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**SENATE CS FOR CS FOR HOUSE BILL NO. 289(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Offered:**

**Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act making appropriations, including supplemental appropriations, capital**  
2 **appropriations, reappropriations, and other appropriations; amending appropriations;**  
3 **capitalizing funds; making appropriations under art. IX, sec. 17(c), Constitution of the**  
4 **State of Alaska, from the constitutional budget reserve fund; and providing for an**  
5 **effective date."**

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

7 (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 sec. 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2025 and ending June 30, 2026, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Items	Funds
	* * * * *	* * * * *	
	<b>* * * * * Department of Commerce, Community and Economic Development * * * * *</b>		
	* * * * *	* * * * *	
<b>Alaska Oil and Gas Conservation</b>		<b>40,900</b>	<b>40,900</b>
<b>Commission</b>			
Alaska Oil and Gas	40,900		
Conservation Commission			
<b>Alaska Energy Authority</b>		<b>250,000</b>	<b>250,000</b>
Alaska Energy Authority	250,000		
Rural Energy Assistance			
	* * * * *	* * * * *	
	<b>* * * * * Department of Corrections * * * * *</b>		
	* * * * *	* * * * *	
<b>Population Management</b>		<b>20,000,000</b>	<b>20,000,000</b>
Institution Director's	20,000,000		
Office			
<b>Community Residential Centers</b>		<b>1,117,500</b>	<b>1,117,500</b>
Community Residential	1,117,500		
Centers			
<b>Health and Rehabilitation Services</b>		<b>2,952,500</b>	<b>2,952,500</b>
Physical Health Care	2,952,500		
	* * * * *	* * * * *	
	<b>* * * * * Department of Education and Early Development * * * * *</b>		
	* * * * *	* * * * *	
<b>Alaska State Council on the Arts</b>		<b>12,900</b>	<b>12,900</b>

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Alaska State Council on the	12,900		
4	Arts			
5	<b>Student Financial Aid Programs</b>		<b>3,321,600</b>	<b>3,321,600</b>
6	Alaska Performance	2,214,400		
7	Scholarship Awards			
8	Alaska Education Grants	1,107,200		
9		* * * * *	* * * * *	
10	<b>* * * * * Department of Fish and Game * * * * *</b>			
11		* * * * *	* * * * *	
12	<b>Commercial Fisheries</b>		<b>651,400</b>	<b>456,400</b>
13	Southeast Region Fisheries	128,500		
14	Management			
15	Central Region Fisheries	254,600		
16	Management			
17	AYK Region Fisheries	109,000		
18	Management			
19	Westward Region Fisheries	142,700		
20	Management			
21	Statewide Fisheries	16,600		
22	Management			
23		* * * * *	* * * * *	
24	<b>* * * * * Department of Health * * * * *</b>			
25		* * * * *	* * * * *	
26	<b>Behavioral Health</b>		<b>500,000</b>	<b>500,000</b>
27	Behavioral Health	500,000		
28	Administration			
29	<b>Public Assistance</b>		<b>31,441,900</b>	<b>12,826,900</b>
30	Public Assistance Field	26,941,900		
31	Services			
32	Women, Infants and Children	4,500,000		
33	<b>Public Health</b>		<b>4,350,000</b>	<b>4,350,000</b>

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Public Health	4,350,000		
4	Administrative Services			
5	<b>Senior Benefits Payment Program</b>	<b>1,125,000</b>	<b>1,125,000</b>	
6	Senior Benefits Payment	1,125,000		
7	Program			
8	<b>Departmental Support Services</b>	<b>177,600</b>	<b>177,600</b>	
9	Rate Review	177,600		
10	<b>Medicaid Services</b>	<b>395,516,800</b>	<b>34,436,700</b>	<b>361,080,100</b>
11	Medicaid Services	395,516,800		
12	* * * * *	* * * * *		
13	* * * * * <b>Department of Natural Resources</b> * * * * *			
14	* * * * *	* * * * *		
15	<b>Fire Suppression, Land &amp; Water</b>	<b>1,841,600</b>	<b>304,100</b>	<b>1,537,500</b>
16	<b>Resources</b>			
17	Fire Suppression	1,841,600		
18	Preparedness			
19	<b>Parks &amp; Outdoor Recreation</b>	<b>1,325,500</b>	<b>530,200</b>	<b>795,300</b>
20	Office of History and	1,325,500		
21	Archaeology			
22	* * * * *	* * * * *		
23	* * * * * <b>Department of Public Safety</b> * * * * *			
24	* * * * *	* * * * *		
25	<b>Village Public Safety Operations</b>	<b>1,250,000</b>	<b>1,250,000</b>	
26	Village Public Safety	1,250,000		
27	Operations			
28	* * * * *	* * * * *		
29	* * * * * <b>Department of Revenue</b> * * * * *			
30	* * * * *	* * * * *		
31	<b>Taxation and Treasury</b>	<b>316,800</b>		<b>316,800</b>
32	Alaska Retirement	150,000		
33	Management Board			

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Permanent Fund Dividend	166,800	
4	Division		
5	<b>Alaska Housing Finance Corporation</b>	<b>15,300,000</b>	<b>15,300,000</b>
6	AHFC Operations	15,300,000	
7	* * * * *	* * * * *	
8	* * * * * <b>Department of Transportation and Public Facilities</b> * * * * *		
9	* * * * *	* * * * *	
10	<b>Administration and Support</b>	<b>84,000</b>	<b>84,000</b>
11	Measurement Standards &	84,000	
12	Commercial Vehicle		
13	Compliance		
14	<b>Highways, Aviation and Facilities</b>	<b>543,300</b>	<b>500,000</b>
15	Central Region Highways and	500,000	
16	Aviation		
17	Northern Region Highways	43,300	
18	and Aviation		
19	* * * * *	* * * * *	
20	* * * * * <b>University of Alaska</b> * * * * *		
21	* * * * *	* * * * *	
22	<b>University of Alaska</b>	<b>38,000,000</b>	<b>38,000,000</b>
23	Budget Reductions/Additions	23,000,000	
24	- Systemwide		
25	Troth Yedtha' Campus	15,000,000	
26	* * * * * * * * * *		
27	* * * * * <b>Judiciary</b> * * * * *		
28	* * * * * * * * * *		
29	<b>Therapeutic Courts</b>	<b>38,600</b>	<b>38,600</b>
30	Therapeutic Courts	38,600	
31	(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
<b>4 Department of Commerce, Community and Economic Development</b>	
5 1004 Unrestricted General Fund Receipts	40,900
6 1012 Railbelt Energy Fund	250,000
7 *** Total Agency Funding ***	290,900
<b>8 Department of Corrections</b>	
9 1004 Unrestricted General Fund Receipts	24,070,000
10 *** Total Agency Funding ***	24,070,000
<b>11 Department of Education and Early Development</b>	
12 1002 Federal Receipts	12,900
13 1226 Alaska Higher Education Investment Fund	3,321,600
14 *** Total Agency Funding ***	3,334,500
<b>15 Department of Fish and Game</b>	
16 1002 Federal Receipts	79,400
17 1003 General Fund Match	15,900
18 1004 Unrestricted General Fund Receipts	433,300
19 1005 General Fund/Program Receipts	4,900
20 1007 Interagency Receipts	2,300
21 1061 Capital Improvement Project Receipts	43,400
22 1108 Statutory Designated Program Receipts	69,900
23 1109 Test Fisheries Receipts	2,300
24 *** Total Agency Funding ***	651,400
<b>25 Department of Health</b>	
26 1002 Federal Receipts	384,045,100
27 1003 General Fund Match	47,263,600
28 1004 Unrestricted General Fund Receipts	1,125,000
29 1005 General Fund/Program Receipts	177,600
30 1108 Statutory Designated Program Receipts	500,000
31 *** Total Agency Funding ***	433,111,300

1	<b>Department of Natural Resources</b>	
2	1002 Federal Receipts	817,900
3	1003 General Fund Match	530,200
4	1004 Unrestricted General Fund Receipts	304,100
5	1007 Interagency Receipts	1,510,000
6	1061 Capital Improvement Project Receipts	4,900
7	*** Total Agency Funding ***	3,167,100
8	<b>Department of Public Safety</b>	
9	1004 Unrestricted General Fund Receipts	1,250,000
10	*** Total Agency Funding ***	1,250,000
11	<b>Department of Revenue</b>	
12	1002 Federal Receipts	15,300,000
13	1017 Group Health and Life Benefits Fund	68,100
14	1029 Public Employees Retirement Trust Fund	52,800
15	1034 Teachers Retirement Trust Fund	27,800
16	1042 Judicial Retirement System	1,100
17	1045 National Guard & Naval Militia Retirement System	200
18	1050 Permanent Fund Dividend Fund	166,800
19	*** Total Agency Funding ***	15,616,800
20	<b>Department of Transportation and Public Facilities</b>	
21	1005 General Fund/Program Receipts	500,000
22	1061 Capital Improvement Project Receipts	84,000
23	1244 Rural Airport Receipts	43,300
24	*** Total Agency Funding ***	627,300
25	<b>University of Alaska</b>	
26	1002 Federal Receipts	15,000,000
27	1108 Statutory Designated Program Receipts	8,000,000
28	1174 University of Alaska Intra-Agency Transfers	15,000,000
29	*** Total Agency Funding ***	38,000,000
30	<b>Judiciary</b>	
31	1108 Statutory Designated Program Receipts	38,600

1	*** Total Agency Funding ***	38,600
2	***** <b>Total Budget</b> *****	<b>520,157,900</b>

3 (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 1003 General Fund Match	47,809,700
6 1004 Unrestricted General Fund Receipts	27,223,300
7 1012 Railbelt Energy Fund	250,000
8 *** Total Unrestricted General ***	75,283,000
9 <b>Designated General</b>	
10 1005 General Fund/Program Receipts	682,500
11 1109 Test Fisheries Receipts	2,300
12 1226 Alaska Higher Education Investment Fund	3,321,600
13 *** Total Designated General ***	4,006,400
14 <b>Other Non-Duplicated</b>	
15 1017 Group Health and Life Benefits Fund	68,100
16 1029 Public Employees Retirement Trust Fund	52,800
17 1034 Teachers Retirement Trust Fund	27,800
18 1042 Judicial Retirement System	1,100
19 1045 National Guard & Naval Militia Retirement System	200
20 1108 Statutory Designated Program Receipts	8,608,500
21 1244 Rural Airport Receipts	43,300
22 *** Total Other Non-Duplicated ***	8,801,800
23 <b>Federal Receipts</b>	
24 1002 Federal Receipts	415,255,300
25 *** Total Federal Receipts ***	415,255,300
26 <b>Other Duplicated</b>	
27 1007 Interagency Receipts	1,512,300
28 1050 Permanent Fund Dividend Fund	166,800
29 1061 Capital Improvement Project Receipts	132,300
30 1174 University of Alaska Intra-Agency Transfers	15,000,000
31 *** Total Other Duplicated ***	16,811,400



\* **Sec. 4.** The following appropriations are for capital projects and grants from the general fund or other funds as set out in sec. 5 of this Act by funding source to the agencies named for the purposes expressed. They lapse under AS 37.25.020, unless otherwise noted.

	Appropriation	General	Other
	Allocations	Items	Funds
	Funds	Funds	Funds
	* * * * *	* * * * *	
	<b>* * * * * Department of Commerce, Community and Economic Development * * * * *</b>		
	* * * * *	* * * * *	
Alaska Energy Authority Bulk Fuel	25,000,000		25,000,000
Upgrades (HD 1-40)			
Alaska Energy Authority - Bulk Fuel	5,000,000		5,000,000
Upgrades High Energy Cost Grant (HD 1-40)			
Alaska Energy Authority - Electrical	150,870	150,870	
Emergencies Program (HD 1-40)			
Alaska Oil and Gas Conservation	1,201,081	1,201,081	
Commission Risk Based Data Management			
System Upgrade Phase 2 (HD 1-40)			
	* * * * *	* * * * *	
	<b>* * * * * Department of Natural Resources * * * * *</b>		
	* * * * *	* * * * *	
Protecting Coastal Alaska Native	6,000,000		6,000,000
Communities (HD 1-40)			
	* * * * *	* * * * *	
	<b>* * * * * Department of Revenue * * * * *</b>		
	* * * * *	* * * * *	
Child Support Case Management System	3,651,843	3,221,623	430,220
Replacement (HD 1-40)			
	* * * * *	* * * * *	
	<b>* * * * * Department of Transportation and Public Facilities * * * * *</b>		
	* * * * *	* * * * *	

		Appropriation	General	Other
		Allocations	Items	Funds
			Funds	Funds
1				
2				
3	<b>Federal Program Match</b>		<b>69,695,087</b>	<b>69,695,087</b>
4	Federal-Aid Aviation State	9,807,384		
5	Match (HD 1-40)			
6	Federal-Aid Highway State	58,276,155		
7	Match (HD 1-40)			
8	Other Federal Program Match	1,611,548		
9	(HD 1-40)			
10	<b>Statewide Federal Programs</b>		<b>459,000</b>	<b>459,000</b>
11	Federal Transit	400,000		
12	Administration Grants (HD			
13	1-40)			
14	Highway Safety Grants	59,000		
15	Program (HD 1-40)			
16		* * * * *	* * * * *	
17		* * * * * <b>University of Alaska</b> * * * * *		
18		* * * * *	* * * * *	
19	University of Alaska Museum of the		8,000,000	8,000,000
20	North Planetarium (HD 31-35)			
21				

(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 \* **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of  
2 this Act.

3	Funding Source	Amount
4	<b>Department of Commerce, Community and Economic Development</b>	
5	1002 Federal Receipts	5,000,000
6	1108 Statutory Designated Program Receipts	25,000,000
7	1162 Alaska Oil & Gas Conservation Commission Receipts	1,201,081
8	1169 Power Cost Equalization Endowment Fund	150,870
9	*** Total Agency Funding ***	31,351,951
10	<b>Department of Natural Resources</b>	
11	1108 Statutory Designated Program Receipts	6,000,000
12	*** Total Agency Funding ***	6,000,000
13	<b>Department of Revenue</b>	
14	1002 Federal Receipts	430,220
15	1005 General Fund/Program Receipts	3,221,623
16	*** Total Agency Funding ***	3,651,843
17	<b>Department of Transportation and Public Facilities</b>	
18	1003 General Fund Match	69,695,087
19	1004 Unrestricted General Fund Receipts	459,000
20	*** Total Agency Funding ***	70,154,087
21	<b>University of Alaska</b>	
22	1108 Statutory Designated Program Receipts	8,000,000
23	*** Total Agency Funding ***	8,000,000
24	<b>* * * * * Total Budget * * * * *</b>	<b>119,157,881</b>

25 (SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 \* **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of  
2 this Act.

3	Funding Source	Amount
4	<b>Unrestricted General</b>	
5	1003 General Fund Match	69,695,087
6	1004 Unrestricted General Fund Receipts	459,000
7	*** Total Unrestricted General ***	70,154,087
8	<b>Designated General</b>	
9	1005 General Fund/Program Receipts	3,221,623
10	1162 Alaska Oil & Gas Conservation Commission Receipts	1,201,081
11	1169 Power Cost Equalization Endowment Fund	150,870
12	*** Total Designated General ***	4,573,574
13	<b>Other Non-Duplicated</b>	
14	1108 Statutory Designated Program Receipts	39,000,000
15	*** Total Other Non-Duplicated ***	39,000,000
16	<b>Federal Receipts</b>	
17	1002 Federal Receipts	5,430,220
18	*** Total Federal Receipts ***	5,430,220

19 (SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 \* **Sec. 7.** DEPARTMENT OF ADMINISTRATION. The sum of \$3,300,000 is appropriated  
2 from the general fund to the Department of Administration, legal and advocacy services,  
3 office of public advocacy, to address case backlogs for the fiscal years ending June 30, 2026,  
4 and June 30, 2027.

5 \* **Sec. 8.** DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. (a) Section  
6 36(d), ch. 7, SLA 2024, is amended to read:

7 (d) The proceeds from the sale of the Stratton building in Sitka by the  
8 Department of Education and Early Development or the Department of Natural  
9 Resources are appropriated from the general fund to the Department of Education and  
10 Early Development, Alaska state libraries, archives and museums, for maintenance  
11 and operations for the fiscal years ending June 30, 2025, [AND] June 30, 2026, **and**  
12 **June 30, 2027.**

13 (b) The amount of federal receipts received from the American Rescue Plan Act of  
14 2021 (P.L. 117-2) for emergency assistance for nonpublic schools in the fiscal year ending  
15 June 30, 2026, estimated to be \$65,500, is appropriated to the Department of Education and  
16 Early Development for that purpose for the fiscal year ending June 30, 2026.

17 \* **Sec. 9.** DEPARTMENT OF HEALTH. (a) Section 62(g), ch. 1, FSSLA 2023, is amended  
18 to read:

19 (g) The sum of \$2,273,300 is appropriated to the Department of Health,  
20 Medicaid services, Medicaid services allocation, for creation of a cost allocation  
21 assessment tool by the Department of Health, division of senior and disabilities  
22 services, for the fiscal years ending June 30, 2024, June 30, 2025, [AND] June 30,  
23 2026, **June 30, 2027, June 30, 2028, June 30, 2029, June 30, 2030, and June 30,**  
24 **2031,** from the following sources:

25 (1) \$2,046,000 from federal receipts;

26 (2) \$227,300 from general fund match.

27 (b) Section 62(h), ch. 1, FSSLA 2023, is amended to read:

28 (h) The sum of \$1,119,000 is appropriated to the Department of Health, senior  
29 and disabilities services, senior and disabilities services administration, for creation of  
30 a cost allocation assessment tool, for the fiscal years ending June 30, 2024, June 30,  
31 2025, [AND] June 30, 2026, **and June 30, 2027,** from the following sources:

1 (1) \$698,500 from federal receipts;

2 (2) \$420,500 from general fund match.

3 (c) Section 15(c), ch. 10, SLA 2025, is amended to read:

4 (c) The sum of \$5,954,328 is appropriated from the general fund to the  
5 Department of Health, division of public assistance, for the purpose of addressing  
6 Supplemental Nutrition Assistance Program new investment projects for the fiscal  
7 years ending June 30, 2025, [AND] June 30, 2026, June 30, 2027, and June 30,  
8 2028.

9 (d) The unexpended and unobligated general fund balance on June 30, 2026, not to  
10 exceed \$10,000,000, of the appropriation made in sec. 1, ch. 10, SLA 2025, page 24, line 32,  
11 and allocated on page 25, line 7 (Department of Health, Medicaid services, Medicaid services  
12 - \$2,975,200,200), is reappropriated to the Department of Health, Medicaid services, for  
13 behavioral health clinic services for the fiscal years ending June 30, 2026, and June 30, 2027.

14 (e) The amount of federal receipts received from sec. 71401, P.L. 119-21, 139 Stat.  
15 327, for the federal rural health transformation program, estimated to be \$272,174,856, is  
16 appropriated to the Department of Health for that purpose for the fiscal years ending June 30,  
17 2026, June 30, 2027, and June 30, 2028.

18 \* **Sec. 10.** DEPARTMENT OF LAW. The sum of \$32,024 is appropriated from the general  
19 fund to the Department of Law, civil division, deputy attorney general's office, for the  
20 purpose of paying judgments and settlements against the state for the fiscal year ending  
21 June 30, 2026.

22 \* **Sec. 11.** DEPARTMENT OF REVENUE. The amount necessary to pay externally  
23 managed investment profit sharing fees, estimated to be \$13,600,000, is appropriated from the  
24 retirement funds managed by the Alaska Retirement Management Board to the Department of  
25 Revenue for that purpose for the fiscal year ending June 30, 2026.

26 \* **Sec. 12.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. Section  
27 5, ch. 10, SLA 2025, page 68, lines 1 - 4, is amended to read:

28 Sec. 5. The following appropriation items are for operating expenditures from  
29 the general fund or other funds as set out in sec. 6, ch. 10, SLA 2025, [OF THIS ACT]  
30 to the agencies named for the purposes expressed [FOR THE CALENDAR YEAR]  
31 beginning January 1, 2026, and ending June 30, 2027 [DECEMBER 31, 2026], unless

1 otherwise indicated.

2 \* **Sec. 13.** UNIVERSITY OF ALASKA. Section 74, ch. 11, SLA 2022, as amended by sec.  
3 22, ch. 7, SLA 2024, is amended to read:

4 Sec. 74. UNIVERSITY OF ALASKA. The sum of \$29,800,000 is  
5 appropriated from the general fund to the University of Alaska for responding to the  
6 negative economic impacts of COVID-19 for the fiscal years ending June 30, 2023,  
7 June 30, 2024, June 30, 2025, [AND] June 30, 2026, and June 30, 2027, for the  
8 following purposes and in the following amounts:

PURPOSE	AMOUNT
University of Alaska drone program	\$10,000,000
Critical minerals and rare earth elements research and development	7,800,000
Heavy oil recovery method research and development	5,000,000
Mariculture research and development	7,000,000

9  
10  
11  
12  
13  
14  
15  
16 \* **Sec. 14.** DEBT AND OTHER OBLIGATIONS. (a) Section 41(g), ch. 10, SLA 2025, is  
17 amended to read:

18 (g) The following amounts are appropriated to the state bond committee from  
19 the specified sources, and for the stated purposes, for the fiscal year ending June 30,  
20 2026:

21 (1) the amount necessary for payment of debt service and accrued  
22 interest on outstanding State of Alaska general obligation bonds, series 2010B,  
23 estimated to be \$2,259,773, from the amount received from the United States Treasury  
24 as a result of the American Recovery and Reinvestment Act of 2009, Qualified School  
25 Construction Bond interest subsidy payments due on the series 2010B general  
26 obligation bonds;

27 (2) the amount necessary for payment of debt service and accrued  
28 interest on outstanding State of Alaska general obligation bonds, series 2010B, after  
29 the payment made in (1) of this subsection, estimated to be \$144,127, from the general  
30 fund for that purpose;

31 (3) the amount necessary for payment of debt service and accrued

1 interest on outstanding State of Alaska general obligation bonds, series 2013A,  
2 estimated to be \$434,570, from the amount received from the United States Treasury  
3 as a result of the American Recovery and Reinvestment Act of 2009, Qualified School  
4 Construction Bond interest subsidy payments due on the series 2013A general  
5 obligation bonds;

6 (4) the amount necessary for payment of debt service and accrued  
7 interest on outstanding State of Alaska general obligation bonds, series 2013A, after  
8 the payments made in (3) of this subsection, estimated to be \$26,268, from the general  
9 fund for that purpose;

10 (5) the amount necessary for payment of debt service and accrued  
11 interest on outstanding State of Alaska general obligation bonds, series 2015B,  
12 estimated to be \$9,793,875, from the general fund for that purpose;

13 (6) the amount necessary for payment of debt service and accrued  
14 interest on outstanding State of Alaska general obligation bonds, series 2016A,  
15 estimated to be \$6,247,375, from the general fund for that purpose;

16 (7) the amount necessary for payment of debt service and accrued  
17 interest on outstanding State of Alaska general obligation bonds, series 2016B,  
18 estimated to be \$6,226,875, from the general fund for that purpose;

19 (8) the amount necessary for payment of debt service and accrued  
20 interest on outstanding State of Alaska general obligation bonds, series 2020A,  
21 estimated to be \$6,971,625, from the general fund for that purpose;

22 (9) the amount necessary for the purpose of authorizing payment for  
23 arbitrage rebate on State of Alaska general obligation bonds, series 2020A, estimated  
24 to be \$4,025,000, from investment earnings on the bond proceeds deposited in the  
25 capital project funds for the series 2020A general obligation bonds for that purpose;

26 (10) the amount necessary for payment of debt service and accrued  
27 interest on outstanding State of Alaska general obligation bonds, series 2023A,  
28 estimated to be \$18,398,750, from the general fund for that purpose;

29 (11) the amount necessary for payment of debt service and accrued  
30 interest on outstanding State of Alaska general obligation bonds, series 2024A,  
31 estimated to be \$5,504,000, from the general fund for that purpose;

1 (12) the amount necessary for payment of debt service and accrued  
2 interest on outstanding State of Alaska general obligation bonds, series 2024B,  
3 estimated to be \$4,135,837 [\$4,147,000], from the general fund for that purpose;

4 (13) the amount necessary for payment of debt service and accrued  
5 interest on outstanding State of Alaska general obligation bonds, series 2025A,  
6 estimated to be \$2,715,892 [\$3,956,229], from the general fund for that purpose;

7 (14) the amount necessary for payment of trustee fees on outstanding  
8 State of Alaska general obligation bonds, series 2010B, 2013A, 2015B, 2016A,  
9 2016B, 2020A, 2023A, 2024A, 2024B, and 2025A, estimated to be \$7,500, from the  
10 general fund for that purpose;

11 (15) the amount necessary for the purpose of authorizing payment to  
12 the United States Treasury for arbitrage rebate and payment of tax penalties on  
13 outstanding State of Alaska general obligation bonds, estimated to be \$50,000, from  
14 the general fund for that purpose;

15 (16) if the proceeds of state general obligation bonds issued are  
16 temporarily insufficient to cover costs incurred on projects approved for funding with  
17 these proceeds, the amount necessary to prevent this cash deficiency, from the general  
18 fund, contingent on repayment to the general fund as soon as additional state general  
19 obligation bond proceeds have been received by the state; and

20 (17) if the amount necessary for payment of debt service and accrued  
21 interest on outstanding State of Alaska general obligation bonds exceeds the amounts  
22 appropriated in this subsection, the additional amount necessary to pay the obligations,  
23 from the general fund for that purpose.

24 (b) Section 41(k), ch. 10, SLA 2025, is amended to read:

25 (k) The amount necessary for payment of obligations and fees for the Goose  
26 Creek Correctional Center, estimated to be \$14,894,358 [\$16,170,163], is appropriated  
27 from the general fund to the Department of Administration for that purpose for the  
28 fiscal year ending June 30, 2026.

29 \* **Sec. 15. FUND CAPITALIZATION.** (a) Section 43(v), ch. 10, SLA 2025, is amended to  
30 read:

31 (v) The sum of \$52,982,700 [\$50,482,700] is appropriated to the fire

1 suppression fund (AS 41.15.210) for fire suppression activities from the following  
2 sources:

3 (1) **\$5,000,000** [\$3,000,000] from statutory designated program  
4 receipts; [AND]

5 (2) \$47,482,700 from the general fund; **and**

6 **(3) \$500,000 from interagency receipts.**

7 (b) The sum of \$40,000,000 is appropriated from the general fund to the disaster relief  
8 fund (AS 26.23.300(a)).

9 (c) The sum of \$35,000,000 is appropriated from the general fund to the disaster relief  
10 fund (AS 26.23.300(a)).

11 (d) The sum of \$98,715,900 is appropriated from the general fund to the fire  
12 suppression fund (AS 41.15.210) for fire suppression activities.

13 \* **Sec. 16. FUND TRANSFER.** An amount equal to the amount appropriated from the  
14 Alaska higher education investment fund (AS 37.14.750) in sec. 49(b), ch. 10, SLA 2025,  
15 estimated to be \$129,598,900, is appropriated from the general fund to the Alaska higher  
16 education investment fund (AS 37.14.750).

17 \* **Sec. 17. DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC**  
18 **DEVELOPMENT: CAPITAL.** The amount received from the United States Department of  
19 Housing and Urban Development for community development block grant disaster recovery  
20 programs during the fiscal years ending June 30, 2026, and June 30, 2027, is appropriated to  
21 the Department of Commerce, Community, and Economic Development for disaster recovery  
22 programs.

23 \* **Sec. 18. DEPARTMENT OF CORRECTIONS: CAPITAL.** The unexpended and  
24 unobligated balance, not to exceed \$3,033,189, of the appropriation made in sec. 14, ch. 11,  
25 SLA 2022, page 122, lines 30 - 31 (Department of Corrections, Hiland Mountain intake  
26 administration project - \$3,200,000), is reappropriated to the Department of Corrections to  
27 upgrade and replace outdated handheld radio systems and associated communications  
28 equipment.

29 \* **Sec. 19. DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS: CAPITAL.** The  
30 unexpended and unobligated general fund balance, not to exceed \$130,000, of the  
31 appropriation made in sec. 14, ch. 11, SLA 2022, page 125, lines 21 - 23 (Department of

1 Military and Veterans' Affairs, Alaska Military Youth Academy (AMYA) construction,  
2 contingency, and planning - \$750,000), is reappropriated to the Department of Military and  
3 Veterans' Affairs to provide matching funds for the state and local cybersecurity grant  
4 program.

5 \* **Sec. 20.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES:  
6 CAPITAL. (a) The unexpended and unobligated balance on June 30, 2026, of the Alaska  
7 capital income fund (AS 37.05.565) is appropriated to the Department of Transportation and  
8 Public Facilities for statewide critical deferred maintenance, renovation, and repair.

9 (b) The unexpended and unobligated general fund balances, estimated to be a total of  
10 \$5,022,658, of the following appropriations are reappropriated to the Department of  
11 Transportation and Public Facilities for responding to emergency weather, catastrophic  
12 events, and unforeseen critical maintenance needs:

13 (1) sec. 1, ch. 82, SLA 2006, page 86, lines 15 - 17 (Department of  
14 Transportation and Public Facilities, international intermodal connectivity project -  
15 \$5,000,000), estimated balance of \$478,949;

16 (2) sec. 4, ch. 30, SLA 2007, page 104, lines 19 - 21 (Department of  
17 Transportation and Public Facilities, MSCVE weigh station maintenance and repair -  
18 \$300,000), estimated balance of \$8,426;

19 (3) sec. 10, ch. 29, SLA 2008, page 79, lines 8 - 10 (Department of  
20 Transportation and Public Facilities, University Avenue widening and rehabilitation -  
21 \$5,000,000), estimated balance of \$1,367,389;

22 (4) sec. 10, ch. 29, SLA 2008, page 79, lines 27 - 28, and allocated on page  
23 80, lines 6 - 8 (Department of Transportation and Public Facilities, facilities deferred  
24 maintenance, oil/water separators and fuel tank replacement - \$1,431,000), estimated balance  
25 of \$40,254;

26 (5) sec. 10, ch. 29, SLA 2008, page 79, lines 27 - 28, and allocated on page  
27 80, lines 9 - 10 (Department of Transportation and Public Facilities, facilities deferred  
28 maintenance, roof repair and replacement - \$3,952,000), estimated balance of \$2,905;

29 (6) sec. 1, ch. 15, SLA 2009, page 21, lines 24 - 26 (Department of  
30 Transportation and Public Facilities, Americans with Disabilities Act compliance projects -  
31 \$238,000), estimated balance of \$11,136;

1 (7) sec. 7, ch. 43, SLA 2010, page 37, line 11, and allocated on page 37, lines  
2 12 - 14 (Department of Transportation and Public Facilities, highways and facilities,  
3 Americans with Disabilities Act compliance projects - \$500,000), estimated balance of \$363;

4 (8) sec. 7, ch. 43, SLA 2010, page 37, line 11, and allocated on page 37, lines  
5 18 - 20 (Department of Transportation and Public Facilities, highways and facilities, highway  
6 safety corridors near-term improvements - \$5,000,000), estimated balance of \$854,555;

7 (9) sec. 1, ch. 5, FSSLA 2011, page 100, lines 15 - 18 (Department of  
8 Transportation and Public Facilities, infrastructure and erosion control design and  
9 environmental permitting - \$300,000), estimated balance of \$138,442;

10 (10) sec. 1, ch. 5, FSSLA 2011, page 101, lines 7 - 10 (Department of  
11 Transportation and Public Facilities, statewide, rural airport emergency medical evacuation  
12 lights battery replacement - \$46,000), estimated balance of \$21,695;

13 (11) sec. 13, ch. 5, FSSLA 2011, page 155, line 13, and allocated on page 155,  
14 lines 16 - 17 (Department of Transportation and Public Facilities, emergency projects, Hyder,  
15 Salmon River levee rehabilitation - \$472,000), estimated balance of \$7,732;

16 (12) sec. 1, ch. 17, SLA 2012, page 133, lines 13 - 15 (Department of  
17 Transportation and Public Facilities, O'Malley trail and sidewalk northside improvements -  
18 \$1,000,000), estimated balance of \$14,874;

19 (13) sec. 1, ch. 17, SLA 2012, page 133, line 28, and allocated on page 134,  
20 lines 3 - 4 (Department of Transportation and Public Facilities, roads to resources, resource  
21 roads program - \$2,000,000), estimated balance of \$37,851;

22 (14) sec. 1, ch. 17, SLA 2012, page 134, line 22, and allocated on page 135,  
23 lines 17 - 19 (Department of Transportation and Public Facilities, safety, statewide, structural  
24 inspection of state owned facilities - \$300,000), estimated balance of \$105,153;

25 (15) sec. 35(c)(1), ch. 18, SLA 2014 (Department of Transportation and  
26 Public Facilities, Big Lake Road pedestrian improvements study - \$250,000), estimated  
27 balance of \$42,601;

28 (16) sec. 35(c)(2), ch. 18, SLA 2014 (Department of Transportation and  
29 Public Facilities, Central Region rural airport sanitation facilities - \$500,000), estimated  
30 balance of \$500,000;

31 (17) sec. 16(d), ch. 38, SLA 2015 (Department of Transportation and Public

1 Facilities, replacement of the Kalsin Bay maintenance station), estimated balance of  
2 \$326,941;

3 (18) sec. 1, ch. 1, TSSLA 2017, page 8, lines 16 - 19 (Department of  
4 Transportation and Public Facilities, municipal harbor facility grant fund (AS 29.60.800),  
5 municipal harbor facility grant fund projects - \$5,000,000), estimated balance of \$225,793;

6 (19) sec. 21(j)(2), ch. 1, TSSLA 2017 (Department of Transportation and  
7 Public Facilities, federal-aid highway match), estimated balance of \$275,667;

8 (20) sec. 1, ch. 19, SLA 2018, page 10, lines 14 - 15 (Department of  
9 Transportation and Public Facilities, public and community transportation state match -  
10 \$500,000), estimated balance of \$62,157;

11 (21) sec. 8, ch. 1, SSSLA 2021, page 79, lines 27 - 28 (Department of  
12 Transportation and Public Facilities, municipal harbor facility grant fund - \$6,729,988),  
13 estimated balance of \$275,517;

14 (22) sec. 43(c), ch. 11, SLA 2022 (Department of Transportation and Public  
15 Facilities, repairing the Eagle River Road bike path), estimated balance of \$112,986;

16 (23) sec. 41(a)(3), ch. 1, FSSLA 2023 (Department of Transportation and  
17 Public Facilities, unforeseen critical maintenance needs and responding to emergency weather  
18 conditions and catastrophic events), estimated balance of \$26,321; and

19 (24) sec. 41(a)(7), ch. 1, FSSLA 2023 (Department of Transportation and  
20 Public Facilities, unforeseen critical maintenance needs and responding to emergency weather  
21 conditions and catastrophic events), estimated balance of \$84,951.

22 \* **Sec. 21. CONSTITUTIONAL BUDGET RESERVE FUND.** (a) If the unrestricted state  
23 revenue available for appropriation in fiscal year 2026 is insufficient to cover the general fund  
24 appropriations that take effect in fiscal year 2026 that are made in this Act, as passed by the  
25 Thirty-Fourth Alaska State Legislature in the Second Regular Session and enacted into law,  
26 and the general fund appropriations that take effect in fiscal year 2026 that are made in ch. 10,  
27 SLA 2025, ch. 11, SLA 2025, and ch. 12, SLA 2025, the amount necessary to balance  
28 revenue and general fund appropriations that take effect in fiscal year 2026 that are made in  
29 this Act, as passed by the Thirty-Fourth Alaska State Legislature in the Second Regular  
30 Session and enacted into law, and the general fund appropriations that take effect in fiscal  
31 year 2026 that are made in ch. 10, SLA 2025, ch. 11, SLA 2025, and ch. 12, SLA 2025, plus

1 an additional \$30,000,000, is appropriated to the general fund from the budget reserve fund  
2 (art. IX, sec. 17, Constitution of the State of Alaska).

3 (b) The appropriations made from the budget reserve fund (art. IX, sec. 17,  
4 Constitution of the State of Alaska) in (a) of this section are made under art. IX, sec. 17(c),  
5 Constitution of the State of Alaska.

6 \* **Sec. 22.** LAPSE OF APPROPRIATIONS. (a) The appropriations made in secs. 4 and 17 -  
7 20 of this Act are for capital projects and lapse under AS 37.25.020.

8 (b) The appropriations made in secs. 15(b) - (d) and 16 of this Act are for the  
9 capitalization of funds and do not lapse.

10 \* **Sec. 23.** RETROACTIVITY. (a) Sections 1 - 8, 9(a) - (c) and (e), 10 - 17, 20(a), 21, 22,  
11 and 24 of this Act are retroactive to March 1, 2026.

12 (b) Sections 9(d), 18, 19, and 20(b) of this Act are retroactive to June 30, 2026.

13 \* **Sec. 24.** CONTINGENCY. The appropriation made in sec. 15(c) of this Act is contingent  
14 on the state's match rate as of June 30, 2026, remaining at 25 percent of the state's costs for  
15 disaster relief under the Federal Emergency Management Agency's major disaster declaration  
16 for the state because of Typhoon Halong (FEMA-4893-DR).

17 \* **Sec. 25.** Sections 9(d), 18, 19, and 20(b) of this Act take effect June 30, 2026.

18 \* **Sec. 26.** Except as provided in sec. 25 of this Act, this Act takes effect immediately under  
19 AS 01.10.070(c).