



FOR IMMEDIATE RELEASE

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Governor Parnell Approves Budget Priorities *Maintains Spending Limit and Reduces Budget Items*

May 14, 2012, Anchorage, Alaska - Governor Sean Parnell today signed into law three budget bills for Fiscal Year 2013. The governor also signed into law a \$453.5 million general obligation bond package for statewide transportation projects that will go to the voters in November.

The budget bills passed by the Legislature maintain the spending limit set by Governor Parnell and focused on the administration's key priorities of education, public safety, military support, transportation and infrastructure, and resource and economic development.

"Maintaining spending discipline, focusing on our constitutional priorities, investing in infrastructure to build economic opportunity, and saving for the future are vital components of the budget approved for the upcoming fiscal year," Governor Parnell said. "I appreciate the detailed legislative work on the budget and legislators' willingness to join me in limiting spending."

Governor Parnell exercised his constitutional line-item veto authority to reduce spending. The governor vetoed a total of \$66.6 million, largely from operating items.

The operating and capital budgets now total \$12.1 billion, including \$7.9 billion in state general funds. Total state operating budget growth has been limited to 3.3 percent. The budget includes full funding for K-12 education, Medicaid, retirement system unfunded liability, debt service, and employee contracts. The capital budget totals \$2.9 billion, including \$1.9 billion in state general funds.

Boosts Savings

Two billion dollars of surplus funds were moved to savings with the potential of up to \$3.4 billion going into the Statutory Budget Reserve based on projected FY 2012 and FY 2013 balances.

"Maintaining strong cash reserves and budget discipline are critical components of our long-range fiscal plan," Governor Parnell said. "Given the steady decline in oil production and the volatile nature of oil prices, we will need cash on hand to provide state services in the future."

Resource Development and Transportation Infrastructure

The capital budget will fund many important transportation and infrastructure projects across the state.

More than \$1.6 billion was appropriated for highways, aviation, the Alaska Marine Highway, harbors, village safe water, and municipal water and sewer projects. The *Roads to Resources* initiative was also funded allowing work to continue on a road to Tanana, the Ambler District Road, a road to Umiat, and improvements on the Klondike Industrial Use Highway to Skagway.

Another \$50 million was set aside in the Vessel Replacement Fund as a down payment on the second new ferry for the Alaska Marine Highway System.

Education

Direct K-12 education funding increased \$50 million in the signed budgets. The total state funded K-12 education and pupil transportation budget for FY 2013 is \$1.2 billion. New legislation increased pupil transportation funding and resources to expand vocational education funding from grades 7 through 12. In addition, the state directly funds more than \$329 million for school district retirement system unfunded liability for the Public Employees' and Teachers' Retirement Systems. The capital budget also includes over \$431 million for school and university projects statewide.

Public Safety

Nearly \$12 million in additional resources to combat domestic violence and sexual assault are included in the operating budget for prevention and intervention, support for survivors, and law enforcement. This funding includes 15 new Village Public Safety Officers the governor requested and additional Trooper support. More than \$115 million is included in the capital budget for first responders, public safety, fire and rescue, emergency response and disaster preparedness projects across the state.

Energy

The capital budget contains over \$247 million for statewide energy projects including: \$31.5 million for weatherization programs to help Alaskans make their homes more energy efficient; \$25.9 million for the Renewable Energy Fund targeting projects in areas with the highest energy costs; and \$20 million for home energy rebates. The operating budget contains \$38.2 million to fully fund the Power Cost Equalization Program, and an estimated \$48 million for the Alaska Low-Income Energy Assistance Program. In addition, \$125 million was appropriated for the new Sustainable Energy Fund to help finance energy infrastructure projects that will reduce the cost of energy to Alaskans.

Detailed information on capital projects across the state is available at:

<http://gov.alaska.gov/parnell/press-room/fy13-budget.html>

Copies of the budgets and related documents are available at:

<http://omb.alaska.gov/html/budget-report/fy-2013-budget/enacted.html>

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State of Alaska
FY2013 Enacted Less Vetoes Fiscal Summary
(dollars shown in millions)

	FY2012 Authorized plus Supplementals					FY2013 Enacted Less Vetoes					UGF Change	UGF % Change	Total % Change
	Unrestricted General Funds	Designated General Funds	Other State Funds	Federal Funds	Total Funds	Unrestricted General Funds	Designated General Funds	Other State Funds	Federal Funds	Total Funds			
1 REVENUE	9,917.0	784.9	510.3	3,135.1	14,347.3	8,440.1	814.7	508.3	2,825.9	12,589.0			
2 Total Unrestricted General Fund Revenues (A) (\$114.59, \$110.44)	9,869.9				9,869.9	8,440.1				8,440.1			
3 Reappropriations and Carry Forward (B)	47.1	0.6	0.2	56.9	104.9					0.0			
4 Restricted Revenue (C)		784.3	510.0	3,078.2	4,372.6		814.7	508.3	2,825.9	4,148.9			
5 APPROPRIATIONS													
6 Total Operating	5,395.9	736.2	446.2	2,038.7	8,617.0	5,656.4	758.5	478.4	2,011.9	8,905.2	260.5	4.8%	3.3%
7 Agency Operations	4,134.5	704.7	413.1	1,995.5	7,247.8	4,318.5	734.9	435.7	1,970.1	7,459.2	184.0	4.4%	2.9%
8 Agency Operations (Non-formula)	1,989.0	647.5	407.5	1,003.4	4,047.4	2,076.0	672.0	432.1	912.3	4,092.5	87.0	4.4%	1.1%
9 HB284 Vetoes					0.0	(4.1)				(4.1)			
10 SB160 Veto					0.0	(10.3)				(10.3)			
11 Supplementals	46.8	(2.5)	0.1	6.4	50.8					0.0			
12 Legislature and Courts Operations	170.3	0.6	1.0	1.7	173.6	180.2	0.6	0.8	1.7	183.2	9.8	5.8%	5.6%
13 Total K-12 Foundation and Pupil Transportation (D)	1,165.6	12.4		20.8	1,198.8	1,203.5	13.3		20.8	1,237.6	37.9	3.3%	3.2%
14 Agency Operations (Formula)	809.5	44.2	2.8	967.7	1,824.3	858.8	49.0	2.8	1,035.2	1,945.9	49.2	6.1%	6.7%
15 Supplementals (D)	2.6	0.0		1.1	3.7					0.0			
16 Revised Programs Legislatively Approved			1.8	2.0	3.8					0.0			
17 Duplicated Authorizations Non-additive (E)			694.3		694.3			726.2		726.2			
18 Statewide Operations	1,261.4	31.5	33.1	43.2	1,369.2	1,337.9	23.6	42.6	41.8	1,446.0	76.5	6.1%	5.6%
19 Debt Service (F)	243.7	21.6	33.1	13.0	311.4	217.1	21.8	42.6	17.7	299.2	(26.6)	-10.9%	-3.9%
20 Fund Capitalizations (G)	12.5	9.9	0.0	30.2	52.6	7.0	1.8	0.0	24.1	32.9			
21 Direct Appropriations to Retirement	529.5				529.5	613.9				613.9	84.4	15.9%	15.9%
22 HB284 Veto	(50.0)				(50.0)					0.0			
23 Revenue Sharing	60.0				60.0	60.0				60.0			
24 Community Revenue Sharing Supplemental for FY2013	25.0				25.0					0.0			
25 Oil and Gas Tax Credits	400.0				400.0	400.0				400.0			
26 Judgments, Claims and Settlements	40.7				40.7					0.0			
27 Supplementals Placeholder					0.0	40.0				40.0			
27 New Legislation -					0.0					0.0			
28 Duplicated Authorizations Non-additive (E)			30.9		30.9			18.4		18.4			
29 Total Capital	1,616.8	44.5	55.3	1,096.4	2,813.0	1,926.7	51.7	21.1	814.0	2,813.5	309.9	19.2%	0.0%
30 Project Appropriations	1,494.7	44.5	49.2	1,078.1	2,666.5	1,869.0	51.7	21.1	812.3	2,754.1			
31 SB160 Vetoes					0.0	(2.3)				(2.3)			
32 Supplementals	59.7		6.1	15.9	81.7					0.0			
33 GO Bond Package Non-additive (H)					0.0			449.9		449.9			
34 AGIA Reimbursement Fund	60.0				60.0	60.0				60.0			
35 Other Fund Capitalizations (G)	2.4			2.4	4.8				1.7	1.7			
36 Duplicated Authorizations Non-additive (E)			(47.5)		(47.5)			41.2		41.2			
37 Pre-Transfer Authorization	7,012.7	780.7	501.5	3,135.1	11,430.0	7,583.1	810.2	499.5	2,825.9	11,718.7	570.4	8.1%	2.5%
38 Pre-Transfer Balance to/(from) SBR	2,904.4					857.0							
39 Transfers/Savings	2,039.4	4.2	8.8	0.0	2,052.3	342.8	4.5	8.8	0.0	356.2			
40 Designated Savings													
41 Public Education Fund - Budget Year Draw (D)	(1,058.8)				(1,058.8)	(1,178.5)				(1,178.5)			
42 Public Education Fund - Future Year Funding (D)	1,105.7				1,105.7	1,139.7				1,139.7			
43 Regional Educational Attendance Area School Fund					0.0	36.6				36.6			
44 Renewable Energy Grant Fund (I)	26.6				26.6	25.9				25.9			
45 Education Grants/Performance Scholarships Fund (J)					0.0	400.0				400.0			
46 Railbelt Energy Fund	(65.7)				(65.7)					0.0			
47 Alternative Energy Conservation RLF	2.5				2.5					0.0			
48 Mariculture/Charter Fisheries/CQJE RLFs					0.0	22.5				22.5			
49 AMHS Vessel Replacement Fund	50.0				50.0	(60.0)				(60.0)			
50 AIDEA Sustainable Energy Development Fund					0.0	125.0				125.0			
51 Undesignated Savings													
52 Statutory Budget Reserve	1,800.0				1,800.0	250.0				250.0			
53 Cruise Ship Gambling Tax	(31.0)				(31.0)	(4.5)				(4.5)			
54 AHFC Subsidiary - AHCC Receipts (J)	200.0				200.0					0.0			
55 AHFC Subsidiary (J)					0.0	(424.1)				(424.1)			
56 Other Transfers (K)	10.0	4.2	8.8	23.0	23.0	10.3	4.5	8.8	23.6	23.6			
57 Total Authorization to Spend with Savings	9,052.1	784.9	510.3	3,135.1	13,482.3	7,926.0	814.7	508.3	2,825.9	12,074.9	(1,126.1)	-12.4%	-10.4%
58 Post-Transfer Balance to/(from) SBR	865.0					514.1							

	FY2012 Authorized plus Supplementals					FY2013 Enacted Less Vetoes					UGF Change	UGF % Change	Total % Change
	Unrestricted General Funds	Designated General Funds	Other State Funds	Federal Funds	Total Funds	Unrestricted General Funds	Designated General Funds	Other State Funds	Federal Funds	Total Funds			
59 Permanent Fund Appropriations	0.0	1,748.0	0.0	0.0	1,748.0	0.0	1,494.0	0.0	0.0	1,494.0			
60 PF Dividends / PFD Division Operations (L)		652.0			652.0		573.0			573.0			
61 PF Inflation Proofing		1,074.0			1,074.0		899.0			899.0			
62 AK Capital Income Fund (Am Hess) (M)		22.0			22.0		22.0			22.0			
63 Total Authorization to Spend with Permanent Fund	9,052.1	2,532.9	510.3	3,135.1	15,230.3	7,926.0	2,308.7	508.3	2,825.9	13,568.9	(1,126.1)	-12.4%	-10.9%
64 Fiscal Year Summary (Includes Permanent Fund)	9,052.1	2,532.9	510.3	3,135.1	15,230.3	7,926.0	2,308.7	508.3	2,825.9	13,568.9	(1,126.1)	-12.4%	-10.9%
65 Agency Operations	4,134.5	704.7	413.1	1,995.5	7,247.8	4,318.5	734.9	435.7	1,970.1	7,459.2	184.0	4.4%	2.9%
66 Statewide Totals	1,261.4	31.5	33.1	43.2	1,369.2	1,337.9	23.6	42.6	41.8	1,446.0	76.5	6.1%	5.6%
67 Total Operating	5,395.9	736.2	446.2	2,038.7	8,617.0	5,656.4	758.5	478.4	2,011.9	8,905.2	260.5	4.8%	3.3%
68 Capital	1,616.8	44.5	55.3	1,096.4	2,813.0	1,926.7	51.7	21.1	814.0	2,813.5	309.9	19.2%	0.0%
69 Total Authorization Pre-Transfers/Savings	7,012.7	780.7	501.5	3,135.1	11,430.0	7,583.1	810.2	499.5	2,825.9	11,718.7			
70 Transfers/Savings	2,039.4	4.2	8.8	0.0	2,052.3	342.8	4.5	8.8	0.0	356.2			
71 Total Authorization to Spend with Savings	9,052.1	784.9	510.3	3,135.1	13,482.3	7,926.0	814.7	508.3	2,825.9	12,074.9	(1,126.1)	-12.4%	-10.4%
72 Permanent Fund Appropriations	0.0	1,748.0	0.0	0.0	1,748.0	0.0	1,494.0	0.0	0.0	1,494.0			

A Total Unrestricted General Fund Revenue: Line 2 is based on information from the Department of Revenue Spring 2012 Revenue Forecast.

Unrestricted General Fund Revenue	FY2012	FY2013
Oil Price (ANS West Coast Spot per barrel)	\$114.59	\$110.44
Average ANS oil production (bbl. per day)	0.580	0.563
Unrestricted General Fund Revenue	\$9,869.9	\$8,440.1

Corporate Dividends	FY2012	FY2013
Alaska Industrial Development and Export Authority	\$29.4	\$20.4
Alaska Housing Finance Corporation for Projects	\$17.0	\$16.5
Total as Unrestricted General Funds	\$46.4	\$36.9
Total AHFC Dividend for Capital Projects and Debt Service	\$23.1	\$27.3

B Reappropriations and Carry Forward: Includes fund sources for reappropriations and other appropriations (typically roll-forwards of prior year authorizations - including American Recovery and Reinvestment Act of 2009 (ARRA) Federal Receipts) that do not require additional FY2012 or FY2013 revenue.

C Restricted Revenue: Other revenue not included as Unrestricted General Fund Revenues in the Revenue Sources Book, such as Federal Receipts and University Receipts.

D Public Education Fund: Legislation in 2005 established the Public Education Fund (PEF). One of the effects of this legislation was to remove expenditures for K-12 Public Education from Agency Operations (Formula) on line 14. The FY2012 and FY2013 proposed total K-12 Foundation Program and Pupil Transportation expenditures are shown on line 13. The table below shows the amount of K-12 Foundation Formula and Pupil Transportation being expensed from the Public Education Fund, since expenditures from the fund do not require appropriation.

Public Education Fund Expenditures	FY2012	FY2013	FY2014
K-12 Foundation Formula	\$1,074,840.1	\$1,077,513.3	\$1,077,513.3
SB182 Foundation Formula		\$27,207.7	
Pupil Transportation	\$62,665.8	\$62,202.7	\$62,202.7
SB182 Pupil Transportation	\$8,103.3	\$11,593.2	
Total	1,145,609.2	1,178,516.9	1,139,716.0

FY2012 \$8,103.3 supplemental is shown on line 13 and not on line 15

E Duplicated Authorizations: These appropriations are in the budget twice, such as when funds flow in and out of a holding account or one agency pays another for services provided. The most significant examples of these type of expenditures include operating payments from Interagency Receipts, Capital Improvement Project Receipts and General Obligation Bonds.

F Debt Service: The Debt Service line includes actual payment of debt obligations, primarily General Obligation Bonds, State debt reimbursement programs such as School Debt reimbursement, Certificates of Participation (lease-financing), and International Airports Revenue Bonds.

G Fund Capitalizations: Operating Fund Capitalizations includes fund transfers to the Alaska Children's Trust Grant Account, the Disaster Relief Fund, the Trauma Care Fund, and the Crime Victim Compensation Fund on line 20. Line 35 consists of the Emerging Technology Fund transfers.

H GO Bond Package: A General Obligation (GO) Bond package is proposed for port and transportation projects, subject to voter approval in November, 2012.

I Renewable Energy Grant Fund: The Renewable Energy Grant Fund is capitalized with \$26.6 million Unrestricted General Funds in FY2012, and \$25.9 million Unrestricted General Funds in FY2013. \$36.6 million in FY2012, and \$25.9 million in FY2013, in grants are appropriated from the Renewable Energy Grant Fund in line 30 in the Designated General Funds column.

J AHFC Subsidiary Fund -- Education Grants and In-State Gasline Fund Transfers: In the FY2012 column - The Legislature appropriated \$200.0 million from the General Fund to the Alaska Housing Capital Corporation account (aka AHFC Subsidiary Account) in FY2012 ((SLA 2011, Chapter 5 (SB46), Section 20(c))(line 54). Line 45 transfers \$400.0 million to an Education Grants/Performance Scholarships Fund (passed in HB104). In the FY2013 column (line 55) \$400.0 million in AHCC Receipts is transferred to an Education Grants/Performance Scholarships Fund contingent on establishment of the fund; \$21.0 million in AHCC Receipts is for capital projects and \$3.1 million in AHCC Receipts is for Alaska Performance Scholarships. Transactions similar to the Education Grants/Performance Scholarships Fund, had previously been shown for an In-State Gasline Fund contingent on passage of the Twenty-Fifth Alaska State Legislature, which did not happen.

K Other Transfers: Line 56 includes capitalization of various State funds, such as the Fish and Game Bond Redemption Fund, the Fish and Game Fund, Oil and Hazardous Substance Release Prevention and Response Accounts, and others.

L PF Dividends / PFD Division Operations: Line 60 includes both the amounts for Permanent Fund Dividend (PFD) checks and other State operating costs of the PFD.

Permanent Fund Dividend Fund Other Expenditures	FY2012	FY2013
Department of Revenue, Permanent Fund Dividend Division	\$8.1	\$8.2
Department of Health and Social Services, Public Assistance PFD Hold Harmless	\$16.3	\$16.8
Total	\$24.4	\$25.0

The financial information for the Permanent Fund section (lines 59-63) is from the Alaska Permanent Fund Corporation Fund Financial History & Projections as of March 31, 2012. These financial statements are available on the Alaska Permanent Fund website: www.APFC.org.

M Alaska Capital Income Fund: The Alaska Capital Income Fund is authorized by AS 37.05.565. The fund consists of income earned on money awarded as a result of the State vs. Amerada Hess royalty case, estimated to be \$28-29 million per year, plus other appropriations. Those projections have been reduced in the FY2012 and FY2013 columns per the Alaska Permanent Fund Corporation Fund Financial History & Projections as of March 31, 2012.

Operating Budget - UGF/DGF/Other/Fed Summary by Department

Scenario: FY2013 Operating Less Vetoes (9879)

Department	UGF	DGF	Other	Federal	Total	PFT	PPT	NP Positions	Total
Department of Administration	84,536.3	23,954.0	213,322.0	4,991.9	326,804.2	1,087	18	40	1,145
Department of Commerce, Community, and Economic Development	55,318.3	76,922.0	37,507.4	22,087.8	191,835.5	513	2	15	530
Department of Corrections	283,359.5	21,555.1	15,024.9	3,252.2	323,191.7	1,698	1	0	1,699
Department of Education and Early Development	1,273,878.4	20,964.3	25,178.3	233,790.2	1,553,811.2	334	14	8	356
Department of Environmental Conservation	21,183.8	26,885.9	11,296.8	24,233.7	83,600.2	541	0	11	552
Department of Fish and Game	78,259.6	9,506.7	61,687.4	62,359.6	211,813.3	911	711	68	1,690
Office of the Governor	32,987.9	4.9	518.9	197.5	33,709.2	156	0	49	205
Department of Health and Social Services	1,238,473.4	74,086.0	101,910.1	1,229,126.5	2,643,596.0	3,459	65	103	3,627
Department of Labor and Workforce Development	34,233.0	33,929.4	26,482.8	100,976.7	195,621.9	827	118	44	989
Department of Law	62,940.0	2,695.0	27,499.8	1,965.9	95,100.7	570	3	0	573
Department of Military and Veterans Affairs	21,872.3	28.4	16,582.8	25,217.4	63,700.9	338	2	2	342
Department of Natural Resources	79,065.0	25,931.9	38,389.3	22,555.2	165,941.4	745	243	96	1,084
Department of Public Safety	164,560.0	5,908.6	19,825.5	10,967.5	201,261.6	868	16	14	898
Department of Revenue	31,620.4	9,615.1	214,772.8	74,884.2	330,892.5	881	36	19	936
Department of Transportation/Public Facilities	281,760.8	69,053.3	266,834.3	3,827.7	621,476.1	3,173	409	227	3,809
University of Alaska	358,265.7	333,284.7	86,334.3	147,944.3	925,829.0	4,727	222	0	4,949
Alaska Court System	106,682.9	518.0	1,914.5	1,675.6	110,791.0	764	47	21	832
Legislature	73,480.2	71.4	403.0	0.0	73,954.6	251	285	0	536
Branch-wide Unallocated Appropriations	36,000.0	0.0	0.0	0.0	36,000.0	0	0	0	0
Total:	4,318,477.5	734,914.7	1,165,484.9	1,970,053.9	8,188,931.0	21,843	2,192	717	24,752

Capital Budget - UGF/DGF/Other/Fed Summary by Department

Scenario: Final Total SLA 2012 (2778)

Department	Unrestricted Gen (UGF)	Designated Gen (DGF)	Other Funds	Federal Funds	Total Funds
Department of Administration	33,750,000	550,000	4,013,000	0	38,313,000
Department of Commerce, Community, and Economic Development	884,509,009	27,795,659	800,000	18,316,872	931,421,540
Department of Corrections	13,004,550	0	0	0	13,004,550
Department of Education and Early Development	141,904,155	0	0	0	141,904,155
Department of Environmental Conservation	44,963,449	750,000	7,717,400	42,250,000	95,680,849
Department of Fish and Game	12,250,000	4,564,000	1,466,300	9,375,000	27,655,300
Office of the Governor	675,000	0	100,000	0	775,000
Department of Health and Social Services	33,819,218	0	300,000	7,098,400	41,217,618
Department of Labor and Workforce Development	24,031,500	0	0	0	24,031,500
Department of Law	0	0	250,000	0	250,000
Department of Military and Veterans Affairs	36,925,000	0	5,000,000	17,935,000	59,860,000
Department of Natural Resources	23,495,300	750,000	4,106,000	9,060,000	37,411,300
Department of Public Safety	20,756,800	0	0	1,500,000	22,256,800
Department of Revenue	109,733,000	0	900,000	13,116,400	123,749,400
Department of Transportation/Public Facilities	375,614,180	0	43,721,678	708,819,618	1,128,155,476
University of Alaska	154,890,000	17,250,000	0	750,000	172,890,000
Alaska Court System	11,085,000	0	0	0	11,085,000
Legislature	5,000,000	0	0	0	5,000,000
Fund Capitalization	60,000,000	0	0	1,700,000	61,700,000
Totals:	1,986,406,161	51,659,659	68,374,378	829,921,290	2,936,361,488

Capital Budget - UGF/DGF/Other/Fed Summary by Impact House District

Scenario: Final Total SLA 2012

House District	Unrestricted Gen (UGF)	Designated Gen (DGF)	Other Funds	Federal Funds	Total Funds
Ketchikan (HD 1)	60,833,267	0	0	11,375,890	72,209,157
Sitka/Wrangell/Petersburg (HD 2)	65,077,120	0	0	3,564,000	68,641,120
Juneau Areawide (HD 3-4)	28,936,872	0	0	15,326,994	44,263,866
Cordova/Southeast Islands (HD 5)	50,953,661	8,240,000	0	4,935,000	64,128,661
Southeast Areawide (HD 1-5)	55,609,000	3,355,000	0	5,000,000	63,964,000
Interior Villages (HD 6)	29,078,947	2,366,906	0	26,860,000	58,305,853
Fairbanks Areawide (HD 7-11)	117,870,521	0	810,000	38,147,000	156,827,521
Richardson/Glenn Highways (HD 12)	15,693,800	0	0	7,037,500	22,731,300
Matsu Areawide (HD 13-16)	127,765,735	625,000	0	23,560,000	151,950,735
Anchorage Areawide (HD 17-32)	376,617,675	0	13,761,678	72,198,480	462,577,833
Kenai Areawide (HD 33-35)	103,208,263	1,249,000	1,741,300	12,007,500	118,206,063
Southcentral Areawide (HD 12-35)	1,000,000	0	0	23,300,000	24,300,000
Kodiak (HD 36)	78,545,283	7,800,000	5,000,000	26,007,500	117,352,783
Bristol Bay/Aleutians (HD 37)	19,011,944	2,636,526	0	48,901,356	70,549,826
Bethel (HD 38)	56,524,555	264,459	0	1,280,000	58,069,014
Southwest Areawide (HD 36-38)	33,382,250	0	0	0	33,382,250
Bering Straits (HD 39)	35,703,058	4,870,503	0	68,180,000	108,753,561
Arctic (HD 40)	47,740,000	667,265	0	24,311,872	72,719,137
Statewide (HD 1-40)	682,854,210	19,585,000	47,061,400	417,928,198	1,167,428,808
	1,986,406,161	51,659,659	68,374,378	829,921,290	2,936,361,488

**Summary of Budget Vetoes
SLA 2012
Operating and Capital Bills**

Appropriation Bill	Vetoes by Fund Source				Total Vetoed
	Unrestricted GF	Designated GF	Other	Federal	
FY2012 HB 284 Operating	(50,000,000)	0	0	0	(50,000,000)
FY2013 HB 284 Operating	(4,060,000)	0	0	0	(4,060,000)
FY2013 SB 160 Operating	(10,300,400)	0	0	0	(10,300,400)
Operating Total	(64,360,400)	0	0	0	(64,360,400)
FY2013 SB 160 Capital	(2,273,000)	0	0	0	(2,273,000)
Veto Total	(66,633,400)	0	0	0	(66,633,400)

SLA 2012 Veto Decisions by Bill
CH. 15 SLA 2012 (HB 284)
CH. 17 SLA 2012 (SB 160)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
1	HB 284 Appropriation Bill										Vetoes by Fund Source						
2	Dept.	House District	Year	Sec. No.	Bill Page	Bill Line	Project Title	Reason	Amount Pre-Veto	Unrestricted GF	Designated GF	Other	Federal	Fund Source	Total Vetoed	Balance Remaining	
3	Education	1-40	2013	1	12	6	Pre-Kindergarten Grants	Provides a 47% increase over current year	4,000,000	(1,200,000)	0	0	0	General Fund	(1,200,000)	2,800,000	
4	Education	1-40	2013	2	49	25	SB 182 Pupil Transportation Funding, Early Learning Coordination	Reasonable start-up funds for new program	3,352,500	(2,860,000)	0	0	0	General Fund	(2,860,000)	492,500	
5	Governor	1-40	2013	20(f)	80	28	Alaska Coastal Management Program	Inconsistent with historical practice	0	0	0	0	0	General Fund	0	0	
6	Administration	1-40	2012	27(d)	91	7	Judicial Retirement System Funding	Evaluate options for addressing all public retirement systems	50,000,000	(50,000,000)	0	0	0	General Fund	(50,000,000)	0	
7	Contingent Effect	1-40	2013	35	94	21	Contingency language for Sec. 20(f) Alaska Coastal Management Program	Inconsistent with historical practice	NA	0	0	0	0	NA	0	0	
8	HB 284 TOTALS								57,352,500	(54,060,000)	0	0	0		(54,060,000)	3,292,500	
9																	
10	SB 160 Appropriation Bill																
11	Commerce	1-40	2013	1	46	26	Alaska Moose Federation - Moose Rescue & Relocation Program	Focus on orphaned calf relocation program	1,500,000	(1,000,000)	0	0	0	General Fund	(1,000,000)	500,000	
12	Commerce	1-40	2013	1	104	26	World Trade Center Alaska - International Trade Partnership Project	Existing funds available	300,000	(300,000)	0	0	0	General Fund	(300,000)	0	
13	Education	16-32	2013	1	111	6	Alaska Pilot Pre-Kindergarten Project Expansion	Consider in Operating Budget - Pre-Kindergarten Program Statewide	973,000	(973,000)	0	0	0	General Fund	(973,000)	0	
14	Health and Social Services	1-40	2013	23	178	9	Behavioral Health Grants Substance Abuse Treatment Program	Represents 18% increase of current budget - target vulnerable population	19,300,400	(10,300,400)	0	0	0	General Fund	(10,300,400)	9,000,000	
15	SB160 TOTALS								22,073,400	(12,573,400)	0	0	0		(12,573,400)	9,500,000	
16																	
17	TOTAL VETOES								79,425,900	(66,633,400)	0	0	0		(66,633,400)	12,792,500	

SLA 2012 Veto Decisions by Budget Type
CH. 15 SLA 2012 (HB 284)
CH. 17 SLA 2012 (SB 160)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	Dept.	Bill	House District	Year	Sec. No.	Bill Page	Bill Line	Project Title	Reason	Amount Pre-Veto	Unrestricted GF	Designated GF	Other	Federal	Fund Source	Total Vetoed	Balance Remaining
2	SUPPLEMENTAL VETOES																
3	Administration	HB 284	1-40	2012	27(d)	91	7	Funding	addressing all public	50,000,000	(50,000,000)	0	0	0	Fund	(50,000,000)	0
4	TOTAL SUPPLEMENTAL VETOES									50,000,000	(50,000,000)	0	0	0		(50,000,000)	0
5																	
6	OPERATING VETOES																
7	Education	HB 284	1-40	2013	1	12	6	Pre-Kindergarten Grants	Provides a 47% increase over current year	4,000,000	(1,200,000)	0	0	0	General Fund	(1,200,000)	2,800,000
8	Education	HB 284	1-40	2013	2	49	25	SB 182 Pupil Transportation Funding, Early Learning Coordination	Reasonable start-up funds for new program	3,352,500	(2,860,000)	0	0	0	General Fund	(2,860,000)	492,500
9	Governor	HB 284	1-40	2013	20(f)	80	28	Alaska Coastal Management Program	Inconsistent with historical practice	0	0	0	0	0	General Fund	0	0
10	Contingent Effect	HB 284	1-40	2013	35	94	21	Contingency language for Sec. 20(f) Alaska Coastal Management Program	Inconsistent with historical practice	NA	0	0	0	0	NA	0	0
11	Health and Social Services	SB 160	1-40	2013	23	178	9	Behavioral Health Grants Substance Abuse Treatment Program	Represents 18% increase of current budget - target vulnerable population	19,300,400	(10,300,400)	0	0	0	General Fund	(10,300,400)	9,000,000
12	TOTAL OPERATING VETOES									26,652,900	(14,360,400)	0	0	0		(14,360,400)	12,292,500
13																	
14	CAPITAL VETOES																
15	Commerce	SB 160	1-40	2013	1	46	26	Alaska Moose Federation - Moose Rescue & Relocation Program	Focus on orphaned calf relocation program	1,500,000	(1,000,000)	0	0	0	General Fund	(1,000,000)	500,000
16	Commerce	SB 160	1-40	2013	1	104	26	World Trade Center Alaska - International Trade Partnership Project	Existing funds available	300,000	(300,000)	0	0	0	General Fund	(300,000)	0
17	Education	SB 160	16-32	2013	1	111	6	Alaska Pilot Pre-Kindergarten Project Expansion	Consider in Operating Budget - Pre-Kindergarten Program Statewide	973,000	(973,000)	0	0	0	General Fund	(973,000)	0
18	TOTAL CAPITAL VETOES									2,773,000	(2,273,000)	0	0	0		(2,273,000)	500,000
19																	
20	TOTAL VETOES									79,425,900	(66,633,400)	0	0	0		(66,633,400)	12,792,500

**Alaska Department of Education & Early Development
Early Learning Funding Summary**

The FY2013 budget contains an increase of \$3,867,500 for early learning programs – a 38% increase in funding over the current year. The following chart illustrates the growth in early learning programs.

Early Learning Programs	FY2010	FY2011	FY2012	FY2013 Enacted	\$ Increase over FY12	% increase over FY12
Statewide Pre-Kindergarten	\$1,700.0	\$1,700.0	\$1,700.0	\$2,500.0	\$800.0	47%
Preschool or early literacy Moore Settlement	\$0.0	\$0.0	\$0.0	\$2,000.0	\$2,000.0	100%
Intervention Districts Pre-Kindergarten	\$300.0	\$300.0	\$300.0	\$300.0	\$0.0	0%
Best Beginnings	\$312.5	\$792.5	\$612.5	\$937.5	\$325.0	53%
Head Start Grants	\$7,153.0	\$7,153.3	\$7,153.3	\$7,153.3	\$0.0	0%
Parents As Teachers	\$0.0	\$0.0	\$300.0	\$1,042.5	\$742.5	248%
Total Early Learning	\$9,465.5	\$9,945.8	\$10,065.8	\$13,933.3	\$3,867.5	38%

Early learning is an important part of a child’s education. Early learning, ideally, starts in the home and as a state, where appropriate, we partner with families, parents, businesses, and communities in providing that learning environment.

Funding for Alaska’s Pre-Kindergarten efforts has increased from \$1,700,000 in the current year to \$4,500,000 in FY2013. This includes an increase to the existing Pre-K program and \$2 million through the Moore settlement for Alaska’s most vulnerable schools.

Funding for Parents as Teachers (PAT) in the newly signed budget has more than tripled to \$1,042,500. Although not as much as what the Legislature appropriated, this is a significant increase over the \$300,000 in the current year budget. PAT is a new program and the three-year pilot will provide the data needed to evaluate the success of the project.