

SARAH PALIN
GOVERNOR

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 15, 2008

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Today I am transmitting to you my Fiscal Year 2009 operating budget bill. As I mentioned when I released the budget bills on December 10, 2007, this operating budget represents just a 1.1 percent general fund increase over FY2008. My cabinet has made a strong effort to slow the growth of government while providing funding to meet the needs of Alaskans.

Just as importantly, the budget contains significant savings and investments from both the expected FY2008 and FY2009 general fund surpluses. Nearly \$2.6 billion will be deposited into the public education fund to pre-fund the foundation and pupil transportation programs through FY2011, including proposed increases to the programs. In addition, \$450 million from the FY2008 surplus is appropriated to the Teachers Retirement System (TRS) to reduce the unfunded liability. That appropriation, in turn, results in savings of \$46.6 million in the FY2009 appropriation to TRS. Other substantial savings are the deposits totaling \$379 million into the constitutional budget reserve fund. I have also included the state's investment of the estimated \$200 million in oil and gas tax credits.

I look forward to working with the Legislature to finalize the operating budget for the upcoming fiscal year.

Sincerely,

A handwritten signature in black ink that reads "Sarah Palin". The signature is fluid and cursive, with a large loop at the end.

Sarah Palin
Governor

Enclosure

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January 15, 2008

The Honorable Lyda Green
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Green:

Today I am transmitting to you my Fiscal Year 2009 operating budget bill. As I mentioned when I released the budget bills on December 10, 2007, this operating budget represents just a 1.1 percent general fund increase over FY2008. My cabinet has made a strong effort to slow the growth of government while providing funding to meet the needs of Alaskans.

Just as importantly, the budget contains significant savings and investments from both the expected FY2008 and FY2009 general fund surpluses. Nearly \$2.6 billion will be deposited into the public education fund to pre-fund the foundation and pupil transportation programs through FY2011, including proposed increases to the programs. In addition, \$450 million from the FY2008 surplus is appropriated to the Teachers Retirement System (TRS) to reduce the unfunded liability. That appropriation, in turn, results in savings of \$46.6 million in the FY2009 appropriation to TRS. Other substantial savings are the deposits totaling \$379 million into the constitutional budget reserve fund. I have also included the state's investment of the estimated \$200 million in oil and gas tax credits.

I look forward to working with the Legislature to finalize the operating budget for the upcoming fiscal year.

Sincerely,

A handwritten signature in black ink that reads "Sarah Palin". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Sarah Palin
Governor

Enclosure