



NEWS FROM MARY

Representative Mary Sattler Kapsner

Representing the Lower Kuskokwim and Upper Bristol Bay

E-mail: Representative_Mary_Kapsner@legis.state.ak.us

Mail: State Capitol, Juneau, Alaska 99801

Phone: 1-800-323-4942

What the House Did/Did Not Fund in the Operating Budget

Public Broadcasting - A cut of 5% would require some scale back of services.

Satellite Infrastructure - short funding could mean 6 weeks or more ARCS would be off the air.

Municipal Assistance/Revenue Sharing - Short funding will be spread among eligible communities. A \$3.4 million reduction will be spread across the state.

Alaska Legal Services - State funding was eliminated. Three attorney positions at risk.

PCE was funded at last year's level, but no decision was made where to get the money to fund the program.

VPSO salary increases - (Gov proposed 15%) were not funded.

K-12 Education Funding - statewide reduced to reflect declining enrollments in current year.

Head Start increase requested by Governor not funded. \$2 million increment would have served 400 more children.

Division of Subsistence funded at last year's level. Division of Commercial Fisheries is funded slightly lower than last year.

Alcohol & Drug Abuse Grants - We fought off a \$1 m. reduction proposal--still short \$500,000 from current year funding level.

Domestic Violence Shelters are still short funded by \$100,000.

State Operating Budget Passes House, Moves to Senate

The House of Representatives finished its preliminary work on the State Operating Budget on March 17. You may have heard news stories about the budget work being ahead of schedule compared to previous years. One thing to keep in mind, however, is that the budget the House passed over to the Senate has important pieces missing.

The most crucial hole for our district is the failure to identify where we will get the funds for the **Power Cost Equalization Program**. Other unresolved decisions include funding for the University and state labor contracts. My colleagues in the Democratic Caucus and I offered 50 different amendment in an effort to restore funds that were cut or denied to things such as **municipal assistance/revenue sharing, public radio, juvenile detention facilities, and VPSO salary increases**. Advocates for VPSO's have been vocal in recent years at AFN and in the press about the need to pay our valuable public safety officials a decent wage. Unfortunately, the amendment failed, along with others we had argued for. The focus has shifted to the Senate where budget decisions are being made to reflect their priorities. If program funds cut in the House budget don't make it in the Senate version, the Conference Committee will not be able to add them when it meets to later this year.

Mary Kapsner

Supplemental Budget - PCE Funding

Power Cost Equalization funding approved in the budget passed last year will not carry us through the fiscal year. In a supplemental bill (SB 250) the Governor requested \$8 million from a special AIDEA dividend which would carry us through June 30. The Senate approved only \$3.6 million, which takes us through May 15. The House approved the full \$8 million.

A conference committee of 3 members of each body recommended the Senate number, so the final bill funds only \$3.6 million. A second supplemental bill will be needed, another battle for PCE funds.

A bit of good news: The House removed **\$900,000 for "statehood defense"** from the Senate version of SB 250. The Dept of Law never requested the money, and the bill passed without the appropriation.

Capital Budgets

The House sent the Operating budget over to the Senate where it will be amended and sent back. The Senate is doing preliminary work on the Capital Budget and will send it over to the House. The Administration has submitted amendments to their capital budget, and we are waiting to hear recommendations of the Senate Budget subcommittee.

Meanwhile, the fate of **school construction** bond bills remains unclear. The Governor's bill, HB 322, has had one hearing in the Health, Education and Social Services Committee and was held. The House Finance Committee bill, HB 281, is in the House Finance Committee and has had no hearing at this time.

SB 250
HB 312/HB 313
SB 291
HB 322
HB 281

Supplemental Funding Bill for Current Fiscal Year (FY00)
Operating Budget for Fiscal Year 01 (begins July 1, 2000)
Capital Bill for Fiscal Year 01 (begins July 1, 2000)
Governor's Revenue Bond Bill for Education Construction & Maintenance
House Finance Committee General Obligation Bond Package for schools, the university and harbors