



Alaska State Legislature Senate Majority News

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CONTACT: Sen. Lyda Green, 465-6600

Finance Sends Supplemental to Full Senate *Bill Funds Medicaid, Natural Gas Pipeline Work*

(Juneau)—The Senate Finance Committee today sent a \$13.8 million Fiscal Year 2004 general fund supplemental to the full Senate for consideration.

The bill provides general fund spending of \$4 million for work related to bringing North Slope natural gas to market; \$459,000 for conversion of the State veteran's home in Palmer; and \$4.8 million for Medicaid. In addition it authorizes \$40 million in federal Medicaid money, primarily for nursing homes, assisted living homes and agencies that provide other services for senior citizens and disabled Alaskans.

"In language last year, we allowed for a \$15 million general fund supplemental coming forward this year, so I am pleased we are \$1.2 million under," said Senate Finance Co-Chair Lyda Green (R-Wasilla).

Green contrasted this year's supplemental to last year's, which was \$71 million.

"We got the message and configured the budget last year with a view to reduce the supplemental and have truth in budgeting," Green said. "That's what we've really tried to emphasize—if it's an expense, if it's ongoing, it needs to be carried in the regular operating budget. This budget shows the result of that and the hard work of all the departments to live within their means."

The gas line appropriations to the Department of Revenue and Department of Natural Resources will assist with work on risk assessment, contracts, and evaluating information related to applications to negotiate terms for building a natural gas pipeline under the Alaska Stranded Gas Development Act.

"We have to have well informed people at the table to deal with multi-million dollar corporations who are making inquiries to the State of Alaska to operate, build or hold an interest in a gas pipeline," Green said. "We have to know to what extent the State should be at risk or face exposure. Should the State be an active party or should we simply lease right-of-way? Those questions need to be answered."

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