

**CS FOR HOUSE BILL NO. 100(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/3/95  
Referred: Rules

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act making appropriations for the operating and loan program expenses of  
2 state government, for certain programs, and to capitalize funds; making  
3 appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from  
4 the constitutional budget reserve fund; and providing for an effective date."

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

6 \* **Section 1.** Included within the general fund amounts appropriated in this Act, the  
7 following amounts are from the unreserved special accounts in the general fund:

8 Highway fuel tax account (AS 43.40.010(g)) \$25,500,000

9 Aviation fuel tax account (AS 43.40.010(e)) 7,000,000

10 \* **Sec. 2.** Federal or other program receipts as defined under AS 37.05.146 that exceed the  
11 amounts appropriated in this Act are appropriated conditioned upon compliance with the  
12 program review provisions of AS 37.07.080(h).

13 \* **Sec. 3.** If federal or other program receipts as defined under AS 37.05.146 exceed the  
14 estimates appropriated by this Act, the appropriation from state funds for the affected program

1 may be reduced by the amount of the excess if the reductions are consistent with applicable  
2 federal statutes.

3 \* **Sec. 4.** Except as provided in sec. 5 of this Act, if federal or other program receipts as  
4 defined under AS 37.05.146 fall short of the estimates appropriated by this Act, the affected  
5 appropriation is reduced by the amount of the shortfall in receipts.

6 \* **Sec. 5.** If the federal receipts under 42 U.S.C. 1397 - 1397f (Title XX of the Social  
7 Security Act) fall short of the estimate, the amount of the shortfall, not to exceed \$6,310,800,  
8 is appropriated from the general fund.

9 \* **Sec. 6.** (a) Amounts necessary to fund the uses of the state insurance catastrophe reserve  
10 account described in AS 37.05.289(a) are appropriated from that account to the Department  
11 of Administration.

12 (b) Amounts equivalent to the amounts to be received in settlement of insurance  
13 claims for losses and the amounts to be received as recovery for losses are appropriated from  
14 the general fund to the state insurance catastrophe reserve account established by  
15 AS 37.05.289.

16 (c) Amounts equivalent to the amounts to be received in settlement of claims against  
17 bonds guaranteeing the reclamation of state land are appropriated from the general fund to the  
18 agency secured by the bond. This appropriation is made for the purpose of reclaiming state  
19 land affected by a use covered by the bond.

20 (d) The appropriations made in (b) and (c) of this section are contingent upon  
21 compliance with the program review provisions of AS 37.07.080(h).

22 \* **Sec. 7.** The amount required to pay interest on revenue anticipation notes issued by the  
23 commissioner of revenue under AS 43.08 is appropriated from the general fund to the  
24 Department of Revenue for payment of interest on revenue anticipation notes issued by the  
25 commissioner of revenue under AS 43.08.

26 \* **Sec. 8.** The amount required to be paid by the state for the principal of and interest on  
27 all issued and outstanding state-guaranteed bonds is appropriated from the general fund to the  
28 state bond committee to make all payments by the state required under its guarantee for  
29 principal and interest.

30 \* **Sec. 9.** The sum of \$5,793,767 is appropriated from the international airports revenue  
31 fund (AS 37.15.430) to the state bond committee for payment of debt service and trustee fees

1 on outstanding international airports revenue bonds.

2 \* **Sec. 10.** (a) The sum of \$9,628,221 is appropriated from the general fund to the Alaska  
3 debt retirement fund (AS 37.15.011).

4 (b) The sum of \$9,628,221 is appropriated from the Alaska debt retirement fund  
5 (AS 37.15.011) to the state bond committee for lease payments to the Alaska Housing Finance  
6 Corporation, City of Seward, City of Kenai, the Department of Natural Resources, and the  
7 Alaska court system.

8 \* **Sec. 11.** (a) The sum of \$19,451,996 is appropriated from the general fund to the Alaska  
9 debt retirement fund (AS 37.15.011).

10 (b) The sum of \$19,451,996 is appropriated from the Alaska debt retirement fund  
11 (AS 37.15.011) to the state bond committee for payment of debt service and trustee fees on  
12 state general obligation bonds.

13 (c) The sum of \$1,885,287 is appropriated from the Alaska debt retirement fund  
14 (AS 37.15.011) to the state bond committee for payment of debt service and trustee fees on  
15 state general obligation bonds.

16 \* **Sec. 12.** The amount authorized for transfer by the Alaska Permanent Fund Corporation  
17 under AS 37.13.145(b) is appropriated from the earnings reserve account (AS 37.13.145) to  
18 the dividend fund (AS 43.23.045(a)) for the payment of permanent fund dividends and  
19 administrative and associated costs.

20 \* **Sec. 13.** The amount calculated under AS 37.13.145 to offset the effect of inflation on  
21 the principal of the Alaska permanent fund is appropriated to the principal of the Alaska  
22 permanent fund from the balance in the earnings reserve account (AS 37.13.145) of the Alaska  
23 permanent fund that remains after money is transferred to the dividend fund under sec. 12 of  
24 this Act.

25 \* **Sec. 14.** The interest earned during fiscal year 1996 on revenue from the sources set out  
26 in AS 37.13.010 while the revenue is held in trust, escrow, or otherwise before receipt of the  
27 revenue by the state is appropriated to the principal of the Alaska permanent fund.

28 \* **Sec. 15.** The amount required to be deposited under AS 37.13.010(a)(1) and (2) during  
29 fiscal year 1996 is appropriated to the principal of the Alaska permanent fund in satisfaction  
30 of that requirement.

31 \* **Sec. 16.** The lapsing balance of the employment assistance and training program fund

1 (sec. 3, ch. 95, SLA 1989, as amended by sec. 33, ch. 2, FSSSLA 1992) on June 30, 1995,  
2 is appropriated to the unemployment compensation fund (AS 23.20.130) on July 1, 1995.

3 \* **Sec. 17.** (a) Except as provided in (b) and (c) of this section, all unrestricted mortgage  
4 loan interest payments and all other unrestricted receipts, including, without limitation,  
5 mortgage loan commitment fees, received by or accrued to the Alaska Housing Finance  
6 Corporation during the fiscal year 1996, and all income earned on assets of the corporation  
7 during that period, are appropriated to the Alaska housing finance revolving fund  
8 (AS 18.56.082) for the purposes described in AS 18.56.

9 (b) All unrestricted mortgage loan interest payments and all other unrestricted receipts,  
10 including, without limitation, mortgage loan commitment fees, received by or accrued to the  
11 housing assistance loan fund (AS 18.56.420) in the Alaska Housing Finance Corporation  
12 during the fiscal year 1996, and all income earned on assets of that fund during that period,  
13 are appropriated to the housing assistance loan fund in the Alaska Housing Finance  
14 Corporation for the purposes of that fund.

15 (c) All unrestricted mortgage loan interest payments and all other unrestricted receipts,  
16 including, without limitation, mortgage loan commitment fees, received by or accrued to the  
17 senior housing revolving fund (AS 18.56.710) in the Alaska Housing Finance Corporation  
18 during the fiscal year 1996, and all income earned on assets of that fund during that period,  
19 are appropriated to the senior housing revolving fund in the Alaska Housing Finance  
20 Corporation for the purposes of that fund.

21 (d) The sum of \$70,000,000 from the available unrestricted cash in the general  
22 account of the revolving fund, Alaska Housing Finance Corporation, is anticipated to be  
23 transferred by the direction of the Alaska Housing Finance Corporation board to the general  
24 fund. The funds shall be deposited to the general fund when received during fiscal year 1996.

25 (e) The appropriations made by (a) - (c) of this section are contingent upon  
26 compliance with the program review provisions of AS 37.07.080(h).

27 \* **Sec. 18.** The sum of \$10,350,000 is appropriated to the disaster relief fund  
28 (AS 26.23.300) from the following sources:

29	Federal receipts	\$9,000,000
30	General fund	1,350,000

31 \* **Sec. 19.** The fiscal year 1996 general fund receipts of the tank registration fee program

1 under AS 46.03.385 are appropriated to the storage tank assistance fund (AS 46.03.410).

2 \* **Sec. 20.** (a) The balance of the oil and hazardous substance release prevention mitigation  
3 account (AS 46.08.020(b)) in the general fund on July 1, 1995, not otherwise appropriated by  
4 (b) and (c) of this section, is appropriated to the oil and hazardous substance release  
5 prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release prevention  
6 and response fund (AS 46.08.010).

7 (b) The sum of \$2,591,300 is appropriated from the oil and hazardous substance  
8 release prevention mitigation account (AS 46.08.020(b)) on July 1, 1995, to the storage tank  
9 assistance fund (AS 46.03.410) for the fiscal year ending June 30, 1996.

10 (c) The sum of \$1,000,000 is appropriated from the oil and hazardous substance  
11 release prevention mitigation account (AS 46.08.020(b)) to the general fund.

12 \* **Sec. 21.** The balance in the oil and hazardous substance release response mitigation  
13 account (AS 46.08.025(b)) in the general fund on July 1, 1995, is appropriated to the oil and  
14 hazardous substance release response account (AS 46.08.010(a)(2)) in the oil and hazardous  
15 substance release prevention and response fund (AS 46.08.010).

16 \* **Sec. 22.** (a) The sum of \$4,015,100, derived from the surcharge collected under  
17 AS 43.55.201 during fiscal year 1995, is appropriated from the general fund to the oil and  
18 hazardous substance release response account (AS 46.08.010(a)(2)) in the oil and hazardous  
19 substance release prevention and response fund (AS 46.08.010).

20 (b) The appropriation made by (a) of this section is based on revenue estimates. If  
21 the amount in the general fund that is derived from the surcharge collected under  
22 AS 43.55.201 during fiscal year 1995 is greater than the appropriation made by (a) of this  
23 section, that appropriation is increased to that greater amount.

24 \* **Sec. 23.** (a) The sum of \$9,875,700, derived from the surcharge collected under  
25 AS 43.55.300 during fiscal year 1995, is appropriated from the general fund to the oil and  
26 hazardous substance release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous  
27 substance release prevention and response fund (AS 46.08.010).

28 (b) The appropriation made by (a) of this section is based on revenue estimates. If  
29 the amount in the general fund that is derived from the surcharge collected under  
30 AS 43.55.300 during fiscal year 1995 is greater than the appropriation made by (a) of this  
31 section, that appropriation is increased to that greater amount.

1 \* **Sec. 24.** The sum of \$21,586,500 is appropriated to the information services fund  
2 (AS 44.21.045) for the Department of Administration, division of information services  
3 programs from the following sources:

4	General fund program receipts	\$ 55,000
5	Inter-agency receipts	21,451,500
6	Inter-agency receipts/oil and hazardous	
7	substance release prevention and response fund	80,000

8 \* **Sec. 25.** (a) The sum of \$24,000,000 is appropriated to the Department of Law from the  
9 following sources, for costs relating to legal proceedings and audit activity involving oil and  
10 gas revenue due or paid to the state or state title to oil and gas land, for the fiscal year ending  
11 June 30, 1996:

12	State corporation receipts	\$ 6,000,000
13	Budget reserve fund (art. IX, sec. 17,	
14	Constitution of the State of Alaska)	18,000,000

15 (b) The appropriation made by (a) of this section from the budget reserve fund  
16 (art. IX, sec. 17, Constitution of the State of Alaska) is made under art. IX, sec. 17(c),  
17 Constitution of the State of Alaska.

18 \* **Sec. 26.** (a) The sum of \$80,322,400 is appropriated from the general fund to the  
19 Alaska debt retirement fund (AS 37.15.011).

20 (b) The sum of \$80,322,400 is appropriated from the Alaska debt retirement fund  
21 (AS 37.15.011) to the Department of Education for state aid for costs of school construction  
22 under AS 14.11.100.

23 \* **Sec. 27.** An amount equal to the amount appropriated for the costs of the 1995 annual  
24 governor's safety conference (sec. 28, ch. 3, FSSLA 1994), plus the fiscal year 1995 program  
25 receipts of the Safety Advisory Council (AS 18.60.830), less the amount expended or  
26 obligated for expenditure for the costs of the 1995 annual governor's safety conference, is  
27 appropriated from the general fund to the Safety Advisory Council for costs of the 1996  
28 annual governor's safety conference.

29 \* **Sec. 28.** The amount required to pay claims awarded under AS 08.88.470 is appropriated  
30 from the real estate surety fund (AS 08.88.450) to the Department of Commerce and  
31 Economic Development, division of occupational licensing, to pay claims awarded under

1 AS 08.88.470.

2 \* **Sec. 29.** The balance on June 30, 1995, of the Alaska Public Utilities Commission  
3 program receipts account for regulatory cost charges under AS 42.05.253 and AS 42.06.285  
4 for fiscal year 1995 is appropriated to the Alaska Public Utilities Commission for fiscal year  
5 1996 expenditures.

6 \* **Sec. 30.** An amount equal to the fiscal year 1995 general fund receipts from the salmon  
7 marketing tax under AS 43.76.110 and from the seafood marketing assessment under  
8 AS 16.51.120, less the amount of those receipts that was expended or obligated for  
9 expenditure during fiscal year 1995, is appropriated from the general fund to the Alaska  
10 Seafood Marketing Institute for marketing Alaska seafood products during fiscal year 1996.

11 \* **Sec. 31.** The sum of \$28,263,200 is appropriated from the general fund to the Alaska  
12 marine highway system fund (AS 19.65.060) to continue to provide stable services to the  
13 public.

14 \* **Sec. 32.** The amount available in the four dam pool transfer fund (AS 42.45.050) during  
15 fiscal year 1996 is appropriated to the following funds in the following percentages for the  
16 purposes set out in AS 42.45.050:

17	Power cost equalization and rural electric	
18	capitalization fund (AS 42.45.100)	40 percent
19	Southeast energy fund (AS 42.45.040)	40 percent
20	Power project fund (AS 42.45.010)	20 percent

21 \* **Sec. 33.** The sum of \$9,097,800 is appropriated from the general fund to the Alaska  
22 clean water fund (AS 46.03.032) for the Alaska clean water loan program from the following  
23 sources:

24	General fund	\$1,516,300
25	Federal receipts	7,581,500

26 \* **Sec. 34.** The amounts necessary to refund to local governments their share of taxes and  
27 fees collected under the following programs are appropriated to the Department of Revenue  
28 from the general fund for payment in fiscal year 1996:

- 29 (1) fisheries tax revenue for fiscal year 1995 (AS 43.75);  
30 (2) fishery resource landing tax revenue for fiscal year 1995 (AS 43.77);  
31 (3) amusement and gaming tax revenue for fiscal year 1996 (AS 43.35);

- 1 (4) aviation fuel tax revenue for fiscal year 1996 (AS 43.40.010);  
2 (5) electric and telephone cooperative tax revenue for fiscal year 1996  
3 (AS 10.25.570); and  
4 (6) liquor license fee revenue for fiscal year 1996 (AS 04.11).

5 \* **Sec. 35.** The amount equal to the salmon enhancement tax collected under AS 43.76.010  
6 - 43.76.030 in calendar year 1994 and deposited in the general fund under AS 43.76.025(c)  
7 is appropriated from the general fund to the Department of Commerce and Economic  
8 Development for payment in fiscal year 1996 to provide financing for qualified regional  
9 associations operating within a region designated under AS 16.10.375.

10 \* **Sec. 36.** The sum of \$50,000 is appropriated from the agricultural revolving loan fund  
11 (AS 03.10.040) to the general fund.

12 \* **Sec. 37.** The sum of \$250,000 is appropriated to the Department of Administration for  
13 payment to the Public Safety Employees Association health trust to satisfy the monetary terms  
14 of the collective bargaining agreement between the state and the Public Safety Employees  
15 Association for the fiscal year ending June 30, 1996, from the following sources:

16	General fund	\$203,600
17	International airports revenue fund	46,400

18 \* **Sec. 38.** (a) Failure of the legislature to adopt a separate appropriation item to fund the  
19 monetary terms of the collective bargaining agreement covering supervisory unit employees  
20 negotiated between the state and the Alaska Public Employees' Association constitutes  
21 rejection of the monetary terms of that agreement in accordance with AS 23.40.215. Money  
22 appropriated for personal services in this Act may not be used to implement the negotiated  
23 monetary terms of that agreement.

24 (b) Failure of the legislature to adopt a separate appropriation item to fund the  
25 monetary terms of the collective bargaining agreement covering unlicensed employees of the  
26 Alaska marine highway system negotiated between the state and the Inlandboatmen's Union  
27 constitutes rejection of the monetary terms of that agreement in accordance with  
28 AS 23.40.215. Money appropriated for personal services in this Act may not be used to  
29 implement the negotiated monetary terms of that agreement.

30 (c) Failure of the legislature to adopt a separate appropriation item to fund the  
31 monetary terms of the collective bargaining agreement covering labor trades and crafts unit

1 employees negotiated between the state and Public Employees' Local 71 (AFL-CIO)  
2 constitutes rejection of the monetary terms of that agreement in accordance with  
3 AS 23.40.215. Money appropriated for personal services in this Act may not be used to  
4 implement the negotiated monetary terms of that agreement.

5 \* **Sec. 39.** Amounts equal to the amounts deposited in the budget reserve fund (art. IX,  
6 sec. 17, Constitution of the State of Alaska) for the fiscal year ending June 30, 1995, by  
7 operation of art. IX, sec. 17(d) to repay appropriations made from the budget reserve fund are  
8 appropriated from the budget reserve fund to the funds and accounts from which they were  
9 transferred. The appropriations made by this section are made under art. IX, sec. 17(c),  
10 Constitution of the State of Alaska.

11 \* **Sec. 40.** If the unrestricted state revenue available for appropriation in the fiscal year that  
12 ends June 30, 1996, is insufficient to cover the general fund appropriations made for that fiscal  
13 year, the amount necessary to balance revenue and general fund appropriations is appropriated  
14 to the general fund from the budget reserve fund (AS 37.05.540).

15 \* **Sec. 41.** In its review of agency operations plans prepared under AS 37.07.080, it is the  
16 intent of the legislature that the office of management and budget control state expenditures  
17 in order to prevent any cash or budget shortfalls over fiscal year 1996. These controls are  
18 intended to limit the use of the budget reserve fund (art. IX, sec. 17, Constitution of the State  
19 of Alaska) to the greatest extent possible, and to reduce supplemental budget requests in the  
20 Second Session of the Nineteenth Alaska State Legislature.

21 \* **Sec. 42.** The appropriations made by secs. 17 - 24, 31, 32, and 33 of this Act are for  
22 capitalization of funds and do not lapse under AS 37.25.010.

(SECTION 43 OF THIS ACT BEGINS ON PAGE 12)