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Senate Passes State Operating Budget with COVID-19 Response Funding

JUNEAU – The Alaska Senate today passed a bill funding state government for the upcoming 2021 fiscal year, a partial capital budget, and emergency funding to respond to the coronavirus (COVID-19) outbreak.

[House Bill 205](#) totals \$4.73 billion in state unrestricted general funds. It holds operating expenses relatively flat at \$4.61 billion; provides \$116.8 million for a capital budget to repair roads, bridges, and address other critical infrastructure needs; and spends \$80 million to help Alaskans mitigate the impacts of COVID-19.

“This budget provides for the basic needs of Alaskans across this state and gives our healthcare professionals the necessary resources to fight the battle against this virus,” said **Senator Bert Stedman**, R-Sitka, co-chair of the Senate Finance Committee.

“Alaska is experiencing a perfect storm,” said **Senator Natasha von Imhof**, R-Anchorage, co-chair of the Senate Finance Committee. “We are being hit on all sides with the stock market crash, oil prices plummeting, and the tourism and fishing season all but idle. This budget flat-funds government and provides critical funding to address the coronavirus threat.”

“This budget responds to the immediate needs of Alaska’s families and businesses,” said **Senate President Cathy Giessel**, R-Anchorage. “I am immensely proud of my colleagues on the finance committee for their diligent work on this budget during these extraordinary times. We must do all we can to protect Alaskans from the health and economic damage of this virus.”

The legislation’s COVID-19 response funding includes:

- \$75 million to the Department of Health and Social Services Public Health Emergency Programs to bolster Alaska’s emergency medical and trauma systems; and
- \$5 million to the Disaster Relief Fund to be used by the Department of Military and Veterans’ Affairs to help with the public health disaster response.

The bill provides for a \$1,000 Permanent Fund dividend this fall. It also appropriates an additional \$680 million above the Percent of Market Value (POMV) limit to be distributed equally, before July 1, among every Alaskan who was eligible for the 2019 dividend.

HB 205 passed the Senate 17-1 and is now on its way back to the House for a concurrence vote.

The House is expected to not concur with the Senate's version of the budget and appoint a conference committee, which will allow both House and Senate to quickly work out the differences and approve a compromise bill.

For more information, contact Senate Majority Communications Director [Daniel McDonald](#) at (907) 465-4066.

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