AN ACT

Amending the National Petroleum Reserve - Alaska special revenue fund to require allocation and deposit to the Alaska permanent fund and the public school fund of amounts in the percentages that are prescribed by law of the money obtained by the state as semiannual payments of a share of National Petroleum Reserve - Alaska sales, rentals, bonuses, and royalties received by the federal government that have not been appropriated from the state's special revenue fund for grants to municipalities, to authorize pro rata reductions in those fund allocations and deposits if amounts are insufficient to make those deposits in full, and, as to amounts received by the state in excess of amounts appropriated for grants to municipalities, to identify a priority of authorization for appropriations to offset past deficiencies in allocations and deposits of those funds before appropriations to other state funds or for other purposes for which the state may use its share of these payments; and directing that appropriations from the fund made as grants for activities, services, and facilities shall be identified as capital appropriation items and that the amounts of each item shall be specified.

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

THE ACT FOLLOWS ON PAGE 1
AN ACT

Amending the National Petroleum Reserve - Alaska special revenue fund to require allocation and deposit to the Alaska permanent fund and the public school fund of amounts in the percentages that are prescribed by law of the money obtained by the state as semiannual payments of a share of National Petroleum Reserve - Alaska sales, rentals, bonuses, and royalties received by the federal government that have not been appropriated from the state's special revenue fund for grants to municipalities, to authorize pro rata reductions in those fund allocations and deposits if amounts are insufficient to make those deposits in full, and, as to amounts received by the state in excess of amounts appropriated for grants to municipalities, to identify a priority of authorization for appropriations to offset past deficiencies in allocations and deposits of those funds before appropriations to other state funds or for other purposes for which the state may use its share of these payments; and directing that appropriations from the fund made as grants for activities, services, and
facilities shall be identified as capital appropriation items and that the amounts of each item shall be specified.

* Section 1. AS 37.05.530(g) is amended to read:

(g) **The provisions of this subsection apply to amounts** [AMOUNTS] received by the state under 42 U.S.C. 6506a(l) or former 42 U.S.C. 6508, as follows:

(1) **amounts received** and not appropriated for grants to municipalities under (d) of this section shall be deposited at the end of each fiscal year as follows:

(A) [1] 25 percent of amounts received by the state during that fiscal year under 42 U.S.C. 6506a(l) or former 42 U.S.C. 6508 to the principal of the Alaska permanent fund; and

(B) [2] .5 percent of amounts received by the state during that fiscal year under 42 U.S.C. 6506a(l) or former 42 U.S.C. 6508 to the public school trust fund (AS 37.14.110);

(2) if, after making the grants under (d) of this section, the amounts remaining are insufficient to make payment in full of the deposits required by (1)(A) and (B) of this subsection, the deposits shall be allocated pro rata between the fund deposits;

(3) the [. THE] amounts remaining after the making of the payment of the deposits in full to the Alaska permanent fund and the public school trust fund under (2) of this subsection may be appropriated

(A) first, to each of the funds described in (1)(A) and (B) of this subsection to recover amounts not paid to those funds on or after the effective date of this Act because of deficiencies in making the payments required by (2) of this subsection; and

(B) after appropriations authorized by (A) of this paragraph, to the power cost equalization and rural electric capitalization fund (AS 42.45.100);

(4) the [. THE] amounts remaining after any appropriation to the power cost equalization and rural electric capitalization fund shall lapse into the
general fund for use by the state for the following facilities and services: planning;
construction, maintenance, and operation of essential public facilities; and other
necessary public services.

* Sec. 2. AS 37.05.530(h) is amended to read:

(h) In making appropriations from the National Petroleum Reserve -
Alaska special revenue fund, the legislature shall identify the grants for activities,
services, and facilities as capital appropriation items and shall specify the
amounts for each item. Notwithstanding other provisions of law and unless expressly
provided by the legislature in the appropriation item making the appropriation, an
appropriation from the National Petroleum Reserve - Alaska special revenue fund
shall, for the purposes of determining the funding sources for the appropriation, be
treated as though the appropriation takes effect in the fiscal year in which the
appropriation passes the legislature. The authorization to expend funds appropriated
from the fund shall take effect as otherwise provided by law.