

House Bill 395

Sectional Analysis

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- Sec. 1:** Amends AS 19.65.060(a) to remove the Alaska Marine Highway System (AMHS) fund from the general fund and authorize the Commissioner of the Department of Transportation and Public Facilities (DOTPF) to spend money from the fund without further legislative appropriation. The section further authorizes the fund to receive appropriations of AMHS gross revenue, money from the general fund and designated federal receipts.
- Sec. 2:** Adds a new section to AS 19.65 that authorizes and describes the manner in which the Commissioner of DOTPF may make lawful expenditures from the AHMS fund to include:
- Effectuate the goals of the legislature for the efficient, predictable and stable operations of the marine highway system (system) established in AS 19.65.050(b) and (c);
 - Fund and support the operations of the system;
 - Pay costs incurred through the operation of the system, excluding capital improvements;
 - Acquire, hold, lease, sell, or dispose of property that is necessary to the administrative functioning of the system;
 - Fund contracts or agreements with federal, local, or foreign governments; and
 - Award and administer grants authorized by the legislature.
- Sec. 3:** Amends AS 19.65.100(1) to change the definition of “annual operating cycle” from the fiscal year to the calendar year, consistent with current budgeting practices.
- Sec. 4:** Amends AS 37.05.550(a) to remove the AMHS Vessel Replacement fund from the general fund and authorize the Commissioner of DOTPF to spend money from the fund for refurbishment of existing state ferry vessels, acquisitions of additional state ferry vessels, or replacement of retired or outmoded state ferry vessels without further appropriation.
- Sec. 5:** Repeals AS 19.65.080 regarding appropriations from the AMHS fund.
- Sec. 6:** Effective date of January 1, 2023.