

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

SARAH PALIN, GOVERNOR

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February 13, 2008

The Honorable Lyman Hoffman
Co-Chair, Joint Finance Committee
Alaska State Legislature
State Capitol, Room 518
Juneau, AK 99801-1182

The Honorable Bert Stedman
Co-Chair, Joint Finance Committee
Alaska State Legislature
State Capitol, Room 516
Juneau, AK 99801-1182

The Honorable Mike Chenault
Co-Chair, Joint Finance Committee
Alaska State Legislature
State Capitol, Room 505
Juneau, AK 99801-1182

The Honorable Kevin Meyer
Co-Chair, Joint Finance Committee
Alaska State Legislature
State Capitol, Room 515
Juneau, AK 99801-1182

Dear Joint Finance Committee Co-Chairs:

Enclosed are the Governor's amendments to the FY 2009 operating and capital budgets for your consideration.

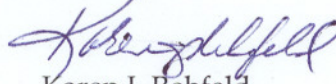
As you know, Governor Palin released a comprehensive, two-year budget plan on December 10, 2007, in order to provide the Legislature and the public with a complete package for spending and savings. Included in the December release was a placeholder for operating and capital amendments totaling \$51.5 million in general funds and \$72.5 million in total funds. The amendments I am submitting to you today include \$47.5 million in general funds and \$129.9 million in total funds. While the general fund is \$4.0 million below our December estimate, there is an increase in federal and other funds under proposed amendments for the Department of Transportation and Public Facilities for the federal highway and aviation programs.

The administration continues our commitment to provide a complete budget plan. While we know there will be some additional amendments offered for your consideration, such as bargaining unit agreements, we are committed to minimizing the number of changes submitted after today.

The amendments will be electronically transmitted to the Legislative Finance Division and available to the public today at: www.gov.state.ak.us/omb.

Thank you for your consideration of these budget amendments.

Sincerely,



Karen J. Rehfeld
Director

Enclosures

cc: David Teal, Legislative Fiscal Analyst, Legislative Finance