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**CS FOR HOUSE BILL NO. 326(FIN)****IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTY-SIXTH LEGISLATURE - SECOND SESSION****BY THE HOUSE FINANCE COMMITTEE****Offered:****Referred:****Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR****A BILL****FOR AN ACT ENTITLED**

1 **"An Act making supplemental appropriations and other appropriations; amending**  
2 **appropriations; repealing appropriations; making appropriations to capitalize funds;**  
3 **and providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **(SECTION 1 OF THIS ACT BEGINS ON PAGE 2)**

\* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act for the purposes expressed for the fiscal year beginning July 1, 2009 and ending June 30, 2010, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
	***** <b>Department of Administration</b> *****		
	*****	*****	
<b>Centralized Administrative Services</b>		<b>85,000</b>	
Office of Administrative Hearings	85,000		
<b>Special Systems</b>		<b>250,000</b>	
Elected Public Officers	250,000		
Retirement System Benefits			
<b>Legal and Advocacy Services</b>		<b>1,350,000</b>	<b>44,600</b>
Office of Public Advocacy	594,600		
Public Defender Agency	800,000		
<b>Motor Vehicles</b>		<b>291,800</b>	<b>291,800</b>
Motor Vehicles	291,800		
	*****	*****	
	***** <b>Department of Commerce, Community and Economic Development</b> *****		
	*****	*****	
<b>Insurance Operations</b>		<b>77,100</b>	
Insurance Operations	77,100		
	*****	*****	
	***** <b>Department of Corrections</b> *****		
	*****	*****	
<b>Population Management</b>		<b>2,904,000</b>	
Institution Director's Office	2,409,600		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
1				
2				
3	Wildwood Correctional	494,400		
4	Center			
5	<b>Inmate Health Care</b>		<b>4,650,100</b>	<b>4,650,100</b>
6	Physical Health Care	4,650,100		
7	*****		*****	
8	***** <b>Department of Education and Early Development</b> *****			
9	*****		*****	
10	<b>K-12 Support</b>		<b>180,000</b>	<b>180,000</b>
11	Special Schools	180,000		
12	*****		*****	
13	***** <b>Department of Environmental Conservation</b> *****			
14	*****		*****	
15	<b>Environmental Health</b>		<b>130,000</b>	<b>130,000</b>
16	Laboratory Services	130,000		
17	*****		*****	
18	***** <b>Department of Fish and Game</b> *****			
19	*****		*****	
20	<b>Commercial Fisheries</b>		<b>75,000</b>	<b>75,000</b>
21	Central Region Fisheries	75,000		
22	Management			
23	<b>Wildlife Conservation</b>			
24	Wildlife Conservation	0		
25	Special Projects			
26	<b>Habitat</b>		<b>100,000</b>	<b>100,000</b>
27	Habitat	100,000		
28	*****		*****	
29	***** <b>Office of the Governor</b> *****			
30	*****		*****	
31	<b>Elections</b>		<b>477,000</b>	<b>477,000</b>
32	Elections	477,000		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
	*****		*****	
	***** <b>Department of Health and Social Services</b> *****			
	*****		*****	
6	<b>Behavioral Health</b>		<b>8,545,100</b>	<b>3,228,900</b>
7	Behavioral Health Medicaid	8,545,100		<b>5,316,200</b>
8	Services			
9	<b>Children's Services</b>		<b>-1,079,700</b>	<b>-1,158,200</b>
10	Children's Medicaid	-2,200,000		<b>78,500</b>
11	Services			
12	Children's Services	165,000		
13	Management			
14	Front Line Social Workers	955,300		
15	<b>Health Care Services</b>		<b>64,087,400</b>	<b>23,236,400</b>
16	Adult Preventative Dental	0		<b>40,851,000</b>
17	Medicaid Services			
18	Medicaid Services	63,116,300		
19	Health Facilities Survey	396,100		
20	Health Planning and	575,000		
21	Infrastructure			
22	<b>Juvenile Justice</b>		<b>566,600</b>	<b>566,600</b>
23	McLaughlin Youth Center	266,600		
24	Probation Services	300,000		
25	<b>Public Assistance</b>		<b>2,300,000</b>	<b>2,300,000</b>
26	Energy Assistance Program	2,300,000		
27	<b>Public Health</b>		<b>647,800</b>	<b>647,800</b>
28	Women, Children and Family	347,800		
29	Health			
30	State Medical Examiner	300,000		
31	<b>Senior and Disabilities</b>		<b>14,484,200</b>	<b>8,286,300</b>
32	<b>Services</b>			<b>6,197,900</b>
33	General Relief/Temporary	3,800,000		

		Appropriation	General	Other
		Allocations	Funds	Funds
3	Assisted Living			
4	Senior and Disabilities	9,209,200		
5	Medicaid Services			
6	Senior and Disabilities	1,475,000		
7	Services Administration			
8	<b>Departmental Support</b>		<b>875,000</b>	<b>875,000</b>
9	<b>Services</b>			
10	Administrative Support	350,000		
11	Services			
12	Information Technology	525,000		
13	Services			
14		*****	*****	
15		***** <b>Department of Law</b> *****		
16		*****	*****	
17	<b>Civil Division</b>			
18	Deputy Attorney General's	884,000		
19	Office			
20	Oil, Gas and Mining	-884,000		
21		*****	*****	
22		***** <b>Department of Natural Resources</b> *****		
23		*****	*****	
24	<b>Resource Development</b>		<b>85,000</b>	<b>85,000</b>
25	Large Project Permitting	85,000		
26	<b>Fire Suppression</b>		<b>35,371,400</b>	<b>35,371,400</b>
27	Fire Suppression Activity	35,371,400		
28		*****	*****	
29		***** <b>Department of Public Safety</b> *****		
30		*****	*****	
31	<b>Alaska State Troopers</b>		<b>300,000</b>	<b>300,000</b>
32	Prisoner Transportation	300,000		

		Appropriation	General	Other
		Allocations	Funds	Funds
	*****	*****		
	***** Department of Revenue *****			
	*****	*****		
6	<b>Taxation and Treasury</b>	-750,000		-750,000
7	Treasury Division	50,000		
8	Alaska Retirement	50,000		
9	Management Board			
10	Alaska Retirement	-850,000		
11	Management Board Custody			
12	and Management Fees			
13	<b>Child Support Services</b>		-217,700	217,700
14	Child Support Services	0		
15	Division			
16	<b>Administration and Support</b>	60,100	60,100	
17	Administrative Services	60,100		
18	*****		*****	
19	***** Department of Transportation & Public Facilities *****			
20	*****		*****	
21	<b>Administration and Support</b>	340,000	340,000	
22	Central Region Support	240,000		
23	Services			
24	Program Development	100,000		
25	<b>Design, Engineering and</b>	296,500	296,500	
26	<b>Construction</b>			
27	Statewide Design and	296,500		
28	Engineering Services			
29	<b>State Equipment Fleet</b>	2,706,700		2,706,700
30	State Equipment Fleet	2,706,700		
31	<b>Highways, Aviation and</b>	1,098,800	1,098,800	
32	<b>Facilities</b>			
33	Northern Region Facilities	99,900		

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Central Region Highways and	519,000		
4	Aviation			
5	Southeast Region Highways	44,900		
6	and Aviation			
7	Whittier Access and Tunnel	435,000		
8		*****	*****	
9		***** Alaska Court System *****		
10		*****	*****	
11	Alaska Court System	35,500	35,500	
12	Administration and Support	35,500		
13	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

\* **Sec. 2.** The following sets out the funding by agency for the appropriations made in sec. 1 of this Act.

Funding Source	Amount
<b>Department of Administration</b>	
1002 Federal Receipts	336,400
1004 Unrestricted General Fund Receipts	1,685,000
*** Total Agency Funding ***	\$2,021,400
<b>Department of Commerce, Community and Economic Development</b>	
1156 Receipt Supported Services	77,100
*** Total Agency Funding ***	\$77,100
<b>Department of Corrections</b>	
1004 Unrestricted General Fund Receipts	7,554,100
*** Total Agency Funding ***	\$7,554,100
<b>Department of Education and Early Development</b>	
1004 Unrestricted General Fund Receipts	180,000
*** Total Agency Funding ***	\$180,000
<b>Department of Environmental Conservation</b>	
1004 Unrestricted General Fund Receipts	130,000
*** Total Agency Funding ***	\$130,000
<b>Department of Fish and Game</b>	
1002 Federal Receipts	100,000
1004 Unrestricted General Fund Receipts	75,000
1018 Exxon Valdez Oil Spill Trust	-150,000
1108 Statutory Designated Program Receipts	150,000
*** Total Agency Funding ***	\$175,000
<b>Office of the Governor</b>	
1004 Unrestricted General Fund Receipts	477,000
*** Total Agency Funding ***	\$477,000
<b>Department of Health and Social Services</b>	
1002 Federal Receipts	37,248,700
1003 General Fund Match	32,940,200



1	1004 Unrestricted General Fund Receipts	775,800
2	1037 General Fund / Mental Health	1,966,800
3	1212 Federal Stimulus: ARRA 2009	17,494,900
4	*** Total Agency Funding ***	\$90,426,400
5	<b>Department of Natural Resources</b>	
6	1004 Unrestricted General Fund Receipts	35,456,400
7	*** Total Agency Funding ***	\$35,456,400
8	<b>Department of Public Safety</b>	
9	1004 Unrestricted General Fund Receipts	300,000
10	*** Total Agency Funding ***	\$300,000
11	<b>Department of Revenue</b>	
12	1004 Unrestricted General Fund Receipts	60,100
13	1007 Interagency Receipts	50,000
14	1016 CSSD Federal Incentive Payments	217,700
15	1017 Group Health and Life Benefits Fund	8,800
16	1029 Public Employees Retirement Trust Fund	-556,300
17	1034 Teachers Retirement Trust Fund	-243,800
18	1042 Judicial Retirement System	-6,800
19	1045 National Guard Retirement System	-1,900
20	1156 Receipt Supported Services	-217,700
21	*** Total Agency Funding ***	\$-689,900
22	<b>Department of Transportation &amp; Public Facilities</b>	
23	1004 Unrestricted General Fund Receipts	1,735,300
24	1026 Highways Equipment Working Capital Fund	2,706,700
25	*** Total Agency Funding ***	\$4,442,000
26	<b>Alaska Court System</b>	
27	1004 Unrestricted General Fund Receipts	35,500
28	*** Total Agency Funding ***	\$35,500
29	* * * * * Total Budget * * * * *	\$140,585,000

30 (SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)

1     \* **Sec. 3. FINDINGS.** The legislature finds that the State of Alaska has realized savings in  
2     the amount of \$106,261,000 during the fiscal year ending June 30, 2010, through the federal  
3     medical assistance percentage provisions of P.L. 111-5 (American Recovery and  
4     Reinvestment Act of 2009) that are being used to finance appropriations made from the  
5     general fund in this Act.

6     \* **Sec. 4. DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC**  
7     **DEVELOPMENT.** The sum of \$250,000 is appropriated from the general fund to the  
8     Department of Commerce, Community, and Economic Development for payment as a grant  
9     under AS 37.05.316 to World Trade Center Alaska for the 2010 world expo for the fiscal  
10    years ending June 30, 2010, and June 30, 2011.

11    \* **Sec. 5. DEPARTMENT OF CORRECTIONS.** The sum of \$10,462,600 is appropriated to  
12    the Department of Corrections to implement the interest arbitration decision dated March 19,  
13    2009, establishing monetary terms of the collective bargaining agreement with the Alaska  
14    Correctional Officers Association, for the fiscal years ending June 30, 2010, and June 30,  
15    2011, from the following sources:

16       General fund	\$10,348,500
17       Federal receipts	114,100

18    \* **Sec. 6. DEPARTMENT OF HEALTH AND SOCIAL SERVICES.** The sum of \$242.72 is  
19    appropriated from the general fund to the Department of Health and Social Services, division  
20    of juvenile justice, for payment of unpaid bills for services received in 2003 and 2004, for  
21    fiscal year ending June 30, 2010.

22    \* **Sec. 7. DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT.** Section  
23    9(d), ch. 14, SLA 2009, is amended to read:

24           (d) The unexpended and unobligated balance, not to exceed \$85,000, of the  
25    appropriation made in sec. 1, ch. 27, SLA 2008, **page 17, lines 4 - 5 (Office of the**  
26    **Governor, branch-wide oil and gas development - \$7,290,800)** [PAGE 28, LINE  
27    22, AND ALLOCATED ON LINE 27 (DEPARTMENT OF LABOR AND  
28    WORKFORCE DEVELOPMENT, WORKFORCE DEVELOPMENT, ALASKA  
29    WORKFORCE INVESTMENT BOARD - \$543,600)] is reappropriated to the  
30    Department of Labor and Workforce Development, Alaska Workforce Investment  
31    Board, for gas pipeline activities for the fiscal year ending June 30, 2010.

1     \* **Sec. 8. DEPARTMENT OF LAW.** (a) The sum of \$1,424,600 is appropriated from the  
2     general fund to the Department of Law, civil division, deputy attorney general's office, for the  
3     purpose of paying judgments and settlements against the state for the fiscal year ending  
4     June 30, 2010.

5         (b) The amount necessary, after application of the amount appropriated in (a) of this  
6     section, to pay judgments awarded against the state on or before June 30, 2010, is  
7     appropriated from the general fund to the Department of Law, civil division, deputy attorney  
8     general's office, for the purpose of paying judgments against the state for the fiscal year  
9     ending June 30, 2010.

10    \* **Sec. 9. DEPARTMENT OF NATURAL RESOURCES.** The sum of \$40,000 is  
11    appropriated from the general fund to the Department of Natural Resources, claims, permits,  
12    and leases allocation, for providing trash and sanitation services at Kasilof Beach for the fiscal  
13    years ending June 30, 2010, and June 30, 2011.

14    \* **Sec. 10. DEPARTMENT OF PUBLIC SAFETY.** The sum of \$97,000 is appropriated  
15    from federal economic stimulus funds received by the state under P.L. 111-5 (American  
16    Recovery and Reinvestment Act of 2009) to the Department of Public Safety for combating  
17    Internet crimes for the fiscal years ending June 30, 2010, and June 30, 2011.

18    \* **Sec. 11. FUND CAPITALIZATION.** The sum of \$5,000,000 is appropriated from the  
19    general fund to the disaster relief fund (AS 26.23.300(a)).

20    \* **Sec. 12. FUND TRANSFERS.** (a) The sum of \$1,116,986,600 is appropriated from the  
21    general fund to the public education fund (AS 14.17.300).

22         (b) The sum of \$79,000 is appropriated from the Alaska Industrial Development and  
23     Export Authority revolving fund (AS 44.88.060) to the small business economic development  
24     revolving loan fund (AS 44.88.400).

25         (c) The unexpended and unobligated balance of the appropriation made in sec. 18(b),  
26     ch. 30, SLA 2007 (Department of Natural Resources, assistance to the Creamery Corporation,  
27     dba Matanuska Maid Dairy - \$600,000) is reappropriated to the agricultural revolving loan  
28     fund (AS 03.10.040).

29    \* **Sec. 13. RATIFICATIONS OF CERTAIN EXPENDITURES.** (a) The expenditures by  
30    the Department of Natural Resources for fire suppression for the fiscal year ending June 30,  
31    2009 (AR 37313-09 Fire General Fund), are ratified in the amount of \$10,297,678.22.

(b) The following departmental expenditures made in fiscal years 2003, 2005, 2006, 2007, 2008, and 2009 are ratified to reverse the negative account balances in the Alaska state accounting system in the amount listed for the AR number. The appropriations from which those expenditures were actually paid are amended by increasing those appropriations by the amount listed, as follows:

Department of Commerce, Community, and Economic Development

(1) AR 29605-08 Alaska Energy Authority Owned Facilities \$ 12.95

Department of Education and Early Development

(2) AR 17722-07 Student and School Achievement 293.08

Department of Health and Social Services

(3) AR 22708-03 DAS DMA Unbudgeted RSA for 140.40

DAS Staff Support

(4) AR 22730-09 Alaska Commission on Aging Unbudgeted RSA 11.00

(5) AR 22736-03 DFYS DMA Unbudgeted RSA .34

(6) AR 22791-08 Alaska Rural EMS Optimization 259.54

Project Unbudgeted RSA

(7) AR 23125-05 Behavioral Health Administration 5,482.79

(8) AR 23932-08 Health Planning and Infrastructure 633.78

(9) AR 23934-06 Information Technology Services 4.92

(10) AR 23610-05 Epidemiology 295,356.97

(11) AR 23608-05 Certification and Licensing 31,701.51

(12) AR 23315-04 Medicaid State Programs 1,380,444.00

(13) AR 23928-05 Medicaid School Based Administrative 221,290.00

Claims

(14) AR 23928-06 Medicaid School Based Administrative 2,283,323.00

Claims

(15) AR 23928-07 Medicaid School Based Administrative 3,060,691.00

Claims

Department of Public Safety

(16) AR 47545-09 AST Detachments Unbudgeted RSAs 7,192.25

Alaska Court System

1	(17) AR 76560-08 Domestic Violence VAWA RSA	322.50
2	(c) The following departmental expenditures made in fiscal years 2002, 2003, 2004,	
3	2005, 2007, 2008, and 2009 are ratified to charge off uncollectable accounts receivables in the	
4	Alaska state accounting system in the amount listed for the AR number. The appropriations	
5	from which those expenditures were actually paid are amended by increasing those	
6	appropriations by the amount listed, as follows:	
7	Department of Corrections	
8	(1) AR 50662-05 Anchorage Correctional Complex	\$409,334.19
9	(2) AR 50760-07 Probation and Parole Director's Office	2,661.22
10	Department of Education and Early Development	
11	(3) AR 18005-04 Program Administration	22,694.51
12	Department of Labor and Workforce Development	
13	(4) AR 28500-02 Employment Services	39.41
14	(5) AR 28190-05 Labor Market Information	290.99
15	(6) AR 28230-03 Independent Living Rehabilitation	649.53
16	(7) AR 28510-04 Unemployment Insurance	442.91
17	(8) AR 28510-05 Unemployment Insurance	14,592.60
18	(9) AR 27790-08 North Pacific Fisheries Disaster - Aid RSA	4,400.00
19	Department of Revenue	
20	(10) AR 15530-07 Long Term Care Ombudsman Office	7,004.19
21	Department of Transportation and Public Facilities	
22	(11) AR 61686-10 Federal Transit Administration Grants	2.18
23	(12) AR 58096-10 Cooperative Reimbursable Projects	29.65
24	(13) AR 58622-11 Cooperative Reimbursable Projects	.37
25	(14) AR 58662-11 Federal Transit Administration Grants	.72
26	(15) AR 59198-11 Alaska Marine Highway: Terminal -	.22
27	Alaska Marine Highway System Headquarters	
28	Building, Grounds, and Renovation	
29	(16) AR 58640-10 Alaska Mobility Coalition	.13
30	(17) AR 60252-10 Cooperative Reimbursable Projects	.88
31	(18) AR 61219-12 Federal Transit Administration Grants	.17

1	(19) AR 61009-10 Federal Transit Administration Grants	14,254.03
2	(20) AR 61812-10 Coffman Cove/Wrangell/Petersburg Ferry	.21
3	and Ferry Facilities	
4	(21) AR 63203-10 Surface Transportation Preconstruction	.09
5	(22) AR 61613-10 Federal Transit Administration Grants	2.02
6	(23) AR 61961-10 Statewide: Various Airports Runway	205.06
7	and Heliport Lighting	
8	(24) AR 62139-10 Alaska Marine Highway: Prince William	1.19
9	Sound Fast Vehicle Ferry	
10	(25) AR 62598-10 Kodiak: Selief Lane Reconstruction	1,062.98
11	(26) AR 62656-10 Cooperative Reimbursable Projects	.01

12 \* **Sec. 14. RETAINED FEES AND BANKCARD SERVICES.** Section 22(b), ch. 12, SLA  
13 2009, is amended to read:

14 (b) The amount retained to compensate the provider of bankcard or credit card  
15 services to the state during the fiscal year ending June 30, 2010, is appropriated for  
16 that purpose to each agency of the executive, legislative, and judicial branches that  
17 accepts payment by bankcard or credit card for licenses, permits, goods, and services  
18 provided by that agency on behalf of the state, and to the Department of Law for  
19 accepting payment of restitution in accordance with AS 12.55.051 and AS 47.12.170  
20 by bankcard or credit card, from the funds and accounts in which the payments  
21 received by the state are deposited.

22 \* **Sec. 15. STATE DEBT AND OTHER OBLIGATIONS.** Section 26(i), ch. 12, SLA 2009,  
23 is amended to read:

24 (i) The sum of \$50,028,700 is appropriated to the state bond committee for  
25 payment of debt service and trustee fees on outstanding international airports revenue  
26 bonds for the fiscal year ending June 30, 2010, from the following sources in the  
27 amounts stated:

SOURCE	AMOUNT
International Airports Revenue Fund	<u><b>\$36,828,700</b></u>
(AS 37.15.430)	[\$46,828,700]
Passenger facility charge	3,200,000

**International Airports Construction Fund****10,000,000****(AS 37.15.420)**

\* **Sec. 16.** BUDGET RESERVE FUND. The amount available in the general fund at the end of the fiscal year ending June 30, 2010, after all other appropriations have been made, is appropriated from the general fund to the budget reserve fund (AS 37.05.540).

\* **Sec. 17.** REVENUE AND APPROPRIATION BALANCE; CONSTITUTIONAL BUDGET RESERVE. (a) The amount necessary for full repayment of the amounts owed the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), as of June 30, 2010, estimated to be \$401,617,000, is appropriated from the general fund to the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

(b) If the unrestricted state revenue available for appropriation in fiscal year 2010 is insufficient to cover general fund appropriations made for fiscal year 2010, the amount necessary to balance revenue and general fund appropriations is appropriated from the budget reserve fund (AS 37.05.540) to the general fund.

(c) Section 27(c), ch. 12, SLA 2009, is amended to read:

(c) The sum of \$1,673,000 is appropriated from the **general fund** [BUDGET RESERVE FUND (ART. IX, SEC. 17, CONSTITUTION OF THE STATE OF ALASKA)] to the Department of Revenue, treasury division, for operating costs related to management of the budget reserve fund for the fiscal year ending June 30, 2010.

(d) Section 27(d), ch. 12, SLA 2009, is amended to read:

(d) The **appropriation** [APPROPRIATIONS] made by (a) [AND (c)] of this section **is** [ARE] made under art. IX, sec. 17(c), Constitution of the State of Alaska.

\* **Sec. 18.** LAPSE OF APPROPRIATIONS. The appropriations made by secs. 11, 12, and 16 of this Act are for the capitalization of funds and do not lapse.

\* **Sec. 19.** Section 43(c), ch. 15, SLA 2009, is repealed.

\* **Sec. 20.** RETROACTIVITY. Section 7 of this Act is retroactive to June 30, 2009.

\* **Sec. 21.** This Act takes effect April 18, 2010.