

# House votes against federal shortfall fund

The Associated Press

Juneau — Reversing an earlier action, the House voted late Sunday against legislation earmarking \$20 million to fund shortfalls resulting from federal budget cuts.

Rep. Brian Rodgers, D-Fairbanks, argued against the bill because he said it shifts legislative responsibilities to the governor.

He rattled off a long list of anticipated reductions in U.S. dollars for programs in Fairbanks, and said lawmakers

should be reviewing those programs now to decide whether state money will be used to fund the gaps.

But Rep. Russ Meekins, D-Anchorage, said it is impossible to make any decisions now on how state money should be spent to absorb federal budget reductions because Congress has not yet made final decisions on all spending cuts.

He said the Alaska Legislature cannot set priorities for state spending until the final federal figures are in.

Finance Chairman Al Adams, D-Kotzebue, has said \$20 million is insufficient to cover the anticipated reductions in U.S. dollars flowing to the state for the next two years.

The bill (HB872) was defeated on a 17-18 reconsideration ballot.

It called for the governor to authorize expenditures from the federal budget impact fund for grants to state and other agencies for programs affected by reduced federal spending.

The chief executive would

be required to consult with the Legislative Budget and Audit Committee before handing out any money from the fund, but would have the authority to override a recommendation by the panel that the money not be spent.

That provision drew criticism from lawmakers who thought they should be making decisions about how the pool of money should be spent.

Adams said the governor must have the authority because the areas and degree of

the anticipated cuts are not certain.

Adams said the fund was intended to be used, in part, to fill the gap left by elimination of the federal general relief program which provided emergency cash assistance to Alaska Natives, to compensate for cuts to the job service program, and to fund the operation of up to 37 Bureau of Indian Affairs schools which may be turned over to state control.