

30-LS1229\R  
Wallace  
3/23/18

**SENATE CS FOR HOUSE BILL NO. 287(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**THIRTIETH LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVES SEATON, Parish, Grenn, Drummond, Ortiz, Tuck, Kreiss-Tomkins, Edgmon, Kawasaki, Josephson, Spohnholz, Gara, Foster, Guttenberg, Stutes, LeDoux, Claman, Kito, Wool, Tarr, Fansler, Lincoln**

**SENATORS Begich, Wielechowski**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act making appropriations for public education and transportation of students;**  
2 **making other appropriations; and providing for an effective date."**

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

4 **(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, 2018 and ending June 30, 2019, unless otherwise indicated.

	Allocations	Appropriation Items	General Funds	Other Funds
*****		*****		
***** <b>Department of Education and Early Development</b> *****				
*****		*****		
<b>K-12 Aid to School Districts</b>		<b>26,128,400</b>		<b>26,128,400</b>
Foundation Program	26,128,400			
<b>K-12 Support</b>		<b>12,111,400</b>	<b>12,111,400</b>	
Boarding Home Grants	7,453,200			
Youth in Detention	1,100,000			
Special Schools	3,558,200			
<b>Mt. Edgecumbe Boarding School</b>		<b>12,863,300</b>	<b>307,400</b>	<b>12,555,900</b>
Mt. Edgecumbe Boarding School	11,420,600			
Mount Edgecumbe Boarding School Facilities	1,442,700			
Maintenance				

(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

3   Funding Source	Amount
4 <b>Department of Education and Early Development</b>	
5   1002   Federal Receipts	250,000
6   1004   Unrestricted General Fund Receipts	12,111,400
7   1005   General Fund/Program Receipts	307,400
8   1007   Interagency Receipts	7,473,300
9   1043   Federal Impact Aid for K-12 Schools	20,791,000
10   1066   Public School Trust Fund	10,000,000
11   1108   Statutory Designated Program Receipts	170,000
12   *** Total Agency Funding ***	51,103,100
13   * * * * * <b>Total Budget</b> * * * * *	<b>51,103,100</b>

14                               (SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

3    Funding Source	Amount
4 <b>Unrestricted General</b>	
5      1004   Unrestricted General Fund Receipts	12,111,400
6      *** Total Unrestricted General ***	12,111,400
7 <b>Designated General</b>	
8      1005   General Fund/Program Receipts	307,400
9      *** Total Designated General ***	307,400
10 <b>Other Non-Duplicated</b>	
11      1066   Public School Trust Fund	10,000,000
12      1108   Statutory Designated Program Receipts	170,000
13      *** Total Other Non-Duplicated ***	10,170,000
14 <b>Federal Receipts</b>	
15      1002   Federal Receipts	250,000
16      1043   Federal Impact Aid for K-12 Schools	20,791,000
17      *** Total Federal Receipts ***	21,041,000
18 <b>Other Duplicated</b>	
19      1007   Interagency Receipts	7,473,300
20      *** Total Other Duplicated ***	7,473,300

21                   (SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)

1     \* **Sec. 4. LEGISLATIVE INTENT.** (a) It is the intent of the legislature that the Department  
2 of Revenue use the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska),  
3 as authorized by the legislature and as necessary for general cash flow needs, to allow the  
4 Alaska Permanent Fund Corporation to maximize investment management results while  
5 making transfers from the earnings reserve account (AS 37.13.145) to the general fund for the  
6 fiscal years ending June 30, 2018, and June 30, 2019.

7           (b) It is the intent of the legislature that the Department of Revenue and the Alaska  
8 Permanent Fund Corporation work together to schedule the timing of payments from the  
9 earnings reserve account (AS 37.13.145) to the general fund for the fiscal years ending  
10 June 30, 2018, and June 30, 2019.

11     \* **Sec. 5. ALASKA PERMANENT FUND.** The sum of \$1,792,646,119 is appropriated  
12 from the earnings reserve account (AS 37.13.145) to the general fund, which is equal to 5.25  
13 percent of the average market value of the Alaska permanent fund, including the earnings  
14 reserve account established under AS 37.13.145, but not including that portion of the  
15 principal attributed to the settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ.  
16 (Superior Court, First Judicial District), for the fiscal years ending June 30, 2012, June 30,  
17 2013, June 30, 2014, June 30, 2015, and June 30, 2016, less the sum of \$725,950,000, which  
18 was used for the payment of permanent fund dividends and administrative and associated  
19 costs for the fiscal year ending June 30, 2018.

20     \* **Sec. 6. FUND CAPITALIZATION.** (a) The amount necessary to fund the total amount for  
21 the fiscal year ending June 30, 2019, of state aid calculated under the public school funding  
22 formula under AS 14.17.410(b), estimated to be \$1,189,677,400, is appropriated from the  
23 general fund to the public education fund (AS 14.17.300).

24           (b) The amount necessary, estimated to be \$78,184,600, to fund transportation of  
25 students under AS 14.09.010 for the fiscal year ending June 30, 2019, is appropriated from the  
26 general fund to the public education fund (AS 14.17.300).

27           (c) The amount necessary to fund the total amount for the fiscal year ending June 30,  
28 2020, of state aid calculated under the public school funding formula under AS 14.17.410(b)  
29 is appropriated from the general fund to the public education fund (AS 14.17.300).

30           (d) The amount necessary to fund transportation of students under AS 14.09.010 for  
31 the fiscal year ending June 30, 2020, is appropriated from the general fund to the public

1 education fund (AS 14.17.300).

2 \* **Sec. 7. LAPSE.** The appropriations made in sec. 6 of this Act are for the capitalization of a  
3 fund and do not lapse.

4 \* **Sec. 8. CONTINGENCY.** The appropriations made in secs. 6(c) and (d) of this Act are  
5 contingent on passage by the Thirtieth Alaska State Legislature and enactment into law of a  
6 version of Senate Bill 26 that calculates the amount available for distribution from the  
7 earnings of the Alaska permanent fund based on an average percentage of market value of the  
8 Alaska permanent fund and establishes a percentage for distribution to the general fund and  
9 for payment of permanent fund dividends.

10 \* **Sec. 9.** Section 5 of this Act takes effect June 30, 2018.

11 \* **Sec. 10.** Sections 6(c) and (d) of this Act take effect July 1, 2019.

12 \* **Sec. 11.** Except as provided in secs. 9 and 10 of this Act, this Act takes effect July 1,  
13 2018.