

ALASKA STATE LEGISLATURE

News from the Senate and House Majorities

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Legislature Passes Capital Budget for FY02 Prioritizes Roads, Schools, University, Airports, API, Utilities

(JUNEAU) – The Legislature gave final approval today to a state capital budget providing \$1.52 billion for highways, roads, airports, utilities and a host other of capital needs across the state, for the fiscal year 2002 budget starting July 1, 2001.

House Finance Committee Co-Chair Rep. Bill Williams (R-Saxman) said the budget reflects four main investment priorities: to maximize the use of state dollars to leverage matching federal funds; to address deferred maintenance needs by meeting or exceeding each department's prior year allocations; to focus on the highest priorities identified by departments; and to address projects that Alaskans had identified as most important to them.

"Alaska is still a young state and we are still building the roads, airports, ferries, and sewer and water systems needed to bring Alaska's infrastructure up to national standards," Williams said. "This budget raises our capital outlay by more than \$300 million over last year's level, and I'm confident our budget process is giving Alaskans the most efficient return possible on their investment."

Highlights of projects funded in the FY02 capital budget:

- **Roads, Highways and Ferries:** Allocates \$542 million for construction, maintenance and upgrade of surface transportation projects across the state
- **Schools:** Dedicates \$78 million for construction of three new public schools, design money for one new school, and completion of 28 major school upgrade and maintenance projects
- **University of Alaska:** Adds \$68 million in new University funding, including \$30 million for an Arctic regions supercomputer, \$8 million for a museum at the Fairbanks campus, \$2.5 million for new classrooms at the Juneau campus, and \$3.5 million for deferred maintenance/telecommunications statewide
- **Village Safe Water:** Leverages \$14 million in state funds to invest a total of \$55 million in rural water and wastewater projects and studies to fully fund the governor's request
- **International Airports:** Utilizes bonds and 7.6 million in state match for federal funds to support both a \$237 million, two-year maintenance and improvement program at the Anchorage and Fairbanks international airports, and \$108 million for the rural airport improvement plan
- **Alaska Psychiatric Institute:** Authorizes \$16 million for bonds to round out a \$40 million funding package to build a long-needed replacement for the run-down state hospital

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- **Fish and Game:** Dedicates \$15.2 million for salmon habitat, research or other projects to keep state fisheries strong
- **Ports and Harbors:** Provides \$18 million for maintenance and upgrades at state harbors and ports, in addition to \$18 million for the same purpose in the operating budget
- **Youth Correctional Facilities:** Devotes \$8 million for youth correctional facilities, including \$4.6 million to design and build a new facility in Kenai, \$3.4 million to build classrooms and a gymnasium at the Fairbanks facility, and design funds for an addition to a facility in Nome
- **Kodiak Launch Complex:** Invests \$4.5 million for the growth of Alaska's premier commercial space service facility, which could draw a \$1 million match from contractors
- **Senior Housing:** Allocates \$4.7 million to renovate 120 senior apartments in Anchorage, \$2.4 million for a new senior home in Sitka, and \$1.5 million for public housing for seniors
- **Emergency Services:** Improves statewide emergency vehicles and communications with \$21.5 million to purchase new systems and to upgrade existing systems

The total spending in the FY 02 capital budget (SB 29) is \$1.52 billion, including \$115.7 million in state general purpose funds, \$940.7 million in federal funds and \$464 million in other funds. By region, the budget bill calls for:

Southeast Area (Districts 1-5)	\$112.7 million
Kodiak (District 6)	\$7.3 million
Kenai Peninsula (Districts 7-9)	\$30.4 million
Anchorage Area (Districts 10-25)	\$214.7 million
Mat-Su Area (Districts 26-28)	\$117.4 million
Fairbanks Area (Districts 29-34)	\$86.1 million
Prince William Sound-Delta (District 35)	\$21.0 million
Rural Alaska (Districts 36-40)	\$285.5 million
Statewide projects	\$626.6 million
Total	\$1.52 billion (total not exact due to rounding)

Detailed spreadsheets of the capital budget spending, as well as breakdowns by department and election district, are available on the Legislative Finance Division's web site, at <http://www.legfin.state.ak.us/>.

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