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Alumni Association Calling out Proposed Cuts ‘for what they are’

By Peter Van Flein

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Like many Alaskans, I’m trying to make sense of the severe budget cuts proposed by Gov. Mike Dunleavy, especially where they’re aimed at public education and our university system. We, the Alumni Association, intend to call out the proposed cuts for what they are — an assault on the University of Alaska and a gutting of public education.

The current “fiscal crisis” is one of our own making. I do not believe this is a spending problem or a revenue problem — we believe it is common sense problem.

- **Common Sense Problem No. 1:** We give away our resources. As others have noted, the oil tax credits under Senate Bill 21 are not living up to the promises made when they were sold to us. Alaska is giving away more dollars in credits than net dollars we take in from our oil. Credits haven’t spurred new production as intended.

Alaska’s taxes on the industry are among the lowest in the nation and the world. We don’t believe a fair tax and a modification of the SB21 legacy are mutually exclusive.

Common Sense Problem No. 2: promising billions in dividends while slashing essential state services. From the beginning, the Alaska Permanent Fund earnings reserve was intended to be a source for funding essential government services when the oil slowed to a trickle. While our oil hasn’t yet slowed to a trickle, a combination of oil prices and our revenue has because of our oil production tax policy.

Common Sense Problem No. 3: Some people don’t want to pay for anything. We used to pay for the services we enjoyed through a modest state income tax. State leaders removed this responsibility in 1980, but many Alaskans are willing to pay it again now. New revenues need to be part of the solution.

Common Sense Problem No. 4: pretending Alaska is like the Lower 48. Alaska is a low population, rural state. It is also massive — one-fifth the size of the contiguous United States. Breezy comparisons of costs per student between our university and universities in the Lower 48 aren’t worth the paper napkin it took to scribble out the math.

The University of Alaska Fairbanks is like a factory, producing smart, capable and professional people. Our university provides more workforce training than all of the other voc-tech programs in the state combined. It offers degrees in high-demand career fields such as mining, engineering, biology, health care and math. The university educates our teachers, engineers and health care workers, just to name a few. The University of Alaska system keeps jobs in the hands of Alaskans who can continue to contribute to our economy. UAF invests in this state and is one of the many reasons I love the university and its place here in Alaska.

I invite you to come up to campus and talk with some of our students. They are incredibly bright, smart and ambitious. They are the leaders and entrepreneurs of tomorrow. Talk to some of our faculty, among the best in their fields and the world. UAF is the worldwide leader in Arctic research. If UAF doesn't do it, other universities will move in and will do it without us.

In addition to having educated residents, there's the economic argument: The UA system pumps \$1.1 billion into our economy every year. A good chunk of that money circulates right here in the Golden Heart City and in Anchorage and elsewhere in the state. Houses, rent, groceries, tires — all transactions will decline under this budget.

An outmigration of Alaskans, a housing market crash and young people going elsewhere for their education are very real possibilities if this budget comes to pass.

The university preserves our cultural and historical heritage. It produces research that makes our lives better and will help us adapt to the future. The university fosters creativity. It is a proud legacy for all of us Alaskans.

And one final reason to fully support our state university: It is enshrined in the Alaska Constitution. Call your legislator or send an email and ask them to bring forward a truly honest fiscal plan. A budget is more than a numbers game; it's a blueprint for what we, as Alaskans, value.

On a parting note, thank you to the three mayors in the Fairbanks area for their proclamation of making Blue and Gold Day every Friday here in Fairbanks! I'm all in.