

Alaska State Legislature

Senate Bipartisan Working Group News

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Senate Passes Capital Budget Bill

Trims Governor's Request; Provides Needed Funding

(JUNEAU) – The State Senate today passed Senate Bill 75, which will appropriate 1.8 billion dollars for important public works, transportation and capital projects all over Alaska. The bill includes \$1.48 billion in capital for the fiscal year that begins on July 1st, \$248 million in federal economic stimulus funds for transportation and aviation, and \$83.8 million for one-time expenditures in the current fiscal year.

“Thanks to unusually high oil prices in the last few years, we were able to put a substantial amount of money into reserves; we do not have that luxury this year, and our capital budget reflects the need to tighten our belts,” said Senator Bert Stedman (R-Sitka), Co-Chairman of the Senate Finance Committee. “We took a hard look at the Governor’s request, and found significant ways to reduce the amount we need to draw from savings.”

The Senate removed \$504 million in expenditures from the Governor’s request, while funding important priorities like \$26 million for work on the Dalton Highway, a critical piece of infrastructure for the planned natural gas pipeline project.

SB 75 appropriates \$169 million in state general funds, \$1.3 billion of federal appropriations (including federal economic stimulus funds), and \$312 million from other state sources (including 85.8 million in cruise ship head tax receipts).

“Our goals this year were to keep the state’s economy moving and to create a deficit-reduction budget,” said Senator Stedman. “We are asking everyone to make sacrifices. Not only did we trim the Governor’s request, but we also denied billions of dollars in requests from legislators and communities around the state.”

Senator Stedman highlighted other elements of the budget bill, including \$42 million in the major school maintenance program, \$20 million for important infrastructure work at the Port of Anchorage, \$17.5 million for the Kodiak rocket launch facility and \$25 million for the Renewable Energy Grant Fund.

The state capital budget appropriates money for one-time expenditures – things like road and school construction and improvement, sewers and other public works projects. Along with the operating budget, the capital budget is one of the two bills the legislature is statutorily obligated to pass before July 1st every year. Senate Bill 75 now goes to the House of Representatives for its consideration.

For more information, contact Senator Stedman or Miles Baker at 907-465-3873.

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