislators from Hawaii to New England are introducing resolutions similar to the ones offered in Alaska. The effort is spearheaded by the Women Legislators' Lobby, a national lobbying organization committed to the adequate funding of human needs, promoting peace, preserving the environment, and encouraging a healthy economy. For more information regarding the Women Legislators' Lobby call (617) 643-6740.

**FISCAL NOTE**

**STATE OF ALASKA  
1992 LEGISLATIVE SESSION**

**BILL NO. SJR-43**

Revision Date: \_\_\_\_\_ Department Affected: NA  
 Title: Urging reduced federal military spending/increase domestic spending BRU: \_\_\_\_\_  
 Component: \_\_\_\_\_  
 Sponsor: Sturqulewski  
 Requestor: State Affairs Committee COMPONENT SERIAL NO. 

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**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0					
<b>CAPITAL</b>						

<b>REVENUE FUND SOURCE:</b>						
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
<b>TOTAL</b>	0					

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

**ANALYSIS: (Attach a separate page if necessary.)**

  
  
  

Prepared By: Max Gifford Phone: x4522  
 Division: Committee Assistant - State Affairs Date: Feb. 10, 1992  
 Approved by Senator Pat Rodey *Pat Rodey*  
 Agency: Chair, Senate State Affairs Date: Feb. 10, 1992