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CS FOR HOUSE BILL NO. 234(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST 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, reappropriations, and other
2 appropriations; amending appropriations; capitalizing funds; making appropriations
3 under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional
4 budget reserve fund; and providing for an effective date."

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

6 (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 to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2019 and ending June 30, 2020, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

| | | Appropriation | General | Other |
|--|--|-------------------|------------------|-------------------|
| | Allocations | Items | Funds | Funds |
| | * * * * * | * * * * * | | |
| | * * * * * Department of Administration * * * * * | | | |
| | * * * * * | * * * * * | | |
| Legal and Advocacy Services | | 1,700,000 | 1,700,000 | |
| Office of Public Advocacy | 1,700,000 | | | |
| Motor Vehicles | | 550,000 | 550,000 | |
| Motor Vehicles | 550,000 | | | |
| | * * * * * | * * * * * | | |
| | * * * * * Department of Education and Early Development * * * * * | | | |
| | * * * * * | * * * * * | | |
| Education Support and Administrative Services | | 10,000,000 | | 10,000,000 |
| Student and School Achievement | 10,000,000 | | | |
| Mt. Edgecumbe Boarding School | | 250,000 | 250,000 | |
| Mt. Edgecumbe Boarding School Facilities Maintenance | 250,000 | | | |
| | * * * * * | * * * * * | | |
| | * * * * * Department of Health and Social Services * * * * * | | | |
| | * * * * * | * * * * * | | |
| Alaska Pioneer Homes | | 1,000,000 | 1,000,000 | |
| Alaska Pioneer Homes | 1,000,000 | | | |

| | | Appropriation | General | Other |
|----|---|---------------|--|--------------------|
| | | Allocations | Funds | Funds |
| 3 | Payment Assistance | | | |
| 4 | Alaska Psychiatric Institute | | 6,000,000 | |
| 5 | Alaska Psychiatric | 6,000,000 | | |
| 6 | Institute | | | |
| 7 | Public Assistance | | 8,600,000 | |
| 8 | Adult Public Assistance | 8,600,000 | | |
| 9 | Medicaid Services | | 271,673,600 | 128,273,600 |
| 10 | Medicaid Services | 263,400,000 | | |
| 11 | Adult Preventative Dental | 8,273,600 | | |
| 12 | Medicaid Services | | | |
| 13 | | * * * * * | * * * * * | |
| 14 | | * * * * * | Department of Law | * * * * * |
| 15 | | * * * * * | * * * * * | |
| 16 | Criminal Division | | 400,000 | 400,000 |
| 17 | Second Judicial District | 150,000 | | |
| 18 | Criminal Appeals/Special | 250,000 | | |
| 19 | Litigation | | | |
| 20 | | * * * * * | * * * * * | |
| 21 | | * * * * * | Department of Natural Resources | * * * * * |
| 22 | | * * * * * | * * * * * | |
| 23 | Fire Suppression, Land & Water | | 110,576,100 | 110,576,100 |
| 24 | Resources | | | |
| 25 | Mining, Land & Water | 76,100 | | |
| 26 | Fire Suppression Activity | 110,500,000 | | |
| 27 | | * * * * * | * * * * * | |
| 28 | | * * * * * | Department of Public Safety | * * * * * |
| 29 | | * * * * * | * * * * * | |
| 30 | Alaska State Troopers | | 6,743,400 | 6,743,400 |
| 31 | Alaska State Trooper | 4,318,400 | | |
| 32 | Detachments | | | |
| 33 | Alaska Wildlife Troopers | 1,725,000 | | |

| | | Appropriation | General | Other |
|----|---|---|------------------|------------------|
| | | Allocations | Funds | Funds |
| 1 | | | | |
| 2 | | | | |
| 3 | Alaska Wildlife Troopers | 700,000 | | |
| 4 | Aircraft Section | | | |
| 5 | | * * * * * | * * * * * | |
| 6 | | * * * * * Department of Revenue * * * * * | | |
| 7 | | * * * * * | * * * * * | |
| 8 | Taxation and Treasury | | 0 | 400,000 |
| 9 | Tax Division | 0 | | -400,000 |
| 10 | | * * * * * | * * * * * | |
| 11 | | * * * * * Department of Transportation and Public Facilities * * * * * | | |
| 12 | | * * * * * | * * * * * | |
| 13 | Highways, Aviation and Facilities | | 158,100 | 158,100 |
| 14 | Northern Region Highways | 158,100 | | |
| 15 | and Aviation | | | |
| 16 | Marine Highway System | | 7,050,000 | 7,050,000 |
| 17 | Marine Vessel Operations | 7,050,000 | | |
| 18 | | * * * * * | * * * * * | |
| 19 | | * * * * * Judiciary * * * * * | | |
| 20 | | * * * * * | * * * * * | |
| 21 | Alaska Court System | | 479,100 | 479,100 |
| 22 | Appellate Courts | 29,600 | | |
| 23 | Trial Courts | 407,300 | | |
| 24 | Administration and Support | 42,200 | | |
| 25 | Therapeutic Courts | | 5,300 | 5,300 |
| 26 | Therapeutic Courts | 5,300 | | |
| 27 | Commission on Judicial Conduct | | 1,300 | 1,300 |
| 28 | Commission on Judicial | 1,300 | | |
| 29 | Conduct | | | |
| 30 | Judicial Council | | 4,200 | 4,200 |
| 31 | Judicial Council | 4,200 | | |
| 32 | (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 |
|----------------|--------|
|----------------|--------|

Department of Administration

| | | |
|------|------------------------------------|-----------|
| 1004 | Unrestricted General Fund Receipts | 1,700,000 |
| 1005 | General Fund/Program Receipts | 550,000 |
| *** | Total Agency Funding *** | 2,250,000 |

Department of Education and Early Development

| | | |
|------|------------------------------------|------------|
| 1002 | Federal Receipts | 10,000,000 |
| 1004 | Unrestricted General Fund Receipts | 100,000 |
| 1005 | General Fund/Program Receipts | 150,000 |
| *** | Total Agency Funding *** | 10,250,000 |

Department of Health and Social Services

| | | |
|------|------------------------------------|-------------|
| 1002 | Federal Receipts | 143,400,000 |
| 1003 | General Fund Match | 136,873,600 |
| 1004 | Unrestricted General Fund Receipts | 7,000,000 |
| *** | Total Agency Funding *** | 287,273,600 |

Department of Law

| | | |
|------|---------------------------------------|---------|
| 1002 | Federal Receipts | 250,000 |
| 1108 | Statutory Designated Program Receipts | 150,000 |
| *** | Total Agency Funding *** | 400,000 |

Department of Natural Resources

| | | |
|------|------------------------------------|-------------|
| 1004 | Unrestricted General Fund Receipts | 110,500,000 |
| 1005 | General Fund/Program Receipts | 76,100 |
| *** | Total Agency Funding *** | 110,576,100 |

Department of Public Safety

| | | |
|------|------------------------------------|-----------|
| 1004 | Unrestricted General Fund Receipts | 6,743,400 |
| *** | Total Agency Funding *** | 6,743,400 |

Department of Revenue

| | | |
|------|--------------------------------------|----------|
| 1004 | Unrestricted General Fund Receipts | 400,000 |
| 1061 | Capital Improvement Project Receipts | -400,000 |

| | | |
|----|---|--------------------|
| 1 | Department of Transportation and Public Facilities | |
| 2 | 1004 Unrestricted General Fund Receipts | 158,100 |
| 3 | 1061 Capital Improvement Project Receipts | -90,000 |
| 4 | 1076 Alaska Marine Highway System Fund | 7,050,000 |
| 5 | 1215 Unified Carrier Registration Receipts | 90,000 |
| 6 | *** Total Agency Funding *** | 7,208,100 |
| 7 | Judiciary | |
| 8 | 1004 Unrestricted General Fund Receipts | 489,900 |
| 9 | *** Total Agency Funding *** | 489,900 |
| 10 | * * * * * Total Budget * * * * * | 425,191,100 |
| 11 | (SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE) | |

* **Sec. 3.** The following sets out the statewide funding for the appropriations made in sec. 1 of this Act.

| Funding Source | Amount |
|--|-------------|
| Unrestricted General | |
| 1003 General Fund Match | 136,873,600 |
| 1004 Unrestricted General Fund Receipts | 127,091,400 |
| *** Total Unrestricted General *** | 263,965,000 |
| Designated General | |
| 1005 General Fund/Program Receipts | 776,100 |
| 1076 Alaska Marine Highway System Fund | 7,050,000 |
| *** Total Designated General *** | 7,826,100 |
| Other Non-Duplicated | |
| 1108 Statutory Designated Program Receipts | 150,000 |
| 1215 Unified Carrier Registration Receipts | 90,000 |
| *** Total Other Non-Duplicated *** | 240,000 |
| Federal Receipts | |
| 1002 Federal Receipts | 153,650,000 |
| *** Total Federal Receipts *** | 153,650,000 |
| Other Duplicated | |
| 1061 Capital Improvement Project Receipts | -490,000 |
| *** Total Other Duplicated *** | -490,000 |

(SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)

* **Sec. 4.** The following appropriation items are for capital projects and grants from the general fund or other funds as set out in section 5 of this Act by funding source to the agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise noted.

| | Appropriation | General | Other |
|---------------------------------------|---|------------|------------|
| | Allocations | Funds | Funds |
| | * * * * * | * * * * * | |
| | * * * * * Department of Commerce, Community and Economic Development * * * * * | | |
| | * * * * * | * * * * * | |
| HUD Community Development Block Grant | 35,856,000 | | 35,856,000 |
| - Disaster Recovery Program (HD 1-40) | | | |
| | * * * * * | * * * * * | |
| | * * * * * Office of the Governor * * * * * | | |
| | * * * * * | * * * * * | |
| Help America Vote Act (HD 1-40) | 3,700,000 | | 3,700,000 |
| | * * * * * | * * * * * | |
| | * * * * * Department of Military and Veterans Affairs * * * * * | | |
| | * * * * * | * * * * * | |
| Alaska Land Mobile Radio Site Refresh | 24,000,000 | 24,000,000 | |
| (HD 1-40) | | | |
| | * * * * * | * * * * * | |
| | * * * * * Department of Public Safety * * * * * | | |
| | * * * * * | * * * * * | |
| Automatic Dependent Surveillance | 503,400 | 503,400 | |
| Broadcast System for DPS Aircraft (HD | | | |
| 1-40) | | | |
| Radio Replacement (HD 1-40) | 500,000 | 500,000 | |
| | * * * * * | * * * * * | |
| | * * * * * Department of Transportation and Public Facilities * * * * * | | |
| | * * * * * | * * * * * | |
| Alaska Marine Highway System Vessel | 5,000,000 | 5,000,000 | |

| | | | | |
|----|---|----------------------|----------------|--------------|
| 1 | | Appropriation | General | Other |
| 2 | | Allocations | Funds | Funds |
| 3 | Overhaul, Annual Certification and | | | |
| 4 | Shoreside Facilities Rehabilitation | | | |
| 5 | (HD 1-40) | | | |
| 6 | State Equipment Fleet Replacement (HD | 3,155,000 | | 3,155,000 |
| 7 | 1-40) | | | |
| 8 | Earthquake Relief - Federally | 3,000,000 | 3,000,000 | |
| 9 | Ineligible Costs (HD 1-40) | | | |
| 10 | (SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE) | | | |

* **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of this Act.

| Funding Source | Amount |
|---|-------------------|
| Department of Commerce, Community and Economic Development | |
| 1002 Federal Receipts | 35,856,000 |
| *** Total Agency Funding *** | 35,856,000 |
| Office of the Governor | |
| 1185 Election Fund | 3,700,000 |
| *** Total Agency Funding *** | 3,700,000 |
| Department of Military and Veterans Affairs | |
| 1004 Unrestricted General Fund Receipts | 24,000,000 |
| *** Total Agency Funding *** | 24,000,000 |
| Department of Public Safety | |
| 1004 Unrestricted General Fund Receipts | 1,003,400 |
| *** Total Agency Funding *** | 1,003,400 |
| Department of Transportation and Public Facilities | |
| 1004 Unrestricted General Fund Receipts | 3,000,000 |
| 1026 Highways Equipment Working Capital Fund | 3,155,000 |
| 1076 Alaska Marine Highway System Fund | 5,000,000 |
| *** Total Agency Funding *** | 11,155,000 |
| * * * * * Total Budget * * * * * | 75,714,400 |

(SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

* **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of this Act.

| Funding Source | Amount |
|--|------------|
| Unrestricted General | |
| 1004 Unrestricted General Fund Receipts | 28,003,400 |
| *** Total Unrestricted General *** | 28,003,400 |
| Designated General | |
| 1076 Alaska Marine Highway System Fund | 5,000,000 |
| *** Total Designated General *** | 5,000,000 |
| Federal Receipts | |
| 1002 Federal Receipts | 35,856,000 |
| *** Total Federal Receipts *** | 35,856,000 |
| Other Duplicated | |
| 1026 Highways Equipment Working Capital Fund | 3,155,000 |
| 1185 Election Fund | 3,700,000 |
| *** Total Other Duplicated *** | 6,855,000 |

(SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 7.** DEPARTMENT OF CORRECTIONS. (a) Section 14(a), ch. 3, FSSLA 2019, is
2 amended to read:

3 (a) The sum of \$6,000,000 is appropriated from the power cost equalization
4 endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of
5 reopening the Palmer Correctional Center for the fiscal years [YEAR] ending June 30,
6 2020, and June 30, 2021.

7 (b) Section 14(b), ch. 3, FSSLA 2019, is amended to read:

8 (b) The sum of \$10,669,100 is appropriated from the power cost equalization
9 endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of
10 reopening the Palmer Correctional Center for the fiscal years [YEAR] ending June 30,
11 2020, and June 30, 2021.

12 (c) The unexpended and unobligated balance on June 30, 2019, of federal receipts
13 received by the Department of Corrections through man-day billings, estimated to be
14 \$8,025,700, is appropriated to the Department of Corrections, population management.

15 * **Sec. 8.** DEPARTMENT OF LAW. (a) The sum of \$5,887,583 is appropriated from the
16 general fund to the Department of Law, civil division, deputy attorney general's office, for the
17 purpose of paying judgments and settlements against the state for the fiscal year ending
18 June 30, 2020.

19 (b) The amount necessary, after the appropriation in (a) of this section, to pay a
20 judgment or settlement awarded against the state in The Disability Law Center of Alaska, Inc.
21 v. State of Alaska, Department of Health and Social Services, 3AN-18-09814CI, on or before
22 June 30, 2020, is appropriated from the general fund to the Department of Law, civil division,
23 deputy attorney general's office, to fund the programs described in the court-ordered plan for
24 the fiscal years ending June 30, 2020, and June 30, 2021.

25 (c) The federal receipts received for the programs described in the court-ordered plan
26 under (b) of this section are appropriated to the Department of Law, civil division, deputy
27 attorney general's office, to fund the programs described in the court-ordered plan for the
28 fiscal years ending June 30, 2020, and June 30, 2021.

29 * **Sec. 9.** DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS. The unexpended
30 and unobligated balance, estimated to be \$900,000, of the appropriation made in sec. 1, ch.
31 18, SLA 2014, page 56, line 3, and allocated on page 56, lines 9 - 10 (Department of Military

1 and Veterans' Affairs, armory facilities projects, statewide facilities projects - \$900,000) is
2 reappropriated to the Department of Military and Veterans' Affairs for a mass notification
3 system in certain department facilities required to meet Department of Defense unified
4 facilities criteria.

5 * **Sec. 10.** DEPARTMENT OF REVENUE. (a) Section 28, ch. 1, FSSLA 2019, is amended
6 to read:

7 Sec. 28. DEPARTMENT OF REVENUE. The amount determined to be
8 available in the Alaska Tax Credit Certificate Bond Corporation reserve fund
9 (AS 37.18.040) for purchases, refunds, or payments under AS 43.55.028, estimated to
10 be \$700,000,000, is appropriated from the Alaska Tax Credit Certificate Bond
11 Corporation reserve fund (AS 37.18.040) to the Department of Revenue, office of the
12 commissioner, for the purpose of making purchases, refunds, or payments under
13 AS 43.55.028 for the fiscal years [YEAR] ending June 30, 2020, and June 30, 2021.

14 * **Sec. 11.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. Section
15 14, ch. 19, SLA 2018, is amended to read:

16 Sec. 14. DEPARTMENT OF TRANSPORTATION AND PUBLIC
17 FACILITIES. The sum of \$2,000,000 is appropriated from the general fund to the
18 Department of Transportation and Public Facilities for the Knik-Goose Bay Road
19 reconstruction [, VINE ROAD TO SETTLERS BAY DRIVE PROJECT].

20 * **Sec. 12.** OFFICE OF THE GOVERNOR. (a) The sum of \$18,000 is appropriated from the
21 general fund to the Office of the Governor, Office of the Lieutenant Governor, for the purpose
22 of complying with AS 15.45.195 for the fiscal years ending June 30, 2020, and June 30, 2021.

23 (b) The sum of \$215,400 is appropriated from the general fund to the Office of the
24 Governor, division of elections, for the purpose of providing voter initiative review,
25 certification, and language translation for the fiscal years ending June 30, 2020, and June 30,
26 2021.

27 * **Sec. 13.** NATIONAL PETROLEUM RESERVE - ALASKA IMPACT GRANT
28 PROGRAM. (a) The unexpended and unobligated balance of the National Petroleum Reserve
29 - Alaska special revenue fund (AS 37.05.530(a)) under 42 U.S.C. 6506a(l) or former 42
30 U.S.C. 6508 on June 30, 2020, estimated to be \$6,670,177, is appropriated to the Department
31 of Commerce, Community, and Economic Development for capital project grants under the

1 National Petroleum Reserve - Alaska impact grant program.

2 (b) The portion of the amount appropriated by sec. 12(b), ch. 3, FSSLA 2019, and (a)
3 of this section that is not subject to a signed grant agreement between the Department of
4 Commerce, Community, and Economic Development and an impacted municipality on or
5 before August 31, 2020, lapses into the National Petroleum Reserve - Alaska special revenue
6 fund (AS 37.05.530(a)) on September 1, 2020.

7 * **Sec. 14. FUND CAPITALIZATION.** (a) The sum of \$600,000 is appropriated from the
8 general fund to the election fund to serve as match for federal election security grants.

9 (b) The amount received from the federal government associated with federal election
10 security grants is appropriated to the election fund.

11 * **Sec. 15. RATIFICATIONS OF CERTAIN EXPENDITURES.** The following
12 departmental expenditures made in fiscal years 2010, 2012, 2013, 2014, 2016, and 2017 are
13 ratified to reverse the negative account balances in the Alaska state accounting system in the
14 amount listed for the AR number. The appropriations from which those expenditures were
15 actually paid are amended by increasing those appropriations for the fiscal year ending
16 June 30, 2020, by the amount listed, as follows:

| 17 AGENCY | FISCAL YEAR | AMOUNT |
|---|-------------|--------------|
| 18 Department of Transportation and Public Facilities | | |
| 19 (1) AR TYDE Federal Emergency Projects | 2010 | \$ 21,581.99 |
| 20 (2) AR TYUY Federal Emergency Projects | 2012 | 57,837.47 |
| 21 (3) AR TZ2W Federal Emergency Projects | 2013 | 99,679.25 |
| 22 (4) AR TA1Z Federal Emergency Projects | 2014 | 396,982.74 |
| 23 (5) AR TB47 Federal Emergency Projects | 2016 | 1,290,967.82 |
| 24 (6) AR TBM7 Federal Emergency Projects | 2017 | 325,070.13 |
| 25 Department of Health and Social Services | | |
| 26 (7) AR H308 Medicaid Management | 2007 | 211,444.27 |
| 27 System Completion | | |

28 * **Sec. 16. SALARY AND BENEFIT ADJUSTMENTS.** Section 36(b), ch. 1, FSSLA 2019,
29 is amended to read:

30 (b) The operating budget appropriations made to the University of Alaska in
31 sec. 1 of this Act include amounts for salary and benefit adjustments for the fiscal year

1 ending June 30, 2020, for university employees who are not members of a collective
2 bargaining unit and to implement the monetary terms for the fiscal year ending
3 June 30, 2020, of the following collective bargaining agreements:

4 (1) Fairbanks Firefighters Union, IAFF Local 1324;

5 (2) United Academics - Adjuncts - American Association of
6 University Professors, American Federation of Teachers;

7 (3) United Academics - American Association of University
8 Professors, American Federation of Teachers;

9 **(4) Alaska Higher Education Crafts and Trades Employees, Local**
10 **6070.**

11 * **Sec. 17.** CONSTITUTIONAL BUDGET RESERVE FUND. (a) If the unrestricted state
12 revenue available for appropriation in fiscal year 2020 is insufficient to cover the general fund
13 appropriations that take effect in fiscal year 2020 that are made in this Act, as passed by the
14 Thirty-First Alaska State Legislature in the Second Regular Session and enacted into law, the
15 amount necessary to balance revenue and general fund appropriations that take effect in fiscal
16 year 2020 that are made in this Act, as passed by the Thirty-First Alaska State Legislature in
17 the Second Regular Session and enacted into law, is appropriated to the general fund from the
18 budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

19 (b) The appropriation made in (a) of this section is made under art. IX, sec. 17(c),
20 Constitution of the State of Alaska.

21 * **Sec. 18.** LAPSE. (a) Sections 4, 9, and 13(a) of this Act are for capital projects and lapse
22 under AS 37.25.020.

23 (b) The appropriations made in secs. 13(b) and 14 of this Act are for the capitalization
24 of funds and do not lapse.

25 * **Sec. 19.** This Act takes effect immediately under AS 01.10.070(c).