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The University of Alaska needs your help to convince the legislature and the governor to fund our unavoidable cost increases. In the next legislative session, UA will be facing a critical moment in its history. The momentum we have built is in danger of coming to a dead stop.

Insurance premiums, fuel and utilities costs, health care, and retirement are eating away at the hard won successes of the last five years. Even our phenomenal accomplishment of attracting Alaskan students at record levels negatively impacts our budget because with more students come more costs.

As someone affiliated with UA, you recognize the critical role the university plays in the economic well being of our state. Not only does UA provide Alaskan businesses, government, and health care providers with a vibrant workforce, it has become an economic force in and of itself. A recent McDowell Report concluded the positive impact of the University on our economy to be over \$1billion - and that isn't just recycled state money either. UA research alone brings into the state over \$100 million from outside public and private sources each year. The multiplier effect of that money on our economy is extraordinary. We need to keep the momentum going.

The legislature and the governor have been helpful, but they have never had to deal with an increase of the magnitude we will be forced to request this year. That is why we need your help. ***If the university is important to you, we need you to contact your legislator and the governor to encourage them to support the university's budget request.*** Health care, insurance, and other increases will represent a very large number.

Policy makers may be tempted to just give us a portion of our needs and call it even. Unfortunately, these increases are needed to cover ***fixed costs*** – we don't have the option not to pay them! So, if they are not funded, we will be forced to cut from academic and research programs and that will end our momentum.

Your opinion matters to your legislator and the governor – please contact them on UA's behalf. It is particularly important to contact the governor in November, so he may have the benefit of your opinion as he and his staff formulate the state's budget. The sites below will provide you easy access to the governor's as well as your legislator's email. If you are a university employee please use your home email account for advocacy efforts.

<http://www.akrepublicans.org/index.php>

<http://www.akdemocrats.org/>

<http://www.gov.state.ak.us/govmail.php>

If you have a personal association with the governor or one of our legislators, and are willing to engage in a more direct lobby effort, please contact my office through Pete Kelly, Director of State Relations. We may very well need a little extra help from you this session. I have included some talking points on the following page.

Mark Hamilton

A handwritten signature in black ink, appearing to read "Mark Hamilton".

Talking Points

- Rising costs associated with fuel, utilities, health care, insurance premiums, and retirement are threatening the ability of UA to carry out its mission.
- UA must pay these costs - they are not absorbable.
- If the governor does not fund UA's request, the university will be forced to take money from existing programs to pay for these unavoidable costs. As a result, the new programs specifically designed to meet Alaska's workforce needs will be most vulnerable in a cost cutting environment.
- UA has formed partnerships with industries to provide highly trained professionals to meet the workforce needs of Alaska. Those industries are counting on UA to provide them the workers and training critical to their success. If UA is hampered in providing those workers, the state's employers will be forced to increase recruiting from outside.
- The only way a gas line can benefit the state to its maximum potential is if the citizens are prepared to participate in the economy a gas line will produce. UA is the primary institution to prepare Alaskan citizens to participate in that economy.
- Health care workers, engineers, teachers, construction managers, and technical professionals have been entering the job market through UA, and the state needs to keep that pipeline of professionals flowing into our economy.
- UA's enrollment has grown dramatically in the last five years. High school seniors are choosing to attend UA schools in record numbers.
- Unlike any time in the history of our state and territory, Alaskans are depending on UA for their higher education needs.

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