

HOUSE CS FOR CS FOR SENATE BILL NO. 83(FIN) am H

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 4/28/97

Offered: 4/16/97

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act making and amending appropriations; amending an appropriation from
2 the constitutional budget reserve fund under art. IX, sec. 17(c), Constitution of
3 the State of Alaska; and providing for an effective date."

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

5 * Section 1. DEPARTMENT OF ADMINISTRATION. (a) The unexpended and
6 unobligated balance, not to exceed \$1,341,000, of the appropriation made in sec. 30, ch. 117,
7 SLA 1996, page 12, line 11 (Longevity bonus grants - \$74,152,600) is reappropriated to the
8 Department of Administration, for the fiscal year ending June 30, 1997, in the amounts and
9 for the purposes stated:

10	PURPOSE	APPROPRIATION AMOUNT
11	(1) Leasing and facilities program	\$ 993,700
12	(2) Settlement of ABBA, Inc. v. State	243,300
13	(1JU-96-1773 CI), relating to a	
14	procurement dispute concerning	

1 a state lease

2 (3) Costs associated with adjudicatory 104,000

3 claims relating to the Department

4 of Environmental Conservation

5 laboratory

6 (b) The sum of \$210,500 is appropriated from the general fund to the Department of
7 Administration, office of public advocacy, for operating costs for the fiscal year ending
8 June 30, 1997.

9 (c) The sum of \$185,000 is appropriated to the Department of Administration, public
10 defender agency, for operating costs for the fiscal year ending June 30, 1997, from the
11 following sources:

12 General fund \$132,000

13 General fund program receipts 53,000

14 (d) The sum of \$65,600 is appropriated from the general fund to the Department of
15 Administration for the elected public officers retirement system for the fiscal year ending
16 June 30, 1997.

17 * **Sec. 2. ALASKA AEROSPACE DEVELOPMENT CORPORATION.** (a) The sum
18 of \$5,000,000 is appropriated from the earnings reserve of the Alaska science and technology
19 endowment (AS 37.17.020(a)) to the Alaska Science and Technology Foundation for payment
20 as a grant under AS 37.17.090(k)(1) to the Alaska Aerospace Development Corporation for
21 the Kodiak launch complex.

22 (b) The sum of \$23,000,000 is appropriated to the Alaska Aerospace Development
23 Corporation revolving fund (AS 14.40.841) for construction of the Kodiak launch complex
24 from the following sources:

25 Federal receipts \$ 18,000,000

26 Alaska Science and Technology Foundation 5,000,000

27 grant made under (a) of this section

28 * **Sec. 3. DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT.** (a)
29 The sum of \$4,300 is appropriated from general fund designated program receipts to the
30 Department of Commerce and Economic Development for travel costs for staff of the division
31 of measurement standards to attend the National Conference of Weights and Measures for the

1 fiscal year ending June 30, 1997.

2 (b) The sum of \$300,000 is appropriated from federal receipts from the United States
3 Department of Commerce, Economic Development Administration, to the Department of
4 Commerce and Economic Development to capitalize the small business economic
5 development revolving loan fund (AS 44.88.400).

6 * **Sec. 4. DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS.** (a) The sum
7 of \$1,500,000 is appropriated from the power cost equalization and rural electric
8 capitalization fund (AS 42.45.100) to the Department of Community and Regional Affairs for
9 the power cost equalization program for the fiscal year ending June 30, 1997. It is the intent
10 of the legislature to appoint a volunteer task force of consumers, electric utility and municipal
11 officials, and legislators to review and make recommendations regarding the power cost
12 equalization program. The task force shall make its report available to the legislature by
13 January 12, 1998.

14 (b) The sum of \$50,000 is appropriated from federal receipts to the Department of
15 Community and Regional Affairs, division of community and rural development, for the Head
16 Start program for the fiscal year ending June 30, 1997.

17 * **Sec. 5. DEPARTMENT OF CORRECTIONS.** The sum of \$1,000,000 is appropriated
18 from federal receipts to the Department of Corrections for contract beds in community
19 residential centers and for out-of-state contract beds for the fiscal year ending June 30, 1997.

20 * **Sec. 6. DISASTER RELIEF FUND.** The sum of \$415,000 is appropriated from the
21 general fund to the disaster relief fund (AS 26.23.300) to capitalize the fund.

22 * **Sec. 7. DEPARTMENT OF EDUCATION.** (a) The sum of \$3,750,000 is appropriated
23 from federal receipts to the Department of Education, division of teaching and learning
24 support, for Title I and Migrant Education programs for the fiscal year ending June 30, 1997.

25 (b) The sum of \$600,000 is appropriated from federal receipts to the Department of
26 Education, division of vocational rehabilitation, for costs of client service programs for the
27 fiscal year ending June 30, 1997.

28 (c) The sum of \$150,000 is appropriated from federal receipts to the Department of
29 Education, division of vocational rehabilitation, for vocational rehabilitation administration
30 costs for the fiscal year ending June 30, 1997.

31 (d) The sum of \$1,080,000 is appropriated from federal receipts to the Department

of Education, division of teaching and learning support, for the school to work programs for the fiscal year ending June 30, 1997.

(e) The sum of \$30,000 is appropriated from general fund program receipts to the Department of Education, division of libraries, archives, and museums, for computer and software upgrades for the fiscal year ending June 30, 1997.

(f) The sum of \$22,000 is appropriated from general fund program receipts to the Department of Education, Mt. Edgecumbe Boarding School, for summer programs for the fiscal year ending June 30, 1997.

*** Sec. 8. EMERGENCY EQUIPMENT AND DEFERRED MAINTENANCE.** (a) The sum of \$632,000 is appropriated from the general fund to the Department of Corrections for replacement of the boiler system at the Fairbanks Correctional Center.

(b) The sum of \$100,000 is appropriated from the general fund to the Department of Military and Veterans' Affairs for radio equipment.

(c) The sum of \$200,000 is appropriated from the general fund to the Department of Health and Social Services for emergency communications equipment.

*** Sec. 9. DEPARTMENT OF FISH AND GAME.** (a) The sum of \$430,000 is appropriated from federal receipts to the Department of Fish and Game, division of wildlife conservation, for services required by federal grant awards for the fiscal year ending June 30, 1997.

(b) The sum of \$115,000 is appropriated from the general fund to the Department of Fish and Game for ongoing litigation costs for the fiscal year ending June 30, 1997.

*** Sec. 10. DEPARTMENT OF HEALTH AND SOCIAL SERVICES.** (a) Section 30, ch. 117, SLA 1996, page 30, line 33, is amended to read:

ALLOCATIONS

Aid to Families with **121,909,800**

Dependent Children [122,709,800]

(b) Section 30, ch. 117, SLA 1996, page 30, line 35, is amended to read:

ALLOCATIONS

Adult Public **44,458,200**

Assistance [43,658,200]

(c) The sum of \$10,000,000 is appropriated from federal receipts to the Department

1 of Health and Social Services for increased Indian Health Service Medicaid reimbursement
2 rates for the fiscal year ending June 30, 1997.

3 (d) The sum of \$750,000 is appropriated from the general fund to the Department of
4 Health and Social Services, division of family and youth services, for foster care program
5 costs for children in the department's custody who require placement for the fiscal year ending
6 June 30, 1997.

7 (e) The sum of \$99,300 is appropriated from federal receipts to the Department of
8 Health and Social Services, division of public health, for operating costs for the fiscal year
9 ending June 30, 1997.

10 (f) Section 30, ch. 117, SLA 1996, page 31, line 18, is amended to read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
13 Public Assistance Administration	<u>39,469,900</u>	<u>19,184,300</u>	20,285,600
14	[39,769,900]	[19,484,300]	

15 (g) Section 30, ch. 117, SLA 1996, page 31, line 22, is amended to read:

	ALLOCATIONS
17 Eligibility deter-	<u>20,280,500</u>
18 mination	[20,580,500]

19 (h) Section 30, ch. 117, SLA 1996, page 31, line 28, is amended to read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
22 Medical Assistance Administration	<u>16,782,300</u>	<u>6,036,900</u>	10,745,400
23	[17,082,300]	[6,336,900]	

24 (i) Section 30, ch. 117, SLA 1996, page 31, line 31, is amended to read:

	ALLOCATIONS
26 Claims processing	<u>12,252,800</u>
27	[12,552,800]

28 (j) Section 30, ch. 117, SLA 1996, page 32, lines 21 - 22, is amended to read:

	APPROPRIATION	GENERAL	OTHER
	ALLOCATIONS	ITEMS	FUND
		FUND	FUNDS
31 Youth Facility	<u>15,307,600</u>	<u>14,837,100</u>	470,500

1	Services	[14,707,600]	[14,237,100]
2	McLaughlin Youth	<u>9,309,400</u>	
3	Center	[8,709,400]	

4 (k) The sum of \$43,500 is appropriated from Mental Health Trust Authority receipts
5 to the Department of Health and Social Services for relocation and renovation of the Aniak
6 Mental Health Center.

7 (l) The sum of \$687,000 is appropriated from the general fund to the Department of
8 Health and Social Services, division of family and youth services, for improved security at
9 McLaughlin Youth Center.

10 (m) The sum of \$147,100 is appropriated from the general fund to the Department of
11 Health and Social Services, division of family and youth services, for improved security at the
12 Fairbanks Youth Facility.

13 * **Sec. 11.** DEPARTMENT OF LAW. (a) Section 26(a), ch. 94, SLA 1995, is amended
14 to read:

15 (a) **For the fiscal year ending June 30, 1996, the** [THE] sum of \$20,000,000
16 is appropriated to the Department of Law **and, for the fiscal year ending June 30,**
17 **1997, the sum of \$7,206,700, which is the amount encumbered on June 30, 1996,**
18 **from that appropriation of \$20,000,000, is appropriated to the Department of Law**
19 from the following sources, for costs relating to legal proceedings and audit activity
20 involving oil and gas revenue due or paid to the state or state title to oil and gas land
21 [, FOR THE FISCAL YEAR ENDING JUNE 30, 1996]:

22	State corporation receipts	\$ 3,160,000
23	Budget reserve fund (art. IX,	
24	sec. 17, Constitution of the	
25	State of Alaska)	16,840,000

26 (b) The sum of \$1,548,257 is appropriated to the Department of Law to pay judgments
27 and claims against the state for the fiscal year ending June 30, 1997, from the following
28 funding sources:

29	General fund	\$ 1,532,314
30	Public employees' retirement fund	12,766
31	Teachers' retirement fund	3,177

(c) Section 32, ch. 117, SLA 1996, page 67, line 8, is amended to read:

General Fund Match 107,500 [97,500]

(d) Section 32, ch. 117, SLA 1996, page 67, line 10, is amended to read:

General Fund/Program Receipts 586,600 [596,600]

*** Sec. 12. DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS.** (a) The sum of \$220,000 is appropriated from the general fund to the Department of Military and Veterans' Affairs for emergency alert system equipment.

(b) The sum of \$17,200 is appropriated to the disaster relief fund (AS 26.23.300) from amounts deposited in the general fund as designated program receipts from premium payments for flood insurance from victims of the Southcentral flood.

(c) The sum of \$17,200 is appropriated from the disaster relief fund (AS 26.23.300) to the Department of Military and Veterans' Affairs for payment of premiums for flood insurance under the federal flood insurance pilot program authorized specifically for victims of the Southcentral flood.

(d) The sum of \$700,000 is appropriated from general fund match to the Department of Military and Veterans' Affairs for expansion of the Fairbanks armory.

(e) The sum of \$186,439 is appropriated from the general fund to the Department of Military and Veterans' Affairs, Alaska National Guard, for the Youth Corps program for the fiscal year ending June 30, 1997.

*** Sec. 13. MISCELLANEOUS CLAIMS.** The following amounts are appropriated from the general fund to the following departments to pay miscellaneous claims and stale-dated warrants for the fiscal year ending June 30, 1997:

DEPARTMENT	APPROPRIATION
Administration	\$ 37,331
Corrections	9,275
Fish and Game	1,271
Health and Social Services	30,322
Law	626
Public Safety	4,254
Transportation and Public Facilities	928

*** Sec. 14. MUNICIPAL GRANTS.** (a) The sum of \$360,000 is appropriated from the

1 general fund to the Department of Administration for payment as a grant under AS 37.05.315
2 to the City of Unalakleet for repair or replacement of the Power Creek water transmission line.

3 (b) The sum of \$120,000 is appropriated from the general fund to the Department of
4 Administration for payment as a grant under AS 37.05.315 to the City and Borough of Juneau
5 for emergency repairs to Perseverance Trail. This appropriation is conditioned on the signing
6 of a letter of agreement between the state and the City and Borough of Juneau that the state
7 will transfer ownership of the right-of-way for the Perseverance Trail, which includes Mt.
8 Juneau Trail and Granite Creek Trail, to the City and Borough of Juneau, by October 1, 1997,
9 and that the City and Borough of Juneau and the Department of Natural Resources, division
10 of parks and outdoor recreation, will continue discussions concerning transfer of ownership
11 of the rights-of-way for the Mt. Roberts Trail and the Sheep Creek Trail.

12 * **Sec. 15. DEPARTMENT OF NATURAL RESOURCES.** (a) The sum of \$3,788,300
13 is appropriated from the general fund to the Department of Natural Resources for fire
14 suppression activities for the fiscal year ending June 30, 1997.

15 (b) The sum of \$280,000 is appropriated from the general fund to the Department of
16 Natural Resources for refunds owed by the veterans' land discount program (AS 38.05.940)
17 for the fiscal year ending June 30, 1997. The appropriation made by this subsection may not
18 be used for administrative purposes. The department may not expend money from this
19 appropriation to settle a claim unless the state has received a release for the claim settled.

20 (c) The sum of \$20,000 is appropriated from the general fund to the Department of
21 Natural Resources for the fiscal year ending June 30, 1997, for costs of administering the
22 refunds owed to veterans by the veterans' land discount program (AS 38.05.940) appropriated
23 under (b) of this section.

24 (d) The sum of \$698,000 is appropriated from the Exxon Valdez oil spill settlement
25 trust recognized in AS 37.14.400 to the Department of Natural Resources for the purchase of
26 the Roberts parcel.

27 (e) The sum of \$150,000 is appropriated from Mental Health Trust Authority receipts
28 to the Department of Natural Resources, trust land office, for Alaska Psychiatric Institute due
29 diligence activities.

30 (f) The sum of \$800,000 is appropriated from federal receipts to the Department of
31 Natural Resources for the abandoned mines land program.

(g) The sum of \$800,000 is appropriated from the general fund to the Department of Natural Resources for the airborne geophysical/geological mineral inventory project and an aeromagnetic study to identify natural gas deposits in the Holitna Basin.

(h) The sum of \$630,000 is appropriated from the general fund to the Department of Natural Resources to prepare and administer timber sales in Tok, Delta, and Kantishna.

(i) The sum of \$150,000 is appropriated from the general fund to the Department of Natural Resources to prepare and administer timber sales in Wrangell and Ketchikan.

(j) The sum of \$432,525 is appropriated from the public school trust fund (AS 37.14.110(a)) to the Department Natural Resources for an appraisal of public school lands to determine the fair market value of the public school trust land where the land was redesignated as general grant land in 1978. It is the intent of the legislature that the appraisal be completed by March 1, 1998.

(k) The sum of \$568,000 is appropriated from the general fund to the Department of Natural Resources to prepare and administer the Kalgin Island II, Caribou Hills, South Ninilchik - Dome View, and South Ninilchik Block timber sales in the Kenai Peninsula.

(l) The sum of \$150,000 is appropriated from the general fund to the Department of Natural Resources for a land sale escrow account required for land sale contracts sold to First National Bank of Anchorage.

(m) The sum of \$43,900 is appropriated from the general fund to the Department of Natural Resources for road upgrade for the Mat-Su harvest access program.

(n) The sum of \$100,000 is appropriated from the general fund to the Department of Natural Resources for the removal of existing buildings and other associated facilities at the Old Eagle School Site for the fiscal year ending June 30, 1997.

*** Sec. 16. DEPARTMENT OF PUBLIC SAFETY.** (a) The unexpended and unobligated balance of the appropriation made in sec. 30, ch. 117, SLA 1996, page 43, line 32 and allocated on line 34 (Village Public Safety Officer Program, Contracts - \$4,965,500) lapses into the general fund June 30, 1998.

(b) The sum of \$130,760 is appropriated from federal receipts to the Department of Public Safety, council on domestic violence and sexual assault, for costs related to implementation of the Domestic Violence Prevention and Victim Protection Act of 1996 for the fiscal year ending June 30, 1997.

1 * **Sec. 17.** RATIFICATIONS OF THE ACCOUNTING SYSTEM. The following
 2 departmental expenditures made in fiscal years 1985 to 1995 are ratified to reverse the
 3 negative account balances in the Alaska state accounting system in the amounts listed for each
 4 AR number. The appropriations from which these expenditures were actually paid are
 5 amended by increasing them by the amount listed, as follows:

6 (1) Department of Administration

7 (A) AR 3583-85 Property Management \$47,182.23

8 (B) AR 3581-86 Retirement and Benefits 654.29

9 (2) Department of Labor

10 (A) AR 27540-91 Workers' Incentive 17,423.03

11 (B) AR 27849-93 Alaska Work Program 7,756.15

12 (3) Department of Health and Social Services

13 (A) AR 22750-85 Fairbanks DOE Food Service 3,236.50

14 (B) AR 22751-85 Johnson Center Doc 151.84

15 (C) AR 22783-85 Laboratories 84 1,069.00

16 (D) AR 22752-88 Substance Abuse Res 10.00

17 (E) AR 22755-88 Epidemiology - Traffic 200.56

18 (F) AR 22788-88 Fairbanks MH Facil Maint 0.01

19 (G) AR 23031-89 Southern Region EMS Life-Pak 0.07

20 (H) AR 25063-89 PFD Hold Harmless 1,058.72

21 (I) AR 24649-90 Harborview Dev Ctr 31,464.50

22 (J) AR 22753-90 AK Trauma Registry 0.45

23 (K) AR 22796-90 Human Svc Valdez Oil 11,853.13

24 (L) AR 22797-90 Child Nutrition Prog 4,305.11

25 (M) AR 22713-92 FY92 OAC Nutrition 0.02

26 (N) AR 22724-92 Inmate Hlt Care Xray 14,500.00

27 (O) AR 22739-94 MIS Tech Asst ADA 293.11

28 (P) AR 22885-89 EIS Phase 1 0.80

29 (Q) AR 23122-95 MMIS 191,255.71

30 (4) Department of Natural Resources

31 (A) AR 36631-91 Fire Federal Receipts 409,723.98

1	(B) AR 37311-93 Fire Federal Receipts	48,249.95
2	(C) AR 36893-90 Law Valdez Oil Spill	300.00
3	(5) Department of Military and Veterans' Affairs	
4	(A) AR 34538-85 Alaska Military Academy	90.15
5	(B) AR 34538-89 State Active Duty	144.10
6	(C) AR 34565-88 Federal Community Assistance	7,500.00
7	(D) AR 34537-85 Air Training Support	15,218.98
8	(E) AR 34537-86 Air Training Support	1,419.79
9	(F) AR 34537-87 Air Training Support	15,794.56
10	(G) AR 34532-85 Arm Facility Maintenance	1,754.18
11	(6) Department of Law	
12	(A) AR 13604-94 General Legal Services	500,604.50
13	(B) AR 13814-94 Clean Air Act	65.10
14	(C) AR 13852-94 General Services and Supply	1,036.20
15	(D) AR 13993-94 AHFC - MGIC Claims	0.01
16	(E) AR 13868-95 Admin - GAPP	280.00

17 *** Sec. 18.** DEPARTMENT OF REVENUE. The sum of \$25,000 is appropriated from the
18 general fund to the Department of Revenue, treasury division, for equity investment
19 management fees for the constitutional budget reserve fund (art. IX, sec. 17, Constitution of
20 the State of Alaska) for the fiscal year ending June 30, 1997.

21 *** Sec. 19.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. (a)
22 The sum of \$130,000 is appropriated from the general fund to the Department of
23 Transportation and Public Facilities, Alaska marine highway system fund (AS 19.65.060(a)),
24 for increased fuel costs for the fiscal year ending June 30, 1997.

25 (b) The sum of \$444,500 is appropriated from the general fund to the Department of
26 Transportation and Public Facilities to implement the consent decree in Trustees for Alaska
27 v. Hickel (the Copper River Highway case) (Case No. A92-245 CIV (JKS) (Consolidated)).

28 *** Sec. 20.** ALASKA COURT SYSTEM. (a) The sum of \$32,200 is appropriated from the
29 general fund to the Alaska Court System to address the effect of ch. 107, SLA 1996 (welfare
30 reform legislation) on the trial courts for the fiscal year ending June 30, 1997.

31 (b) The sum of \$30,400 is appropriated from the general fund to the Commission on

1 Judicial Conduct for increased operating costs and mandatory statutory salary increases for the
2 fiscal year ending June 30, 1997.

3 * **Sec. 21. LEGISLATURE.** (a) The sum of \$500,000 is appropriated from the general
4 fund to the Legislative Budget and Audit Committee for a study that compares the salaries and
5 benefits of state employees to the salaries and benefits paid to employees in the appropriate
6 public and private markets in this state and in the Pacific Northwest and for a study that
7 compares the cost of operating schools based on size and geographical location.

8 (b) It is the intent of the legislature that the study funded by the appropriation made
9 in (a) of this section, including the request for proposals, bid award, and final work product,
10 be overseen by a steering committee consisting of equal number of members appointed by the
11 legislature and by the governor.

12 * **Sec. 22. DESIGNATED GRANT.** The sum of \$50,000 is appropriated from the general
13 fund to the Department of Military and Veterans' Affairs for payment as a grant under
14 AS 37.05.316 to the Alaska Chapter of the Air Force Association for Air Show Alaska 1997.

15 * **Sec. 23.** (a) The sum of \$550,000 is appropriated from the general fund to the
16 Department of Community and Regional Affairs for payment as a grant under AS 37.05.316
17 to Arctic Power for education efforts to open the coastal plain of the Arctic National Wildlife
18 Refuge for oil and gas exploration and production.

19 (b) The sum of \$100,000 is appropriated from the general fund to the Office of the
20 Governor to promote and facilitate oil and gas development on the North Slope, including the
21 Arctic National Wildlife Refuge and National Petroleum Reserve.

22 * **Sec. 24.** The appropriations made by secs. 3(b) and 6 of this Act are to capitalize funds
23 and do not lapse under AS 37.25.010.

24 * **Sec. 25.** The appropriations made by secs. 2, 8, 10(k) - (m), 12(a), 12(d), 15(d), 15(f) -
25 (i), 15(k), 19(b), and 23 of this Act are for capital projects and lapse under AS 37.25.020.

26 * **Sec. 26.** The appropriations made by secs. 12(b), 12(c), 15(e), 15(j), 15(l), 15(m), 21, and
27 22 of this Act lapse into the general fund June 30, 1998.

28 * **Sec. 27.** The appropriation from the budget reserve fund amended by sec. 11(a) of this
29 Act is made under art. IX, sec. 17(c), Constitution of the State of Alaska.

30 * **Sec. 28.** Sections 2 and 11(a) of this Act are retroactive to July 1, 1996.

31 * **Sec. 29.** This Act takes effect immediately under AS 01.10.070(c).