

Senator Kevin Meyer

Serving Huffman, O'Malley, Abbott Loop, Independence Park, East Dowling



August 1, 2017

Dear Friends and Neighbors,

With the beginning of August already here, I hope that you've been enjoying your summer so far. I am happy to be back in Anchorage to enjoy the rest of the season with my family. I wanted to take a minute to update you on the most recent special session of the Legislature, a one-day session during which we passed a compromise capital budget. With sixty legislators representing very different ideologies and geographical areas, as well as a new political landscape in the House of Representatives, it has been difficult to reach consensus on major policy issues this year. Since the regular session ended in May, we have been able to reach compromises on several important items including passing the operating and capital budgets ([HB 57](#) & [SB 23](#)), and ending cashable credits for oil companies ([HB 111](#)).

Please continue reading below for a more detailed look at our capital budget. It is an honor to serve as State Senator for District M. As always, I welcome your comments, suggestions, and ideas.

Sincerely,

THIRD SPECIAL SESSION – CAPITAL BUDGET

Last week the legislature convened in the third special session this year in order to pass the capital budget ([SB 23](#)), which provides funding for infrastructure, road projects, and deferred maintenance. It leverages significant federal funding, especially for roads, with a 10-to-1 return on general fund dollars that we invest around the state.

SB 23 allocates \$121 million from the general fund and authorizes the state expenditure of \$1.2 billion in federal funds for capital improvements statewide including road repairs, bridge upgrades, and school facilities. Additional appropriations for community assistance and other items brings the total general fund allocation to \$157 million. Included in the budget are:

- \$8 million for the Community Assistance Program, for a total distribution of \$38 million to communities throughout Alaska;
- \$7 million toward the Kivalina K-12 replacement school, on top of the \$43 million investment made by the Legislature in FY16;
- \$7 million in re-appropriation funds for the Arctic Strategic Transportation and Resources (ASTAR) project;
- \$20 million to pay down the state's oil and gas tax credit liability, in addition to the \$57 million appropriation in the operating budget. While the Legislature has ended the oil and gas tax credit program, the Senate remains committed to settling the accrued unpaid tax credits from prior years.

REVENUE MEASURES

It is unclear if the Governor will call legislators back for a fourth special session to address revenue measures later in the fall. He has indicated he still strongly supports new taxes, increases to existing taxes, and restructuring of the Permanent Fund. The Senate Majority introduced a fiscal plan in January that included a revenue component that will cover 80-85% of our budget shortfall in the future by restructuring and protecting the Permanent Fund Dividend. The Senate passed legislation early on in the regular session to do just that ([SB 26](#)), but unfortunately, the House and Senate could not reach a negotiated agreement on the final bill. It is our belief that we can bridge the gap between our expenditures and our revenues without imposing new taxes on Alaskans.

CONTACT INFORMATION

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2017 ASSIGNMENTS:

Senate Rules Committee

Chairman

Senate State Affairs Committee

Chairman

Senate Resources Committee

Member

Senate Labor and Commerce Committee

Member

Senate Committee on Committees

Member

Legislative Council

Member



Former Senator Bill Stoltze and I watched the Chugiak-Eagle River Chinooks battle the Anchorage Bucs at Mulcahy Stadium last weekend.



Join me in the Real Men Wear Pink fundraising campaign to combat breast cancer!

Click the icon above to go to my personal page

If you have moved out of the district, or would like to be removed from my mailing list, please click [HERE](#).