

HB263: Operating Bill- Summary of Changes between HCS2 and HCS3

(page and line reference to redline document)

Numbers Section Changes

Page(pg.): Line(ln.)	HCS3 Section	Appropriation	Amount	Description
pg.3:ln.5	1-3	DOA- Personnel	\$1,000.0 UGF	IncOTI for geographic differential pay study. Statute requires every five years. Has not been an appropriation since 2008.
pg.4:ln.30-31	1-3	DCCED- Community and Regional Affairs	\$9.4 ArcticWG	POMV draw from Alaska Arctic Winter Games Trust Fund for the Alaska Arctic Winter Games. Moved from language to numbers section.
pg.5:ln.11-12	1-3	DCCED- Corporations, Business, and Professional Licensing	(\$2,100.0) UGF \$2,100.0 Rcpt Svcs	For licensing fees related to professional license investigators. Subcommittee adopted half of Gov request. This would reject the full Gov request and restore the budget to status quo.
pg.8:ln.3- pg.9:ln.12	1-3	DOC- Various	\$8,568.0 UGF \$48.1 GF/Prgm \$215.7 Fed Rcpts	Governor's 3/13 amendments for Alaska Correctional Officers Association cost of living adjustments.
pg.9:ln.21-29	1-3	DOC- Population Management /Regional and Community Jails	N/A	Intent language from DOC subcommittee narrative.
pg.11:ln.13	1-3	DEED- Teacher Certification	(\$490.0) UGF	For "Highest Priority Teacher Recruitment: Mentorship, Apprenticeship Coordinator, and ACSA Contract." Moved from DEED to DLWD per ACSA request.
pg.14:ln.8-14	1-3	DFCS	N/A	Reduces cross-appropriations transfer limit from \$7,500.0 to \$5,000.0. No transfers out of Office of Children's Services. Require report to Finance committees.
pg.14:ln.17	1-3	DFCS- APH Payment Assistance	\$5,300.0 UGF	Governor's 3/13 amendment. Payment Assistance increase to align with resident needs at Alaska Pioneer Homes.

pg.14:ln.21	1-3	DFCS- Pioneer Homes	\$4,000.0 Stat Desig	For prescription drug program. Moved from language to numbers section.
pg.14:ln.33- pg.16:ln.20	1-3	DFCS- Children's Services	N/A	Intent language clean-up.
pg.21:ln.17-19	1-3	DOH	N/A	Intent language requiring report to Finance committees for cross-appropriation transfers.
pg.22:ln.21	1-3	DOH- Child Care Benefits	\$7,500.0 UGF	Inc for child care workforce recruitment and retention.
pg.24:ln.10	1-3	DOH- Senior Benefits Payment Program	\$1,381.9 UGF	Governor's 3/13 amendment. Fully funds Senior Benefits Payment Program.
pg.25:ln.3	1-3	DOH- Medicaid Services	\$5,125.5 UGF \$6,143.6 Fed Rcpts	Implementation of half of the Guidehouse recommendations for Direct Support Professional rate increases.
pg.25:ln.16	1-3	DLWD- Commissioner's Office	\$218.7 I/A Rcpts	Restores 1 PFT Special Assistant 2 position that is currently filled.
pg.25:ln.20-21	1-3	DLWD- Office of Citizenship Assistance	(\$478.9) STEP \$478.9 UGF	Usage of STEP funds is more appropriate in AVTEC. A corresponding fund swap is in AVTEC.
pg.26:ln.27	1-3	DLWD- Workforce Services	\$490.0 UGF	For "Highest Priority Teacher Recruitment: Mentorship, Apprenticeship Coordinator, and ACSA Contract." Moved from DEED to DLWD per ACSA request.
pg.27:ln.6	1-3	DLWD- Client Services	\$168.6 UGF \$448.5 Fed Rcpts	Governor's 3/13 amendment. For vocational rehabilitation job reclassification.
pg.27:ln.10-11	1-3	DLWD- Alaska Vocational Technical Center	(\$478.9) UGF \$478.9 STEP	Replaces UGF with STEP funds equal to the amount previously appropriated to OCA in the DLWD subcommittee.
pg.27:ln.21-31	1-3	DOL Criminal Division- Various	\$2,000.0 UGF	Governor's 3/13 amendments. Funds to address increased case costs throughout agency.
pg.31:ln.17	1-3	DNR- Agriculture	(1.3) Fed Rcpts (14.3) UGF (10.1) GF/Prgm	Technical correction to erroneous transfer in subcommittee.
pg.36:ln.13	1-3	DOR- Alaska Sustainable Energy Corporation	\$54.2 UGF Inc	Restores remaining six months of funding for Alaska Sustainable Energy Corporation ("green bank") position.

pg.40:ln.4-5	1-3	DOT- Northern Region Highways and Aviation	(\$2,111.3) VehRntlTax \$2,111.3 UGF	Vehicle Rental Tax was overappropriated by this amount in DNR subcommittee. This fund swap keeps the VehRntlTax appropriation for recreational cabins and replaces overappropriation of the fund source in DOT with UGF.
pg.41:ln.9-10	1-3	UA- Budget Reductions/ Additions- Systemwide	(\$2,884.9) UGF \$2,884.9 Univ Rcpt	Changes non-union salary appropriation to match the Board of Regents request.
pg.41:ln.9-10	1-3	UA- Budget Reductions/ Additions- Systemwide	\$12.8 UGF \$0.6 Univ Rcpt \$49.6 Stat Desig	Governor's 3/13 amendment. Salary adjustment for Fairbanks Firefighter Union Local 1324 Compensation Increase.
pg.41:ln.9-10	1-3	UA- Budget Reductions/ Additions- Systemwide	\$747.3 UGF \$169.4 Univ Rcpt \$10.1 Stat Desig \$10.4 Fed Rcpts	Governor's 3/13 amendment. Salary adjustment for Alaska Higher Education Crafts and Trades Local 6070 Compensation Increase.
pg.44:ln.23	1-3	Leg- Security Services	\$15.0 Stat Desig	NCSL security grant authority.

Language Section Changes

Page(pg.): Line(ln.)	HCS3 Section	Appropriation	Amount	Description
pg.58:ln.5	5	Alaska Court System	N/A	Removes "estimated to be \$0."
pg.59:ln.8-22	7(a) & (b)	Alaska Industrial Development Export Authority	(\$10,000.0) UGF	Governor proposed a 25% AIDEA dividend distribution to Gen Fund. This appropriates an additional \$10,000.0 (40.06% total).
pg.59:ln.23- pg.60:ln.1	7(c)	Alaska Industrial Development Export Authority	N/A	Adds language appropriating AIDEA earnings back to AIDEA. Mirrors language from Section 24(b) of HB 53 Enrolled.
pg.60:ln.15-18	8(e)	Alaska Permanent Fund	\$1,491,000.0 ERA	Inflation-proofing language matching Governor's proposal.
pg.60:ln.19-26	8(f) & (g)	Alaska Permanent Fund	N/A	Adds new subsections highlighting investment managements costs for transparency. Mirrors language

				from Section 25 (g) and (h) from HB 53 with updated estimates.
pg.60:ln.27- pg.62:ln.6	9(a)-(c)	Alaska Technical and Vocational Education Program	N/A	Adds “After the appropriations made in Section 1...” and technical corrections to prevent overappropriation of TVEP.
pg.62:ln.7-9	9(d)	Alaska Technical and Vocational Education Program	N/A	Transfers lapsing balance of this appropriation, if any, to Unemployment Trust Fund
pg.62:ln.10-29	10	Bonuses for Certain Employees of the Executive Branch	N/A	Related to implementing bonuses and monetary terms from letters of agreement. Matches HB 53 Enrolled.
pg.63:ln.11-16	11(d)	Administration	N/A	Increases Group Health Life estimate to \$26,300.0 for transparency, based on DOA’s estimate of usage.
pg.63:ln.27-30	10(g)	Administration	N/A	Limits actuarial requests to Finance committees only. Matches Sec. 28(g) in HB 53 Enrolled.
pg.65:ln.15-23	12(i)	Commerce, Community, and Economic Development	\$7.4 UGF	Appropriates amount from NRA license plates, estimated to be, to SCTP. Matches Sec. 29(i) from HB 53 Enrolled.
pg.65:ln.15-23	12(i)	Commerce, Community, and Economic Development	N/A	Deletes Arctic Winter Games Section POMV appropriation from language. Corresponding item in numbers.
pg.65:ln.24-27	12(j)	Commerce, Community, and Economic Development	\$10,000.0 UGF	Direct transfer for community assistance payments. Brings the total community assistance distribution in FY27 to \$30,000.0. See Fund Cap item below.
pg.66:ln.14-19	13(d)	Education and Early Development	N/A	Modifies Arts License Plates subsection to include council’s duties.
pg.66:ln.20-27	13(e)	Education and Early Development	\$158,599.8 UGF	One-time education funding, contingent on failure of BSA bill
pg.66:ln.20-27	13(e)	Family and Community Services	N/A	Deletes Pioneer Home stat desig. Corresponding item in numbers section.
pg.67:ln.4-7	15(b)	Health	\$272,174.9 Fed Rcpts	Adds rural health transformation appropriation from Gov Amend 2/18.

				Matches language in Version H of HB 289 (supplemental).
pg.68:ln.2-29	16(e)-(i)	Labor and Workforce Development	N/A	Adds language appropriating amount necessary UGF if not enough STEP funds to cover appropriations in operating budget. Also directs any lapsing funds to unemployment trust fund.
pg.69:ln.30- pg.70:ln.2	19	Revenue	N/A	Restores Gov language to pay the amount necessary for externally managed investment profit sharing fees.
pg.70:ln.3-12	20(a)	Transportation and Public Facilities	\$3,500.0 UGF	AMHS salaries are currently underfunded by \$3.5 million. This item fully pays for AMHS salary adjustments.
pg.70:ln.13-18	20(b)	Transportation and Public Facilities	NTE \$49,500.0 UGF	Backstop language for AMHS if FY27 federal grant funding is less than amount in appropriated in subsection (a). Based on average federal grant the past three years.
pg.73:ln.29- pg.74:ln.6	23 (g)(11) & (12)	Debt Service	N/A	Restores airport arbitrage language removed in HCS1.
pg.75:ln.11-17	23(l)	Debt Service	\$10,301.6 UGF	Restores school bond debt appropriation to 100% statutory level. \$100.0 fund swap technical correction between School Fnd and Gen Fund. Matches Governor's amended request.
pg.76:ln.9-13	24(e)	Federal and Other Program Receipts	N/A	Adds language restricting revised program legislative authority around Alaska Gasline Development Corporation. Matches Sec. 42(3) of HB 53 Enrolled.
pg.76:ln.26-27	25(c)	Fund Capitalization	\$25,755.2 UGF	Increases disaster relief deposit to \$38,800.0 to match five-year average when accounting for FY26 costs.
pg.77:ln.7-15	25(g)(1) & (2)	Fund Capitalization	(\$848.8) Pub School \$848.8 UGF	Technical correction to state aid calculation to avoid over-appropriation of Public School Trust Fund. Decrements \$848.8 from Public School Trust Fund

				and adds same amount from Gen Fund.
pg.77:ln.19-21	25(i)	Fund Capitalization	\$4,900.7 UGF	Restores regional educational attendance area deposit to 100% statutory level. Matches Gov proposal.
pg.79:ln.6-10	25(s)(1) & (2)	Fund Capitalization	(\$1,655.8) PCE Endow \$1,655.8 UGF	Makes technical correction to PCE deposit to community assistance to account for investment management fees and replaces amount with UGF. Maintains \$20,000.0 community assistance deposit. Together with \$10,000.0 direct distribution, total FY27 distribution is \$30,000.0.
pg.79:ln.17-18	25(u)	Fund Capitalization	\$13,117.3 UGF	Increases fire suppression deposit to \$60,600.0 to match five-year average.
pg.81:ln.8-9	26(k)	Fund Transfers	\$5,265.9 UGF	Deposit into the renewable energy fund a sufficient amount to pay for top three projects. The appropriation out of the fund would be in the capital budget.
pg.81:ln.10-12	26(l)	Fund Transfers	\$425.0 UGF	Diverts WWAMI medical education program loan repayments from general fund to Alaska higher education investment fund. This is consistent with the fund source of the WWAMI program. The effect is an increase of equal amount from Gen Fund.
pg.81:ln.13-30	26(m) & (n)	Fund Transfers	N/A	Restores FY26 oil and hazardous substance release prevention and response fund surcharge deposit from Gov proposal.
pg.81:ln.31- pg.82:ln.17	26(o) & (p)	Fund Transfers	N/A	Adds FY27 oil and hazardous substance release prevention and response fund surcharge deposit mirroring FY26 language.
pg.82:ln.18-20	26(q)	Fund Transfers	(\$10,000.0) UGF	Transfers \$10,000.0 from oil and hazardous substance release prevention and response fund to the general fund.

pg.83:ln.2-23	28(a)	Salary and Benefit Adjustments	N/A	Adds reference to AMHS and salary adjustments.
pg.83:ln.2- pg.84:ln.2	28(a) & (b)	Salary and Benefits Adjustments	N/A	Adds Alaska Correctional Officers Association, Alaska Higher Education Crafts and Trades Employees (Local 6070), and Fairbanks Fighters Union (IAFF Local 1324).
pg.86:ln.18-22	31	Statutory Budget Reserve Fund	\$50,000.0 UGF	Appropriation to the SBR.
pg.86:ln.26- pg.87:ln.2	32	Retroactivity	N/A	Adds retroactivity language on all effective dates.
pg.87:ln.3-15	34(a) & (b)	Contingencies	N/A	Adds contingency language referencing section on bonuses for certain employees of the executive branch and section on one-time education funding.