

Alaska State Legislature Senate Bipartisan Working Group News

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Senate Passes Operating & Mental Health Budget Bills

FY '11 Spending Plan offers realistic approach to government growth and savings

(Juneau) – The Alaska Senate today passed House Bill 300 and House Bill 302, the Fiscal Year 2011 Statewide Operating and Mental Health budget bills. The \$8.1 billon Senate Finance Committee Substitute calls for \$5.1 billion in general fund spending, trimming more than \$17 million from the governor's amended FY '11 budget, while funding \$11 million for gas pipeline development, \$6.5 million for in-state gas and ensuring the state's core priorities are met.

"We have put together a budget that reflects rising state costs in Medicaid, statutory increases in the K-12 school funding formula, retirement system unfunded liabilities and employee contracts, but also saves the state money," said Senate Finance Co-Chair for the Operating Budget, Lyman Hoffman, R-Bethel. "The result is a budget that allows the state to live within its means while also meeting the critical needs of Alaskans in many areas."

The Senate's operating budget is \$22 million over the budget approved by the House of Representatives earlier this month. Senate Finance Co-Chair Bert Stedman, R-Sitka, said in addition to the gasline funding, the Senate budget includes \$3.3 million for the Department of Transportation and Public Facilities, \$2.3 million for the University of Alaska, and \$1.8 million for the Department of Fish and Game to address fishery disasters and stock levels in Southwest, Southeast and central Alaska.

"Careful consideration went into developing a budget that is fiscally responsible, addresses the numerous challenges facing the state and, wherever possible, encourages economic growth," Senator Stedman commented. "We are proud of the work we've done and look forward to working with the House to ironout the differences between the two bills."

HB 300 passed the Senate on a 19-1 vote, while HB 302 passed 20-0. Both bills now head back to the House of Representatives for concurrence.

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(For more information, please contact Senator Hoffman's office at 907-465-4453)