

LANGUAGE AMENDMENTS

L1

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FOSTER

TO: CSHB 281(FIN), Draft Version "R"

1 Page 71, following line 8:

2 Insert a new bill section to read:

3 **"* Sec. 15. SUPPLEMENTAL DEPARTMENT OF ADMINISTRATION.** Section 10(c),
4 ch. 38, SLA 2015, as amended by sec. 17(a), ch. 2, 4SSLA 2016, sec. 12, ch. 1, SSSLA 2017,
5 sec. 10, ch. 19, SLA 2018, and sec. 8, ch. 1, FSSLA 2019, is amended to read:

6 (c) The sum of \$792,000 is appropriated from the general fund to the
7 Department of Administration, labor relations, for costs related to labor contract
8 negotiations and arbitration support for the fiscal years ending June 30, 2015, June 30,
9 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021,
10 [AND] June 30, 2022, **June 30, 2023, June 30, 2024, and June 30, 2025.**"

11
12 Renumber the following bill sections accordingly.

13
14 Page 71, following line 18:

15 Insert new bill sections to read:

16 **"* Sec. 17. SUPPLEMENTAL DEPARTMENT OF HEALTH AND SOCIAL SERVICES.**
17 (a) The amount of federal receipts received from the Coronavirus Aid, Relief, and Economic
18 Security Act (P.L. 116-136) during the fiscal year ending June 30, 2020, and awarded to
19 grantees in the fiscal year ending June 30, 2021, estimated to be \$7,419,161, is appropriated
20 to the Department of Health and Social Services to cover grantee expenses incurred under the
21 grant agreement in the fiscal year ending June 30, 2022.

22 (b) Section 60(d), ch. 1, SSSLA 2021, is amended to read:

23 (d) The sum of **\$40,000,000** [\$20,000,000] is appropriated from federal

receipts received from sec. 9901, P.L. 117-2 (Subtitle M—Coronavirus State and Local Fiscal Recovery Funds, American Rescue Plan Act of 2021) to the Department of Health and Social Services, division of public health, emergency programs, for responding to public health matters arising from COVID-19 for the fiscal years [YEAR] ending June 30, 2022, June 30, 2023, June 30, 2024, and June 30, 2025.

* **Sec. 18.** SUPPLEMENTAL DEPARTMENT OF LAW. The sum of \$614,502 is appropriated from the general fund to the Department of Law, civil division, deputy attorney general's office, for the purpose of paying judgments and settlements against the state for the fiscal year ending June 30, 2022."

Renumber the following bill sections accordingly.

Page 72, following line 15:

Insert a new bill section to read:

"* **Sec. 20.** SUPPLEMENTAL OFFICE OF THE GOVERNOR. The sum of \$4,300,000 is appropriated from the general fund to the Office of the Governor, division of elections, for costs associated with voter outreach, language assistance, election security, and election worker wages for the fiscal years ending June 30, 2022, and June 30, 2023."

Renumber the following bill sections accordingly.

Page 72, following line 23:

Insert a new subsection to read:

"(d) The sum of \$50,000,000 is appropriated from the general fund to the disaster relief fund (AS 26.23.300(a))."

Page 80, following line 21:

Insert a new subsection to read:

"(h) The unexpended and unobligated balance on June 30, 2022, of federal receipts the Alaska Seafood Marketing Institute received from the American Rescue Plan Act of 2021 (P.L. 117-2), estimated to be \$0, is reappropriated to the Department of Commerce,

Community, and Economic Development, Alaska Seafood Marketing Institute, for seafood marketing activities for the fiscal years ending June 30, 2023, and June 30, 2024."

Page 81, line 23:

Delete "sec. 23(a)(18)"

Insert "sec. 27(a)(18)"

Page 81, line 28:

Delete "sec. 23(a)(19)"

Insert "sec. 27(a)(19)"

Page 82, line 2:

Delete "sec. 23(a)(20)"

Insert "sec. 27(a)(20)"

Page 82, line 9:

Delete "sec. 23(a)(22)"

Insert "sec. 27(a)(22)"

Page 82, line 20:

Delete "sec. 23(a)(1)"

Insert "sec. 27(a)(1)"

Page 82, line 26:

Delete "sec. 23(a)(2)"

Insert "sec. 27(a)(2)"

Page 82, line 31:

Delete "sec. 23(a)(3)"

Insert "sec. 27(a)(3)"

Page 83, line 5:

Delete "sec. 23(a)(4)"

Insert "sec. 27(a)(4)"

Page 83, line 10:

Delete "sec. 23(a)(5)"

Insert "sec. 27(a)(5)"

Page 83, line 15:

Delete "sec. 23(a)(6)"

Insert "sec. 27(a)(6)"

Page 83, line 20:

Delete "sec. 23(a)(7)"

Insert "sec. 27(a)(7)"

Page 83, line 26:

Delete "sec. 23(a)(8)"

Insert "sec. 27(a)(8)"

Page 83, line 31:

Delete "sec. 23(a)(9)"

Insert "sec. 27(a)(9)"

Page 84, line 5:

Delete "sec. 23(a)(10)"

Insert "sec. 27(a)(10)"

Page 84, line 11:

Delete "sec. 23(a)(11)"

Insert "sec. 27(a)(11)"

1

2 Page 84, line 16:

3 Delete "sec. 23(a)(12)"

4 Insert "sec. 27(a)(12)"

5

6 Page 84, line 22:

7 Delete "sec. 23(a)(13)"

8 Insert "sec. 27(a)(13)"

9

10 Page 84, line 28:

11 Delete "sec. 23(a)(14)"

12 Insert "sec. 27(a)(14)"

13

14 Page 85, line 2:

15 Delete "sec. 23(a)(15)"

16 Insert "sec. 27(a)(15)"

17

18 Page 85, line 7:

19 Delete "sec. 23(a)(16)"

20 Insert "sec. 27(a)(16)"

21

22 Page 85, line 12:

23 Delete "sec. 23(a)(17)"

24 Insert "sec. 27(a)(17)"

25

26 Page 85, line 17:

27 Delete "sec. 23(a)(21)"

28 Insert "sec. 27(a)(21)"

29

30 Page 85, line 23:

31 Delete "sec. 23(a)(23)"

1 Insert "sec. 27(a)(23)"

2
3 Page 85, line 29:

4 Delete "sec. 23(a)(24)"

5 Insert "sec. 27(a)(24)"

6
7 Page 86, line 4:

8 Delete "sec. 23(b)"

9 Insert "sec. 27(b)"

10
11 Page 86, line 11:

12 Delete "sec. 23(a)(25)"

13 Insert "sec. 27(a)(25)"

14
15 Page 86, following line 14:

16 Insert a new subsection to read:

17 "(x) Section 60(d), ch. 1, SSSLA 2021, as amended by sec. 17(b) of this Act, is
18 amended to read:

19 (d) The sum of \$40,000,000 is appropriated from federal receipts received
20 from sec. 9901, P.L. 117-2 (Subtitle M—Coronavirus State and Local Fiscal Recovery
21 Funds, American Rescue Plan Act of 2021) to the Department of Health [AND
22 SOCIAL SERVICES], division of public health, emergency programs, for responding
23 to public health matters arising from COVID-19 for the fiscal years ending [JUNE 30,
24 2022,] June 30, 2023, June 30, 2024, and June 30, 2025."

25
26 Page 104, line 23:

27 Delete "sec. 26(d)"

28 Insert "sec. 30(d)"

29
30 Page 104, lines 29 - 30:

31 Delete "sec. 41(x)"

1 Insert "sec. 45(x)"

2

3 Page 104, line 31:

4 Delete "sec. 41(x)"

5 Insert "sec. 45(x)"

6

7 Page 105, lines 13 - 15:

8 Delete "secs. 17, 18(b), 19, 23, 26(a), (b), and (d) - (f), 27(c) - (e), 35, 39(b) and (c),
9 41, 42(a) - (l), 43(a) - (c), 47, and 48(b)"

10 Insert "secs. 21, 22(b), 23, 27, 30(a), (b), and (d) - (f), 31(c) - (e), 39, 43(b) and (c), 45,
11 46(a) - (l), 47(a) - (c), 51, and 52(b)"

12

13 Page 105, lines 23 - 25:

14 Delete all material and insert:

15 "(b) Sections 14, 16(b), 21(a) - (c), and 22 of this Act are retroactive to July 1, 2021.

16 (c) If secs. 7 - 13, 15, 16(a), 17(a), 18 - 20, and 21(d) of this Act take effect after
17 April 15, 2022, secs. 7 - 13, 15, 16(a), 17(a), 18 - 20, and 21(d) of this Act are retroactive to
18 April 15, 2022.

19 (d) If secs. 17(b), 23, 27, and 32(h) of this Act take effect after June 30, 2022, secs.
20 17(b), 23, 27, and 32(h) of this Act are retroactive to June 30, 2022.

21 (e) If sec. 35(x) of this Act takes effect after July 1, 2022, sec. 35(x) of this Act is
22 retroactive to July 1, 2022."

23

24 Page 105, line 26:

25 Delete "sec. 29(d)"

26 Insert "sec. 33(d)"

27

28 Page 105, line 30:

29 Delete "7 - 19 and 51"

30 Insert "7 - 17(a), 18 - 23, and 55"

31

1 Page 105, line 31:

2 Delete "Section 23 of this Act takes"

3 Insert "Sections 17(b), 27, and 32(h) of this Act take"

4

5 Page 106, line 2:

6 Delete "secs. 53 - 55"

7 Insert "secs. 57 - 59"

#L2

32-GH2686\R.24
Marx
3/19/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE JOHNSON

TO: CSHB 281(FIN), Draft Version "R"

1 Page 71, following line 18:

2 Insert a new bill section to read:

3 **"* Sec. 16.** SUPPLEMENTAL DEPARTMENT OF LAW. The sum of \$495,000 is
4 appropriated from the general fund to the Department of Law, civil division, deputy attorney
5 general's office, for the purpose of paying judgments and settlements against the state for the
6 fiscal year ending June 30, 2022."
7

8 Renumber the following bill sections accordingly.
9

10 Page 81, line 23:

11 Delete "sec. 23(a)(18)"

12 Insert "sec. 24(a)(18)"
13

14 Page 81, line 28:

15 Delete "sec. 23(a)(19)"

16 Insert "sec. 24(a)(19)"
17

18 Page 82, line 2:

19 Delete "sec. 23(a)(20)"

20 Insert "sec. 24(a)(20)"
21

22 Page 82, line 9:

23 Delete "sec. 23(a)(22)"

1 Insert "sec. 24(a)(22)"

2

3 Page 82, line 20:

4 Delete "sec. 23(a)(1)"

5 Insert "sec. 24(a)(1)"

6

7 Page 82, line 26:

8 Delete "sec. 23(a)(2)"

9 Insert "sec. 24(a)(2)"

10

11 Page 82, line 31:

12 Delete "sec. 23(a)(3)"

13 Insert "sec. 24(a)(3)"

14

15 Page 83, line 5:

16 Delete "sec. 23(a)(4)"

17 Insert "sec. 24(a)(4)"

18

19 Page 83, line 10:

20 Delete "sec. 23(a)(5)"

21 Insert "sec. 24(a)(5)"

22

23 Page 83, line 15:

24 Delete "sec. 23(a)(6)"

25 Insert "sec. 24(a)(6)"

26

27 Page 83, line 20:

28 Delete "sec. 23(a)(7)"

29 Insert "sec. 24(a)(7)"

30

31 Page 83, line 26:

1 Delete "sec. 23(a)(8)"

2 Insert "sec. 24(a)(8)"

3

4 Page 83, line 31:

5 Delete "sec. 23(a)(9)"

6 Insert "sec. 24(a)(9)"

7

8 Page 84, line 5:

9 Delete "sec. 23(a)(10)"

10 Insert "sec. 24(a)(10)"

11

12 Page 84, line 11:

13 Delete "sec. 23(a)(11)"

14 Insert "sec. 24(a)(11)"

15

16 Page 84, line 16:

17 Delete "sec. 23(a)(12)"

18 Insert "sec. 24(a)(12)"

19

20 Page 84, line 22:

21 Delete "sec. 23(a)(13)"

22 Insert "sec. 24(a)(13)"

23

24 Page 84, line 28:

25 Delete "sec. 23(a)(14)"

26 Insert "sec. 24(a)(14)"

27

28 Page 85, line 2:

29 Delete "sec. 23(a)(15)"

30 Insert "sec. 24(a)(15)"

31

1 Page 85, line 7:

2 Delete "sec. 23(a)(16)"

3 Insert "sec. 24(a)(16)"

5 Page 85, line 12:

6 Delete "sec. 23(a)(17)"

7 Insert "sec. 24(a)(17)"

9 Page 85, line 17:

10 Delete "sec. 23(a)(21)"

11 Insert "sec. 24(a)(21)"

13 Page 85, line 23:

14 Delete "sec. 23(a)(23)"

15 Insert "sec. 24(a)(23)"

17 Page 85, line 29:

18 Delete "sec. 23(a)(24)"

19 Insert "sec. 24(a)(24)"

21 Page 86, line 4:

22 Delete "sec. 23(b)"

23 Insert "sec. 24(b)"

25 Page 86, line 11:

26 Delete "sec. 23(a)(25)"

27 Insert "sec. 24(a)(25)"

29 Page 104, line 23:

30 Delete "sec. 26(d)"

31 Insert "sec. 27(d)"

1

2 Page 104, lines 29 - 30:

3 Delete "sec. 41(x)"

4 Insert "sec. 42(x)"

5

6 Page 104, line 31:

7 Delete "sec. 41(x)"

8 Insert "sec. 42(x)"

9

10 Page 105, lines 13 - 15:

11 Delete "secs. 17, 18(b), 19, 23, 26(a), (b), and (d) - (f), 27(c) - (e), 35, 39(b) and (c),
12 41, 42(a) - (l), 43(a) - (c), 47, and 48(b)"13 Insert "secs. 18, 19(b), 20, 24, 27(a), (b), and (d) - (f), 28(c) - (e), 36, 40(b) and (c), 42,
14 43(a) - (l), 44(a) - (c), 48, and 49(b)"

15

16 Page 105, line 23:

17 Delete "secs. 19 and 23" in both places

18 Insert "secs. 20 and 24" in both places

19

20 Page 105, line 25:

21 Delete "17, and 18"

22 Insert "18, and 19"

23

24 Page 105, line 26:

25 Delete "sec. 29(d)"

26 Insert "sec. 30(d)"

27

28 Page 105, line 30:

29 Delete "7 - 19 and 51"

30 Insert "7 - 20 and 52"

31

1 Page 105, line 31:

2 Delete "23"

3 Insert "24"

4

5 Page 106, line 2:

6 Delete "secs. 53 - 55"

7 Insert "secs. 54 - 56"

2022 Session Operating Budget Proposal

Offered In: The House Finance Committee

To: HB281/HB282

Offered By: Representative Johnson

Agency: Special Appropriations

Appropriation: Judgments, Claims & Settlements

Allocation: Judgments, Claims & Settlements

Transaction Details

Title: FY22 Supplemental - Funding for Blandford v Dunleavy Settlement

Section: Language

Type: Suppl

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	495.0
	<hr/>
	495.0

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	495.0
---------------	-------

Explanation

Fund Governor's request to pay for the Blandford v. Dunleavy Settlement.

#L3

32-GH2686\R.16
Wallace/Marx
3/17/22

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE CARPENTER

TO: CSHB 281(FIN), Draft Version "R"

1 Page 72, line 24, through page 73, line 9:

2 Delete all material.

3

4 Renumber the following bill sections accordingly.

5

6 Page 81, line 23:

7 Delete "sec. 23(a)(18)"

8 Insert "sec. 22(a)(18)"

9

10 Page 81, line 28:

11 Delete "sec. 23(a)(19)"

12 Insert "sec. 22(a)(19)"

13

14 Page 82, line 2:

15 Delete "sec. 23(a)(20)"

16 Insert "sec. 22(a)(20)"

17

18 Page 82, line 9:

19 Delete "sec. 23(a)(22)"

20 Insert "sec. 22(a)(22)"

21

22 Page 82, line 20:

23 Delete "sec. 23(a)(1)"

1 Insert "sec. 22(a)(1)"

2

3 Page 82, line 26:

4 Delete "sec. 23(a)(2)"

5 Insert "sec. 22(a)(2)"

6

7 Page 82, line 31:

8 Delete "sec. 23(a)(3)"

9 Insert "sec. 22(a)(3)"

10

11 Page 83, line 5:

12 Delete "sec. 23(a)(4)"

13 Insert "sec. 22(a)(4)"

14

15 Page 83, line 10:

16 Delete "sec. 23(a)(5)"

17 Insert "sec. 22(a)(5)"

18

19 Page 83, line 15:

20 Delete "sec. 23(a)(6)"

21 Insert "sec. 22(a)(6)"

22

23 Page 83, line 20:

24 Delete "sec. 23(a)(7)"

25 Insert "sec. 22(a)(7)"

26

27 Page 83, line 26:

28 Delete "sec. 23(a)(8)"

29 Insert "sec. 22(a)(8)"

30

31 Page 83, line 31:

1 Delete "sec. 23(a)(9)"
 2 Insert "sec. 22(a)(9)"
 3
 4 Page 84, line 5:
 5 Delete "sec. 23(a)(10)"
 6 Insert "sec. 22(a)(10)"
 7
 8 Page 84, line 11:
 9 Delete "sec. 23(a)(11)"
 10 Insert "sec. 22(a)(11)"
 11
 12 Page 84, line 16:
 13 Delete "sec. 23(a)(12)"
 14 Insert "sec. 22(a)(12)"
 15
 16 Page 84, line 22:
 17 Delete "sec. 23(a)(13)"
 18 Insert "sec. 22(a)(13)"
 19
 20 Page 84, line 28:
 21 Delete "sec. 23(a)(14)"
 22 Insert "sec. 22(a)(14)"
 23
 24 Page 85, line 2:
 25 Delete "sec. 23(a)(15)"
 26 Insert "sec. 22(a)(15)"
 27
 28 Page 85, line 7:
 29 Delete "sec. 23(a)(16)"
 30 Insert "sec. 22(a)(16)"
 31

1 Page 85, line 12:

2 Delete "sec. 23(a)(17)"

3 Insert "sec. 22(a)(17)"

4

5 Page 85, line 17:

6 Delete "sec. 23(a)(21)"

7 Insert "sec. 22(a)(21)"

8

9 Page 85, line 23:

10 Delete "sec. 23(a)(23)"

11 Insert "sec. 22(a)(23)"

12

13 Page 85, line 29:

14 Delete "sec. 23(a)(24)"

15 Insert "sec. 22(a)(24)"

16

17 Page 86, line 4:

18 Delete "sec. 23(b)"

19 Insert "sec. 22(b)"

20

21 Page 86, line 11:

22 Delete "sec. 23(a)(25)"

23 Insert "sec. 22(a)(25)"

24

25 Page 104, line 23:

26 Delete "sec. 26(d)"

27 Insert "sec. 25(d)"

28

29 Page 104, lines 29 - 30:

30 Delete "sec. 41(x)"

31 Insert "sec. 40(x)"

1

2 Page 104, line 31:

3 Delete "sec. 41(x)"

4 Insert "sec. 40(x)"

5

6 Page 105, lines 13 - 15:

7 Delete "18(b), 19, 23, 26(a), (b), and (d) - (f), 27(c) - (e), 35, 39(b) and (c), 41, 42(a) -
8 (l), 43(a) - (c), 47, and 48(b)"9 Insert "18, 22, 25(a), (b), and (d) - (f), 26(c) - (e), 34, 38(b) and (c), 40, 41(a) - (l),
10 42(a) - (c), 46, and 47(b)"

11

12 Page 105, line 23:

13 Delete "secs. 19 and 23" in both places

14 Insert "secs. 18 and 22" in both places

15

16 Page 105, line 25:

17 Delete "17, and 18"

18 Insert "and 17"

19

20 Page 105, line 26:

21 Delete "sec. 29(d)"

22 Insert "sec. 28(d)"

23

24 Page 105, line 30:

25 Delete "Sections 7 - 19 and 51"

26 Insert "Sections 7 - 18 and 50"

27

28 Page 105, line 31:

29 Delete "Section 23"

30 Insert "Section 22"

31

- 1 Page 106, line 2:
- 2 Delete "secs. 53 - 55"
- 3 Insert "secs. 52 - 54"

#LA

32-GH2686\R.14
Marx
3/17/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE CARPENTER

TO: CSHB 281(FIN), Draft Version "R"

1 Page 73, line 10, following "FUND.":

2 Insert "(a)"

3

4 Page 73, following line 12:

5 Insert a new subsection to read:

6 "(b) The sum of \$250,000,000 is appropriated from the general fund to the budget
7 reserve fund (AS 37.05.540(a))."

#L5

32-GH2686\R.8

Marx

3/17/22

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE CARPENTER

TO: CSHB 281(FIN), Draft Version "R"

1 Page 73, following line 12:

2 Insert a new bill section to read:

3 "* Sec. 20. SUPPLEMENTAL CONSTITUTIONAL BUDGET RESERVE FUND. The
4 sum of \$250,000,000 is appropriated from the general fund to the budget reserve fund (art. IX,
5 sec. 17, Constitution of the State of Alaska)."

6

7 Renumber the following bill sections accordingly.

8

9 Page 81, line 23:

10 Delete "sec. 23(a)(18)"

11 Insert "sec. 24(a)(18)"

12

13 Page 81, line 28:

14 Delete "sec. 23(a)(19)"

15 Insert "sec. 24(a)(19)"

16

17 Page 82, line 2:

18 Delete "sec. 23(a)(20)"

19 Insert "sec. 24(a)(20)"

20

21 Page 82, line 9:

22 Delete "sec. 23(a)(22)"

23 Insert "sec. 24(a)(22)"

1

2 Page 82, line 20:

3 Delete "sec. 23(a)(1)"

4 Insert "sec. 24(a)(1)"

5

6 Page 82, line 26:

7 Delete "sec. 23(a)(2)"

8 Insert "sec. 24(a)(2)"

9

10 Page 82, line 31:

11 Delete "sec. 23(a)(3)"

12 Insert "sec. 24(a)(3)"

13

14 Page 83, line 5:

15 Delete "sec. 23(a)(4)"

16 Insert "sec. 24(a)(4)"

17

18 Page 83, line 10:

19 Delete "sec. 23(a)(5)"

20 Insert "sec. 24(a)(5)"

21

22 Page 83, line 15:

23 Delete "sec. 23(a)(6)"

24 Insert "sec. 24(a)(6)"

25

26 Page 83, line 20:

27 Delete "sec. 23(a)(7)"

28 Insert "sec. 24(a)(7)"

29

30 Page 83, line 26:

31 Delete "sec. 23(a)(8)"

1 Insert "sec. 24(a)(8)"

2

3 Page 83, line 31:

4 Delete "sec. 23(a)(9)"

5 Insert "sec. 24(a)(9)"

6

7 Page 84, line 5:

8 Delete "sec. 23(a)(10)"

9 Insert "sec. 24(a)(10)"

10

11 Page 84, line 11:

12 Delete "sec. 23(a)(11)"

13 Insert "sec. 24(a)(11)"

14

15 Page 84, line 16:

16 Delete "sec. 23(a)(12)"

17 Insert "sec. 24(a)(12)"

18

19 Page 84, line 22:

20 Delete "sec. 23(a)(13)"

21 Insert "sec. 24(a)(13)"

22

23 Page 84, line 28:

24 Delete "sec. 23(a)(14)"

25 Insert "sec. 24(a)(14)"

26

27 Page 85, line 2:

28 Delete "sec. 23(a)(15)"

29 Insert "sec. 24(a)(15)"

30

31 Page 85, line 7:

1 Delete "sec. 23(a)(16)"

2 Insert "sec. 24(a)(16)"

3

4 Page 85, line 12:

5 Delete "sec. 23(a)(17)"

6 Insert "sec. 24(a)(17)"

7

8 Page 85, line 17:

9 Delete "sec. 23(a)(21)"

10 Insert "sec. 24(a)(21)"

11

12 Page 85, line 23:

13 Delete "sec. 23(a)(23)"

14 Insert "sec. 24(a)(23)"

15

16 Page 85, line 29:

17 Delete "sec. 23(a)(24)"

18 Insert "sec. 24(a)(24)"

19

20 Page 86, line 4:

21 Delete "sec. 23(b)"

22 Insert "sec. 24(b)"

23

24 Page 86, line 11:

25 Delete "sec. 23(a)(25)"

26 Insert "sec. 24(a)(25)"

27

28 Page 104, line 23:

29 Delete "sec. 26(d)"

30 Insert "sec. 27(d)"

31

1 Page 104, lines 29 - 30:

2 Delete "sec. 41(x)"

3 Insert "sec. 42(x)"

4

5 Page 104, line 31:

6 Delete "sec. 41(x)"

7 Insert "sec. 42(x)"

8

9 Page 105, lines 14 - 15:

10 Delete "23, 26(a), (b), and (d) - (f), 27(c) - (e), 35, 39(b) and (c), 41, 42(a) - (l), 43(a) -
11 (c), 47, and 48(b)"

12 Insert "20, 24, 27(a), (b), and (d) - (f), 28(c) - (e), 36, 40(b) and (c), 42, 43(a) - (l),
13 44(a) - (c), 48, and 49(b)"

14

15 Page 105, line 23:

16 Delete "23" in both places

17 Insert "24" in both places

18

19 Page 105, line 26:

20 Delete "sec. 29(d)"

21 Insert "sec. 30(d)"

22

23 Page 105, line 30:

24 Delete "7 - 19 and 51"

25 Insert "7 - 20 and 52"

26

27 Page 105, line 31:

28 Delete "23"

29 Insert "24"

30

31 Page 106, line 2:

- 1 Delete "secs. 53 - 55"
- 2 Insert "secs. 54 - 56"

#L6

32-GH2686\R.20

Marx

3/18/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FOSTER

TO: CSHB 281(FIN), Draft Version "R"

1 Page 78, lines 1 - 4:

2 Delete all material and insert:

3 "(d) The amount authorized under AS 37.13.145(b) for transfer by the Alaska
4 Permanent Fund Corporation on June 30, 2022, estimated to be \$2,764,400,000, is
5 appropriated from the general fund to the dividend fund (AS 43.23.045(a)) for the payment of
6 permanent fund dividends and for administrative and associated costs for the fiscal year
7 ending June 30, 2023."

2022 Session Operating Budget Proposal

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Foster

Agency: Permanent Fund
Appropriation: Permanent Fund Dividends
Allocation: Dividend Fund 1050

Transaction Details

Title: Full Statutory PFD
Section: Language
Type: Inc

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	2,764,400.0
	<u>2,764,400.0</u>

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	2,764,400.0
---------------	-------------

Explanation

This amendment fully funds the statutory amount for the Permanent Fund Dividend.

#L7

32-GH2686\R.22
Marx
3/18/22

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE JOHNSON

TO: CSHB 281(FIN), Draft Version "R"

1 Page 77, line 30, through page 78, line 4:

2 Delete all material and insert:

3 "(c) The sum of \$3,360,567,100 is appropriated from the earnings reserve account
4 (AS 37.13.145) as follows:

5 (1) \$1,680,283,550 to the dividend fund (AS 43.23.045(a)) for the payment of
6 permanent fund dividends and for administrative and associated costs for the fiscal year
7 ending June 30, 2023;

8 (2) \$1,680,283,550 to the general fund for the fiscal year ending June 30,
9 2023."

10

11 Reletter the following subsections accordingly.

12

13 Page 78, line 8:

14 Delete "appropriations"

15 Insert "appropriation"

16

17 Page 104, line 23:

18 Delete "sec. 26(d)"

19 Insert "sec. 26(c)(1)"

20

21 Page 105, line 14:

22 Delete "and (d) - (f)"

23 Insert "(c)(1), (d), and (e)"

2022 Session Operating Budget Amendment

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Johnson

Agency: Permanent Fund
Appropriation: Permanent Fund Dividends
Allocation: Dividend Fund 1050

Transaction Details

Title: PFD Appropriation equal to 50% of POMV draw from ERA
Section: Language
Type: Lang

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	840,141.8
	<u>840,141.8</u>

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	-840,141.8
1041 PF ERA	1,680,283.6

Explanation

Replace \$840,141.8 dividend fund appropriation from general fund with \$1,680,283.6 appropriation from the Earnings Reserve Account, in order to pay a dividend equal to 50% of the POMV draw. The remaining 50% of the POMV draw is appropriated to the general fund. This amendment does not impact the existing Energy Relief payment in Sec. 47 of

2022 Session Operating Budget Amendment

HCS2, which appropriates an additional estimated \$840,141.8 UGF to the dividend fund.

#L8

32-GH2686\R.9
Marx
3/17/22

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE JOHNSON

TO: CSHB 281(FIN), Draft Version "R"

1 Page 87, following line 12:

2 Insert a new bill section to read:

3 **"* Sec. 33.** DEPARTMENT OF LAW. The sum of \$4,000,000 is appropriated from the
4 general fund to the Department of Law, civil division, for litigation relating to the defense of
5 rights to develop and protect the state's natural resources, to access land, to manage its fish
6 and wildlife resources, and to protect state sovereignty in the fiscal years ending June 30,
7 2023, June 30, 2024, and June 30, 2025."
8

9 Renumber the following bill sections accordingly.
10

11 Page 104, lines 29 - 30:

12 Delete "sec. 41(x)"

13 Insert "sec. 42(x)"
14

15 Page 104, line 31:

16 Delete "sec. 41(x)"

17 Insert "sec. 42(x)"
18

19 Page 105, lines 14 - 15:

20 Delete "35, 39(b) and (c), 41, 42(a) - (l), 43(a) - (c), 47, and 48(b)"

21 Insert "36, 40(b) and (c), 42, 43(a) - (l), 44(a) - (c), 48, and 49(b)"
22

23 Page 105, line 30:

- 1 Delete "51"
- 2 Insert "52"
- 3
- 4 Page 106, line 2:
- 5 Delete "secs. 53 - 55"
- 6 Insert "secs. 54 - 56"

2022 Session Operating Budget Amendment

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Johnson

Agency: Law
Appropriation: Civil Division
Allocation: Dep. Attny General's Office

Transaction Details

Title: Additional Outside Counsel & Expertise to Support Statehood Defense
(FY23-FY25)
Section: Language
Type: MultiYr

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	4,000.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	0.0
	<hr/> 4,000.0

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	4,000.0
---------------	---------

Explanation

The sum of \$4,000,000 is appropriated from the general fund to the Department of Law, Civil Division, for litigation relating to the defense of rights to develop and protect the state's natural resources, to access land, to manage its fish and wildlife resources, and to protect state sovereignty in the fiscal years ending June 30, 27 2023, June 30, 2024, and

2022 Session Operating Budget Amendment

June 30, 2025.

#L9

32-GH2686\R.5
Marx
3/16/22

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE LEBON

TO: CSHB 281(FIN), Draft Version "R"

1 Page 88, line 20:

2 Delete "\$22,800,000"

3 Insert "\$29,800,000"

4

5 Page 88, following line 30:

6 Insert new material to read:

7 "Mariculture research and development 7,000,000"

2022 Session Operating Budget Amendment

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative LeBon
Representative Thompson

Agency: University of Alaska
Appropriation: University of Alaska
Allocation: Systemwide Reduction/Additions

Transaction Details

Title: University of Alaska Mariculture Research and Development
Section: Language
Type: MultiYr

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	7,000.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	0.0
	<hr/> 7,000.0

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1269 CSLFRF	7,000.0
-------------	---------

Explanation

To support the University of Alaska's Mariculture, North Pacific Fisheries, Arctic and Pacific North Ocean Sciences: \$5,000.0 to support efforts to build capacity in Decision Support for Production Scale Development; \$1,750.0 for maricultural and undergraduate fisheries in Southeast Alaska; and \$250.0 to support the Institute of Social & Economic

2022 Session Operating Budget Amendment

Research (ISER) studying the Economic Shock and Workforce Development in Commercial Fisheries.

L 10

32-GH2686\R.6

Marx

3/17/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE THOMPSON

TO: CSHB 281(FIN), Draft Version "R"

- 1 Page 96, lines 6 - 7:
- 2 Delete "power cost equalization endowment fund (AS 42.45.070(a))"
- 3 Insert "general fund"

2022 Session Operating Budget Amendment

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Thompson
Representative LeBon

Agency: Fund Capitalization
Appropriation: No Further Approp Required
Allocation: Community Assistance Fund

Transaction Details

Title: Replace PCE Funding for the Community Assistance Fund with UGF
Section: Language
Type: FndChg

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	0.0
	<hr/>
	0.0

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	30,000.0
1169 PCE Endow	-30,000.0

Explanation

UGF is more appropriate for the Community Assistance Fund.

#L11

32-GH2686\R.19

Marx

3/18/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE RASMUSSEN

TO: CSHB 281(FIN), Draft Version "R"

1 Page 98, following line 6:

2 Insert a new subsection to read:

3 "(w) The sum of \$123,000,000 is appropriated from the general fund to the oil and
4 gas tax credit fund (AS 43.55.028)."

5

6 Reletter the following subsections accordingly.

7

8 Page 104, lines 29 - 30:

9 Delete "sec. 41(x)"

10 Insert "sec. 41(y)"

11

12 Page 104, line 31:

13 Delete "sec. 41(x)"

14 Insert "sec. 41(y)"

2022 Session Operating Budget Amendment

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Rasmussen

Agency: Fund Capitalization
Appropriation: No Further Approp Required
Allocation: Oil and Gas Tax Credit Fund

Transaction Details

Title: Oil Tax Credit Payment
Section: Language
Type: IncOTI

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	123,000.0
	<u>123,000.0</u>

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	123,000.0
---------------	-----------

Explanation

This will fund the remaining balance of the oil tax credit payments of \$123 Million. Oil tax credits have been owed and it is the state's responsibility to ensure these credits are paid.

The entire outstanding oil tax credit balance was paid annually through FY15. The statutory appropriation (based on DOR's interpretation) or more was paid through FY18.

2022 Session Operating Budget Amendment

\$100m out of a statutory \$184m were paid in FY19. No credits were paid in FY20-FY21.

We can pay this debt, reduce the debt service for subsequent years, and help encourage confidence in the private sector that Alaska will make good on our promises and pay our debts.

#L12

32-GH2686\R.3
Marx
3/16/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE THOMPSON

TO: CSHB 281(FIN), Draft Version "R"

Rep. Le Bon

1 Page 102, following line 15:

2 Insert a new subsection to read:

3 "(e) Notwithstanding (a) - (d) of this section, the operating budget appropriations
4 made in sec. 1 of this Act do not include amounts to

5 (1) pay a bonus or other financial incentive to an employee of the executive
6 branch

7 (A) who is subject to the salary schedule in AS 39.27.011 or whose
8 compensation is based on the salary schedule in AS 39.27.011; or

9 (B) who is a member of a bargaining unit; or

10 (2) implement the payment of a bonus or other financial incentive to a
11 member of a bargaining unit under a collective bargaining agreement or other agreement
12 entered into under AS 23.40.070 - 23.40.260."

2022 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Committee

TO: HB 281

OFFERED BY: Rep. Thompson *Rep. Le Bon*

FISCAL YEAR: FY23

DEPARTMENT: Commerce
APPROPRIATION: Executive Administration
ALLOCATION: Commissioner's Office

DELETE: (\$300.0) General Fund 1004

DELETE INTENT: It is the intent of the legislature that the Department of Commerce, Community and Economic Development direct \$300,000 of unrestricted general funds to recruitment and retention efforts through sign-on and relocation bonuses for new hires or performance bonuses for current hires throughout the department.

DEPARTMENT: Family and Community Services
APPROPRIATION: Children's Services
ALLOCATION: Front Line Social Workers

DELETE: (\$3,480.1) [\$1,252.8 Fed 1002, \$2,227.3 Gen Fund 1004]

DEPARTMENT: Health
APPROPRIATION: Public Health
ALLOCATION: Nursing

DELETE: (\$520.0) General Fund 1004

DELETE INTENT: It is the intent of the legislature that the department direct \$520,000 UGF to recruitment and retention efforts in Public Health Nursing including a \$5,000 sign-on bonus and \$5,000 in relocation support for each of the vacant Public Health Nursing positions.

DEPARTMENT: Law
APPROPRIATION: Criminal Division
ALLOCATION: Criminal Justice Litigation
DELETE: (\$1,700.0) General Fund 1004

DEPARTMENT: Law
APPROPRIATION: Civil Division
ALLOCATION: Deputy Attorney General's Office
DELETE: (\$1,700.0) General Fund 1004

EXPLANATION: Remove funding for bonuses.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-2450
LAA.Legal@akleg.gov
120 4th Street, Room 3

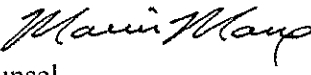
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 16, 2022

SUBJECT: Bonuses to public employees in the executive branch
(Work Order No. 32-LS1644)

TO: Representative Steve Thompson
Attn: Tom Wright

FROM: Marie Marx 
Legislative Counsel

You have asked whether the state can award bonuses to employees in the executive branch.

Background

The legislative finance division provided the following information regarding pay incentives and bonuses offered by various departments: the Department of Transportation and Public Facilities entered into a letter of agreement (LOA) with the Labors, Trades, and Crafts union to offer pay incentives to employees at specific locations. The Department of Transportation and Public Facilities is requesting funding for this in the supplemental budget. The Department of Health and Social Services and the Department of Corrections have entered into multiple LOAs that give retention bonuses to unionized employees using existing funding. The University of Alaska is working on a similar plan using federal funds through a reimbursable services agreement (RSA) with the Department of Education and Early Development. The Department of Administration, Division of Personnel and Labor Relations entered into an LOA with the Public Safety Employees Association (PSEA), representing the Public Safety Officers Bargaining Unit, to implement a bonus for bargaining unit members in the Trooper Recruit or State Trooper job class. The bonus will be paid through personal services vacancies and is currently in effect for those who accept an offer of employment as a State Trooper before June 30, 2022.

1. Bonuses initiated through an LOA (Letter of Agreement) between a department and a union. An LOA between a department and a bargaining unit to implement a bonus for bargaining unit members likely creates a new monetary term of an agreement entered into under AS 23.40.070 - 23.40.260 that is ineffective without an express legislative appropriation.

a. Payment of bonuses creates a new monetary term. AS 23.40.215(a) of the Public Employee Relations Act (PERA) provides: "The monetary terms of any

agreement entered into under AS 23.40.070 - 23.40.260 are subject to funding through legislative appropriation." AS 23.40.250(4) defines monetary terms of an agreement in part as "the changes in the terms and conditions of employment resulting from an agreement that . . . will require an appropriation for their implementation." AS 23.40.215(b) establishes the following process relating to the monetary terms of an agreement:

The Department of Administration shall submit the monetary terms of an agreement to the legislature within 10 legislative days after the agreement of the parties, if the legislature is in session, or within 10 legislative days after the convening of the next regular session. The complete monetary and nonmonetary terms of a tentative agreement shall be submitted to the legislature no later than the 60th day of the legislative session to receive legislative consideration during that calendar year. . . .

A department's payment of bonuses through an LOA is likely a "monetary term[]" of an agreement" as defined under AS 23.40.250(4). This is because payment of the bonuses would be a change "in the terms and conditions of employment resulting from an agreement" that "will require an appropriation for their implementation." Under AS 23.40.215(a), the monetary terms of any agreement entered into under AS 23.40.070 - 23.40.260 are subject to funding through legislative appropriation. Further, under art. IX, sec. 13 of the Alaska Constitution:

No money shall be withdrawn from the treasury except in accordance with appropriations made by law. No obligation for the payment of money shall be incurred except as authorized by law.

AS 37.05.170 also provides:

Payment may not be made and obligations may not be incurred against a fund unless the Department of Administration certifies that its records disclose that there is a sufficient unencumbered balance available in the fund and that an appropriation or expenditure authorization has been made for the purpose for which it is intended to incur the obligation.

b. Payment of bonuses is ineffective without a specific legislative appropriation for the bonuses. Even if a department draws money from other sources in its existing budget to pay bonuses, a court likely would find that payment of bonuses creates a new monetary term that is ineffective without a specific legislative appropriation for the bonuses. A department may take the position that it may shift money between allocations within an appropriation to pay for bonuses under AS 37.07.080(e). While the executive branch may not transfer money between appropriations, the executive branch is authorized to shift money between allocations within a single appropriation. The executive branch may not transfer money between appropriations. The Executive Budget Act, AS 37.07.080(e), provides in relevant part:

Transfers or changes between objects of expenditures or between allocations may be made by the head of an agency on approval of the office [of management and budget]. Transfers may not be made between appropriations . . . except as provided in an act making the transfers between appropriations.

For example, under this argument, the Department of Public Safety could use fiscal year (FY) 2022 funds appropriated to the department for "Alaska State Troopers" to pay bonuses to bargaining unit members in the Trooper Recruit or State Trooper job class in FY 2022. The amount appropriated to the Department of Public Safety for "Alaska State Troopers" contains multiple allocations, including allocations for "Training Academy Recruit Salary" and "Alaska State Trooper Detachments," both of which include "personal services" line items. Thus, the department, after receiving approval from the office of management and budget, may move funds from any allocation within the "Alaska State Troopers" appropriation and may take the position that they may use the money to pay bonuses to bargaining unit members in the Trooper Recruit or State Trooper job class.

However, this position is unlikely to prevail in a legal challenge because, as discussed below, payment of bonuses arising from an LOA is ineffective unless the Department of Administration submits the LOA to the legislature and the legislature specifically appropriates money for the bonuses. In *University of Alaska Classified Employees Association, APEA/AFT, AFL-CIO v. University of Alaska*, a CBA included negotiated pay increases but the legislature failed to take any action on the state's request for funding the increases.¹ The unions contended that when the legislature appropriated funds for the university's budget, "the university received unrestricted funds in several budget categories that it could properly have applied to pay the CBA's cost-of-living increases."² The unions argued that "absent a specific vote by the legislature refusing to fund these increases, they must be deemed to have been appropriated when the legislature approved the university's budget."³ The Alaska Supreme Court rejected this argument, stating:

The Public Employment Relations Act (PERA) governs collective bargaining agreements between public employees and public employers in Alaska. Alaska Statute 23.40.215(a) specifically provides that "[t]he monetary terms of any agreement entered into under [PERA] are subject to funding through legislative appropriation." The plain language of this

¹ 988 P.2d 105 (Alaska 1999).

² *Id.* at 107.

³ *Id.*

provision suggests that the monetary terms of [a] CBA do not become effective unless and until the legislature *specifically* funds them.⁴

In support of its conclusion, the court cited *Public Safety Employees Association, Local 92 v. State*, a case in which the state agreed to pay union members statutorily mandated geographic-differential salary increases.⁵ The CBA in that case provided, "For pay shortages exceeding \$400 above the normal base rate of pay, or shortages to the normal base rate of pay, and/or *geographic pay levels, not received within the five (5) days, there shall be a penalty of \$40 per day.*"⁶ However, despite this penalty language, the state did not pay the geographic-differential salary increases. The state instead decided that before it implemented the increases, it would seek funding from the legislature when it next convened.⁷ The CBA's deadline for payment passed without legislative funding of the increases, and an arbitrator penalized the state for late payment.⁸ The arbitrator ruled that the state could have paid the salary increases by the CBA's deadline by drawing money from other sources in its existing budget.⁹ The Alaska Supreme Court overruled the arbitrator's decision, "expressly disapproving the notion that a state agency can 'circumvent the requirement of legislative approval' by reallocating its existing resources."¹⁰ The court explained:

The superficial appeal of this [position] is undercut by understanding its practical effect. Were the State either free or required to reallocate its present appropriation and resources in this manner, the appropriation power of the legislature would be frustrated.¹¹

The court in *University of Alaska Classified Employees Association* then went on to find that, "PSEA thus directly conflicts with the unions' argument here that the [negotiated]

⁴ *Id.* at 107 - 08 (emphasis added) (citations omitted) (first and second alteration in original).

⁵ 895 P.2d 980, 983 (Alaska 1995).

⁶ *Id.* at 982 (emphasis in original).

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 982 - 983.

¹⁰ *Univ. of Alaska Classified Emps. Ass'n*, 988 P.2d at 108 (quoting *Pub. Safety Emps. Ass'n*, 895 P.2d at 986).

¹¹ *Univ. of Alaska Classified Emps. Ass'n*, 988 P.2d at 108.

salary increases, which the legislature never specifically funded, should nonetheless be deemed 'appropriated' because the university could have paid them out of its general budget."¹²

The legislature was aware of and responded to the Alaska Supreme Court's decisions in *University of Alaska Classified Employees Association* and *PSEA*. The definition of "monetary terms of an agreement" now includes a change "in the terms and conditions of employment resulting from an agreement" that addresses "employee compensation, leave benefits, or health insurance benefits, whether or not an appropriation is required for implementation."¹³ This provision was enacted in ch. 15, SLA 2000 (SB 269 from the 21st Legislature). SB 269 was enacted directly in response to the Alaska Supreme Court's decision in *University of Alaska Classified Employees Association*. In explaining the purpose of SB 269, Senator Tim Kelly stated, "[t]he intent of the legislation is to make certain that, following the court decision [of *University of Alaska Classified Employees Association*], that the Legislature must fund new contracts."¹⁴

Following enactment of SB 269, an attorney general opinion raised several legal issues with the bill language.¹⁵ The attorney general stated: "The amendment to AS 23.40.250(4) adds contract terms to the definition of monetary terms that it expressly anticipates may not require legislative funding. The only place in which 'monetary terms' appears in PERA, other than section 250, is in section 215. Thus, as a practical matter, only those contract terms that actually require funding are subject to AS 23.40.215." The opinion also raised an issue relating to "the scope of the legislature's power with respect to terms other than those requiring appropriation," stating that, "[the legislature] cannot act in an administrative capacity to approve or disapprove those provisions of contracts which do not require an appropriation to be implemented."¹⁶ The attorney general opined that, to avoid an unconstitutional result, SB 269, "should not be read to change the essential function of the legislature in PERA, to determine whether to fund terms that require appropriations."¹⁷

¹² *Id.* at 108 - 109.

¹³ AS 23.40.250(4).

¹⁴ Minutes of House Finance Committee, SB 269, testimony of Senator Tim Kelly (March 29, 2000).

¹⁵ 2000 Inf. Op. Att'y Gen. (Apr. 7; 883-00-0013).

¹⁶ *Id.* at *2.

¹⁷ *Id.* at *3.

However, as discussed above, the payment of bonuses to members of a bargaining unit through an LOA likely creates a monetary term of an agreement entered into under AS 23.40.070 - 23.40.260 that is ineffective without a specific legislative appropriation for the bonuses. The Alaska Supreme Court "expressly [disapproved] the notion that a state agency can 'circumvent the requirement of legislative approval' by reallocating its existing resources."¹⁸ If the executive branch or the University of Alaska was free to reallocate its existing resources to pay bonuses to its union employees, the "appropriation power of the legislature would be frustrated."¹⁹

Where the legislature has intended to pay bonuses to state employees, it has done so through either express language in the budget or through the background documents for an appropriation.²⁰ Nothing in the express language of past appropriations bills indicates that the legislature intended to fund the payment of bonuses through the LOAs at issue here relating to union employees.²¹ According to the legislative finance division, nothing in the background documents for past appropriations bills indicate that the legislature has previously funded such bonuses. In fact, with regard to the LOA to implement a bonus for bargaining unit members in the Trooper Recruit or State Trooper job class, the Department of Public Safety expressly stated that the bonus will be paid through personal services vacancies.

In sum, if the legislature has not specifically appropriated money for bonuses, it is unlikely that a department and a bargaining unit may implement bonuses for bargaining

¹⁸ *Univ. of Alaska Classified Emps. Ass'n*, 988 P.2d at 108 (quoting *Pub. Safety Emps. Ass'n*, 895 P.2d at 986).

¹⁹ *Univ. of Alaska Classified Emps. Ass'n v. Univ. of Alaska*, 988 P.2d at 108.

²⁰ See, e.g., sec. 11, ch. 53, SLA 2005 ("In addition to compensation authorized under AS 24.10.200 and 24.10.210, an employee of the legislature may be awarded and paid a bonus to reward extraordinary effort, competency, job performance, or uncompensated overtime. However, after January 1, 2005, the authority to award and pay a bonus under this section is terminated, and bonuses may not be awarded or paid after that date"); sec. 20, ch. 173, SLA 1988 ("The sum of \$100,700 is appropriated from the general fund to the Department of Military and Veterans' Affairs to pay for additional costs of the National Guard reenlistment bonus program for the fiscal year ending June 30, 1988"). See also, 2021 Legislature, Operating Budget, Transaction Detail - Conf Committee Structure, Alaska Permanent Fund Corporation (APFC), APFC Operations, which explained that the appropriation for APFC operations included money for an "Investment Staff Incentive Compensation Program."

²¹ Section 20, ch. 173, SLA 1988 provided: "The sum of \$100,700 is appropriated from the general fund to the Department of Military and Veterans' Affairs to pay for additional costs of the National Guard reenlistment bonus program for the fiscal year ending June 30, 1988," but this is not relevant to the issues discussed in this memorandum.

unit members through an LOA, even if the department draws money from other sources in its existing budget to pay for the bonuses. Under the express language of AS 23.40.215 and 23.40.250(4), and the reasoning of the Alaska Supreme Court's decisions in *University of Alaska Classified Employees Association* and *PSEA*, it is likely a court would find that such LOAs for the payment of bonuses creates a new monetary term of an agreement entered into under AS 23.40.070 - 23.40.260 that is ineffective without a specific legislative appropriation for the bonuses. As a monetary term of an agreement, under AS 23.40.215(b), the Department of Administration is required to submit the LOA to the legislature so that the legislature may decide whether to fund the bonuses in an appropriation bill.

If the legislature wishes to allow a department and a bargaining unit to implement a bonus for bargaining unit members for FY 2023, the legislature should appropriate money in the FY 2023 operating budget for the bonuses and the budget documents supporting the appropriation should clearly document that the appropriation is for the bonuses. The budget should also include language similar to that typically used for CBAs.²² For example, the language section of the budget could provide that, "the operating budget appropriations made in sec. 1 of this Act include amounts for bonuses for public employees of the executive branch and to implement the monetary terms for the fiscal year ending June 30, 2023, of the following letters of agreements" and then list out the specific LOAs that the legislature intends to fund in the budget. If the legislature wishes to provide funding for a prior fiscal year, the legislature may use similar language for a supplemental appropriation.

2. Bonuses initiated by the legislature for members of a bargaining unit. If the legislature unilaterally initiates bonuses to members of a bargaining unit outside the bargaining process, this action could be an unfair labor practice. The better practice would be to follow the typical CBA process and allow the executive branch and bargaining unit to bargain for bonuses. The legislature can then decide whether to specifically appropriate money for the bonuses.

Under AS 23.40.110(a), it is an unfair labor practice for a public employer or an agent of a public employer to "discriminate in regard to hire or tenure of employment or a term or condition of employment to encourage or discourage membership in an organization," or "refuse to bargain collectively in good faith with an organization that is the exclusive representative of employees in an appropriate unit" If the state unilaterally imposes on a bargaining unit a retention bonus or other salary increase for certain employees that is higher than the pay increase the state provides to other employees, the disparate treatment may "discriminate in regard to a term or condition of employment." However, it may be difficult for a complainant to prove that the discrimination would "encourage or

²² See, e.g. sec. 74(a), ch. 1 SSSLA 2021 (making an appropriation to implement the monetary terms of the PSEA CBA for FY 2022).

discourage membership" in an organization representing that bargaining unit, or that the employer intended it to have that effect.

The unilateral action by the employer might also be seen as an unfair labor practice by the state for refusing "to bargain collectively in good faith." Employee compensation is a mandatory subject of bargaining.²³ In addition to the prohibition against refusing to bargain in good faith under AS 23.40.110(a), the Alaska Labor Relations Board has interpreted AS 23.40.070 as also requiring the state to bargain collectively in good faith with organizations representing bargaining units.²⁴ Employee compensation is a "term and condition of employment," under AS 23.40.250(9). The legislature's unilateral payment of a bonus would circumvent the state's requirement to bargain collectively in good faith with organizations representing bargaining units.

3. Bonuses for non-unionized, exempt state employees. Substantive legislation may be necessary to provide bonuses to some nonunion employees but not others. The analysis below evaluates nonunion executive branch employees who are subject to the salary schedule in AS 39.27.011, as well as different groups of exempt executive branch employees who are not subject to the salary schedule.

a. Employees covered by AS 39.27.011. AS 39.27.011(a) establishes "the pay plan for classified and partially exempt employees in the executive branch of the state government who are not members of a collective bargaining unit established under the authority of AS 23.40.070 - 23.40.260 (Public Employment Relations Act) and for employees of the legislature under AS 24." AS 39.25.120(a) expressly provides that "[p]ositions in the partially exempt service are included in the position classification plan established under this chapter and are compensated according to the pay plan under AS 39.27.011." AS 39.27.011(k) provides:

Notwithstanding (a) - (j) of this section, the governor or a designee of the governor may, on a case-by-case basis, authorize for a partially exempt employee in the executive branch a higher pay than Step F. The authorization must be based on a determination that the action serves a critical governmental interest of the state, the employee possesses

²³ AS 23.40.070(2); *State v. Pub. Safety Emps. Ass'n*, 93 P.3d 409, 417 (Alaska 2004) ("Alaska Statute 23.40.070(2) 'requir[es] public employers to negotiate with and enter into written agreements with employee organizations on matters of wages, hours, and other terms and conditions of employment.' These are the mandatory subjects of bargaining on which the parties must bargain in good faith, although they need not reach agreement.").

²⁴ *Alaska State Employees Association/AFSCME Local 52, AFL-CIO, Complainant, v. State of Alaska, Department of Administration, Division of Personnel/EEO, Respondent*, Labor Relations Agency, State of Alaska, Case No. 93-173-ULP, Decision and Order No. 158, 1993 WL 13633680, at *11 (May 14, 1993).

exceptional qualifications, recruitment difficulties exist, or the action is necessary due to competitive salaries in the relevant labor market. A determination made under this subsection must be in writing.

AS 39.27.011(k) was enacted in sec. 14, ch. 47, SLA 2013, through a governor's bill (SB 95 from the 28th Legislature). In describing the purpose of this provision, then-Deputy Commissioner of the Department of Administration Curtis Thayer stated that partially exempt positions are subject to classification and pay plans, which limits flexibility.²⁵ He explained the state is often not competitive for top talent and needs some flexibility for mission critical positions, and that under what is now AS 39.27.011(k), the governor or designee may pay a partially exempt employee outside Step F of the pay scale under the circumstances and procedures outlined in AS 39.27.011(k).²⁶ In a hearing on the house companion bill (HB 195), Deputy Commissioner Thayer stated that under this provision, the department would attempt to attract people into state service for a particular position.²⁷ Only when a commissioner or director had a difficult time filling a position, would they go to the governor's office to ask for a variance, and the process to achieve the variance would be long and rigorous.²⁸ This legislative history shows that the governor and the legislature intended AS 39.27.011(k) to be the mechanism a department must use to compensate employees covered by AS 39.27.011 outside the pay plan, and that this provision was intended to only allow flexibility for partially exempt employees.

Other than the authorization allowed in AS 39.27.011(k), I have not identified any other authority allowing an agency to compensate employees covered by AS 39.27.011 outside the pay plan. Without authority to compensate employees outside the salary schedule in AS 39.27.011, a statutory change is likely required to provide an agency authority to expend an appropriation for nonunion employee bonuses for employees covered by AS 39.27.011.

The legislature may accomplish this through temporary or permanent legislation. For example, in sec. 11, ch. 53, SLA 2005, the legislature enacted a temporary law authorizing, for a specific period of time, bonuses for legislative employees "[i]n addition to compensation authorized under AS 24.10.200 and AS 24.10.210" Those sections provide that legislative employees are to be compensated under the salary schedule in AS 39.27.011. Section 11, ch. 53, SLA 2005 expressly prohibited the payment of bonuses

²⁵ Minutes of Senate Finance Committee, SB 95, testimony of Deputy Commissioner of the Department of Administration Curtis Thayer (April 8, 2013).

²⁶ *Id.*

²⁷ Minutes of Senate Finance Committee, HB 195, testimony of Deputy Commissioner of the Department of Administration Curtis Thayer (April 8, 2013).

²⁸ *Id.*

under the uncodified law after January 1, 2005. This prohibition was later codified in AS 24.10.220. The effect of sec. 11, ch. 53, SLA 2005 was to allow bonuses for legislative employees only for a specific period of time.

b. Exempt executive branch employees. Exempt executive branch employees are compensated in a variety of ways. For example, compensation for the governor, lieutenant governor, and principal department heads is established by the State Officers Compensation Commission (commission) under AS 39.23.²⁹ Because compensation is expressly set by the commission in statute, paying bonuses to exempt executive branch employees would likely require substantive legislation. Other exempt employees have compensation directly tied to the salary schedule in AS 39.27.011 and, as explained above, bonus payments for these employees would also likely require substantive legislation.³⁰ Finally, some exempt employees are compensated based on the policies of the executive branch agencies or corporations.³¹ A statement in the operating budget that an appropriation is intended to fund bonuses for such employees, or a similar explanation in the background documents applicable to the appropriation,³² is likely sufficient for the employing agencies to pay bonuses to these exempt employees. Furthermore, if these agencies or corporations adopted policies that provided for bonuses, the bonuses would likely be effective as long as the appropriation for the agency did not expressly preclude expenditure of the appropriation on bonuses.

Please let me know if I may be of further assistance.

MYM:lme
22-129.lme

²⁹ AS 39.20.010, 39.20.030, and 39.20.080.

³⁰ See, e.g., AS 39.20.080(b) (setting the salary for deputy department heads as a "step in range 28" of the salary schedule in AS 39.27.011).

³¹ See, e.g. AS 39.25.110 (listing the fully exempt positions in state service, including employees of the Alaska Permanent Fund Corporation); AS 37.13.100 ("The [Alaska Permanent Fund Corporation] board may employ and determine the salary of an executive director. The executive director may, with the approval of the board, select and employ additional staff as necessary. . . The executive director and the other employees of the board are in the exempt service under AS 39.25.").

³² See e.g., 2021 Legislature, Operating Budget, Transaction Detail - Conf Committee Structure, Alaska Permanent Fund Corporation (APFC), APFC Operations, which explained that the appropriation for APFC operations included money for an "Investment Staff Incentive Compensation Program."

#L13

32-GH2686\R.17
Marx
3/17/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE WOOL

TO: CSHB 281(FIN), Draft Version "R"

- 1 Page 81, line 11:
- 2 Delete "\$50,000,000"
- 3 Insert "\$57,000,000"

2022 Session Operating Budget Proposal

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Wool

Agency: Education & Early Dev
Appropriation: K-12 Aid to School Districts
Allocation: Additional Foundation Funding

Transaction Details

Title: Additional Funding for School Districts
Section: Language
Type: Cntngt

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	0.0
Miscellaneous:	7,000.0
	<hr/> 7,000.0

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	7,000.0
---------------	---------

Explanation

This amendment aligns funding with legislation referenced in the contingency section of HB 281.

#L14

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE ORTIZ

TO: CSHB 281(FIN), Draft Version "R"

Page 88, line 16, following "GOVERNOR":

Insert "(a)"

Page 88, following line 19:

Insert new subsections to read:

"(b) If the 2023 fiscal year-to-date average price of Alaska North Slope crude oil exceeds \$70 a barrel on December 1, 2022, the amount of money corresponding to the 2023 fiscal year-to-date average price, rounded to the nearest dollar, as set out in the table in (c) of this section, estimated to be \$27,000,000, is appropriated from the general fund to the Office of the Governor for distribution to state agencies to offset increased fuel and utility costs for the fiscal year ending June 30, 2023.

(c) The following table shall be used in determining the amount of the appropriation made in (b) of this section:

2023 FISCAL YEAR-TO-DATE AVERAGE PRICE OF ALASKA NORTH SLOPE CRUDE OIL	AMOUNT
\$125 or more	\$27,000,000
124	26,500,000
123	26,000,000
122	25,500,000
121	25,000,000

1	120	24,500,000
2	119	24,000,000
3	118	23,500,000
4	117	23,000,000
5	116	22,500,000
6	115	22,000,000
7	114	21,500,000
8	113	21,000,000
9	112	20,500,000
10	111	20,000,000
11	110	19,500,000
12	109	19,000,000
13	108	18,500,000
14	107	18,000,000
15	106	17,500,000
16	105	17,000,000
17	104	16,500,000
18	103	16,000,000
19	102	15,500,000
20	101	15,000,000
21	100	14,500,000
22	99	14,000,000
23	98	13,500,000
24	97	13,000,000
25	96	12,500,000
26	95	12,000,000
27	94	11,500,000
28	93	11,000,000
29	92	10,500,000
30	91	10,000,000
31	90	9,500,000

1	89	9,000,000
2	88	8,500,000
3	87	8,000,000
4	86	7,500,000
5	85	7,000,000
6	84	6,500,000
7	83	6,000,000
8	82	5,500,000
9	81	5,000,000
10	80	4,500,000
11	79	4,000,000
12	78	3,500,000
13	77	3,000,000
14	76	2,500,000
15	75	2,000,000
16	74	1,500,000
17	73	1,000,000
18	72	500,000
19	71	0

(d) It is the intent of the legislature that a payment under (b) of this section be used to offset the effects of higher fuel and utility costs for the fiscal year ending June 30, 2023.

(e) The governor shall allocate amounts appropriated in (b) of this section as follows:

(1) to the Department of Transportation and Public Facilities, 65 percent of the total plus or minus 10 percent;

(2) to the University of Alaska, 15 percent of the total plus or minus three percent;

(3) to the Department of Family and Community Services and the Department of Corrections, not more than five percent each of the total amount appropriated;

(4) to any other state agency, not more than four percent of the total amount appropriated;

(5) the aggregate amount allocated may not exceed 100 percent of the

1 appropriation."

#L15

32-GH2686\R.21
Marx
3/19/22

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE JOSEPHSON

TO: CSHB 281(FIN), Draft Version "R"

1 Page 81, following line 14:

2 Insert new subsections to read:

3 "(e) The sum of \$100,000,000 is appropriated from the general fund to the
4 Department of Education and Early Development to be distributed as grants to school districts
5 according to the average daily membership for each district adjusted under
6 AS 14.17.410(b)(1)(A) - (D) for the fiscal year ending June 30, 2023.

7 (f) The sum of \$150,000,000 is appropriated from the general fund to the Department
8 of Education and Early Development to be distributed as grants to school districts according
9 to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D)
10 for the fiscal year ending June 30, 2024.

11 (g) The sum of \$200,000,000 is appropriated from the general fund to the Department
12 of Education and Early Development to be distributed as grants to school districts according
13 to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D)
14 for the fiscal year ending June 30, 2025."

15

16 Reletter the following subsection accordingly.

17

18 Page 105, line 23:

19 Delete "secs. 19 and 23" in both places

20 Insert "secs. 19, 23, and 29(e) - (g)" in both places

21

22 Page 105, line 31:

23 Delete "Section 23 of this Act takes"

1 Insert "Sections 23 and 29(e) - (g) of this Act take"

2022 Session Operating Budget Proposal

Offered In: The House Finance Committee
To: HB281/HB282
Offered By: Representative Josephson

Agency: Education & Early Dev
Appropriation: K-12 Aid to School Districts
Allocation: Additional Foundation Funding

Transaction Details

Title: FY22 Supplemental - Grants to School Districts
Section: Language
Type: MultiYr

Line Items

Personal Services:	0.0
Travel:	0.0
Services:	0.0
Commodities:	0.0
Capital Outlay:	0.0
Grants:	450,000.0
Miscellaneous:	0.0
	<u>450,000.0</u>

Positions

Permanent Full-Time:	0
Permanent Part-Time:	0
Temporary:	0

Funding

1004 Gen Fund	450,000.0
---------------	-----------

Explanation

This amendment provides Alaska schools with the same resources as FY17 by fully offsetting the inflation rate since the BSA was last adjusted in FY17 and providing the equivalent level of funding for the next three fiscal years. This will allow schools to demonstrate the results they can achieve with stable funding.

2022 Session Operating Budget Proposal

This additional \$450 million of funding outside the formula is intended to be distributed as follows:

1. \$100 million in FY23
2. \$150 million in FY24
3. \$200 million in FY25