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Senate Finance Committee

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Senate Passes State's Capital Budget **\$1.5 Billion to Address Alaska's Capital Needs**

(JUNEAU) – In a vote of 12 to 8 the Senate passed the State's capital budget Thursday, which came in with a \$3.2 million savings in the general fund.

The capital budget is the budget that addresses the infrastructure needs around Alaska, such as building and road construction and maintenance, among many other projects.

“This is a good budget that will provide the entire State with needed infrastructure and capital project improvements,” said Sen. Gary Wilken (R-Fairbanks) co-chair of the Senate Finance Committee. “We were very fortunate this year to receive almost \$12 from the federal government for every \$1 in State matching funds.”

Alaska will receive more than \$1 billion in federal funds for capital projects in FY 04 and only needed to provide \$93 million in state match money.

Wilken said there is sufficient funding in the capital budget to address the critical maintenance and repairs of State owned buildings and equipment. Some of these projects, known as deferred maintenance, include:

- \$2 million for critical maintenance projects in our statewide prison system;
- Fully funding vessel and aircraft repair for the Department of Fish and Game;
- Fully funded maintenance on the Pioneer Homes across Alaska;
- Full funding for Army and Air Guard facility maintenance; and
- An increase in Department of Public Safety's maintenance request by \$425,000 to keep the M/V Wolstadt in service.

Wilken also said that the capital budget shows the Senate's support for the governor's commitment to economic development. This included funding the governor's request for \$10 million to identify industrial development roads and community access roads throughout the State - \$331.8 million for the State's Airport Improvement Program - \$424 million for the State Surface Transportation Program – as well as \$54.6 million for Anchorage's Transportation programs (AMATS) and \$10.2 million for the newly created Fairbanks Transportation programs (FMATS).

(MORE)

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Among the grants for FY 04, the capital budget will:

- Fully fund the required vessel overhaul and rehabilitation needs to keep the Alaska Marine Highway System operating safely;
- Fire, police and ambulance equipment for communities throughout Alaska;
- Statewide facility maintenance for Hope Community Resources;
- Statewide road projects;
- Lifesaving medical equipment around the State;
- Bond authorization for a new Seafood and Food Safety Lab in Anchorage;
- \$78.8 million for the Village Safe Water program, which is an increase of roughly \$14 million over the FY 03 budget;
- \$25 million to fund Alaska Housing Finance Corporation projects, such as: weatherization for low-income homes, new senior citizen housing developments in Anchorage and Sterling and the new Teacher Housing Program; and
- Restored funding for the statewide snowmachine trail development and program grants.

These are just a few of the many capital improvement projects funded by the FY 04 capital budget. Following a possible reconsideration vote the budget now goes to the House of Representatives for their consideration.

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