

Changes from CS1 to CS2 (version O)

Department of Commerce, Community and Economic Development

P4, L29-30 - \$403.5 of UGF was added to the Alaska Legal Services Corporation. When combined with the \$696.5 (\$400 gf and 296.5 dgf) already in the budget for this purpose, the total available to the ALSC is \$1.1 million.

P5, L17-21 – Relating to the Alaska Tourism Industry Association - Replaced prior intent regarding Alaska Seafood Marketing Institute and Alaska Tourism Industry Association (ATIA) and now asks that \$1.5 million appropriated to both ASMI and ATIA be used by both recipients to cooperate and collaborate together to efficiently deploy marketing dollars to jointly support Alaska seafood and Alaska as a destination for tourism.

P7, L11-16 - The Alaska Seafood Marketing Institute:

Increased federal receipt authority to \$13 million and changed the transaction title to the existing \$10 million Unrestricted General Funds for ASMI to: “General Funds to Match FY 23 Industry Contribution to ASMI”. Also changed from an IncOti to a base increment.

P7, L6-10 Replaced prior intent regarding ASMI and Alaska Tourism Industry Association (ATIA) and now asks that \$1.5 million appropriated to both ASMI and ATIA be used by both recipients to cooperate and collaborate together to efficiently deploy marketing dollars to jointly support Alaska seafood and Alaska as a destination for tourism.

P7, L11-16 It is the intent of the legislature to match the level of seafood industry contributions from the most recent closed fiscal year in an amount not to exceed \$10 million and that the Alaska Seafood Marketing Institute (ASMI) limit expenditures of Statutory Designated Program Receipts to \$10 million. It is further the intent that ASMI manage available resources to have between \$10 to \$15 million for non-international marketing purposes available annually for the fiscal years 2025 through 2027.

Department of Education and Early Development

P12, L11-13 - Add \$155.3 thousand GF/Match and \$35.8 thousand Federal authority to the Department of Education – Alaska State Council on the Arts to fully account for Federal authorization, and the related GF match.

P12, L21 - Mt. Edgecumbe High School – Add \$500,000 Unrestricted General Funds to provide round-trip airfare allowing students to travel home for Christmas over the winter break and return for the remainder of the school year.

Office of the Governor

P18, L32 – New intent that asked for the implementation of the Statewide Salary Survey and for a report by December 20, 2024, from the Office of the Governor to the Co-Chairs as to the steps taken to date and the future actions needed to fully implement the recommendations of the Salary Survey.

Various – renaming of allocations

Renamed state facilities rent appropriations and allocations to State Facilities Maintenance and Operations to better conform to state statute (AS 37.07.020 (e)).

Per AS 37.07.020(e), agencies are required to present their operating budgets for facilities' maintenance and operations separately from other budget items. These have previously been put forward in their respective budgets under the Facilities Rent allocations. This Committee Substitute renames the allocations to Facilities Maintenance and Operations to better align with the statute and to gain a better understanding of the budgetary needs required to maintain the State's assets. Intent language is also included in the Office of the Governor requesting adherence to this statute.

Likewise, the CS includes similar intent language asking for a report which would identify operating and maintenance costs for non-state equipment fleet vehicles, aircraft and vessels in attempt to better understand the cost requirements for these assets and the potential for their itemization in future budgets.

With the combination of renaming allocations and the related intent, we are starting the process of better identification of these maintenance and asset costs, so improvements can be made in future budget analysis and development.

P19, L6-9 – New intent that the executive branch present separately for each agency the annual facility operations, annual maintenance, and periodic repair or replacement of components of public buildings and facilities (in accordance with statute)

P19, L10-14 – New intent asking the Office of the Governor submit a report to the Co-Chairs by December 20 detailing by allocation operating and maintenance costs related to State-owned assets including vehicles, vessels, aircraft and heavy equipment that are not included in the state equipment fleet.

P19, L15-20 – New intent asking the executive branch to implement automation of processes and delivery of state services where possible.

Department of Health

Formerly on P23, L16 - Delete \$15 million UGF increment added in Senate subcommittee for Department of Health - Medicaid Services – Back Funding for Federally Qualified Health Centers.

The transaction was removed to allow the Department of Health to complete its review and audit process before additional payments are considered.

P20, L18-19 Added Federal receipt authority of \$3 million to support behavioral health programs. 4/9 GovAmd

P21, L14 - Add \$7.5 million UGF to Department of Health – Public Assistance – Childcare Benefits for the Childcare Grant Program to maintain the support provided to the child care sector.

P22, L4-5 Utilize the Opioid Settlement to Combat the Opioid Epidemic, a temporary increment FY25-FY40 of \$4.39 million of Statutory Designated Program Receipts. This will allow the division to utilize the opioid settlement funds over the life of the settlement to offer a continuous grant program. 4/9 GovAmd

P22, L6 - Change transaction title in Department of Health – Public Health – Epidemiology from “Support Efforts to Eliminate Congenital Syphilis” to “Support Efforts to Eliminate **Tuberculosis and** Congenital Syphilis”. Funding allocations remain as approved by the subcommittee.

P23, L16 - Add \$7.5 million Fed and \$7.5 million GF/Match (\$15 million total) to the Department of Health - Medicaid Services – to increase reimbursement rates for providers of home and community-based services.

Included new Intent on P24, L 3-7 stating entities receiving the increased reimbursement rates for providing Home and Community Based Services pass along a 5% wage increase to employees.

University of Alaska

P40, L4-8 – New University intent language requesting the return of the Childs Frick-Alaska Quaternary Mammal Collection from the American Museum of Natural History.

Supplemental Numbers Section

Department of Corrections

P60, L4 –added \$256.6 thousand of general funds for the Goose Creek dental contract. 4/9 GovAmd

Alaska Court System

P63, L12-14 - Add \$5,000 UGF (whole dollars) to Judiciary – Commission on Judicial Conduct – Commission on Judicial Conduct. This is an FY24 Supplemental that is needed to true-up a small shortfall in this allocation (for travel).

Language Section Changes

Sec 14 Supplemental Department of Education and Early Development

P68, L27 – New section that amends a prior boarding school stipend grant from \$2.1 million to \$4.03 million and extends the appropriation to ending June 30, 2025.

Sec 23 Supplemental Fund Transfer

P75, L13 – This is a Governor’s amendment that cleans up fund accounting by transferring \$5.4 million dollars of berth fees from the ocean ranger program account to the commercial passenger vessel environmental compliance account.

Sec 26 Supplemental Special Appropriation

P76, L13-28 – Amends the existing FY24 ‘waterfall’ language to state that revenue above \$6.264 billion will be appropriated at a capped amount of \$143.3 million to the dividend fund for an energy relief payment. Revenue beyond that, which had been previously directed to the Constitutional Budget Reserve Fund, will now be directed to general surplus and be available for appropriation to the capital budget or any other purpose.

Sec 36 Department of Education and Early Development

P84, L6-18 – New subsection (h) provides a not to exceed amount of \$5.2 million from the general fund for grant payments to school districts to provide support, intervention, and services the students need to reach reading proficiency by the end of grade three. If the \$5.2 million is not enough to fully fund the distribution formula, then each grant will be prorated equally.

P84, L19-22 – New subsection (i) provides \$7.3 million from the general fund to be distributed as grants to school districts for pupil transportation.

Sec 55 Repealer section

P104, L2 – Added a new repeal of section 73 (q), ch. 1, FSSLA 2023. This is a repeal of an estimated to be appropriation to the Alaska Capital Income Fund. After the Annual Comprehensive Financial Report came out, it was discovered that the appropriation was not necessary.

Mental Health Bill HB 270

Department of Natural Resources

Page 5, lines 30-32

Mental Health Trust Lands Administration – Administration and Support \$61.8 thousand
Mental Health Trust Authority Authorized Receipts (MHTAAR). 4/9 GovAmd

This is a technical correction to rate adjustments for FY25 Health Insurance and PERS costs.