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House Majority

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House Finance Committee Announces Allocations FY 02 Spending Prioritizes Education, Transportation, Public Safety

(JUNEAU) – The House Finance Committee today released its departmental subcommittee budget allocations, reflecting the need for Alaska to maintain fiscal discipline while providing increased funding to improve education, pay down state debt and provide services to Alaska’s needy and elderly.

“The investments we plan to make in the Fiscal Year 2002 budget demonstrate the House Majority’s continued concern for keeping our state spending under control,” said Finance Committee Co-Chair Rep. Eldon Mulder (R-Anchorage). “While maintaining most services at current levels, we have prioritized additional spending in areas where it’s needed to achieve the missions we have agreed are in the best interest of Alaskans.”

Finance Committee Co-Chair Rep. Bill Williams (R-Saxman) said the figures reflect the people’s desire for the Legislature to fund their priorities, including education, public safety, transportation and social services. He noted that the allocations outline a budget \$56 million less than the governor’s requested budget, and include spending reductions for both the governor’s office and the Legislature.

“We are allocating resources to maintain communications infrastructure, increase the number of public safety officers in the field, fully service our debt service, and maintain our roads and airports,” Williams said. “The allocations recognize the graying of Alaska and the increasing cost to provide services to the aged and truly needy.”

The allocations direct additional funding to:

- **K-12 Education:** A second year of funding for Learning Opportunity Grants, extra money over and above foundation formula and capital funds, to help students prepare for high school competency tests
- **University of Alaska:** An increase of \$9.3 million, on top of last year’s \$16.9 million increase, to help reinvigorate the University as a source of education and training for Alaska’s developing economy

- **Alternative education:** Funding increases for the Alaska Military Youth Academy, which successfully employs a military education and motivation model to help at-risk youth complete high school
- **Social Services:** An increase of \$18 million to fund increases in Medicaid and other services to help Alaska's neediest citizens
- **Public Safety:** An increase of \$1.25 million for public safety officers and the corrections system

Subcommittees will continue working with departments to deliver their recommendations by March 1 to the full committee. The House Finance Committee will consider those recommendations, then hold statewide public hearings and prepare a final budget bill for consideration by the full House.

The attached spreadsheet and pie chart contain details of the departmental allocations.

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Broadcasters note: Comments are available on the Majority Actuality Line at (800) 478-6540.