

**SENATE CS FOR CS FOR HOUSE BILL NO. 75(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 4/14/97**

**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.** ALASKA CLEAN WATER FUND. The sum of \$15,706,600 is appropriated  
7 to the Alaska clean water fund (AS 46.03.032) for the Alaska clean water loan program from  
8 the following sources:

|    |                    |              |
|----|--------------------|--------------|
| 9  | General fund match | \$ 2,617,800 |
| 10 | Federal receipts   | 13,088,800   |

11 \* **Sec. 2.** ALASKA HOUSING FINANCE CORPORATION. (a) The sum of \$70,000,000  
12 from the available unrestricted cash in the general account of the Alaska housing finance  
13 revolving fund (AS 18.56.082) is anticipated to be transferred to the general fund during the  
14 fiscal year 1998 by the direction of the board of directors of the Alaska Housing Finance

1 Corporation.

2 (b) The sum of \$27,600,000 from the Alaska Housing Finance Corporation mortgage  
3 insurance fund (AS 18.56.095) which is no longer needed as a result of bond refinancing is  
4 appropriated to the general fund.

5 (c) All unrestricted mortgage loan interest payments, mortgage loan commitment fees,  
6 and all other unrestricted receipts received by or accrued to the Alaska Housing Finance  
7 Corporation during fiscal year 1998 and all income earned on assets of the corporation during  
8 that period are appropriated to the Alaska Housing Finance Corporation to hold as corporate  
9 receipts for the purposes described in AS 18.56. The corporation shall allocate its corporate  
10 receipts among the Alaska housing finance revolving fund (AS 18.56.082), housing assistance  
11 loan fund (AS 18.56.420), and senior housing revolving fund (AS 18.56.710) in accordance  
12 with procedures adopted by the board of directors.

13 (d) The following amounts are appropriated to the Alaska Housing Finance  
14 Corporation (AHFC) from the sources indicated and for the following purposes:

| 15 | PURPOSE                      | AMOUNT        | SOURCE                  |
|----|------------------------------|---------------|-------------------------|
| 16 | Housing loan programs        | \$350,000,000 | AHFC corporate receipts |
| 17 | not subsidized by the Alaska |               |                         |
| 18 | Housing Finance Corporation  |               |                         |
| 19 | Housing loan programs        | 50,000,000    | AHFC corporate receipts |
| 20 | and projects subsidized      |               | derived from arbitrage  |
| 21 | by the Alaska Housing        |               | earnings                |
| 22 | Finance Corporation          |               |                         |

23 \* **Sec. 3.** ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY. The  
24 sum of \$16,000,000 from the available unrestricted cash in the Alaska Industrial Development  
25 and Export Authority revolving fund (AS 44.88.060) is anticipated to be transferred to the  
26 general fund as directed by the Alaska Industrial Development and Export Authority. The  
27 transferred money shall be deposited in the general fund when received during fiscal year  
28 1998.

29 \* **Sec. 4.** ALASKA PERMANENT FUND CORPORATION. (a) The amount authorized  
30 for transfer by the Alaska Permanent Fund Corporation under AS 37.13.145(b) is appropriated  
31 from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for

1 the payment of permanent fund dividends and administrative and associated costs.

2 (b) After money is transferred to the dividend fund under (a) of this section, the  
3 amount calculated under AS 37.13.145 to offset the effect of inflation on the principal of the  
4 Alaska permanent fund is appropriated from the earnings reserve account (AS 37.13.145) to  
5 the principal of the Alaska permanent fund.

6 (c) The amount required to be deposited under AS 37.13.010(a)(1) and (2) during  
7 fiscal year 1998 is appropriated to the principal of the Alaska permanent fund in satisfaction  
8 of that requirement.

9 (d) The interest earned during fiscal year 1998 on revenue from the sources set out  
10 in AS 37.13.010 while the revenue is held in trust, escrow, or otherwise before receipt by the  
11 state is appropriated to the principal of the Alaska permanent fund.

12 \* **Sec. 5.** ALASKA PUBLIC UTILITIES COMMISSION. The unexpended and  
13 unobligated balance on June 30, 1997, of the Alaska Public Utilities Commission designated  
14 program receipts account for regulatory cost charges under AS 42.05.254 and AS 42.06.286  
15 for fiscal year 1997 is appropriated to the Alaska Public Utilities Commission for fiscal year  
16 1998 expenditures.

17 \* **Sec. 6.** ALASKA SEAFOOD MARKETING INSTITUTE. (a) Subject to the conditions  
18 set out in (b) - (d) of this section, the amount of the seafood marketing assessment paid during  
19 fiscal years 1995, 1996, and 1997 by persons subject to the fishery resource landing tax under  
20 AS 43.77.010 and held by the Department of Revenue pending resolution of litigation  
21 challenging the fishery resource landing tax is appropriated from the general fund to the  
22 Alaska Seafood Marketing Institute for marketing Alaska seafood products during fiscal years  
23 1998, 1999, and 2000.

24 (b) Of the amount appropriated in (a) of this section, the Alaska Seafood Marketing  
25 Institute may spend no more than \$561,200 in the fiscal year ending June 30, 1998.

26 (c) Of the amount appropriated in (a) of this section, the Alaska Seafood Marketing  
27 Institute may spend no more than \$561,200 in the fiscal year ending June 30, 1999.

28 (d) Of the amount appropriated in (a) of this section, the Alaska Seafood Marketing  
29 Institute may spend no more than \$561,200 in the fiscal year ending June 30, 2000.

30 (e) If the revenues representing the amount appropriated in (a) of this section are  
31 greater or lesser than \$1,683,600, the amounts in (b) - (d) of this section are changed

1 proportionately.

2 (f) An amount equal to the unexpended and unobligated balance on June 30, 1997 of  
3 the fiscal year 1997 general fund receipts from the salmon marketing tax (AS 43.76.110), from  
4 the seafood marketing assessment (AS 16.51.120), and from the fisheries resource landing tax  
5 (AS 43.77.010) is appropriated from the general fund to the Alaska Seafood Marketing  
6 Institute for marketing Alaska seafood products during fiscal year 1998.

7 \* **Sec. 7. DISASTER RELIEF AND FIRE SUPPRESSION.** (a) Federal receipts received  
8 for disaster relief are appropriated to the disaster relief fund (AS 26.23.300).

9 (b) It is the intent of the legislature that funding necessary to meet the disaster relief  
10 responsibilities of the Department of Military and Veterans' Affairs and the fire suppression  
11 responsibilities of the Department of Natural Resources will continue to be made available  
12 through the disaster declaration process. If fiscal year 1998 disaster relief and fire suppression  
13 costs are not adequately funded by this Act, the Department of Military and Veterans' Affairs  
14 or the Department of Natural Resources, respectively, shall submit a supplemental  
15 appropriation request during the 1998 legislative session.

16 \* **Sec. 8. FEDERAL AND OTHER PROGRAM RECEIPTS.** (a) Federal receipts that  
17 exceed the amounts appropriated by this Act are appropriated conditioned on compliance with  
18 the program review provisions of AS 37.07.080(h).

19 (b) Contingent on the passage by the First Regular Session of the Twentieth Alaska  
20 State Legislature and enactment into law of a bill defining "designated program receipts,"  
21 designated program receipts as defined by law that exceed the amounts appropriated by this  
22 Act are appropriated conditioned on compliance with the program review provisions of  
23 AS 37.07.080(h).

24 (c) It is the intent of the legislature that requests for approval of revised programs may  
25 be submitted to the Legislative Budget and Audit Committee through the program review  
26 process established under AS 37.07.080(h), and that the revised programs be limited to only  
27 those items of an emergency nature, such as the loss of funds if action is not taken until the  
28 next session of the legislature. Unless the legislature has expressly provided through  
29 legislative intent that a revised program be submitted to the Legislative Budget and Audit  
30 Committee for a particular agency or program, the Legislative Budget and Audit Committee  
31 program review process should not be used to restore funding for budget reductions made by

1 the Twentieth Alaska State Legislature or for program enhancements that must be considered  
 2 by the full legislature at the next session of the legislature. Requests for capital budget items  
 3 should be limited to requests for review of emergency items, such as flood damage repair  
 4 from new federal funds. The Legislative Budget and Audit Committee program review  
 5 process should not be used to establish new capital projects or to change funding sources for  
 6 existing capital projects; such requests should be held for consideration by the full legislature  
 7 during the regular capital appropriation process.

8 (d) If federal or other program receipts as defined in AS 37.05.146 exceed the  
 9 estimates appropriated by this Act, the appropriations from state funds for the affected  
 10 program may be reduced by the excess if the reductions are consistent with applicable federal  
 11 statutes.

12 (e) If federal or other program receipts as defined in AS 37.05.146 fall short of the  
 13 estimates appropriated by this Act, the affected appropriation is reduced by the amount of the  
 14 shortfall in receipts.

15 \* **Sec. 9. FISH AND GAME ENFORCEMENT.** (a) To increase enforcement of the fish  
 16 and game laws of the state, the amount deposited in the general fund during the fiscal year  
 17 ending June 30, 1997, from criminal fines, penalties, and forfeitures imposed for violation of  
 18 AS 16 and its implementing regulations and from the sale of forfeited property or alternative  
 19 damages collected under AS 16.05.195 is appropriated to the fish and game fund  
 20 (AS 16.05.100).

21 (b) Appropriations totaling the estimated amount of the deposits described in (a) of  
 22 this section are made in sec. 39 of this Act to the Departments of Public Safety and Law for  
 23 increased enforcement, investigation, and prosecution of state fish and game laws. If the  
 24 receipts appropriated to the fish and game fund (AS 16.05.100) from the sources described in  
 25 (a) of this section during fiscal year 1998 fall short of the estimates appropriated by this Act,  
 26 each department's appropriation set out in sec. 39 of this Act is reduced proportionately.

27 \* **Sec. 10. FOUR DAM POOL TRANSFER FUND.** The amount available in the four dam  
 28 pool transfer fund (AS 42.45.050) during fiscal year 1998 is appropriated to the following  
 29 funds in the following percentages for the purposes set out in AS 42.45.050:

|    |  |            |
|----|--|------------|
| 30 | Power cost equalization and rural electric | 40 percent |
| 31 | capitalization fund (AS 42.45.100)         |            |

1 Southeast energy fund (AS 42.45.040) 40 percent

2 Power project fund (AS 42.45.010) 20 percent

3 \* **Sec. 11.** INFORMATION SERVICES FUND. The sum of \$55,000 is appropriated to  
4 the information services fund (AS 44.21.045) for the Department of Administration, division  
5 of information services programs, from designated program receipts.

6 \* **Sec. 12.** INSURANCE AND BOND CLAIMS. (a) The amount necessary to fund the  
7 uses of the state insurance catastrophe reserve account described in AS 37.05.289(a) is  
8 appropriated from that account to the Department of Administration for those uses.

9 (b) Amounts received in settlement of insurance claims for losses and recovery for  
10 losses are appropriated from the general fund to the state insurance catastrophe reserve account  
11 (AS 37.05.289).

12 (c) Amounts received in settlement of claims against bonds guaranteeing the  
13 reclamation of state land are appropriated from the general fund to the agency secured by the  
14 bond for the purpose covered by the bond.

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

17 \* **Sec. 13.** MARINE HIGHWAY SYSTEM FUND. The sum of \$26,426,900 is  
18 appropriated from the general fund to the Alaska marine highway system fund (AS 19.65.060).

19 \* **Sec. 14.** MOTOR FUEL TAX. The following estimated amounts from the unreserved  
20 special accounts in the general fund are included within the general fund amounts appropriated  
21 by this Act:

22 Highway fuel tax account (AS 43.40.010(g)) \$21,300,000

23 Aviation fuel tax account (AS 43.40.010(e)) 8,200,000

24 \* **Sec. 15.** OCCUPATIONAL LICENSING. The unexpended and unobligated balance on  
25 June 30, 1997, of the Department of Commerce and Economic Development, division of  
26 occupational licensing, designated program receipts from occupational licensing fees under  
27 AS 08.01.065 is appropriated to the division of occupational licensing for operating costs for  
28 the fiscal year ending June 30, 1998.

29 \* **Sec. 16.** OIL AND HAZARDOUS SUBSTANCE RELEASE PREVENTION  
30 ACCOUNT. The following amounts are appropriated to the oil and hazardous substance  
31 release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release

1 prevention and response fund (AS 46.08.010) from the sources indicated:

2 (1) 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, 1997, not otherwise appropriated by  
4 this Act;

5 (2) the amount collected for the fiscal year ending June 30, 1997, estimated  
6 to be \$13,300,000, from the surcharge levied under AS 43.55.300.

7 \* **Sec. 17. OIL AND HAZARDOUS SUBSTANCE RELEASE RESPONSE ACCOUNT.**

8 The following amounts are appropriated to the oil and hazardous substance release response  
9 account (AS 46.08.010(a)(2)) in the oil and hazardous substance release prevention and  
10 response fund (AS 46.08.010) from the following sources:

11 (1) the balance of the oil and hazardous substance release response mitigation  
12 account (AS 46.08.025(b)) in the general fund on July 1, 1997, not otherwise appropriated by  
13 this Act;

14 (2) the amount collected for the fiscal year ending June 30, 1997, from the  
15 surcharge levied under AS 43.55.201.

16 \* **Sec. 18. RETAINED FEES.** The amount retained to compensate the collector or trustee  
17 of fees, licenses, taxes, or other money belonging to the state during the fiscal year ending  
18 June 30, 1998, is appropriated for that purpose to the agency authorized by law to generate  
19 the revenue.

20 \* **Sec. 19. SAFETY ADVISORY COUNCIL.** The amount appropriated for the 1997  
21 annual governor's safety conference (sec. 21, ch. 117, SLA 1996), plus the fiscal year 1997  
22 program receipts of the Alaska Safety Advisory Council (AS 18.60.830), less the amount  
23 expended or obligated for the 1997 annual governor's safety conference, is appropriated from  
24 the designated program receipts to the Alaska Safety Advisory Council for costs of the 1998  
25 annual governor's safety conference.

26 \* **Sec. 20. SALMON ENHANCEMENT TAX.** The salmon enhancement tax collected  
27 under AS 43.76.010 - 43.76.030 in calendar year 1996 and deposited in the general fund under  
28 AS 43.76.025(c) is appropriated from the general fund to the Department of Commerce and  
29 Economic Development for payment in fiscal year 1998 to qualified regional associations  
30 operating within a region designated under AS 16.10.375.

31 \* **Sec. 21. SHARED TAXES AND FEES.** The amount necessary to refund to local

1 governments their share of taxes and fees collected in the listed fiscal years under the  
 2 following programs is appropriated to the Department of Revenue from the general fund for  
 3 payment in fiscal year 1998:

| 4 REVENUE SOURCE  | FISCAL YEAR COLLECTED |
|---|-----------------------|
| 5 fisheries taxes (AS 43.75)                            | 1997                  |
| 6 fishery resource landing tax (AS 43.77)               | 1997                  |
| 7 amusement and gaming taxes (AS 43.35)                 | 1998                  |
| 8 aviation fuel tax (AS 43.40.010)                      | 1998                  |
| 9 electric and telephone cooperative tax (AS 10.25.570) | 1998                  |
| 10 liquor license fee (AS 04.11)                        | 1998                  |

11 \* **Sec. 22.** STATE DEBT AND OTHER OBLIGATIONS. (a) The amount required to pay  
 12 interest on revenue anticipation notes issued by the commissioner of revenue under AS 43.08  
 13 is appropriated from the general fund to the Department of Revenue for payment of the  
 14 interest on those notes.

15 (b) The amount required to be paid by the state for principal and interest on all issued  
 16 and outstanding state-guaranteed bonds is appropriated from the general fund to the state bond  
 17 committee for payment of principal and interest on those bonds.

18 (c) The sum of \$73,270,700 is appropriated from the general fund to the Alaska debt  
 19 retirement fund (AS 37.15.011).

20 (d) The sum of \$10,342,390 is appropriated from the Alaska debt retirement fund  
 21 (AS 37.15.011) to the state bond committee for trustee fees and lease payments to the City  
 22 of Seward, the City of Kenai, the City of Palmer, the Department of Natural Resources, and  
 23 the Alaska Court System.

24 (e) The sum of \$14,251,658 is appropriated from the Alaska debt retirement fund  
 25 (AS 37.15.011) to the state bond committee for payment of debt service and trustee fees on  
 26 state general obligation bonds.

27 (f) The sum of \$5,837,534 is appropriated from the International Airports Revenue  
 28 Fund (AS 37.15.430) to the state bond committee for payment of debt service and trustee fees  
 29 on outstanding international airports revenue bonds.

30 (g) The sum of \$62,288,400 is appropriated from the Alaska debt retirement fund  
 31 (AS 37.15.011) to the Department of Education for state aid for costs of school construction

1 under AS 14.11.100.

2 \* **Sec. 23.** STATE TRAINING AND EMPLOYMENT PROGRAM. The lapsing balance  
3 of the employment assistance and training program account (AS 23.15.625) on June 30, 1997,  
4 is appropriated to the unemployment compensation fund (AS 23.20.130).

5 \* **Sec. 24.** STATUTORY BUDGET RESERVE FUND. If the unrestricted state revenue  
6 available for appropriation in fiscal year 1998 is insufficient to cover the general fund  
7 appropriations made for fiscal year 1998, the amount necessary to balance revenue and general  
8 fund appropriations is appropriated to the general fund from the budget reserve fund  
9 (AS 37.05.540).

10 \* **Sec. 25.** STORAGE TANK ASSISTANCE FUND. (a) The fiscal year 1998 general  
11 fund receipts of the tank registration fee program under AS 46.03.385 are appropriated to the  
12 storage tank assistance fund (AS 46.03.410).

13 (b) The sum of \$2,910,600 is appropriated from the oil and hazardous substance  
14 release prevention account (AS 46.08.010(a)(1)) to the storage tank assistance fund  
15 (AS 46.03.410) for the fiscal year ending June 30, 1998.

16 \* **Sec. 26.** STUDENT LOAN PROGRAM. The amount from student loan borrowers of  
17 the Alaska Commission on Postsecondary Education that is assessed for loan origination fees  
18 for the fiscal year ending June 30, 1998, is appropriated to the origination fee account  
19 (AS 14.43.120(u)) within the student loan fund of the Alaska Student Loan Corporation for  
20 the purposes specified in AS 14.43.120(u).

21 \* **Sec. 27.** DIVISION OF INSURANCE. The unexpended and unobligated balance on  
22 June 30, 1997, of the Department of Commerce and Economic Development, division of  
23 insurance, designated program receipts from insurance fees under AS 21.06.250 is appropriated  
24 to the Department of Commerce and Economic Development, division of insurance, for  
25 operating costs for the fiscal year ending June 30, 1998.

26 \* **Sec. 28.** ALASKA SCIENCE AND TECHNOLOGY FOUNDATION. The unexpended  
27 and unobligated balance in the Alaska science and technology endowment earnings reserve  
28 on June 30, 1997, is appropriated to the Alaska Science and Technology Foundation to award  
29 as grants under AS 37.17.030(d) for the fiscal year ending June 30, 1998.

30 \* **Sec. 29.** (a) Subject to (b) of this section, the sum of \$30,000,000 is appropriated from  
31 the general fund to the Department of Health and Social Services for medical assistance and

1 allocated equally for Medicaid non-facility and Medicaid facilities components, and the  
2 appropriation from federal receipts made by sec. 39 of this Act to the Department of Health  
3 and Social Services for medical assistance and allocated for the Medicaid non-facility and  
4 Medicaid facilities components is reduced by a total of \$30,000,000.

5 (b) The appropriation made by (a) of this section takes effect only if the federal  
6 medical assistance percentage under the Medicaid program in effect on January 31, 1998, is  
7 the same as the percentage in effect on March 15, 1997.

8 \* **Sec. 30.** Revenues generated or retained by the Alaska Railroad Corporation before or  
9 during the fiscal year ending June 30, 1998, and income earned on revenues generated or  
10 retained by the Alaska Railroad Corporation before or during the fiscal year ending  
11 June 30, 1998, are appropriated to the Alaska Railroad Corporation for railroad and related  
12 purposes for the fiscal year ending June 30, 1998. This appropriation does not authorize the  
13 expenditure of funds appropriated by sec. 145, ch. 208, SLA 1990 (Locomotives, rolling stock  
14 - \$9,000,000) or the expenditure of interest earned on those funds.

15 \* **Sec. 31.** (a) Federal funds received by the Alaska Railroad Corporation before or during  
16 the fiscal year ending June 30, 1997, are appropriated to the Alaska Railroad Corporation for  
17 the purposes for which the funds were received by the corporation.

18 (b) Federal funds received by the Alaska Railroad Corporation during the fiscal year  
19 ending June 30, 1998, are appropriated to the Alaska Railroad Corporation for the purposes  
20 for which the funds are received by the corporation, subject to the program review provisions  
21 of AS 37.07.080(h).

22 \* **Sec. 32.** The sum of \$500,000 is appropriated from the general fund to the Department  
23 of Administration for purchase of information technologies and distributed environment for  
24 state executive branch agencies, including the University of Alaska, for the fiscal year ending  
25 June 30, 1998. It is the intent of the legislature that the commissioner of administration shall  
26 follow the advice and recommendations of the Telecommunications Information Council in  
27 expending the funds authorized by this appropriation and that the commissioner (1) direct  
28 expenditure of the funds authorized by this appropriation to those agencies that cannot meet  
29 the minimum information technology standards adopted by the Telecommunications  
30 Information Council; and (2) expend funds authorized by this appropriation for information  
31 technology for an agency when technology is nonexistent and necessary or where full use of

1 existing information technology has been achieved in accord with the recommendations of  
2 Compass America, Inc.

3 \* **Sec. 33.** INTERNATIONAL TRADE AND BUSINESS ENDOWMENT. (a) The  
4 unexpended and unobligated balance of the appropriation made by sec. 25, ch. 95, SLA 1987,  
5 page 129, lines 21 - 22 (SB 219 - Alaska Center for International Business - \$2,500,000) is  
6 reapportioned to the international trade and business endowment (AS 37.17.440).

7 (b) Notwithstanding sec. 101(a)(13), ch. 103, SLA 1995, the unexpended and  
8 unobligated balance of the appropriation made by sec. 141(b), ch. 173, SLA 1988 (Alaska  
9 Center for International Business endowment - \$2,450,000) is reapportioned to the  
10 international trade and business endowment (AS 37.17.440).

11 (c) The appropriations made by this section are contingent upon the passage by the  
12 First Regular Session of the Twentieth Alaska State Legislature and the enactment into law  
13 of a bill that creates the international trade and business endowment.

14 \* **Sec. 34.** DESIGNATED PROGRAM RECEIPTS. (a) If legislation defining "designated  
15 program receipts" is passed by the First Regular Session of the Twentieth Alaska State  
16 Legislature and enacted into law, the funds described as designated program receipts in this  
17 Act that are not consistent with the definition of "designated program receipts" established by  
18 law are general fund program receipts. The legislative fiscal analyst shall revise the funding  
19 source information for the appropriations made by this Act in accordance with this subsection  
20 and provide the revised funding information to the office of management and budget.

21 (b) If legislation defining "designated program receipts" is not passed by the First  
22 Regular Session of the Twentieth Alaska State Legislature, the funds appropriated by this Act  
23 that are described in this Act as "designated program receipts" are general fund program  
24 receipts. The legislative fiscal analyst shall revise the funding source information for the  
25 appropriations made by this Act in accordance with this subsection and provide the revised  
26 funding information to the office of management and budget.

27 \* **Sec. 35.** CONSTITUTIONAL BUDGET RESERVE FUND. (a) Amounts equal to the  
28 deposits in the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) for  
29 fiscal year 1997 that were made by operation of art. IX, sec. 17(d) to repay appropriations  
30 from the budget reserve fund are appropriated from the budget reserve fund to the funds and  
31 accounts from which they were transferred.

1 (b) If the unrestricted state revenue available for appropriation in fiscal year 1998 is  
2 insufficient to cover the general fund appropriations made for fiscal year 1998, the amount  
3 necessary to balance revenue and general fund appropriations is appropriated to the general  
4 fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

5 (c) The appropriations in (a) and (b) of this section are made under art. IX, sec. 17(c),  
6 Constitution of the State of Alaska.

7 \* **Sec. 36.** NONLAPSE OF APPROPRIATIONS. The appropriations made by secs. 1, 2,  
8 7, 9, 10, 11, 12(b), 13, 16, 17, 23, 25(a), 26, and 33 of this Act are for the capitalization of  
9 funds and do not lapse under AS 37.25.010.

10 \* **Sec. 37.** CAPITAL LAPSE. The appropriation made by sec. 32 of this Act is for a  
11 capital project and lapses under AS 37.25.020.

12 \* **Sec. 38.** EFFECTIVE DATES FOR SECTIONS 29(a) AND 33. (a) If sec. 29(a) of this  
13 Act takes effect under sec. 29(b) of this Act, it takes effect on February 1, 1998.

14 (b) Section 33 of this Act takes effect immediately under AS 01.10.070(c).

15 (SECTION 39 OF THIS ACT BEGINS ON PAGE 16)