



# **LAWS OF ALASKA**

**2006**

**Source**  
CCS SB 232

**Chapter No.**  
\_\_\_\_\_

## **AN ACT**

Making appropriations, supplemental appropriations, and capital appropriations; amending appropriations and funding sources; making appropriations to capitalize funds; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1



**AN ACT**

1 Making appropriations, supplemental appropriations, and capital appropriations; amending  
2 appropriations and funding sources; making appropriations to capitalize funds; and providing  
3 for an effective date.

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(SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

\* **Section 1.** The following appropriation items are for increases in operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the fiscal year ending June 30, 2006.

	Appropriation	General	Other
	Allocations	Funds	Funds
*****		*****	
***** <b>Department of Commerce, Community and Economic Development</b> *****			
*****		*****	
<b>Community Assistance &amp;</b>	<b>75,000</b>		<b>75,000</b>
<b>Economic Development</b>			
Office of Economic	75,000		
Development			
<b>Alaska Seafood Marketing</b>	<b>395,000</b>		<b>395,000</b>
<b>Institute</b>			
Alaska Seafood Marketing	395,000		
Institute			
*****		*****	
***** <b>Department of Corrections</b> *****			
*****		*****	
<b>Administration and Support</b>	<b>1,168,700</b>	<b>1,168,700</b>	
Out-of-State Contractual	1,168,700		
<b>Inmate Health Care</b>	<b>3,355,000</b>	<b>3,355,000</b>	
Inmate Health Care	3,355,000		
The amount appropriated for Inmate Health Care includes the amount required to pay for services provided during fiscal year 2005.			
*****		*****	
***** <b>Office of the Governor</b> *****			
*****		*****	
<b>Executive Operations</b>	<b>500,000</b>	<b>500,000</b>	
Executive Office	500,000		
The amount appropriated for executive operations is for work related to the state gas pipeline			

	Appropriation	General	Other
	Allocations	Items	Funds
and to bringing North Slope natural gas to market and other oil and gas projects for the fiscal year ending June 30, 2006.			
	*****	*****	
	*****	<b>Department of Law</b>	*****
	*****	*****	
<b>Civil Division</b>		<b>3,900,000</b>	<b>3,900,000</b>
Oil, Gas and Mining	3,900,000		
The amount appropriated to the Civil Division is for work related to the state gas pipeline and to bringing North Slope natural gas to market and other oil and gas projects for the fiscal year ending June 30, 2006.			
	*****	*****	
	*****	<b>Department of Military and Veterans Affairs</b>	*****
	*****	*****	
<b>Military and Veterans' Affairs</b>		<b>307,800</b>	<b>307,800</b>
Army Guard Facilities	7,800		
Maintenance			
Air Guard Facilities	300,000		
Maintenance			
	*****	*****	
	*****	<b>Department of Revenue</b>	*****
	*****	*****	
<b>Alaska Permanent Fund Corporation</b>		<b>250,000</b>	<b>250,000</b>
APFC Operations	250,000		
	*****	*****	
	*****	<b>Department of Transportation &amp; Public Facilities</b>	*****
	*****	*****	
<b>Highways, Aviation and Facilities</b>		<b>155,100</b>	<b>155,100</b>
Northern Region Facilities	155,100		
<b>International Airports</b>		<b>742,500</b>	<b>742,500</b>

1			<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>	<b>Funds</b>
3	Anchorage Airport Facilities	555,900			
4	Anchorage Airport Field and	186,600			
5	Equipment Maintenance				
6	<b>Alaska Marine Highway System</b>		<b>12,774,800</b>	<b>12,774,800</b>	
7	Marine Vessel Operations	12,774,800			
8	(SECTION 2 OF THIS ACT BEGINS ON PAGE 5)				

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

Funding Source	Amount
<b>Department of Commerce, Community and Economic Development</b>	
1108 Statutory Designated Program Receipts	75,000
1156 Receipt Supported Services	395,000
*** Total Agency Funding ***	\$470,000
<b>Department of Corrections</b>	
1004 General Fund Receipts	4,523,700
*** Total Agency Funding ***	\$4,523,700
<b>Office of the Governor</b>	
1004 General Fund Receipts	500,000
*** Total Agency Funding ***	\$500,000
<b>Department of Law</b>	
1004 General Fund Receipts	3,900,000
*** Total Agency Funding ***	\$3,900,000
<b>Department of Military and Veterans Affairs</b>	
1002 Federal Receipts	300,000
1007 Interagency Receipts	7,800
*** Total Agency Funding ***	\$307,800
<b>Department of Revenue</b>	
1105 Permanent Fund Corporation Receipts	250,000
*** Total Agency Funding ***	\$250,000
<b>Department of Transportation &amp; Public Facilities</b>	
1004 General Fund Receipts	12,774,800
1007 Interagency Receipts	155,100
1027 International Airports Revenue Fund	742,500
*** Total Agency Funding ***	\$13,672,400
* * * * * Total Budget * * * * *	\$23,623,900

(SECTION 3 OF THIS ACT BEGINS ON PAGE 6)

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

Funding Source	Amount
<b>General Funds</b>	
1004 General Fund Receipts	21,698,500
***Total General Funds***	\$21,698,500
<b>Federal Funds</b>	
1002 Federal Receipts	300,000
***Total Federal Funds***	\$300,000
<b>Other Non-Duplicated Funds</b>	
1027 International Airports Revenue Fund	742,500
1105 Permanent Fund Corporation Receipts	250,000
1108 Statutory Designated Program Receipts	75,000
1156 Receipt Supported Services	395,000
***Total Other Non-Duplicated Funds***	\$1,462,500
<b>Duplicated Funds</b>	
1007 Interagency Receipts	162,900
***Total Duplicated Funds***	\$162,900

(SECTION 4 OF THIS ACT BEGINS ON PAGE 7)



1     \* **Sec. 4.** DEPARTMENT OF ADMINISTRATION. (a) The sum of \$5,000,000 is  
2 appropriated from the information services fund (AS 44.21.045(a)) to the Department of  
3 Administration for telephone system replacement and stabilization phase I.

4           (b) The sum of \$1,000 is appropriated from the general fund to the Department of  
5 Administration for the purpose of beginning to investigate the purchase of the vacant Valley  
6 Hospital building to provide a centralized facility for justice-related offices and to reduce  
7 overall rent costs for state agencies in the Matanuska-Susitna Valley.

8     \* **Sec. 5.** ARCTIC WINTER GAMES GRANT. The sum of \$430,000 is appropriated from  
9 the general fund to the Department of Commerce, Community, and Economic Development  
10 for payment as a capital grant under AS 37.05.316 to the 2006 Arctic Winter Games Host  
11 Society for costs of the 2006 Arctic Winter Games.

12     \* **Sec. 6.** DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC  
13 DEVELOPMENT. (a) The sum of \$40,000 is appropriated from the general fund to the  
14 Department of Commerce, Community, and Economic Development for payment as a grant  
15 under AS 37.05.315 to the City of Kaktovik for participation by the city supporting education  
16 efforts and promoting opening of the coastal plain of the Arctic National Wildlife Refuge for  
17 oil and gas exploration and development.

18           (b) The sum of \$750,000 is appropriated from the general fund to the Department of  
19 Commerce, Community, and Economic Development for payment as a grant under  
20 AS 37.05.316 to Arctic Power for education efforts to open the coastal plain of the Arctic  
21 National Wildlife Refuge for oil and gas exploration and development, for the fiscal years  
22 ending June 30, 2006, and June 30, 2007.

23           (c) The sum of \$3,000,000 is appropriated from the general fund to the Department of  
24 Commerce, Community, and Economic Development for payment as a grant under  
25 AS 37.05.316 to Pac/West Communications for education efforts to open the coastal plain of  
26 the Arctic National Wildlife Refuge for oil and gas exploration and development, for the  
27 fiscal years ending June 30, 2006, and June 30, 2007.

28           (d) It is the intent of the legislature that Arctic Power and Pac/West Communications  
29 coordinate with the Alaska delegation in Congress and the Office of the Governor in  
30 Washington, D.C., to use the funds for the development of an education effort to promote the  
31 opening of the Arctic National Wildlife Refuge to oil and gas exploration and development. It

1 is also the intent of the legislature that not more than five percent of the grant to Arctic Power  
2 be used for administrative costs.

3 (e) The sum of \$250,000 is appropriated from the general fund to the Department of  
4 Commerce, Community, and Economic Development, community advocacy, for emergency  
5 bulk fuel loans to small communities, for the fiscal year ending June 30, 2006.

6 \* **Sec. 7.** DEPARTMENT OF CORRECTIONS. The sum of \$800,000 is appropriated from  
7 the general fund to the Department of Corrections for conversion of a vacant correctional  
8 industries building to house prisoners in Fairbanks.

9 \* **Sec. 8.** OFFICE OF THE GOVERNOR. The sum of \$6,736,800 is appropriated from the  
10 general fund to the Office of the Governor for distribution to the Department of Corrections,  
11 the Department of Environmental Conservation, the Department of Fish and Game, the  
12 Department of Health and Social Services, the Department of Military and Veterans' Affairs,  
13 the Department of Natural Resources, the Department of Transportation and Public Facilities,  
14 the University of Alaska, and the Alaska Court System for the purpose of offsetting increased  
15 fuel and utility costs for the fiscal year ending June 30, 2006.

16 \* **Sec. 9.** DEPARTMENT OF LAW. (a) The sum of \$3,269,800 is appropriated from the  
17 general fund to the Department of Law for the purpose of paying judgments and settlements  
18 against the state.

19 (b) The amount necessary, after application of the amount appropriated in (a) of this  
20 section, to pay judgments awarded against the state before June 30, 2006, is appropriated from  
21 the general fund to the Department of Law.

22 \* **Sec. 10.** DEPARTMENT OF PUBLIC SAFETY. The sum of \$350,000 is appropriated  
23 from the general fund to the Department of Public Safety, Council on Domestic Violence and  
24 Sexual Assault, for payment as a grant under AS 37.05.316 to the Maniilaq Association for  
25 operation of the domestic violence shelter program in Kotzebue for the fiscal years ending  
26 June 30, 2006, and June 30, 2007.

27 \* **Sec. 11.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. (a) The  
28 sum of \$9,000,000 is appropriated from federal earmarked receipts to the Department of  
29 Transportation and Public Facilities for Ketchikan shipyard improvements.

30 (b) The sum of \$504,200 is appropriated from the general fund to the Department of  
31 Transportation and Public Facilities for Whittier Tunnel portal jet fan replacement.

(c) Section 1, ch. 3, FSSLA 2005, page 69, line 11, is amended to read:

	APPROPRIATION	OTHER
	ITEMS	FUNDS
<b>Airport Improvement Program</b>	<b><u>486,750,111</u></b>	<b><u>486,750,111</u></b>
	<b>[470,150,111]</b>	<b>[470,150,111]</b>

(d) Section 1, ch. 3, FSSLA 2005, page 70, lines 30 - 31, is amended to read:

ALLOCATIONS	
Cordova: Airport Runway	<b><u>11,000,000</u></b>
Safety Area <b><u>Expansion</u></b>	[8,000,000]
(HD 5)	

(e) Section 1, ch. 3, FSSLA 2005, page 72, lines 12 - 13, is amended to read:

ALLOCATIONS	
Kotzebue: Sand	<b><u>2,507,000</u></b>
Building (HD 40)	[1,007,000]

(f) Section 1, ch. 3, FSSLA 2005, page 76, lines 13 - 17, is amended to read:

ALLOCATIONS	
Tuntutuliak: Airport	6,000,000
Relocation (HD 38)	
<b><u>Unalakleet: Airport</u></b>	<b><u>12,100,000</u></b>
<b><u>Paving (HD 39)</u></b>	
Wrangell: Runway Overlay,	10,000,000
Runway Safety Area, and	
Seaplane Pullout (HD 2)	

(g) Section 1, ch. 3, FSSLA 2005, page 76, lines 18 - 19, is amended to read:

	APPROPRIATION	OTHER
	ITEMS	FUNDS
<b>Surface Transportation Program</b>	<b><u>388,604,700</u></b>	<b><u>388,604,700</u></b>
	<b>[373,604,700]</b>	<b>[373,604,700]</b>

(h) Section 1, ch. 3, FSSLA 2005, page 80, line 32, through page 81, line 4, is amended to read:

ALLOCATIONS

1 National Highway **45,000,000**  
 2 System and [30,000,000]  
 3 Non-National  
 4 Highway System  
 5 Pavement and Bridge  
 6 Refurbishment  
 7 (HD 1-40)

8 \* **Sec. 12.** FUND TRANSFERS. (a) The sum of \$4,143,800 is appropriated from the  
 9 general fund to the disaster relief fund (AS 26.23.300(a)).

10 (b) The sum of \$5,000,000 is appropriated from the general fund to the information  
 11 services fund (AS 44.21.045(a)).

12 (c) The sum of \$10,117,808 is appropriated from the general fund to the school  
 13 construction grant fund (AS 14.11.005) for payment as a grant under AS 14.11.015 for White  
 14 Mountain K-12 school replacement.

15 (d) The sum of \$3,850,000 is appropriated from the general fund to the major  
 16 maintenance grant fund (AS 14.11.007) for payment as a grant under AS 14.11.015 for  
 17 Susitna Valley High School roof replacement and structural and safety repairs.

18 \* **Sec. 13.** FUND SOURCE CHANGES. (a) Section 1, ch. 4, FSSLA 2005, page 5, lines 29  
 19 - 30, is amended to read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
22 <b>Qualified Trade Association</b>	<b>5,005,100</b>	<b><u>813,600</u></b>	<b><u>4,191,500</u></b>
23 <b>Contract</b>		<b>[2,505,100]</b>	<b>[2,500,000]</b>

24 (b) Section 2, ch. 3, FSSLA 2005, page 93, line 12, is amended to read:

FUNDING SOURCE	AMOUNT
26 1156 Receipt Supported Services	<b><u>565,000</u></b>
	[1,065,000]

28 (c) Section 2, ch. 3, FSSLA 2005, page 93, line 13, is amended to read:

FUNDING SOURCE	AMOUNT
30 1195 Special Vehicle Registration Receipts	<b><u>400,000</u></b>
	[200,000]

**1200 Vehicle Rental Tax Receipts 300,000**

(d) Section 3, ch. 3, FSSLA 2005, page 95, line 22, is amended to read:

FUNDING SOURCE	AMOUNT
1156 Receipt Supported Services	<b><u>1,140,865</u></b>
	[1,640,865]

(e) Section 3, ch. 3, FSSLA 2005, page 95, line 29, is amended to read:

FUNDING SOURCE	AMOUNT
1195 Special Vehicle Registration Receipts	<b><u>400,000</u></b>
	[200,000]

(f) Section 3, ch. 3, FSSLA 2005, page 95, line 30, is amended to read:

FUNDING SOURCE	AMOUNT
1197 Alaska Capital Income Fund	700,000

**1200 Vehicle Rental Tax Receipts 300,000**

(g) Section 3, ch. 4, FSSLA 2005, page 46, line 9, is amended to read:

NEW			
FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
1004 General Fund Receipts	<b><u>6,468,000</u></b>	95,100	<b><u>6,563,100</u></b>
	[8,159,500]		[8,254,600]

(h) Section 3, ch. 4, FSSLA 2005, page 47, lines 4 - 5, is amended to read:

NEW			
FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
1166 Commercial Passenger Vessel	<b><u>0</u></b>	0	<b><u>0</u></b>
Environmental Compliance Fund	[250,000]		[250,000]

(i) Section 3, ch. 4, FSSLA 2005, page 47, lines 10 - 11, is amended to read:

NEW			
FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
1195 Special Vehicle Registration	115,000	0	115,000
Receipts			

**1200 Vehicle Rental Tax Receipts 1,941,500 0 1,941,500**

(j) Section 3, ch. 4, FSSLA 2005, page 49, line 20, is amended to read:

NEW

1	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
2	1156 Receipt Supported Services	<u>362,100</u>	0	<u>362,100</u>
3		[3,400,900]		[3,400,900]

(k) Section 3, ch. 4, FSSLA 2005, page 49, lines 21 - 22, is amended to read:

NEW

6	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
7	1194 Fish and Game Nondedicated	1,629,900	0	1,629,900
8	Receipts			
9	<u>1201 Commercial Fisheries</u>	<u>3,038,800</u>	<u>0</u>	<u>3,038,800</u>
10	<u>Entry Commission Receipts</u>			

(l) Section 3, ch. 4, FSSLA 2005, page 55, line 26, is amended to read:

NEW

13	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
14	1156 Receipt Supported Services	<u>5,915,600</u>	0	<u>5,915,600</u>
15		[6,385,600]		[6,385,600]
16	<u>1200 Vehicle Rental Tax Receipts</u>	<u>470,000</u>	<u>0</u>	<u>470,000</u>

(m) Section 4, ch. 4, FSSLA 2005, page 60, line 7, is amended to read:

NEW

19	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
20	1004 General Funds Receipts	<u>1,215,421,900</u>	13,194,200	<u>1,228,616,100</u>
21		[1,217,113,400]		[1,230,307,600]

(n) Section 4, ch. 4, FSSLA 2005, page 63, line 4, is amended to read:

NEW

24	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
25	1156 Receipt Supported Services	<u>83,368,300</u>	583,300	<u>83,951,600</u>
26		[86,877,100]		[87,460,400]

(o) Section 4, ch. 4, FSSLA 2005, page 63, line 11, is amended to read:

NEW

29	FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
30	1166 Commercial Passenger Vessel	<u>770,300</u>	100	<u>770,400</u>
31	Environmental Compliance Fund	[1,020,300]		[1,020,400]

(p) Section 4, ch. 4, FSSLA 2005, page 63, lines 23 - 24, is amended to read:

NEW

FUNDING SOURCE	OPERATING	LEGISLATION	TOTAL
1195 Special Vehicle Registration	115,000		115,000
Receipts			
<b><u>1200 Vehicle Rental Tax Receipts</u></b>	<b><u>2,411,500</u></b>		<b><u>2,411,500</u></b>
<b><u>1201 Commercial Fisheries Entry</u></b>	<b><u>3,038,800</u></b>		<b><u>3,038,800</u></b>
<b><u>Commission Receipts</u></b>			

\* **Sec. 14.** ALASKA HOUSING FINANCE CORPORATION. The sum of \$300,000,000 is appropriated from the general fund to the Alaska Housing Finance Corporation for the purpose of funding capital projects, including financing expenses. It is the intent of the legislature that the Alaska Housing Finance Corporation may transfer this money and the earnings to a subsidiary of the Alaska Housing Finance Corporation on or after July 1, 2006, under AS 18.56.086.

\* **Sec. 15.** POWER COST EQUALIZATION. (a) The sum of \$3,320,000 is appropriated from the general fund to the power cost equalization and rural electric capitalization fund (AS 42.45.100).

(b) The sum of \$3,320,000 is appropriated from the power cost equalization and rural electric capitalization fund (AS 42.45.100) to the Department of Commerce, Community, and Economic Development, Alaska Energy Authority power cost equalization, for partial payment of power cost equalization under AS 42.45.110 for the fiscal year ending June 30, 2006.

\* **Sec. 16.** PUBLIC EDUCATION FUND. (a) The sum of \$300,000,000 is appropriated from the general fund to the public education fund (AS 14.17.300) for distribution to school districts, to the state boarding school, for centralized correspondence under AS 14.17, and for transportation of pupils under AS 14.09.010.

(b) The unappropriated balance of the operating general fund (state accounting system number 11100) on June 30, 2006, is appropriated to the public education fund (AS 14.17.300) for distribution to school districts, to the state boarding school, for centralized correspondence study under AS 14.17, and for transportation of pupils under AS 14.09.010.

\* **Sec. 17.** LAPSE OF APPROPRIATIONS. (a) The appropriations made by secs. 12, 15(a),

1 and 16 of this Act are to capitalize funds and do not lapse.

2 (b) The appropriations made by secs. 4(a), 5, 6(a), 7, 11(a), 11(b), and 11(f) of this  
3 Act are for capital projects and lapse under AS 37.25.020.

4 (c) The appropriation made by sec. 14 of this Act lapses on June 30, 2016.

5 \* **Sec. 18.** RETROACTIVITY. This Act is retroactive to March 20, 2006.

6 \* **Sec. 19.** This Act takes effect immediately under AS 01.10.070(c).