#1

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: SCS CSHB 81(FIN)

OFFERED BY: Senator Hoffman

Part A – Fund Source Change

DEPARTMENT: Commerce, Community and Economic Development
APPROPRIATION: Qualified Trade Association Contracts
ALLOCATION: Qualified Trade Association Contracts

FUND CHANGE: $381.2 Vehicle Rental Tax (1200)
($381.2) General Fund (1004)

EXPLANATION: Traditionally, appropriation of vehicle rental tax receipts equals the amount of receipts collected in the prior closed fiscal year. This amendment has no impact on funding level or category (tax receipts are classified as GF); its purpose is simply to ensure that all tax receipts are accounted for. This allocation was selected because it contains the largest share of tax receipts.

Part B – Fund Source Change

DEPARTMENT: Corrections
APPROPRIATION: Inmate Health Care

PART 1
ALLOCATION: Behavioral Health Care

FUND CHANGE: $1,130.1 General Fund (1004)
($1,130.1) PFD Criminal Fund (1171)

EXPLANATION: Part 1 of this amendment replaces $1,130.1 of PFD Criminal Funds with general funds in order to eliminate PFD Criminal funds from the Behavioral Health Care allocation and concentrate the PFD Criminal fund source in the Physical Health Care allocation.

PART 2
ALLOCATION: Physical Health Care

FUNDING CHANGE: ($1,388.6) General Fund (1004)
$1,388.6 PFD Criminal Fund (1171)

EXPLANATION: Part 2 of this amendment replaces $1,388.6 of general funds with $1,388.6 PFD Criminal Funds. Of this amount, $258.5 is PFD Criminal Funds made available by removing the fund source from the capital budget. The remaining $1,130.1 reflects a fund change in the Behavioral Health Care Allocation (Part 1) in order to concentrate the fund source in the Physical Health Care allocation.

Part C – Fund Source Change

DEPARTMENT: Fish and Game
APPROPRIATION: Commercial Fisheries
ALLOCATION: Westward Region Fisheries Management

FUND CHANGE: $793.7 Federal Receipts (1002)
($793.7) Capital Improvement Project Receipts (1061)

EXPLANATION: Utilize federal receipts to support the Bering Sea crab research program.

Part D – Fund Source Change

DEPARTMENT: Fish and Game
APPROPRIATION: Wildlife Conservation
ALLOCATION: Wildlife Conservation Special Projects

FUND CHANGE: $930.0 Federal Receipts (1002)
($930.0) Capital Improvement Project Receipts (1061)

EXPLANATION: Utilize federal receipts to support Pinniped Research (steller sea lions, harbor seals, ice seals) program.

Part E – Technical Correction (subcommittee intent)

DEPARTMENT: Health and Social Services
APPROPRIATION: Behavioral Health
ALLOCATION: Behavioral Health Grants

Convert an Increment to a One-time Increment

EXPLANATION: $210,000 of general fund/mental health funding was added by the Senate Finance Subcommittee to combat Alaska's statewide heroin epidemic. When the transaction was adopted by the Subcommittee, it was intended to be a one time increment, however, it was inadvertently adopted as an increment in the Subcommittee close out. This amendment will not change the amount, funding, or purpose, but will simply add $210,000 as a one-time increment to remove the waitlist for these services.

Part F – Technical Correction (subcommittee intent)

DEPARTMENT: Natural Resources

Part 1

APPROPRIATION: Resource Development
ALLOCATION: Oil and Gas Development

ADD: $566,700

FUNDING SOURCE: General Fund (1004)

EXPLANATION: The Governor's Office transferred $391.7 to DNR during FY09, as a one-time item in the FY09 budget. The money was properly removed from the FY2010 budget request. DNR then requested an FY2010 transfer of the deleted funding, and that transaction (erroneously) appears in the bill. This amendment negates the transfer of the funds to the new Gas Pipeline Implementation component.

In addition, the subcommittee considered reducing the Governor's $1,318.1 "workload increase" request by $175.0. Although the subcommittee did not intend to implement the reduction, it appeared in the subcommittee report. Part 1 of this amendment restores funding and position count to the levels requested by the Governor.

Part 2

APPROPRIATION: Resource Development
ALLOCATION: Gas Pipeline Implementation

ADD: $100,000 General Fund (1004)
ADD: Four Permanent Full-Time Positions (PFT)

EXPLANATION: The Governor requested a transfer of $390.0 from the Governor's Office. The subcommittee considered reducing the Governor's request by $100.0. Although the subcommittee did not intend to implement the reduction, it appeared in the subcommittee report. Part 2 of this amendment restores funding to the level intended by the subcommittee. The additional positions are associated with the transfer described in Part 1 of this amendment.

Part 3

APPROPRIATION: Parks and Recreation Management
ALLOCATION: Parks Management

ADD: $55,600 CIP Receipts (1061)
DELETE: $55,600 General Fund (1004)

EXPLANATION: The subcommittee denied the Governor's request for a position associated with the Chilkoot bear viewing area, but did not deny an associated fund source change. Part 3 corrects the funding source for the position; it reduces GF instead of CIP receipts.

Part G – Technical Correction (subcommittee intent)

DEPARTMENT: Transportation and Public Facilities
APPROPRIATION: Marine Highway System
ALLOCATION: Marine Vessel Operations

DELETE: Intent Wordage sec.1, page 41, line 24

It is the intent of the legislature that money allocated for the Marine Transportation Advisory Board not be spent for any other purpose.

EXPLANATION: Intent wordage was adopted in the House but not in the Senate Finance Sub Committee. However, the intent wordage was inadvertently included when preparing the close-out for the Senate Finance Sub Committee.

Part H – Statewide

DEPARTMENT: Statewide

ADD: $2,713,700
FUNDING SOURCE: Multiple fund sources per change records submitted electronically to the Legislative Finance Division

ADD: **to sec. 24(a) in SCS CSHB81(FIN) and sec. 10(a) in SCS CSHB83(FIN), Salary and Benefit Adjustments:**

(--) Public Employees Local 71, for the Labor, Trades, and Crafts Unit
(--) Marine Engineers Beneficial Association

EXPLANATION: The Labor, Trades, and Crafts bargaining unit has reached a tentative agreement with the state for fiscal years FY2010 – FY2012. In FY2010 wages will increase 1.5% and the state's contribution for health insurance will increase from $870.00 to $913 per employee per month.

The Marine Engineers Beneficial Association reached agreement earlier; funding appears in the CS, but the association was omitted from sec 24.

#2

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: SCS CSHB 81(FIN)

OFFERED BY: Senator Hoffman

ADD: New subsections to section 21 (Fund Transfers) to read:

"(v) If the balance of the oil and gas tax credit fund (AS 43.55.028) is insufficient to purchase transferable tax credit certificates issued under AS 43.55.023 and production tax credit certificates issued under AS 43.55.025 that are presented for purchase, the amount by which the tax credit certificates presented for purchase exceeds the balance of the fund is appropriated from the general fund to the oil and gas tax credit fund (AS 43.55.028)."

EXPLANATION: The amount required to purchase tax credit certificates is difficult to predict. This amendment will ensure that the fund has a balance sufficient to purchase all certificates presented, while reducing the build-up of reserves.

"(w) The sum of $450,000,000 is appropriated from the oil and gas tax credit fund (AS 43.55.028) to the general fund." *(Effective date June 30, 2009)*

EXPLANATION: The oil and gas tax credit fund has a balance of more than $550 million. The value of certificates presented for purchase has averaged about $50 million annually. This amendment reduces the balance of the fund to about $100 million, which is expected to be sufficient to purchase all certificates presented during FY09 and FY2010. If the value of certificates presented in FY2010 exceeds expectations, the addition of subsection v ensures that all certificates can be purchased.

#3

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: SCS CSHB 81(FIN)

OFFERED BY: Senator Stedman

DELETE: Subsection 21(t) (Fund Transfers), which appropriates $5 million to the Alaska Marine Highway System Fund

EXPLANATION: The Senate CS appropriates about $11 million more GF to the Alaska Marine Highway System (AMHS) than was appropriated in the House version of the bill. The Senate CS also appropriates about $10 million less from the AMHS fund, allowing the $5 million capitalization of the fund to be eliminated.

Department: Transportation & Public Facilities
Appropriation: Marine Highway System

ADD: Legislative intent reading:

It is the intent of the legislature that the Alaska Marine Highway System fund be segregated into two accounts: the first holding system revenue as described in AS 19.65.060(a)(1) and the second holding capitalization of the fund as described in AS 19.65.060(a)(2) and (3). It is the intent of the legislature that the amount appropriated from the fund in this section applies first to revenue generated by the system and secondarily to the capital portion of the fund. It is the intent of the legislature that the Department of Transportation & Public Facilities make expenditures from the capital portion of the fund (AS 19.65.060(a)(2) and (3)) only after a request to do so has been reviewed by the Legislative Budget and Audit Committee.

#4

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: Senate CS for CSHB 81(FIN)

OFFERED BY: Senator Ellis

DEPARTMENT:	University of Alaska
APPROPRIATION:	University of Alaska Anchorage
ALLOCATION:	Anchorage Campus

ADD:	$1,025,000 General Funds 1004
	($1,025,000) University Receipts 1048

EXPLANATION: This budget already includes $500,000 in General Funds, as does the version passed by the House of Representatives for maintenance and operation. Without the addition of general funds, the Anchorage campus will be forced to cannibalize existing programs to keep from mothballing this significant facility, which would double the available lab space for priority health and science workforce development programs.

#5

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: SCS CSHB 81(FIN)

OFFERED BY: Senator Thomas

DEPARTMENT:	University of Alaska
APPROPRIATION:	Budget Reductions/Additions
ALLOCATION:	System Reductions/Additions
FUND CHANGE:	$1,193,800 General Funds (1004) ($1,193,800) University Receipts (1048)

#6

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: SCS CSHB 81(FIN)

OFFERED BY: Thomas

DEPARTMENT: Fish and Game
APPROPRIATION: Wildlife Conservation
ALLOCATION: Hunter Education Public Shooting Ranges

ADD: $114.1 Fish/Game Fund (code 1024)

EXPLANATION: This amendment restores funding for the department's public shooting ranges to the level in the adjusted base and the Governor's request, $614.1. The shooting ranges receive no General Funds, and operate with money in the Fish and Game Fund from user fees and sale of hunting licenses and tags. The Fish and Game Fund is a dedicated fund, and cannot be used for general government activities.

State law (AS 16.55.010) requires the department to establish a program to assist in the planning, construction, and operation of public shooting ranges. The department ranges are important to hunter education and firearm safety. Federal funds were used to construct them, and the federal government would have to be compensated if the ranges were transferred or closed.

The public shooting ranges charge user fees, and have reduced hours and seasonal closures. Hunting and firearms are a basic part of many Alaskans' lives. $614.1 is the reasonable and necessary amount of funding for these facilities.

#7

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: Senate CS for CSHB 81(FIN)

OFFERED BY: Senator Hoffman

DEPARTMENT:	Department of Education and Early Development
APPROPRIATION:	Teaching and Learning Support
ALLOCATION:	Early Learning Coordination

ADD: $200,000 General Fund (1004)

EXPLANATION: This increment funds Best Beginnings early childhood education efforts by adding $200,000 to support early literacy and the Imagination Library in providing matching grants to local communities to purchase children's books.

#9

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: Senate CS for CSHB 81(FIN)

OFFERED BY: Senator Hoffman

DEPARTMENT:	Health and Social Services
APPROPRIATION:	Office of Children's Services
ALLOCATION:	Office of Children's Management

ADD: $30,000 General Fund (1004)

EXPLANATION: Produce a television and radio Public Service Announcement (PSA), highlighting the need for Alaska foster homes in the state, and urging Alaskans to learn more about becoming a foster parent. The PSAs would air on television and radio via the Alaska Broadcaster's Association's Non-commercial Sustaining Announcement Program (NCSA). Through this "Community Voice" program the PSAs would be placed on 21 television stations and 60 radio stations across the state for approximately a month and a half at two different times during the year. The PSA would also be placed on APRN for four weeks (two weeks at two times during the year) because of its reach into rural Alaska. The $30,000 includes visual scripting, direction, talent coordination, on location shoot, pre/post production work and dub to stations. The ads would reach approximately 80,000 Alaskans, and the response rate is expected to be about 3%--that's 2,400 people who will seek out more information about becoming foster parents. The Department shall in its discretion, utilize these funds at radio and television outlets that produce the most effective outreach.

#9

OPERATING BUDGET AMENDMENT

OFFERED IN: The Senate Finance Committee

TO: SCS CSHB 81 (FIN)

OFFERED BY: Senator Donald Olson

DEPARTMENT:	University of Alaska
APPROPRIATION:	UA Community Campuses
ALLOCATION:	College of Rural & Community Development
ADD:	$330,000
FUNDING SOURCE:	General Funds
EXPLANATION:	Funds will be used for scholarship awards and training grants for Ilisagvik College students in Barrow, and to provide adjunct professor costs for on-site training in other villages.