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Senate Finance Committee

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Finance Committee Passes Fast Track Budget **Funds Suicide Prevention, Gas Pipeline Studies, ANWR Education**

(JUNEAU) – The Senate Finance Committee passed a \$5.7 million “fast-track” supplemental budget today to meet the time-sensitive and pressing needs of the Fiscal Year 2001 budget.

Responding to an appeal from Senate President Rick Halford (R-Chugiak), the committee added \$325,000 to House Bill 117 to fund suicide prevention programs. Halford highlighted the fact that suicide rates in Alaska are at an all-time high.

“Suicide is an ongoing epidemic in many parts of the state, especially rural Alaska and the Matanuska-Sustina Valley,” said Halford.

A little over \$1 million was included for specific programs related to the evaluation and permitting for a natural gas pipeline. The state can begin compiling data in advance of right-of-way permit applications being submitted with this additional funding.

“Being good stewards of Alaska’s resources means making sure we lay the groundwork to bring our natural gas to market,” said Sen. Dave Donley (R-Anchorage), co-chair of the Senate Finance Committee. “This funding also beefs up our state’s oil and gas division, ensure our state is receiving its fair share of oil and gas revenues.”

Arctic Power, a non-profit group dedicated to educating the public and advocating on behalf of opening the Arctic National Wildlife Refuge to drilling, received \$1.75 million, and the City of Kaktovik, the only community located in ANWR, was granted \$100,000 to respond to substantially increased national interest in the issue.

“While the focus this session has been on bringing Alaska’s natural gas reserves to market, that is not the only resource development option that Alaska has,” said Donley. “For the first time in a long time

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we have the opportunity to convince the powers in Washington D.C. that it is necessary to open the ANWR coastal plain for drilling, and groups like Arctic Power and the Kaktovik municipality need adequate funding to capitalize on this opportunity.”

During testimony on HB 117 earlier in the week, concerns were raised that Arctic Power is not accountable for how they spend the funds that the state provides.

“This simply isn’t true,” said Donley. “Arctic Power provides us with general guidelines of how they are going to spend the money before we grant it to them. But they do have a specific strategy, and requiring them to publicly detail ahead of time what that strategy is would not be in the best interest of the state.” Arctic Power will subsequently provide a full accounting of what they spent, the same as any state agency would.

Under House Bill 117, \$100,000 is allocated to the state Pioneers’ Homes to cover nurses’ mid-year salary raises negotiated independently by the Department of Administration.

“The total amount the department requested is not needed at this time because there are numerous vacant positions and as those positions are filled there will be savings seen by the reduction in overtime,” said Donley. “Additionally, it is highly unusual to increase salaries in mid-fiscal year. The Department of Administration should not promise such increases without prior legislative agreement. If the department demonstrates that additional funds are yet required, additional funding in the regular supplemental budget can be considered.”

Other funding covered under HB 117 include:

- \$608,000 for the state redistricting board, which is responsible for redrawing state House and Senate district borders within 90 days after new federal census figures are released this spring
- \$500,000 to the 2001 Special Olympic World Winter Games, for feeding and lodging the athletes that came to Anchorage in March if private sector contributions prove to be insufficient.
- \$252,000 to the Division of Elections, which had unanticipated expenses after a Supreme Court ruling led to a need to prepare, print and offer two separate ballots in last year’s primary election.
- \$693,000 for debt service expenses, to repay state bonds already approved by voters

The fast-track budget included funding from sources other than the general fund for programs and projects including Medicare and necessary improvements to the Fairbanks International Airport. Allocations in the bill total \$27.9 million, combining spending from state general funds, federal funds and other funds such as facility use fees. HB 117 now moves to the Senate Rules Committee.

The Senate Finance Committee has already started public hearings on the regular supplemental budget legislation which will deal with other fiscal adjustments that need to be made before the end of this fiscal year.

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Comments from Sen. Donley made during the Finance Committee Meetings are available on the Majority Actuality Line, 800-478-6540.

Additional information on some of the appropriations including suicide prevention and the Pioneers’ Homes is available. Please call (907) 465-3803.