

29-GH1318\W
Wallace
4/28/15

CS FOR HOUSE BILL NO. 1001(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SPECIAL SESSION

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

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

A BILL

FOR AN ACT ENTITLED

1 **"An Act making appropriations for the operating and loan program expenses of state**
2 **government and for certain programs; making appropriations for the operating and**
3 **capital expenses of the state's integrated comprehensive mental health program;**
4 **capitalizing funds and repealing appropriations; making appropriations under art. IX,**
5 **sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve**
6 **fund; and providing for an effective date."**

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

8 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2015 and ending June 30, 2016, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
	*****	*****		
	***** Department of Education and Early Development *****			
	*****	*****		
Teaching and Learning Support		2,599,700	2,599,700	
Alaska Learning Network	599,700			
Pre-Kindergarten Grants	2,000,000			
	*****	*****		
	***** Department of Health and Social Services *****			
	*****	*****		
Children's Services		1,330,500	330,500	1,000,000
Front Line Social Workers	1,000,000			
Family Preservation	330,500			
Departmental Support Services		0	1,175,000	-1,175,000
Public Affairs	0			
Commissioner's Office	0			
Administrative Support	0			
Services				
Information Technology	0			
Services				
Agency-wide Appropriation		2,218,500	2,218,500	
Agency-wide Unallocated	2,218,500			
Appropriation				
	*****	*****		

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	***** Department of Natural Resources *****			
4	*****	*****		
5	Administration & Support Services	4,900,000	4,900,000	
6	North Slope Gas	4,900,000		
7	Commercialization			
8	*****	*****		
9	***** Department of Public Safety *****			
10	*****	*****		
11	Alaska State Troopers	500,000	500,000	
12	Alaska Wildlife Troopers	500,000		
13	Aircraft Section			
14	Council on Domestic Violence and	1,500,000	1,500,000	
15	Sexual Assault			
16	Council on Domestic	1,500,000		
17	Violence and Sexual Assault			
18	*****	*****		
19	***** Department of Transportation and Public Facilities *****			
20	*****	*****		
21	Marine Highway System	7,000,000	7,000,000	
22	Marine Vessel Operations	7,000,000		
23	*****	*****		
24	***** University of Alaska *****			
25	*****	*****		
26	University of Alaska	7,000,000	7,000,000	
27	Budget Reductions/Additions	7,000,000		
28	- Systemwide			
29	*****	*****		
30	***** State-wide Unallocated Appropriations *****			
31	*****	*****		
32	State-wide Unallocated	35,367,600	24,436,300	10,931,300
33	The amounts appropriated in this appropriation fund the FY2016 COLA increases for the			

1		Appropriation	General	Other
2		Allocations	Items	Funds
3	bargaining unit contracts and remove the funding for the 2016 COLA increases for non-			
4	covered employees. The funding is to be allocated among the departments, agencies, or			
5	branches from which COLA funding was decremented in section 1 of HB 72 and HB73.			
6	State-Wide All Employees	56,386,100		
7	COLA			
8	State-wide Non-Covered	-21,018,500		
9	Employees COLA			
10	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

* **Sec. 2.** The following sets out the funding by agency for the appropriations made in sec. 1 of this Act.

Funding Source	Amount
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Department of Education and Early Development

1004	Unrestricted General Fund Receipts	2,599,700
***	Total Agency Funding ***	2,599,700

Department of Health and Social Services

1003	General Fund Match	125,000
1004	Unrestricted General Fund Receipts	3,599,000
1007	Interagency Receipts	-1,175,000
1188	Federal Unrestricted Receipts	1,000,000
***	Total Agency Funding ***	3,549,000

Department of Natural Resources

1004	Unrestricted General Fund Receipts	4,900,000
***	Total Agency Funding ***	4,900,000

Department of Public Safety

1004	Unrestricted General Fund Receipts	2,000,000
***	Total Agency Funding ***	2,000,000

Department of Transportation and Public Facilities

1004	Unrestricted General Fund Receipts	7,000,000
***	Total Agency Funding ***	7,000,000

University of Alaska

1004	Unrestricted General Fund Receipts	7,000,000
***	Total Agency Funding ***	7,000,000

State-wide Unallocated Appropriations

1002	Federal Receipts	4,501,900
1003	General Fund Match	1,130,900
1004	Unrestricted General Fund Receipts	16,122,600
1005	General Fund/Program Receipts	1,053,200
1007	Interagency Receipts	1,646,400
1014	Donated Commodity/Handling Fee Account	4,100

1	1017	Group Health and Life Benefits Fund	74,400
2	1018	Exxon Valdez Oil Spill Trust--Civil	1,200
3	1021	Agricultural Revolving Loan Fund	10,300
4	1023	FICA Administration Fund Account	300
5	1024	Fish and Game Fund	208,800
6	1026	Highways Equipment Working Capital Fund	63,500
7	1027	International Airports Revenue Fund	400,400
8	1029	Public Employees Retirement Trust Fund	144,800
9	1031	Second Injury Fund Reserve Account	3,900
10	1032	Fishermen's Fund	4,600
11	1033	Federal Surplus Property Revolving Fund	4,000
12	1034	Teachers Retirement Trust Fund	59,000
13	1036	Commercial Fishing Loan Fund	63,700
14	1037	General Fund / Mental Health	672,000
15	1040	Real Estate Recovery Fund	2,000
16	1042	Judicial Retirement System	800
17	1045	National Guard & Naval Militia Retirement System	1,900
18	1048	University of Alaska Restricted Receipts	4,018,200
19	1049	Training and Building Fund	9,400
20	1050	Permanent Fund Dividend Fund	115,800
21	1052	Oil/Hazardous Release Prevention & Response Fund	261,200
22	1054	State Training & Employment Program	19,300
23	1055	Inter-Agency/Oil & Hazardous Waste	3,900
24	1061	Capital Improvement Project Receipts	2,952,500
25	1066	Public School Trust Fund	400
26	1070	Fisheries Enhancement Revolving Loan Fund	6,700
27	1074	Bulk Fuel Revolving Loan Fund	1,000
28	1076	Alaska Marine Highway System Fund	296,300
29	1081	Information Services Fund	236,000
30	1092	Mental Health Trust Authority Authorized Receipts	-26,200
31	1093	Clean Air Protection Fund	66,400

1	1104	Alaska Municipal Bond Bank Receipts	1,400
2	1105	Permanent Fund Corporation Gross Receipts	73,700
3	1106	Alaska Student Loan Corporation Receipts	191,500
4	1108	Statutory Designated Program Receipts	242,700
5	1133	CSSD Administrative Cost Reimbursement	14,700
6	1141	Regulatory Commission of Alaska Receipts	113,200
7	1147	Public Building Fund	19,300
8	1151	Technical Vocational Education Program Receipts	33,400
9	1153	State Land Disposal Income Fund	97,300
10	1154	Shore Fisheries Development Lease Program	6,700
11	1155	Timber Sale Receipts	6,800
12	1156	Receipt Supported Services	201,300
13	1157	Workers Safety and Compensation Administration Account	102,900
14	1162	Alaska Oil & Gas Conservation Commission Receipts	11,200
15	1164	Rural Development Initiative Fund	900
16	1166	Commercial Passenger Vessel Environmental Compliance Fund	15,800
17	1168	Tobacco Use Education and Cessation Fund	22,000
18	1169	Power Cost Equalization Endowment Fund Earnings	600
19	1170	Small Business Economic Development Revolving Loan Fund	800
20	1172	Building Safety Account	20,700
21	1200	Vehicle Rental Tax Receipts	-700
22	1203	Workers Compensation Benefits Guarantee Fund	1,900
23	1205	Berth Fees for the Ocean Ranger Program	6,700
24	1209	Alaska Capstone Avionics Revolving Loan Fund	2,000
25	1215	Unified Carrier Registration Receipts	5,900
26	1220	Crime Victim Compensation Fund	4,600
27	1223	Commercial Charter Fisheries RLF	300
28	1224	Mariculture RLF	300
29	1225	Community Quota Entity RLF	600
30	1227	Alaska Microloan RLF	100
31	1230	Alaska Clean Water Administrative Fund	8,300

1	1231	Alaska Drinking Water Administrative Fund	8,200
2	1232	In-State Natural Gas Pipeline Fund--Interagency	15,500
3	1236	Alaska Liquefied Natural Gas Project Fund I/A	1,400
4	*** Total Agency Funding ***		35,367,600
5	***** Total Budget *****		62,416,300
6	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)		

* **Sec. 3.** The following sets out the statewide funding for the appropriations made in sec. 1 of this Act.

Funding Source	Amount
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Unrestricted General

1003	General Fund Match	1,255,900
1004	Unrestricted General Fund Receipts	43,221,300
1037	General Fund / Mental Health	672,000
***	Total Unrestricted General ***	45,149,200

Designated General

1005	General Fund/Program Receipts	1,053,200
1021	Agricultural Revolving Loan Fund	10,300
1031	Second Injury Fund Reserve Account	3,900
1032	Fishermen's Fund	4,600
1036	Commercial Fishing Loan Fund	63,700
1040	Real Estate Recovery Fund	2,000
1048	University of Alaska Restricted Receipts	4,018,200
1049	Training and Building Fund	9,400
1050	Permanent Fund Dividend Fund	115,800
1052	Oil/Hazardous Release Prevention & Response Fund	261,200
1054	State Training & Employment Program	19,300
1066	Public School Trust Fund	400
1070	Fisheries Enhancement Revolving Loan Fund	6,700
1074	Bulk Fuel Revolving Loan Fund	1,000
1076	Alaska Marine Highway System Fund	296,300
1141	Regulatory Commission of Alaska Receipts	113,200
1151	Technical Vocational Education Program Receipts	33,400
1153	State Land Disposal Income Fund	97,300
1154	Shore Fisheries Development Lease Program	6,700
1155	Timber Sale Receipts	6,800
1156	Receipt Supported Services	201,300
1157	Workers Safety and Compensation Administration Account	102,900

1	1162	Alaska Oil & Gas Conservation Commission Receipts	11,200
2	1164	Rural Development Initiative Fund	900
3	1166	Commercial Passenger Vessel Environmental Compliance Fund	15,800
4	1168	Tobacco Use Education and Cessation Fund	22,000
5	1169	Power Cost Equalization Endowment Fund Earnings	600
6	1170	Small Business Economic Development Revolving Loan Fund	800
7	1172	Building Safety Account	20,700
8	1200	Vehicle Rental Tax Receipts	-700
9	1203	Workers Compensation Benefits Guarantee Fund	1,900
10	1205	Berth Fees for the Ocean Ranger Program	6,700
11	1209	Alaska Capstone Avionics Revolving Loan Fund	2,000
12	1223	Commercial Charter Fisheries RLF	300
13	1224	Mariculture RLF	300
14	1225	Community Quota Entity RLF	600
15	1227	Alaska Microloan RLF	100
16	*** Total Designated General ***		6,510,800
17	Other Non-Duplicated		
18	1017	Group Health and Life Benefits Fund	74,400
19	1018	Exxon Valdez Oil Spill Trust--Civil	1,200
20	1023	FICA Administration Fund Account	300
21	1024	Fish and Game Fund	208,800
22	1027	International Airports Revenue Fund	400,400
23	1029	Public Employees Retirement Trust Fund	144,800
24	1034	Teachers Retirement Trust Fund	59,000
25	1042	Judicial Retirement System	800
26	1045	National Guard & Naval Militia Retirement System	1,900
27	1092	Mental Health Trust Authority Authorized Receipts	-26,200
28	1093	Clean Air Protection Fund	66,400
29	1104	Alaska Municipal Bond Bank Receipts	1,400
30	1105	Permanent Fund Corporation Gross Receipts	73,700
31	1106	Alaska Student Loan Corporation Receipts	191,500

1	1108	Statutory Designated Program Receipts	242,700
2	1215	Unified Carrier Registration Receipts	5,900
3	1230	Alaska Clean Water Administrative Fund	8,300
4	1231	Alaska Drinking Water Administrative Fund	8,200
5	***	Total Other Non-Duplicated ***	1,463,500
6	Federal Receipts		
7	1002	Federal Receipts	4,501,900
8	1014	Donated Commodity/Handling Fee Account	4,100
9	1033	Federal Surplus Property Revolving Fund	4,000
10	1133	CSSD Administrative Cost Reimbursement	14,700
11	1188	Federal Unrestricted Receipts	1,000,000
12	***	Total Federal Receipts ***	5,524,700
13	Other Duplicated		
14	1007	Interagency Receipts	471,400
15	1026	Highways Equipment Working Capital Fund	63,500
16	1055	Inter-Agency/Oil & Hazardous Waste	3,900
17	1061	Capital Improvement Project Receipts	2,952,500
18	1081	Information Services Fund	236,000
19	1147	Public Building Fund	19,300
20	1220	Crime Victim Compensation Fund	4,600
21	1232	In-State Natural Gas Pipeline Fund--Interagency	15,500
22	1236	Alaska Liquefied Natural Gas Project Fund I/A	1,400
23	***	Total Other Duplicated ***	3,768,100
24	(SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)		

* **Sec. 4.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 6 of this Act to the agencies named for purposes related to Medicaid Expansion for the fiscal year beginning July 1, 2015 and ending June 30, 2016, unless otherwise indicated.

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
	*****	*****		
	*****	Department of Corrections	*****	
	*****	*****		
Health and Rehabilitation Services		-4,108,200	-4,108,200	
Physical Health Care	-4,108,200			
	*****	*****		
	*****	Department of Health and Social Services	*****	
	*****	*****		
Behavioral Health		-1,558,700	-1,558,700	
Behavioral Health Treatment	-1,558,700			
and Recovery Grants				
Health Care Services		-1,000,000	-1,000,000	
Catastrophic and Chronic	-1,000,000			
Illness Assistance (AS				
47.08)				
Medicaid Services		145,438,400		145,438,400
Behavioral Health Medicaid	4,799,500			
Services				
Adult Preventative Dental	5,381,200			
Medicaid Services				
Health Care Medicaid	132,348,900			
Services				
Senior and Disabilities	2,908,800			
Medicaid Services				

(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

* **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of this Act.

Funding Source	Amount
Department of Corrections	
1004 Unrestricted General Fund Receipts	-4,108,200
*** Total Agency Funding ***	-4,108,200
Department of Health and Social Services	
1002 Federal Receipts	145,438,400
1004 Unrestricted General Fund Receipts	-1,000,000
1037 General Fund / Mental Health	-1,558,700
*** Total Agency Funding ***	142,879,700
* * * * * Total Budget * * * * *	138,771,500

(SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

* **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of this Act.

Funding Source	Amount
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Unrestricted General

1004 Unrestricted General Fund Receipts	-5,108,200
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1037 General Fund / Mental Health	-1,558,700
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*** Total Unrestricted General ***	-6,666,900
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Federal Receipts

1002 Federal Receipts	145,438,400
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*** Total Federal Receipts ***	145,438,400
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(SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 7. FUND TRANSFERS.** (a) The sum of \$118,000,000 is appropriated from the in-
2 state natural gas pipeline fund (AS 31.25.100) to the public education fund (AS 14.17.300).

3 (b) The amount necessary, after the appropriations made in (a) of this section and in
4 sec. 28(c), ch. 16, SLA 2014, as amended by sec. 31 of CCS HB 72(brf sup maj fld H),
5 Twenty-Ninth Alaska State Legislature, when added to the balance of the public education
6 fund (AS 14.17.300) on June 30, 2015, to fund the total amount for the fiscal year ending
7 June 30, 2016, of state aid calculated under the public school funding formula under
8 AS 14.17.410(b), estimated to be \$1,006,027,900, is appropriated from the general fund to the
9 public education fund (AS 14.17.300).

10 (c) If the amount of the appropriation made in (a) of this section is less than
11 \$118,000,000, the appropriation made in (b) of this section shall be reduced on a dollar-for-
12 dollar basis, equal to the amount of the reduction in (a) of this section.

13 * **Sec. 8. SALARY AND BENEFIT ADJUSTMENTS.** (a) The operating budget
14 appropriations made in sec. 1 of this Act include amounts for salary and benefit adjustments
15 for public officials, officers, and employees of the executive branch, Alaska Court System
16 employees, employees of the legislature, and legislators and to implement the terms for the
17 fiscal year ending June 30, 2016, of the following ongoing collective bargaining agreements:

18 (1) Alaska Correctional Officers Association, representing the correctional
19 officers unit;

20 (2) Confidential Employees Association, for the confidential unit;

21 (3) Alaska Public Employees Association, for the supervisory unit;

22 (4) Alaska State Employees Association, for the general government unit;

23 (5) Public Safety Employees Association;

24 (6) Alaska Vocational Technical Center Teachers' Association;

25 (7) Inlandboatmen's Union of the Pacific, Alaska Region, for the unlicensed
26 marine unit;

27 (8) International Organization of Masters, Mates, and Pilots, for the masters,
28 mates, and pilots unit;

29 (9) Marine Engineers' Beneficial Association, representing licensed engineers
30 employed by the Alaska marine highway system.

31 (b) The operating budget appropriations made to the University of Alaska in sec. 1 of

1 this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30,
2 2016, for university employees who are not members of a collective bargaining unit and to
3 implement the terms for the fiscal year ending June 30, 2016, of the following collective
4 bargaining agreements:

5 (1) Fairbanks Firefighters Union, IAFF Local 1324;

6 (2) United Academics - American Association of University Professors,
7 American Federation of Teachers;

8 (3) United Academic - Adjuncts - American Association of University
9 Professors, American Federation of Teachers;

10 (4) Alaska Higher Education Crafts and Trades Employees, Local 6070;

11 (5) University of Alaska Federation of Teachers (UAFT).

12 (c) If a collective bargaining agreement listed in (a) of this section is not ratified by
13 the membership of the respective collective bargaining unit, the appropriations made by this
14 Act applicable to the collective bargaining unit's agreement are reduced proportionately by the
15 amount for the collective bargaining agreement, and the corresponding funding source
16 amounts are reduced accordingly.

17 (d) If a collective bargaining agreement listed in (b) of this section is not ratified by
18 the membership of the respective collective bargaining unit and approved by the Board of
19 Regents of the University of Alaska, the appropriations made in this Act applicable to the
20 collective bargaining unit's agreement are reduced proportionately by the amount for the
21 collective bargaining agreement, and the corresponding funding source amounts are reduced
22 accordingly.

23 * **Sec. 9. CONSTITUTIONAL BUDGET RESERVE FUND.** (a) If the unrestricted state
24 revenue available for appropriation in fiscal year 2015 is insufficient to cover the general fund
25 appropriations that take effect in fiscal year 2015, the amount necessary to balance revenue and
26 general fund appropriations is appropriated to the general fund from the budget reserve fund
27 (art. IX, sec. 17, Constitution of the State of Alaska).

28 (b) If the unrestricted state revenue available for appropriation in fiscal year 2016 is
29 insufficient to cover the general fund appropriations that take effect in fiscal year 2016, the
30 amount necessary to balance revenue and general fund appropriations is appropriated to the
31 general fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of

Alaska).

(c) Unrestricted interest earned on investment of the general fund balances for the fiscal years ending June 30, 2015, and June 30, 2016, is appropriated to the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska). The appropriation made by this subsection is intended to compensate the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) for any lost earnings caused by use of the budget reserve fund's balance to permit expenditure of operating and capital appropriations in the fiscal years ending June 30, 2015 and June 30, 2016, in anticipation of receiving unrestricted general fund revenue.

(d) The appropriations made by (a) and (b) of this section are made under art. IX, sec. 17(c), Constitution of the State of Alaska.

*** Sec. 10. HIGHER EDUCATION INVESTMENT FUND.** If, and only if, the appropriation made in sec. 9(a) of this Act fails to pass upon an affirmative vote of three-fourths of the members of each house of the Twenty-Ninth Alaska State Legislature in the First Special Session and the unrestricted state revenue available for appropriation in fiscal year 2015 is insufficient to cover the general fund appropriations that take effect in fiscal year 2015, the amount necessary to balance revenue and general fund appropriations is appropriated from the Alaska higher education investment fund (AS 37.14.750) to the general fund.

*** Sec. 11.** Sections 26(c), 26(d), 26(e), 28, 32, 33, and 36, CCS HB 72(brf sup maj fld H), Twenty-Ninth Alaska State Legislature, are repealed.

*** Sec. 12. RETROACTIVITY.** The appropriations made in sec. 1 of this Act that appropriate either the unexpended and unobligated balance of specific fiscal year 2015 program receipts or the unexpended and unobligated balance on June 30, 2015, of a specified account are retroactive to June 30, 2015, solely for the purpose of carrying forward a prior fiscal year balance.

*** Sec. 13. CONTINGENCY.** The appropriation from the Alaska higher education investment fund (AS 37.14.750) made in sec. 10 of this Act is contingent on the failure of the failure of the appropriations made in sec. 9(a) of this Act to pass upon an affirmative vote of three-fourths of the members of each house of the Twenty-Ninth Alaska State Legislature in the First Special Session.

*** Sec. 14.** Sections 9(a), 9(c), 10, 12, and 13 of this Act take effect June 30, 2015.

*** Sec. 15.** Section 11 of this Act takes effect immediately under AS 01.10.070(c).

1 * **Sec. 16.** Except as provided in secs. 14 and 15 of this Act, this Act takes effect July 1,
2 2015.