

Legislative Fiscal Analyst's Overview of the Governor's FY2011 Request

*** Sec. 19. GAS PIPELINE DEVELOPMENT.** The following amounts are appropriated to the named department and components from receipts of the Alaska Housing Capital Corporation created under AS 18.56.086 in the amounts stated for work associated with development of a natural gas pipeline for the fiscal year ending June 30, 2011:

DEPARTMENT AND COMPONENT	APPROPRIATION AMOUNT
(1) Administration	
Alaska Oil and Gas Conservation Commission	1,150,900
(2) Law	
Oil, gas, and mining	2,500,000
(3) Natural Resources	
Gas pipeline implementation	4,217,500
(4) Revenue	
Tax Division	1,100,000
Natural gas commercialization	1,550,000

Legislative Fiscal Analyst Comment: In FY09, the legislature consolidated oil and gas development funding requests in the Office of the Governor, with direction to distribute the one-time funding of \$7.3 million GF to the Departments of Labor and Workforce Development, Natural Resources, Law, and Revenue as needed for work associated with the Natural Gas Pipeline. Consolidation was intended to increase flexibility while easing the process of tracking statewide gasoline appropriations. Although the Governor's Office distributed money at the beginning of the fiscal year (rather than on an as-needed basis as the legislature intended), the wisdom of a consolidated appropriation was demonstrated when the Department of Law transferred \$550.0 to the Department of Revenue.

Legislative Fiscal Analyst Recommendation: Consolidate gasoline appropriations (including those in section 16(f)). Make a single appropriation to the Office of the Governor, with direction to distribute the money to the Departments/allocations and for the purposes listed. Include the estimated allocations to various Departments as information.

*** Sec. 20. FEDERAL AND OTHER PROGRAM RECEIPTS.** (a) Federal receipts, designated program receipts as defined in AS 37.05.146(b)(3), information services fund program receipts as described in AS 44.21.045(b), Exxon Valdez oil spill trust receipts described in AS 37.05.146(b)(4), receipts of the Alaska Housing Finance Corporation, receipts of the Alaska marine highway system fund described in AS 19.65.060(a), receipts of the University of Alaska as described in AS 37.05.146(b)(2), and receipts of the Alaska Fire Standards Council described in AS 37.05.146(b)(5) that are received during the fiscal year ending June 30, 2011, and that exceed the amounts appropriated by this Act, are appropriated conditioned on compliance with the program review provisions of AS 37.07.080(h).

(b) If federal or other program receipts as defined in AS 37.05.146 and in AS 44.21.045(b) that are received during the fiscal year ending June 30, 2011, exceed the amounts