

HB

371

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/6/94

FURTHER:

DATE TURNED INTO OFFICE: 5-8-94

The Finance Committee considered CS FOR HOUSE BILL NO. 371(FIN) am

Appropriations to capitalize the mental health trust fund; the earnings reserve account; making an appropriation to the mental health trust income account from the net income earned by the mental health trust fund; efd.

and a majority of the committee recommends it be replaced with

and recommends:

replace with 2 CS CS HB 371 (FINANCE)
 or adopt previous CS _____
 attaches amendment(s)

same title
 new title
 technical title change
 (HB only)

and do pass

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS

Chue To Beem
Tim Kells
Bob Peters
Bob Mandy
True Beance: 10/22

OTHER RECOMMENDATIONS:

(2) Cultural No Rec
(2) No Rec

HB 371

WALTER J. HICKEL
GOVERNOR



P. O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 14, 1994

The Honorable Ramona Barnes
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99811-3101

Dear Speaker Barnes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting legislation making appropriations for formula-funded program expenses for fiscal year 1995.

As in past years, I am introducing two appropriation bills: one for the "agency operations" part of government, and one that appropriates the funding necessary to meet the costs of formula-funded programs. This bill provides funding for these formula programs.

Formula programs represent 47 percent of the state's fiscal year 1995 general fund operating budget. Due to the demands of uncontrollable increases in the number of participants in these programs, these programs have experienced tremendous increases in recent years. For fiscal year 1995, however, my proposed budget finally puts a halt to this trend. It is a decrease of 2.5 percent from this current fiscal year.

This bill maintains funds for our K-12 educational system at the FY94 level of \$675,234,600.

Over \$34.8 million in increased general funds is provided to meet the projected increases in medicaid and public assistance programs, many of which are services mandated by the federal government. While these increases have slowed as a result of legislation enacted last session, we must continue to make certain Alaskans currently on welfare can get off that merry-go-round. We must provide them with the training that will prepare them for productive jobs, and then make certain we have a healthy economy so jobs are available to them.

The Honorable Ramona Barnes
January 14, 1994
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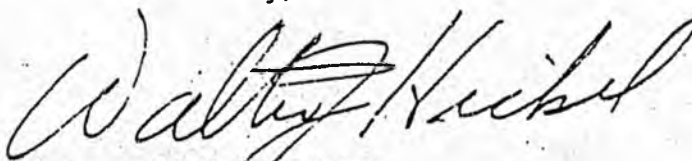
Another area of significant reduction is in the municipal assistance and revenue-sharing programs. I understand this reduction will capture the attention of just about every community throughout the state, but my goal is simple: to encourage local governments with a tax base to pay for local services.

The programs included in this appropriations bill represent the fastest growing area of state government. Controlling their costs continues to be a high priority for my Administration. I look forward to working with the Legislature on achieving this goal.

Additional information pertaining to the appropriations requested in this bill are being furnished to the Legislature by my Office of Management and Budget.

With best regards.

Sincerely,

A handwritten signature in cursive script, reading "Walter J. Hickel". The signature is written in dark ink and is positioned above the printed name and title.

Walter J. Hickel
Governor