

AMENDMENT #1

OFFERED IN THE HOUSE

BY REPRESENTATIVE Schrage

TO: HCS CSSB 214(FIN), Draft Version "W"

1 Page 43, following line 5:

2 Insert a new bill section to read:

3 **\*\* Sec. 20.** DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT. The sum  
4 of \$2,000,000 is appropriated from the general fund to the Department of Labor and  
5 Workforce Development for information technology improvements necessary to support the  
6 creation of a paid parental leave program."  
7

7

8 Renumber the following bill sections accordingly.

9

10 Page 43, following line 14:

11 Insert a new bill section to read:

12 **\*\* Sec. 22.** DEPARTMENT OF REVENUE. (a) The sum of \$250,000 is appropriated from  
13 the general fund to the Department of Revenue for necessary updates to the department's tax  
14 revenue management system and associated information technology modifications related to  
15 the implementation of a state sales tax on electronic smoking products.

16 (b) The sum of \$500,000 is appropriated from the general fund to the Department of  
17 Revenue for necessary updates to the department's tax revenue management system and  
18 associated information technology modifications related to the implementation of tax law  
19 changes other than a sales tax on electronic smoking products."  
20

20

21 Renumber the following bill sections accordingly.

22

23 Page 45, line 8:

1 Delete "20, 21, 22(a), and 23(b)"

2 Insert "20 - 23, 24(a), and 25(b)"

3

4 Page 45, line 12:

5 Delete "27"

6 Insert "29"

7

8 Page 45, line 15:

9 Delete "22 - 24"

10 Insert "24 - 26"

11

12 Page 45, line 17:

13 Delete "20, 21, and 25"

14 Insert "20 - 23, and 27"

15

16 Page 45, line 19:

17 Delete "CONTINGENCY"

18 Insert "CONTINGENCIES"

19

20 Page 45, following line 21:

21 Insert new subsections to read:

22 "(b) The appropriation made in sec. 20 of this Act is contingent on passage by the  
23 Thirty-Fourth Alaska State Legislature and enactment into law of a version of House Bill 193  
24 or a substantially similar bill creating a paid parental leave program.

25 (c) The appropriation made in sec. 22(a) of this Act is contingent on passage by the  
26 Thirty-Fourth Alaska State Legislature and enactment into law of a version of Senate Bill 24  
27 or a substantially similar bill relating to a state sales tax on electronic smoking products.

28 (d) The appropriation made in sec. 22(b) of this Act is contingent on passage by the  
29 Thirty-Fourth Alaska State Legislature and enactment into law of a bill that requires the  
30 Department of Revenue to modify the department's tax revenue management system to  
31 implement tax law changes other than a state sales tax on electronic smoking products."

1

2 Reletter the following subsection accordingly.

3

4 Page 45, line 26:

5 Delete "26, and 27"

6 Insert "28, and 29"

7

8 Page 45, line 28:

9 Delete "22 - 24"

10 Insert "24 - 26"

11

12 Page 45, line 30:

13 Delete "secs. 28 - 30"

14 Insert "secs. 30 - 32"

**2026 SESSION CAPITAL AMENDMENT PROPOSAL**

#2

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Allard

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community, and Economic Development

**PROGRAM:** Grants to Municipalities (AS 37.05.315)

**NEW PROJECT TITLE:** Anchorage- Purchase and Establish Eagle River Cemetery

**ADD:** \$850.0 UGF (1004)

**EXPLANATION:**

Purchase land to operate as a cemetery in Eagle River. Land is already approved for sale. The Anchorage Memorial Park Cemetery no longer has any available burial plots. Due to a lack of cemetery space, residents of the municipality are being forced to bury their loved ones in Palmer. This is a serious and pressing need for the municipality of Anchorage.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL**

#3

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Rep Moore

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community and Economic Development

**PROGRAM:** Grants to Named Recipients (AS 37.05.316) Alaska Addiction Rehabilitation Services

**EXISTING PROJECT TITLE:** Alaska Addiction Rehabilitation Services, Inc – Phase III  
Expansion Project: Gym and Recreation Center

**ADD:** \$1,000.00 (UGF)

**EXPLANATION:**

Alaska Addiction Rehabilitation Services, Inc. (AARS) is in the process of adding a 14,124-square-foot gymnasium and community center to the existing campus. This will provide clients with access to exercise and recreation as part of their recovery process. This will also serve as a hub for large AA (Alcoholics Anonymous) and NA (Narcotics Anonymous) meeting and recovery-oriented events.

Phase III (Construction) encompasses contracting for complete construction of the facility expansion and associated site improvements designed in Phase I. The expansion comprises one distinct addition connecting to the existing structure: a 14,000 square-foot addition of a gymnasium and community center, addressing the gap in AARS' ability to offer year-round opportunities for structured physical activity, peer support, and large-scale recovery gatherings, particularly during Alaska's long, isolating winters. The Phase III scope will include required permitting and inspection services, which were not included in the construction contract. Additionally, this scope will include artwork for the project along with furnishings, fixtures, and equipment as required for a complete and fully functional facility.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL**

#4

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Rep Moore

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community and Economic Development

**PROGRAM:** Grants to Named Recipients (AS 37.05.316) Denali Family Services

**EXISTING PROJECT TITLE:** Denali Family Services – Wonderland Project

**ADD:** \$1,400.00 (UGF)

**EXPLANATION:**

The Wonderland Project is a youth centered behavioral health facility in the MatSu Valley that will expand Denali Family Services' capacity to deliver trauma informed, culturally responsive care to Alaska youth. This capital investment will strengthen in state services for foster involved and at-risk youth, reducing reliance on higher cost interventions while promoting stability, healing, and long-term wellbeing.

Denali Family Services (DFS) is developing a new 19,600-square-foot behavioral health and youth services facility in the heart of the Mat-Su Valley. Known as the Wonderland Project, this two-story, trauma-informed facility will house programs and services specifically designed for children and adolescents experiencing emotional and behavioral challenges, many of whom are involved in Alaska's foster care and child welfare systems.

Alaska continues to face a youth behavioral health crisis, particularly for transition-age youth navigating mental illness, foster care placements, and educational instability. The Mat-Su Borough is one of the fastest-growing regions in the state, yet access to age-appropriate, trauma-informed mental health facilities is severely limited. Many youth are currently served in a rented, makeshift, retrofitted space not designed for growth, contributing to lower retention and higher disengagement from care. The Wonderland facility will serve more than 150 youth annually.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL** #5

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Rep Moore

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Judiciary

**PROGRAM:**

**EXISTING PROJECT TITLE:** Palmer Courthouse Expansion

**ADD:** \$22,223.90 (UGF)

**EXPLANATION:**

The Palmer Courthouse serves the region with ten judicial officers using eight courtrooms. All courtrooms are in use throughout the day. This court has had the highest number of superior court filings per superior court judge in the state for the last five years. In FY2025, Palmer superior court judges averaged 683 case filings, 50% more than the statewide average. The population in the area served by the Palmer Courthouse has increased by 50% since 2006. Population projections forecast an additional 15% population growth in the area by 2035. The Palmer Courthouse is in need of expansion to accommodate the growing caseload and population. The Alaska Court System received funding to complete the conceptual design in FY2023 and received a total of \$7.2 million in FY2025 for full design work, site work, permitting, and utility infrastructure.

The FY2027 request is for the second phase of the project to expand the Palmer Courthouse to include space for three new courtrooms. Funds received in FY2025 are being used to repurpose newly leased basement space and to design and construct the first courtroom within the existing facility footprint. The phase two funding will be used to expand the courthouse footprint, build two additional courtrooms, and add new judicial chambers as well as space for associated support staff. Finally, the request includes the ability to build out a shell space above the new courtrooms for future growth. The current

request for expansion will maximize all available land and any need to expand in the future will require building a second floor. Per the designers, building a shell space now and planning for the future growth is a cost-effective solution that would only require build-out of the space as the need arises. The final phase of the required funding will be requested in FY2028.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL #6**

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representatives Tomaszewski, Allard, Stapp

**FISCAL YEAR:** FY2027

**DEPARTMENT:** House Finance Committee

**PROGRAM:** *Grants to Municipalities (AS 37.05.315)*

**EXISTING PROJECT TITLE:** Fairbanks North Star Borough – Arctic Winter Games  
Planning and Support (HD 31-35)

**ADD:** 3,000 UGF

**EXPLANATION:** The 500,000 UGF added in HCS1 still falls \$3 million short of the requested funding from the Arctic Winter Games Host Society to make the 2028 games in Fairbanks possible. This amendment adds the \$3 million delta of missing funds.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL** #7

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Jeremy Bynum

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Budget-wide

**PROGRAM:** Budget-wide

**EXISTING PROJECT TITLE:** Budget-wide

**DELETE/ADD:** Delete all references to Fund Source 1102 - Alaska Industrial Development & Export Authority Receipts in the bill and replace with Fund Source 1140 - Alaska Industrial Development and Export Authority Dividend.

**EXPLANATION:**

This amendment replaces funding sources within the Capital Budget related to AIDEA from AIDEA Receipts to the AIDEA Dividend to align with statute, precedent, and the intent outlined by the Senate Co-Chair's office when the budget was being presented.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL** #8

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representatives Stapp, Moore, Bynum, Tomaszewski, Allard

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Transportation & Public Facilities

**PROGRAM:** Surface Transportation Program

**NEW PROJECT TITLE:** West Susitna Access Road [Stage 2] (HD 25-30)

**ADD:** \$94,973.0 (Federal Receipts 1002)

**EXPLANATION:** Add federal receipt authority back into the capital budget for the West Susitna Access Road.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL #9**

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Stapp

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community & Economic Development

**PROGRAM:** *Grants to Municipalities (AS 37.05.316)*

**RECIPIENT:** Galena City School District

**NEW PROJECT TITLE:** Sidney C Huntington Elementary and High Schools Renovation

**ADD:** \$12,800.0 Unrestricted General Fund (1004)

**EXPLANATION:** This amendment provides \$12,800,000 in Unrestricted General Funds to the Galena City School District for critical renovations to Sidney C. Huntington Elementary and High Schools. The district's request is focused exclusively on life-safety, ADA compliance, and preservation of a safe and functional learning environment.

The high school facility, approximately 50 years old, is experiencing widespread structural and systems failure due to aging infrastructure that has reached the end of its useful life. These failures are not the result of deferred maintenance, but rather systemic deterioration. Ongoing issues include water intrusion, mold, core structural degradation, and unsafe conditions that directly impact student safety, staff well-being, and instructional delivery. Portions of the facility are no longer safe for use, and conditions continue to worsen.

The project addresses essential system failures, including roof replacement to prevent structural collapse, foundation repairs due to widespread piling failure, replacement of failing plumbing systems causing sewage backups, repair of compromised egress systems that pose life-safety risks, and upgrades to interior partitions, restrooms, and fire suppression systems. All proposed work is limited to critical health, safety, and code compliance needs. No enhancements are included.

The estimated total cost to fully address these critical needs is approximately \$17.8 million. While the FY2027 capital budget includes \$5,000,000 for this project, that level of funding is insufficient to resolve the underlying structural and systems failures. Partial funding risks ineffective use of state resources, as unresolved foundational issues will continue to drive deterioration and may render incremental improvements unusable.

Delaying or underfunding this project will result in accelerated deterioration, increased long-term costs, and continued exposure of students and staff to unsafe conditions. This amendment ensures a comprehensive approach to addressing critical infrastructure failures, protects prior state investments, and preserves a key rural education facility serving students across Interior Alaska.

Please see below for additional information regarding our project/request for support (figuring someone could distill the information down to something consumable):  
The District's Major Maintenance request is focused squarely on life/safety needs, preserving a safe, functional learning environment and meeting ADA compliance and severe code deficiencies. The HS facility, approximately 50 years old, is experiencing critical failures in its roof system, foundation, and core infrastructure. These issues are not the result of deferred preventative maintenance, but of aging systems that have reached the end of their useful life. These failures have resulted in significant/on-going water intrusion, mold, core structural degradation, and unsafe conditions for students and staff, directly impacting instruction, student well-being, and overall educational outcomes. More directly stated, the building is tearing itself apart in multiple sections. Delay will significantly increase costs as deterioration accelerates, and additional systems continue to fail. More importantly, continued inaction places students/staff in an environment that does not meet basic safety or accessibility standards. The District's request is limited to essential systems only:

- Re-roof to address
  - (rotting beams, saturated insulation, membrane failure, and snow load reinforcement in order to prevent collapse of significant portion of the High School)
- Repair failed foundation
  - (nearly every piling has failed, and we can repair them now for pennies on the dollar rather than waiting until the entire structure sinks beyond repair and having to re-drill 100s of them in the future)
- Replace failed plumbing
  - (prevent the on-going sewage back-ups into the facility)
- Replace failed egress systems
  - (egresses have separated from the building thereby making them a significant life/safety issue as they will simply fall off once the structure shifts more. We've already had to reduce exits available to the facility as many of these areas are no longer safe).
- Repair interior partitions and restrooms
- Replace sprinkler systems and piping
- All items above are life-safety, ADA compliance, and facility integrity needs—no enhancements included
- Contractor bids will include an estimated 10–20% markup
  - Point being, in Rural, Alaska we will receive far less "bang for our proverbial buck"

Full transparency, if the District were awarded and accepted the \$5 million in funding, it would be an extremely poor utilization of State funding as the District cannot address many of the critical structural/envelope issues thereby rendering other upgrades/improvements useless once the larger system fails.

The estimated cost to address these critical needs is approximately \$17.8 million. Funding significantly below this level will result in partial repairs that fail to resolve underlying structural issues, leading to continued degradation and significantly higher long-term costs.

Again, we did seek to explore new construction, but our approach as a renovation was millions of dollars cheaper for the State, would not hamper children's education for multiple years and would still have given the school another 30-40 years of useful life (a win-win approach for the state and our students).

The District is deeply appreciative of the Senate Finance Committee's support, the State's investment in school facilities, and we are very happy that many other projects across the state were awarded funding as well. Within this notion, there were projects with fewer life-safety and ADA-related concerns that were funded at their full request amounts lower on the list and at higher funding levels than this project. To mirror this, we are hopeful that our request can be reviewed in a similar light and that funding provided can more directly align with the needs of the facility. A comprehensive approach is necessary to fully resolve these life/safety concerns and protect both our students and the State's investment.

Sincerely,

Jason

Jason R. Johnson, Ed.D.

Superintendent

Galena City School District

907-318-6608

**2026 SESSION CAPITAL AMENDMENT PROPOSAL** #10

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Jeremy Bynum

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community, and Economic Development

**PROGRAM:** Alaska Energy Authority

**NEW PROJECT TITLE:** Susitna-Watana Hydroelectric Project Development Funding

**ADD:** \$5,000.00, UGF Waterfall Provision, 1004

**EXPLANATION:**

This amendment includes \$5 million for the Alaska Energy Authority relating to the Susitna-Watana Hydroelectric Project in the waterfall provisions of HCS1 for SB214 that is based on oil prices equal to or greater than \$80 per barrel

The \$5 million appropriation provides funding to the Alaska Energy Authority to support updated analysis and feasibility work related to the proposed Susitna-Watana Hydroelectric Project. The funding would allow the Authority to evaluate the project's current economic, engineering, environmental, permitting, and energy reliability considerations in light of Alaska's evolving energy needs and market conditions. This review should also identify opportunities to maximize federal participation, including potential eligibility for the federal Investment Tax Credit, elective pay, and other federal incentives that could materially reduce the State's long-term project cost and improve overall project feasibility.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL** # 11

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Jeremy Bynum

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community, and Economic Development

**PROGRAM:** Alaska Energy Authority

**NEW PROJECT TITLE:** Susitna-Watana Hydroelectric Project Development Funding

**ADD:** \$5,000.00, UGF, 1004

**EXPLANATION:** This amendment provides funding to the Alaska Energy Authority to support updated analysis and feasibility work related to the proposed Susitna-Watana Hydroelectric Project. The funding would allow the Authority to evaluate the project's current economic, engineering, environmental, permitting, and energy reliability considerations in light of Alaska's evolving energy needs and market conditions. This review should also identify opportunities to maximize federal participation, including potential eligibility for the federal Investment Tax Credit, elective pay, and other federal incentives that could materially reduce the State's long-term project cost and improve overall project feasibility.

**2026 SESSION CAPITAL AMENDMENT PROPOSAL** #12

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Jeremy Bynum

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community, and Economic Development

**PROGRAM:** Harbor Facility Grants Program (AS 29.60.800)

**NEW PROJECT TITLE:** Harbor Facility Grants Program – Tier I & II FY2027 Project Grants

**ADD:** \$18,186.54, UGF Waterfall Provision, 1004

**EXPLANATION:** This amendment would include the projects on the Tier I & II Harbor Facility Grants Program FY2027 List in the waterfall provisions of HCS1 for SB214 that is based on oil prices equal to or greater than \$80 per barrel.

Those six projects are:

- (1) City and Borough of Wrangell: Inner Harbor Replacement  
- \$5,000,000
- (2) City of Kake: Portage Cove Harbor Electrical Upgrades -  
\$420,504
- (3) City of Unalaska: Robert Storrs Small Boat Harbor  
Replacement - \$5,000,000
- (4) Petersburg Borough: South Harbor C Float Finger Float  
Replacement - \$617,000
- (5) Municipality of Anchorage: Ship Creek Boat Launch Repairs  
Project - \$2,149,031
- (6) City of Kodiak: Saint Herman Harbor Moorage Expansion  
Project - \$5,000,000

**2026 SESSION CAPITAL AMENDMENT PROPOSAL #13**

**OFFERED IN:** The House Finance Committee

**TO:** SB214

**OFFERED BY:** Representative Jeremy Bynum

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Commerce, Community, and Economic Development

**PROGRAM:** Harbor Facility Grants Program (AS 29.60.800)

**NEW PROJECT TITLE:** Harbor Facility Grants Program – Tier I & II FY2027 Project Grants

**ADD:** \$18,186.54, UGF, 1004

**EXPLANATION:** Funding for the six projects on the Tier I & II Harbor Facility Grants Program FY2027 List:

- (1) City and Borough of Wrangell: Inner Harbor Replacement - \$5,000,000
- (2) City of Kake: Portage Cove Harbor Electrical Upgrades - \$420,504
- (3) City of Unalaska: Robert Storrs Small Boat Harbor Replacement - \$5,000,000
- (4) Petersburg Borough: South Harbor C Float Finger Float Replacement - \$617,000
- (5) Municipality of Anchorage: Ship Creek Boat Launch Repairs Project - \$2,149,031
- (6) City of Kodiak: Saint Herman Harbor Moorage Expansion Project - \$5,000,000