CONFERENCE CS FOR HOUSE BILL NO. 100

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE CONFERENCE COMMITTEE

Offered: 5/13/95

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. Included within the general fund amounts appropriated in this Act, the following amounts are from the unreserved special accounts in the general fund:

- Highway fuel tax account (AS 43.40.010(g)) $25,500,000
- Aviation fuel tax account (AS 43.40.010(e)) 7,000,000

* Sec. 2. Except for receipts of the fish and game fund (AS 16.05.100), federal or other program receipts as defined under AS 37.05.146 that exceed the amounts appropriated in this Act are appropriated conditioned upon compliance with the program review provisions of AS 37.07.080(h). Amounts appropriated from the fish and game fund (AS 16.05.100) in this Act are limited to the amounts stated in this Act.
* Sec. 3. If federal or other program receipts as defined under AS 37.05.146 exceed the estimates appropriated by this Act, the appropriation from state funds for the affected program may be reduced by the amount of the excess if the reductions are consistent with applicable federal statutes.

* Sec. 4. Except as provided in sec. 5 of this Act, if federal or other program receipts as defined under AS 37.05.146 fall short of the estimates appropriated by this Act, the affected appropriation is reduced by the amount of the shortfall in receipts.

* Sec. 5. If the federal receipts under 42 U.S.C. 1397 - 1397f (Title XX of the Social Security Act) fall short of the estimate, the amount of the shortfall, not to exceed $6,310,800, is appropriated from the general fund.

* Sec. 6. (a) Amounts necessary to fund the uses of the state insurance catastrophe reserve account described in AS 37.05.289(a) are appropriated from that account to the Department of Administration.

(b) Amounts equivalent to the amounts to be received in settlement of insurance claims for losses and the amounts to be received as recovery for losses are appropriated from the general fund to the state insurance catastrophe reserve account established by AS 37.05.289.

(c) Amounts equivalent to the amounts to be received in settlement of claims against bonds guaranteeing the reclamation of state land are appropriated from the general fund to the agency secured by the bond. This appropriation is made for the purpose of reclaiming state land affected by a use covered by the bond.

(d) The appropriations made in (b) and (c) of this section are contingent upon compliance with the program review provisions of AS 37.07.080(h).

* Sec. 7. The amount required to pay interest on revenue anticipation notes issued by the commissioner of revenue under AS 43.08 is appropriated from the general fund to the Department of Revenue for payment of interest on revenue anticipation notes issued by the commissioner of revenue under AS 43.08.

* Sec. 8. The amount required to be paid by the state for the principal of and interest on all issued and outstanding state-guaranteed bonds is appropriated from the general fund to the state bond committee to make all payments by the state required under its guarantee for principal and interest.
*Sec. 9.* The sum of $5,793,767 is appropriated from the international airports revenue fund (AS 37.15.430) to the state bond committee for payment of debt service and trustee fees on outstanding international airports revenue bonds.

*Sec. 10.* (a) The sum of $9,628,221 is appropriated from the general fund to the Alaska debt retirement fund (AS 37.15.011).

(b) The sum of $9,628,221 is appropriated from the Alaska debt retirement fund (AS 37.15.011) to the state bond committee for lease payments to the Alaska Housing Finance Corporation, City of Seward, City of Kenai, the Department of Natural Resources, and the Alaska court system.

*Sec. 11.* (a) The sum of $19,451,996 is appropriated from the general fund to the Alaska debt retirement fund (AS 37.15.011).

(b) The sum of $19,451,996 is appropriated from the Alaska debt retirement fund (AS 37.15.011) to the state bond committee for payment of debt service and trustee fees on state general obligation bonds.

(c) The sum of $1,885,287 is appropriated from the Alaska debt retirement fund (AS 37.15.011) to the state bond committee for payment of debt service and trustee fees on state general obligation bonds.

*Sec. 12.* The amount authorized for transfer by the Alaska Permanent Fund Corporation under AS 37.13.145(b) is appropriated from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for the payment of permanent fund dividends and administrative and associated costs.

*Sec. 13.* (a) Subject to (e) of this section, the sum of $2,703,700 is appropriated from the dividend fund (AS 43.23.045) to the Department of Corrections for fiscal year 1996 for operation of statewide institutions.

(b) Subject to (e) of this section, if the amount in the dividend fund (AS 43.23.045) that would have been paid to individuals who are ineligible to receive dividends under AS 43.23.005(d) if they had been eligible exceeds the amount appropriated from the dividend fund under (a) of this section, the difference between those two amounts is appropriated to the Department of Corrections for statewide operations for fiscal year 1996.

(c) Subject to (e) of this section, if the amount in the dividend fund (AS 43.23.045) that would have been paid to individuals who are ineligible to receive dividends under
AS 43.23.005(d) if they had been eligible is less than the amount appropriated from the
dividend fund under (a) of this section, the amount appropriated under (a) of this section is
reduced by the amount of the difference.

(d) Subject to (e) of this section, the general fund appropriation to the Department of
Corrections for statewide operations made in sec. 47 of this Act for fiscal year 1996 is
reduced by an amount equal to that appropriated under (b) of this section.

(e) The appropriations made by this section are contingent upon the passage in 1995
by the Nineteenth Alaska State Legislature and enactment into law of a bill amending
AS 43.23.028(b) to provide that disclosure of certain appropriations from the dividend fund
is not required if the amount appropriated for those appropriations during a fiscal year does
not exceed the amount that would have been paid in that same fiscal year to persons who are
ineligible to receive dividends under AS 43.23.005(d) if they had been eligible.

* Sec. 14. The amount calculated under AS 37.13.145 to offset the effect of inflation on
the principal of the Alaska permanent fund is appropriated to the principal of the Alaska
permanent fund from the balance in the earnings reserve account (AS 37.13.145) of the Alaska
permanent fund that remains after money is transferred to the dividend fund under sec. 12 of
this Act.

* Sec. 15. The interest earned during fiscal year 1996 on revenue from the sources set out
in AS 37.13.010 while the revenue is held in trust, escrow, or otherwise before receipt of the
revenue by the state is appropriated to the principal of the Alaska permanent fund.

* Sec. 16. The amount required to be deposited under AS 37.13.010(a)(1) and (2) during
fiscal year 1996 is appropriated to the principal of the Alaska permanent fund in satisfaction
of that requirement.

* Sec. 17. The lapsing balance of the employment assistance and training program fund
(sec. 3, ch. 95, SLA 1989, as amended by sec. 33, ch. 2, FSSSLA 1992) on June 30, 1995,
is appropriated to the unemployment compensation fund (AS 23.20.130) on July 1, 1995.

* Sec. 18. (a) Except as provided in (b) and (c) of this section, all unrestricted mortgage
loan interest payments and all other unrestricted receipts, including, without limitation,
mortgage loan commitment fees, received by or accrued to the Alaska Housing Finance
Corporation during the fiscal year 1996, and all income earned on assets of the corporation
during that period, are appropriated to the Alaska housing finance revolving fund
(AS 18.56.082) for the purposes described in AS 18.56.

(b) All unrestricted mortgage loan interest payments and all other unrestricted receipts, including, without limitation, mortgage loan commitment fees, received by or accrued to the housing assistance loan fund (AS 18.56.420) in the Alaska Housing Finance Corporation during the fiscal year 1996, and all income earned on assets of that fund during that period, are appropriated to the housing assistance loan fund in the Alaska Housing Finance Corporation for the purposes of that fund.

(c) All unrestricted mortgage loan interest payments and all other unrestricted receipts, including, without limitation, mortgage loan commitment fees, received by or accrued to the senior housing revolving fund (AS 18.56.710) in the Alaska Housing Finance Corporation during the fiscal year 1996, and all income earned on assets of that fund during that period, are appropriated to the senior housing revolving fund in the Alaska Housing Finance Corporation for the purposes of that fund.

(d) The sum of $70,000,000 from the available unrestricted cash in the general account of the revolving fund, Alaska Housing Finance Corporation, is anticipated to be transferred by the direction of the Alaska Housing Finance Corporation board to the general fund. The funds shall be deposited to the general fund when received during fiscal year 1996.

(e) The sum of $110,000,000 from the available unrestricted cash in the general account of the revolving fund, Alaska Housing Finance Corporation, is anticipated to be transferred by the direction of the Alaska Housing Finance Corporation board to the general fund. The funds shall be deposited to the general fund when received during fiscal year 1996.

(f) Subsection (d) of this section takes effect only if the appropriation in this Act that appropriates the amount necessary to balance revenue and general fund appropriations from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) to the general fund (sec. 43(b) of this Act) is approved by the affirmative vote of at least three-fourths of the members of each house of the legislature and the appropriation is enacted into law. Subsection (e) of this section takes effect only if the appropriation made by (d) of this section does not take effect.

(g) The appropriations made by (a) - (c) of this section are contingent upon compliance with the program review provisions of AS 37.07.080(h).

* Sec. 19. (a) The sum of $9,000,000 is appropriated from federal receipts to the disaster
relief fund (AS 26.23.300).

(b) It is the intent of the legislature that funding necessary to meet the disaster relief responsibilities of the Department of Military and Veterans' Affairs will continue to be made available through the disaster declaration process outlined in the current funding agreement. During the 1996 legislative session, the department shall submit a supplemental appropriation request for fiscal year 1996 disaster relief costs.

* Sec. 20. The fiscal year 1996 general fund receipts of the tank registration fee program under AS 46.03.385 are appropriated to the storage tank assistance fund (AS 46.03.410).

* Sec. 21. (a) The balance of the oil and hazardous substance release prevention mitigation account (AS 46.08.020(b)) in the general fund on July 1, 1995, not otherwise appropriated by (b) and (c) of this section, is appropriated to the oil and hazardous substance release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010).

(b) The sum of $2,791,300 is appropriated from the oil and hazardous substance release prevention mitigation account (AS 46.08.020(b)) on July 1, 1995, to the storage tank assistance fund (AS 46.03.410) for the fiscal year ending June 30, 1996.

(c) The sum of $1,600,000 is appropriated from the oil and hazardous substance release prevention mitigation account (AS 46.08.020(b)) on July 1, 1995, to the Department of Community and Regional Affairs for grants for the bulk fuel system repair and upgrade program.

* Sec. 22. The balance in the oil and hazardous substance release response mitigation account (AS 46.08.025(b)) in the general fund on July 1, 1995, is appropriated to the oil and hazardous substance release response account (AS 46.08.010(a)(2)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010).

* Sec. 23. (a) The sum of $4,015,100, derived from the surcharge collected under AS 43.55.201 during fiscal year 1995, is appropriated from the general fund to the oil and hazardous substance release response account (AS 46.08.010(a)(2)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010).

(b) The appropriation made by (a) of this section is based on revenue estimates. If the amount in the general fund that is derived from the surcharge collected under AS 43.55.201 during fiscal year 1995 is greater than the appropriation made by (a) of this
section, that appropriation is increased to that greater amount.

* Sec. 24. (a) The sum of $9,875,700, derived from the surcharge collected under AS 43.55.300 during fiscal year 1995, is appropriated from the general fund to the oil and hazardous substance release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010).

(b) The appropriation made by (a) of this section is based on revenue estimates. If the amount in the general fund that is derived from the surcharge collected under AS 43.55.300 during fiscal year 1995 is greater than the appropriation made by (a) of this section, that appropriation is increased to that greater amount.

* Sec. 25. The sum of $21,586,500 is appropriated to the information services fund (AS 44.21.045) for the Department of Administration, division of information services programs from the following sources:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General fund program receipts</td>
<td>$ 55,000</td>
</tr>
<tr>
<td>Inter-agency receipts</td>
<td>21,451,500</td>
</tr>
<tr>
<td>Inter-agency receipts/oil and hazardous substance release prevention and response fund</td>
<td>80,000</td>
</tr>
</tbody>
</table>

* Sec. 26. (a) The sum of $20,000,000 is appropriated to the Department of Law from the following sources, for costs relating to legal proceedings and audit activity involving oil and gas revenue due or paid to the state or state title to oil and gas land, for the fiscal year ending June 30, 1996:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State corporation receipts</td>
<td>$ 3,160,000</td>
</tr>
<tr>
<td>Budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska)</td>
<td>16,840,000</td>
</tr>
</tbody>
</table>

(b) The appropriation made by (a) of this section from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) is made under art. IX, sec. 17(c), Constitution of the State of Alaska.

* Sec. 27. (a) The sum of $80,322,400 is appropriated from the general fund to the Alaska debt retirement fund (AS 37.15.011).

(b) The sum of $80,322,400 is appropriated from the Alaska debt retirement fund (AS 37.15.011) to the Department of Education for state aid for costs of school construction under AS 14.11.100.
* Sec. 28. An amount equal to the amount appropriated for the costs of the 1995 annual
governor's safety conference (sec. 28, ch. 3, FSSLA 1994), plus the fiscal year 1995 program
receipts of the Safety Advisory Council (AS 18.60.830), less the amount expended or
obligated for expenditure for the costs of the 1995 annual governor's safety conference, is
appropriated from the general fund to the Safety Advisory Council for costs of the 1996
annual governor's safety conference.

* Sec. 29. The amount required to pay claims awarded under AS 08.88.470 is appropriated
from the real estate surety fund (AS 08.88.450) to the Department of Commerce and
Economic Development, division of occupational licensing, to pay claims awarded under
AS 08.88.470.

* Sec. 30. The balance on June 30, 1995, of the Alaska Public Utilities Commission
program receipts account for regulatory cost charges under AS 42.05.253 and AS 42.06.285
for fiscal year 1995 is appropriated to the Alaska Public Utilities Commission for fiscal year
1996 expenditures.

* Sec. 31. An amount equal to the fiscal year 1995 general fund receipts from the salmon
marketing tax under AS 43.76.110 and from the seafood marketing assessment under
AS 16.51.120, less the amount of those receipts that was expended or obligated for
expenditure during fiscal year 1995, is appropriated from the general fund to the Alaska
Seafood Marketing Institute for marketing Alaska seafood products during fiscal year 1996.

* Sec. 32. The sum of $28,263,200 is appropriated from the general fund to the Alaska
marine highway system fund (AS 19.65.060) to continue to provide stable services to the
public.

* Sec. 33. The amount available in the four dam pool transfer fund (AS 42.45.050) during
fiscal year 1996 is appropriated to the following funds in the following percentages for the
purposes set out in AS 42.45.050:

- Power cost equalization and rural electric
capitalization fund (AS 42.45.100) 40 percent
- Southeast energy fund (AS 42.45.040) 40 percent
- Power project fund (AS 42.45.010) 20 percent

* Sec. 34. The sum of $9,097,800 is appropriated to the Alaska clean water fund
(AS 46.03.032) for the Alaska clean water loan program from the following sources:
* Sec. 35. The amounts necessary to refund to local governments their share of taxes and fees collected under the following programs are appropriated to the Department of Revenue from the general fund for payment in fiscal year 1996:

1. fisheries tax revenue for fiscal year 1995 (AS 43.75);
2. fishery resource landing tax revenue for fiscal year 1995 (AS 43.77);
3. amusement and gaming tax revenue for fiscal year 1996 (AS 43.35);
4. aviation fuel tax revenue for fiscal year 1996 (AS 43.40.010);
5. electric and telephone cooperative tax revenue for fiscal year 1996 (AS 10.25.570); and
6. liquor license fee revenue for fiscal year 1996 (AS 04.11).

* Sec. 36. The amount equal to the salmon enhancement tax collected under AS 43.76.010 - 43.76.030 in calendar year 1994 and deposited in the general fund under AS 43.76.025(c) is appropriated from the general fund to the Department of Commerce and Economic Development for payment in fiscal year 1996 to provide financing for qualified regional associations operating within a region designated under AS 16.10.375.

* Sec. 37. The sum of $250,000 is appropriated to the Department of Administration for payment to the Public Safety Employees Association health trust to satisfy the monetary terms of the collective bargaining agreement between the state and the Public Safety Employees Association for the fiscal year ending June 30, 1996, from the following sources:

- General fund $203,600
- International airports revenue fund 46,400

* Sec. 38. (a) Failure of the legislature to adopt a separate appropriation item to fund the monetary terms of the collective bargaining agreement covering supervisory unit employees negotiated between the state and the Alaska Public Employees' Association constitutes rejection of the monetary terms of that agreement in accordance with AS 23.40.215. Money appropriated in this Act may not be used to implement the negotiated monetary terms of that agreement.

(b) Failure of the legislature to adopt a separate appropriation item to fund the monetary terms of the collective bargaining agreement covering unlicensed employees of the
Alaska marine highway system negotiated between the state and the Inlandboatmen's Union constitutes rejection of the monetary terms of that agreement in accordance with AS 23.40.215. Money appropriated in this Act may not be used to implement the negotiated monetary terms of that agreement.

(c) Failure of the legislature to adopt a separate appropriation item to fund the monetary terms of the collective bargaining agreement covering labor trades and crafts unit employees negotiated between the state and Public Employees' Local 71 (AFL-CIO) constitutes rejection of the monetary terms of that agreement in accordance with AS 23.40.215. Money appropriated in this Act may not be used to implement the negotiated monetary terms of that agreement.

* Sec. 39. An amount equal to the amount received from the City and Borough of Sitka in the fiscal year ending June 30, 1996, from operation of the Sitka airport under the agreement with the City and Borough of Sitka, not to exceed $500,000, is appropriated from the general fund to the Department of Transportation and Public Facilities for maintenance services at the Sitka airport.

* Sec. 40. (a) The unexpended and unobligated balance of the appropriation made by sec. 34(a), ch. 3, FSSLA 1994, is appropriated to the Department of Public Safety, Violent Crimes Compensation Board, for grants and payment of claims for the fiscal year ending June 30, 1996.

(b) The unexpended and unobligated balance of the appropriation made by sec. 34(b), ch. 3, FSSLA 1994, is appropriated to the Department of Public Safety, Council on Domestic Violence and Sexual Assault, for grants and payment of claims for the fiscal year ending June 30, 1996.

(c) Twenty-five percent of the money collected during fiscal year 1996 from day fines imposed under AS 12.55, less an amount equal to the amount expended or obligated under sec. 34(a), ch. 3, FSSLA 1994, or under (a) of this section, is appropriated to the Department of Public Safety, Violent Crimes Compensation Board, for grants and payment of claims.

(d) Twenty-five percent of the money collected during fiscal year 1996 from day fines imposed under AS 12.55, less an amount equal to the amount expended or obligated under sec. 34(b), ch. 3, FSSLA 1994, or under (b) of this section, is appropriated to the Department of Public Safety, Council on Domestic Violence and Sexual Assault, for grants and payment
of claims.

* Sec. 41. The sum of $437,000 is appropriated from the general fund to the Department of Corrections for the fiscal year ending June 30, 1996, to fully fund the renegotiated contracts of the Community Jails component, contingent upon the department securing a written contractual guarantee from each contracted operator of a community jail that the rates negotiated under the auspices of the Community Jails Task Force may not be increased and shall remain in effect through at least July 1, 1998, and that the scope of services specified in each contract may not be unilaterally diminished during this same time period.

* Sec. 42. The sum of $17,000,000 from the available unrestricted cash in the Alaska Industrial Development and Export Authority revolving fund (AS 44.88.060) is anticipated to be transferred by the direction of the Alaska Industrial Development and Export Authority board to the general fund. The funds shall be deposited to the general fund when received during fiscal year 1996.

* Sec. 43. (a) Amounts equal to the amounts deposited in the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) for the fiscal year ending June 30, 1995, by operation of art. IX, sec. 17(d) to repay appropriations made from the budget reserve fund are appropriated from the budget reserve fund to the funds and accounts from which they were transferred. The appropriations made by this subsection are made under art. IX, sec. 17(c), Constitution of the State of Alaska.

(b) If the unrestricted state revenue available for appropriation in fiscal year 1996 is insufficient, after the appropriation to the general fund made in sec. 44 of this Act, to cover the general fund appropriations made for fiscal year 1996, the amount necessary to balance revenue and general fund appropriations is appropriated to the general fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska). If the appropriation made by this subsection is approved by the affirmative vote of at least three-fourths of the members of each house of the legislature, the appropriation is made under art. IX, sec. 17(c), Constitution of the State of Alaska. If the appropriation made by this subsection is not approved by at least three-fourths vote of each house of the legislature, then the appropriation is made under art. IX, sec. 17(b), Constitution of the State of Alaska and the amount appropriated under this subsection is limited to the amount permitted under art. IX, sec. 17(b).

* Sec. 44. If the unrestricted state revenue available for appropriation in the fiscal year that
ends June 30, 1996, is insufficient to cover the general fund appropriations made for that fiscal year, the amount necessary to balance revenue and general fund appropriations is appropriated to the general fund from the budget reserve fund (AS 37.05.540).

* Sec. 45. In its review of agency operations plans prepared under AS 37.07.080, it is the intent of the legislature that the office of management and budget control state expenditures in order to prevent any cash or budget shortfalls over fiscal year 1996. These controls are intended to limit the use of the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) to the greatest extent possible, and to reduce supplemental budget requests in the Second Session of the Nineteenth Alaska State Legislature.

* Sec. 46. The appropriations made by secs. 18 - 25, 32, 33, and 34 of this Act are for capitalization of funds and do not lapse under AS 37.25.010.

(SECTION 47 OF THIS ACT BEGINS ON PAGE 15)