

# DIFFERENCES BETWEEN SB162(FIN) VERSION W (AKA CS1) AND SEN CS FOR HB281 VERSION L (AKA CS 2)

April 19, 2022

BILL FUNDING SUMMARY						
Funding	23Op	23Cap	23TOT	22SuppOp	22SupCap	22SuppT
UGF	6,207,488.0	7,550.0	6,215,038.0	705,800.8	1,900.0	707,700.8
DGF	873,568.8	-	873,568.8	6,346.8	-	6,346.8
Other	1,650,938.4	-	1,650,938.4	105.0	-	105.0
Fed	3,170,724.9	-	3,170,724.9	23,495.5	-	23,495.5
<b>TOTAL</b>	<b>11,902,720.1</b>	<b>7,550.0</b>	<b>11,910,270.1</b>	<b>735,748.1</b>	<b>1,900.0</b>	<b>737,648.1</b>

## FY23 OPERATING BUDGET NUMBERS SECTION DIFFERENCES (Sections 1-3)

1. Incorporated Governor's 4/14 bargaining unit agreement amendments for Alaska Vocational Technical Center Teachers' Association (AVTECTA) and the General Government Unit (GGU).
  - Total \$24.8 million (\$10.2 million UGF).
  - These amounts include some minor technical fund changes identified by the Legislative Finance Division.

*Notes: GGU members make up about half of all state employees.*

- FY23 increase: 3% increase + \$12.50 increase for health insurance
- FY24: 2.5% increase + \$6 increase for health insurance
- FY25: Max of 5% based on Anc CPI in CY 2022 + \$6 increase for health insurance

*Notes: AVTCTA BU Agreement*

- FY23 increase: 4% increase
- FY24 & FY25: 2.5% increase each year

2. Administration/Retirement and Benefits: Added Governor's request for \$75.0 FICA funding to provide guidance, outreach and education regarding the SS program.
3. Commerce
  - Alaska Seafood Marketing Institute.

- Added \$5 million UGF to assist with weathering volatile revenues given uncertain federal receipts.
  - Community and Regional Affairs. Added \$4.3 million UGF to support a grant to the Food Bank of Alaska for a pilot produce box program.
- 4. Corrections/Anchorage Correctional Complex**
- Added wordage allowing FY22 federal receipts from manday billings to be carried forward into FY23. This wordage replaces a language section that was removed in the last CS and was inadvertently left out of the numbers section.
- 5. Education and Early Development/ WWAMI Medical Education (Washington, Wyoming, Alaska, Montana and Idaho). Deleted \$1,647.5 UGF to expand WWAMI program by 10 students (from 20 to 30) because the funding has been added to the language.**
- 6. Office of the Governor/Office of Management and Budget. Added the following intent:**
- Intent that OMB submit a report of
    - all revised programs that have been executed.
    - All transfers to and from the personal services line.
  - Intent that OMB submit a report of all transfers to and from the personal services line. This intent was removed from the language and added to the numbers section.
- 7. Health and Social Services**
- Minor fund changes to more accurately reflect the fund sources.
  - Replaced an ongoing request for 10 permanent full-time positions to support application processing in Public Assistance Field Services with a one-time increment and 10 temporary positions.
  - Medicaid, Personal Care Attendant funding. Added \$32.9 million (half of which is UGF) to Medicaid to fund a 10% increase for Personal Care Attendants.

- 8. Natural Resources**
  - Oil & Gas. Replaced \$755.6 UGF with GF/Program Receipts. The Division has sufficient revenue so replacing the UGF will not impact operations.
  - Agriculture. Added carryforward wordage in Agriculture allowing FY22 GF/Program receipts from Industrial Hemp activities to be carried forward into FY23.
- 9. Transportation and Public Facilities/Northern Region Highways and Aviation.** Added \$50.0 UGF to support ice road transportation access to northwest communities.
- 10. Environmental Conservation/Primacy Requests**
  - Removed the Governor's \$4.9 million request associated with the assumption of 404 Primacy.
  - Removed the Governor's \$830.0 & 6 PFT positions associated with the assumption of Hazardous Waste Management Under Resource Conservation and Recovery Act, Subtitle C (RCRA).
- 11. Legislature:** Added clarifying transactions to the Legislature's budget to indicate that the legislature used \$1,716.8 of UGF of savings from SB55 to fund various increases in the legislature's budget.

## **SUPPLEMENTAL NUMBERS DIFFERENCES (Sections 7-9)**

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- 12. ARPA revenue replacement:** A total of \$300 million UGF was replaced with ARPA revenue in the departments of Corrections, Family and Community Services, Health, Natural Resources, Public Safety, Transportation and Public Facilities and the Judiciary.
- 13. DEC/Water Quality, Infrastructure Support & Financing.** Removed \$750.0 UGF for the assumption of 404 Primacy.

## LANGUAGE DIFFERENCES

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14. Sec 15 b-d, page 72. SCHOOL DEBT REIMBURSEMENT (FY22 SUPP)
  - Added \$172.2 million UGF to reimburse communities for statutory funding obligations for School Debt Reimbursement that was not paid in FY17-FY21. This brings the total school debt reimbursement amount to \$220.9 million.
15. Sec. 19, page 73. JUDGMENTS AND CLAIMS (FY22 SUPP). Fully funded the Governor's Judgments and Claims requests totaling \$1,196,165.
16. Sec 21b, page 75. ELECTIONS (FY22 SUPP). Added \$2.5 million UGF to conduct a special election to replace Rep. Don Young.
17. Sec 22c-e. Rural Education Attendance Areas (REAA). Added \$66.8 million to the REAA Fund to repay unfunded statutory obligations for FY17, FY21 and FY20. With the \$17.1 million that had been included in the last CS, total funding to the REAA Fund is \$83.96 million.
18. Sec 22 h. ELECTION FUND CAPITALIZATION (FY22 SUPP). As required under the Help America Vote Act, \$1.2 million (\$200.0 UGF and \$1 million federal receipts) was appropriated to capitalize the Election Fund. This funding will be used to fund a capital project to improve election administration, enhance election technology and make election security improvements.
19. Sec. 23, page 75. SUPPLEMENTAL FUND TRANSFERS – FY22 ARPA REVENUE REPLACEMENT. Appropriated \$300 million federal receipts to the general fund for FY22 general fund revenue replacement.

Another \$186.6 was appropriated in FY23 in Sec. 48n.
20. Sec 24b, page 76. FY22 STATUTORY BUDGET RESERVE SWEEP. This subsection appropriates all unobligated and unrestricted of the general fund at the end of FY22 to the SBR Fund.

- 21.** Deleted a language section regarding OMB submitting a Personal Services Transfers report to the legislature. This was moved to the numbers section under the Office and Management and Budget's allocation.
- 22.** Sec 31f, page 81. ALASKA PERMANENT FUND. Adds a new subsection that if the 2023 average price of oil exceeds \$100/bbl, all "excess" UGF revenue, estimated to be \$101 million, is appropriated to the Permanent Fund's Corpus.
- 23.** Sec 34e. RESIDENTIAL SCHOOLS. Added \$4.3 million UGF to Residential Schools to provide a 50 percent increase in this program for FY23. Funding for this program has not been increased since FY15.
- 24.** Sec 37e, page 90. WORKFORCE DEVELOPMENT AND TRAINING PROGRAMS: A total of \$10 million was added to the Department of Labor and Workforce Development for a variety of workforce development and training programs.
- 25.** Sec 38a&b. page 91. STATE'S RIGHTS LITIGATION. Added \$2 million UGF of the Governor's requested \$4 million, for litigation relating to State's Rights. Of this amount, \$500.0 is to be used for litigation related to the Tongass National Forest.
- 26.** Sec 47l -o, pages 103-104. CLEAN WATER AND DRINKING WATER FUND CAPITALIZATION. The CS incorporates the Governor's requested funding included in the Infrastructure Investment and Jobs Act (IIJA) for the Clean Water and Drinking Water Funds. The funding added to the bill is as follows
  - Clean Water Fund (\$19.85m Fed, \$2 m UGF)
  - Drinking Water Fund (\$38.2m Fed, \$1.8m UGF)
- 27.** Sec 47v, page 105 FUND TRANSFERS – FY23 K-12 FOUNDATION FORMULA FORWARD FUNDINGFY23 K-12-Foundation Formula Forward Funding was added using "excess" FY23 general fund revenue.

- 28.** Sec. 48n, page 107. ARPA REVENUE REPLACEMENT. This section uses \$186.6 million of federal ARPA funding to replace UGF in FY23. Another \$300 million was used to replace UGF in FY22.
- 29.** Sec 47w, page 105. OIL AND GAS TAX CREDITS. Adds a subsection that appropriates the statutory formula for oil and gas tax credits but caps the amount at \$349 million.
- 30.** Sec 49a, page 108. PUBLIC EMPLOYEES RETIREMENT DEPOSIT. This section adds \$89.3 million of the Health Care portion of the retirement rate that was not funded in FY23 to the pension side of PERS, bringing the total UGF additional state contribution to \$123,233,000.
- 31.** Sec 50, page 108. SALARY AND BENEFIT ADJUSTMENTS. Revised Salary Adjustment language to reflect the addition of the Alaska State Employees for the GGU and the Alaska Vocational Technical Center Teachers' Association (AVTCTA) bargaining units and to make a technical tweak of previous language.

## **MENTAL HEALTH BUDGET CHANGES**

### **SCS 163 Version G to SCS for HB 282 Version G**

#### **FY23 OPERATING NUMBERS SECTION DIFFERENCES**

- 32.** Sec. 1. Incorporated Governor's 4/14 bargaining unit agreement amendments for Alaska Vocational Technical Center Teachers' Association (AVTECTA) and the General Government Unit (GGU).

#### **MENTAL HEALTH CAPITAL DIFFERENCE (Sec 4, page 12)**

- 33.** Based on a Governor's amendment, this bill reduces the Alaska Psychiatric Institute Wireless Infrastructure Upgrade project amount from \$500.0 to \$100.0.

#### **MENTAL HEALTH LANGUAGE DIFFERENCES**

- 34.** Sec 9, page 15. SALARY AND BENEFIT ADJUSTMENTS. Revised Salary Adjustment language to reflect the addition of the Alaska State Employees for the GGU and the Alaska Vocational Technical Center Teachers' Association (AVTCTA) bargaining units and to make a technical tweak of previous language.