

**SENATE BILL NO. 42**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/30/13

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

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

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

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



1	Department of Health and Social Services (cont.)			
2		Appropriation	General	Other
3		Allocations	Funds	Funds
4	McLaughlin Youth Center	400,000		
5	<b>Public Assistance</b>	<b>1,720,000</b>	<b>925,000</b>	<b>795,000</b>
6	Alaska Temporary Assistance Program	795,000		
7	General Relief Assistance	925,000		
8	<b>Public Health</b>	<b>75,000</b>	<b>75,000</b>	
9	Bureau of Vital Statistics	75,000		
10	<b>Senior and Disabilities Services</b>	<b>137,000</b>	<b>137,000</b>	
11	General Relief/Temporary Assisted	137,000		
12	Living			
13	<b>Departmental Support Services</b>	<b>1,154,900</b>		<b>1,154,900</b>
14	Commissioner's Office	1,154,900		
15	<b>Medicaid Services</b>	<b>-25,000,000</b>	<b>-25,000,000</b>	
16	Health Care Medicaid Services	-25,000,000		
17		* * * * *	* * * * *	
18	* * * * *	Department of Labor and Workforce Development	* * * * *	
19		* * * * *	* * * * *	
20	<b>Commissioner and Administrative Services</b>	<b>942,900</b>	<b>942,900</b>	
21	Leasing	942,900		
22		* * * * *	* * * * *	
23	* * * * *	Department of Natural Resources	* * * * *	
24		* * * * *	* * * * *	
25	<b>Fire Suppression</b>	<b>5,300,000</b>	<b>5,300,000</b>	
26	Fire Suppression Activity	5,300,000		
27		* * * * *	* * * * *	
28	* * * * *	Department of Public Safety	* * * * *	
29		* * * * *	* * * * *	
30	<b>Alaska State Troopers</b>	<b>160,000</b>	<b>1,700,000</b>	<b>-1,540,000</b>
31	Special Projects	0		
32	Rural Trooper Housing	160,000		

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	* * * * *			* * * * *
4	* * * * *	Department of Transportation/Public Facilities		* * * * *
5	* * * * *			* * * * *
6	<b>Design, Engineering and Construction</b>	<b>280,000</b>	<b>280,000</b>	
7	Central Design and Engineering Services	125,000		
8	Central Region Construction and CIP	155,000		
9	Support			
10	<b>Highways, Aviation and Facilities</b>	<b>824,700</b>	<b>824,700</b>	
11	Central Region Highways and Aviation	824,700		
12	<b>Marine Highway System</b>	<b>200,000</b>	<b>200,000</b>	
13	Marine Vessel Operations	200,000		
14	* * * * *			* * * * *
15	* * * * *	Alaska Court System		* * * * *
16	* * * * *			* * * * *
17	<b>Alaska Court System</b>	<b>526,900</b>	<b>526,900</b>	
18	Trial Courts	526,900		
19	* Sec. 2. The following sets out the funding by agency for the appropriations made in Sec. 1 of			
20	this Act.			
21	<b>Department of Commerce, Community, and Economic Development</b>			
22	1005 General Fund/Program Receipts	112,500		
23	1007 Interagency Receipts	-50,000		
24	1102 Alaska Industrial Development & Export	200,000		
25	Authority Receipts			
26	<b>* * * Total Agency Funding * * *</b>	<b>\$262,500</b>		
27	<b>Department of Fish and Game</b>			
28	1005 General Fund/Program Receipts	-396,300		
29	1024 Fish and Game Fund	396,300		
30	<b>* * * Total Agency Funding * * *</b>	<b>\$0</b>		
31	<b>Department of Health and Social Services</b>			
32	1002 Federal Receipts	310,000		
33	1003 General Fund Match	390,000		

1	1004 General Fund Receipts	-21,068,000
2	1005 General Fund/Program Receipts	128,000
3	1007 Interagency Receipts	-38,000
4	1108 Statutory Designated Program Receipts	60,000
5	1188 Federal Unrestricted Receipts	2,554,900
6	<b>*** Total Agency Funding ***</b>	<b>\$-17,663,100</b>
7	<b>Department of Labor and Workforce Development</b>	
8	1004 General Fund Receipts	942,900
9	<b>*** Total Agency Funding ***</b>	<b>\$942,900</b>
10	<b>Department of Natural Resources</b>	
11	1004 General Fund Receipts	5,300,000
12	<b>*** Total Agency Funding ***</b>	<b>\$5,300,000</b>
13	<b>Department of Public Safety</b>	
14	1004 General Fund Receipts	1,540,000
15	1005 General Fund/Program Receipts	160,000
16	1061 Capital Improvement Project Receipts	-1,540,000
17	<b>*** Total Agency Funding ***</b>	<b>\$160,000</b>
18	<b>Department of Transportation/Public Facilities</b>	
19	1004 General Fund Receipts	1,304,700
20	<b>*** Total Agency Funding ***</b>	<b>\$1,304,700</b>
21	<b>Alaska Court System</b>	
22	1004 General Fund Receipts	526,900
23	<b>*** Total Agency Funding ***</b>	<b>\$526,900</b>
24	<b>*** Total Budget ***</b>	<b>\$-9,166,100</b>

25 \* Sec. 3. The following appropriations are for capital projects and grants from the general fund  
26 or other funds as set out in Section 4 of this Act by funding source to the agencies named for the  
27 purposes expressed. They lapse under AS 37.25.020, unless otherwise noted.

28		Appropriation	General	Other
29		Allocations	Funds	Funds
30	* * * * *		* * * * *	
31	* * * * * Department of Commerce, Community, and Economic Development		* * * * *	
32	* * * * *		* * * * *	
33	Petersburg Borough Organizational Grant	600,000	600,000	

1	Department of Commerce, Community, and Economic Development (cont.)				
2			Appropriation	General	Other
3		Allocations	Items	Funds	Funds
4	(HD 32)				
5		* * * * *	* * * * *		
6		* * * * *	Department of Revenue	* * * * *	
7		* * * * *	* * * * *		

8 **Alaska Housing Finance Corporation**

9	AHFC San Roberto/Mountain View		25,200,000	3,200,000	22,000,000
10	Development (HD 11-27)				

11 \* Sec. 4. The following summarizes by agency the funding for appropriations made in section 3  
 12 of this Act.

13 **Department of Commerce, Community, and Economic Development**

14	1004 General Fund Receipts		600,000		
15	<b>* * * Total Agency Funding * * *</b>		<b>\$600,000</b>		

16 **Department of Revenue**

17	1004 General Fund Receipts		3,200,000		
18	1113 Alaska Housing Finance Corporation		22,000,000		

19	Bonds				
20	<b>* * * Total Agency Funding * * *</b>		<b>\$25,200,000</b>		

21	<b>* * * Capital Total * * *</b>		<b>\$25,800,000</b>		
----	----------------------------------	--	---------------------	--	--

22 \* Sec. 5. The following summarizes by fund source the funding for appropriations made in  
 23 sections 1 and 3 of this Act.

24	Funding Source		Amount		
----	----------------	--	--------	--	--

25 **Unrestricted General Funds**

26	1003 General Fund Match		390,000		
27	1004 General Fund Receipts		-7,653,500		
28	<b>* * * Total Unrestricted General Funds * * *</b>		<b>\$-7,263,500</b>		

29 **Designated General Funds**

30	1005 General Fund/Program Receipts		4,200		
31	<b>* * * Total Designated General Funds * * *</b>		<b>\$4,200</b>		

32 **Federal Funds**

33	1002 Federal Receipts		310,000		
----	-----------------------	--	---------	--	--

1	1188 Federal Unrestricted Receipts	2,554,900
2	*** Federal Funds ***	\$2,864,900
3	<b>Other Non-Duplicated Funds</b>	
4	1024 Fish and Game Fund	396,300
5	1102 Alaska Industrial Development & Export Authority Receipts	200,000
6		
7	1108 Statutory Designated Program Receipts	60,000
8	1113 Alaska Housing Finance Corporation Bonds	22,000,000
9		
10	*** Total Other Non-Duplicated Funds ***	\$22,656,300
11	<b>Duplicated Funds</b>	
12	1007 Interagency Receipts	-88,000
13	1061 Capital Improvement Project Receipts	-1,540,000
14	*** Total Duplicated Funds ***	\$-1,628,000
15	*** <b>Total Budget</b> ***	<b>\$16,633,900</b>

1 \* **Sec. 6.** DEPARTMENT OF FISH AND GAME. (a) Section 10, ch. 29, SLA 2008, page  
2 67, lines 3 - 6, is amended to read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
3 [INSTALLATION OF CAPSTONE	125,000	125,000	
4 AVIONICS FOR] Wildlife			
5 Conservation Aircraft			
6 <b><u>Maintenance</u></b> (HD 1-40)			

7 (b) Section 1, ch. 17, SLA 2012, page 117, lines 14 - 15, is amended to read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
8 Wild/Hatchery Salmon	<b><u>5,500,000</u></b>	3,500,000	<b><u>2,000,000</u></b>
9 Management Tools (HD 1-40)	[3,500,000]		

10 \* **Sec. 7.** DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The unexpended and  
11 unobligated balance on June 30, 2013, estimated to be \$1,350,000, of the federal unrestricted  
12 receipts from the Children's Health Insurance Program Reauthorization Act of 2009, P.L.  
13 111-3, is appropriated to the Department of Health and Social Services, department support  
14 services, commissioner's office, for operations, for the fiscal year ending June 30, 2014.

15 \* **Sec. 8.** DEPARTMENT OF LAW. (a) The sum of \$4,775,800 is appropriated from the  
16 general fund to the Department of Law, civil division, deputy attorney general's office, for the  
17 purpose of paying judgments and settlements against the state for the fiscal year ending June  
18 30, 2013.

19 (b) The amount necessary, after application of the amount appropriated in (a) of this  
20 section, to pay judgments awarded against the state on or before June 30, 2013, is  
21 appropriated from the general fund to the Department of Law, civil division, deputy attorney  
22 general's office, for the purpose of paying judgments against the state for the fiscal year  
23 ending June 30, 2013.

24 (c) Section 10(c), ch. 5, SLA 2012, page 14, line 30 through page 15, line 1, is  
25 amended to read:

26 (c) The sum of **\$2,100,000** [\$600,000] is appropriated from the general fund to  
27 the Department of Law, civil division, transportation section, for the purpose of paying  
28  
29  
30  
31

1 the costs associated with fast ferry litigation for the fiscal years ending June 30, 2012,  
2 [AND] June 30, 2013, and June 30, 2014.

3 \* **Sec. 9.** DEPARTMENT OF NATURAL RESOURCES. Section 22(c), ch. 14, SLA 2009,  
4 as amended by sec. 11(c), ch. 1, FSSLA 2011 and sec. 12, ch. 5, SLA 2012, is amended to  
5 read:

6 (c) Section 12, ch. 14, SLA 2009, lapses June 30, 2015 [2013].

7 \* **Sec. 10.** DEPARTMENT OF PUBLIC SAFETY. The unexpended and unobligated  
8 balances, estimated to be a total of \$339,000, of the appropriations made in sec. 1, ch. 5,  
9 FSSLA 2011, page 96, line 4 (Anchorage Aircraft Hangar Improvements - \$1,000,000), and  
10 sec. 1, ch. 5, FSSLA 2011, page 96, lines 17 - 19 (Statewide Facilities, Maintenance, Repairs,  
11 and Improvements - \$1,350,000) are reappropriated to the Department of Public Safety for a  
12 statewide aircraft hangar improvement project.

13 \* **Sec. 11.** DEPARTMENT OF REVENUE. (a) The unexpended and unobligated balances  
14 of the following appropriations, estimated to be a total of \$9,764,000, are reappropriated to  
15 the Alaska Housing Finance Corporation for the San Roberto/Mountain View development  
16 project:

17 (1) sec. 4, ch. 30, SLA 2007, page 103, lines 16 - 17 (Department of Revenue,  
18 Alaska Housing Finance Corporation, Loussac Manor Renovation and Replacement -  
19 \$2,336,000);

20 (2) sec. 13, ch. 29, SLA 2008, page 157, lines 10 - 12 (Department of  
21 Revenue, Alaska Housing Finance Corporation, AHFC Loussac Manor Renovation and  
22 Replacement Phase 2 - \$2,336,000); and

23 (3) sec. 1, ch. 15, SLA 2009, page 20, lines 16 - 18 (Department of Revenue,  
24 Alaska Housing Finance Corporation, AHFC Loussac Manor Renovation and Replacement -  
25 Phase 3 - \$5,656,000).

26 (b) The unexpended and unobligated balance, estimated to be \$1,878,294, of the  
27 appropriation made in sec. 1, ch. 5, FSSLA 2011, page 97, lines 20 - 23 (Department of  
28 Revenue, Payment Card Industry Data Security Standards Statewide Compliance -  
29 \$2,000,000) is reappropriated to the Department of Revenue for oil and gas fiscal systems  
30 analysis and work related to the commercialization of oil and gas resources.

31 \* **Sec. 12.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. (a) The

1 sum of \$750,000 is appropriated from the general fund to the Department of Transportation  
2 and Public Facilities for the purpose of paying costs associated with Ruth Burnett Sport Fish  
3 Hatchery litigation for the fiscal years ending June 30, 2013, and June 30, 2014.

4 (b) The unexpended and unobligated balance on June 30, 2012, of the general fund  
5 program receipts collected by the Department of Transportation and Public Facilities for the  
6 sale or lease of excess right-of-way is appropriated to the Department of Transportation and  
7 Public Facilities for payment of federal highway program costs under 23 U.S.C. for the fiscal  
8 year ending June 30, 2013.

9 \* **Sec. 13. DEBT AND OTHER OBLIGATIONS.** (a) Section 23(h), ch. 15, SLA 2012, page  
10 83, line 29 through page 84, line 1, is amended to read:

11 (h) The following amounts are appropriated to the state bond committee from  
12 the specified sources, and for the stated purposes, for the fiscal year ending June 30,  
13 2013:

14 (1) that portion of the unexpended and unobligated balance on  
15 December 31, 2012, estimated to be \$700,000, of the capital project funds for the  
16 series 2003A general obligation bonds that is attributable to the residual fund balances  
17 and the investment earnings on the bond proceeds, for payment of debt service and  
18 accrued interest on outstanding State of Alaska general obligation bonds, series  
19 2003A;

20 (2) the

21 **(A) sum of \$1,040,000 is appropriated to the state bond**  
22 **committee from the Alaska debt retirement fund (AS 37.15.011(a)) for**  
23 **payment of debt service and accrued interest on outstanding State of**  
24 **Alaska general obligation bonds, series 2003A and 2012A;**

25 **(B)** amount necessary, estimated to be **\$25,841,200**  
26 [\$26,881,200], for payment of debt service and accrued interest on outstanding  
27 State of Alaska general obligation bonds, series 2003A and 2012A, after the  
28 **payments** [PAYMENT] made in (1) of this subsection **and (A) of this**  
29 **paragraph** from the general fund for that purpose;

30 (3) that portion of the unexpended and unobligated balance on  
31 December 31, 2012, estimated to be \$500,000, of the capital project fund for state-

1 guaranteed transportation revenue anticipation bonds, series 2003B, that is attributable  
2 to the residual fund balance and the investment earnings on the bond proceeds, for  
3 payment of debt service and accrued interest on outstanding state-guaranteed  
4 transportation revenue anticipation bonds, series 2003B;

5 (4) the amount necessary for payment of debt service, accrued interest,  
6 and trustee fees on outstanding state-guaranteed transportation revenue anticipation  
7 bonds, series 2003B, after the payment made in (3) of this subsection, estimated to be  
8 \$11,920,100, from federal receipts for that purpose;

9 (5) the sum of \$372,322 from the investment earnings on the bond  
10 proceeds deposited in the capital project funds for the series 2009A general obligation  
11 bonds, for payment of debt service and accrued interest on outstanding State of Alaska  
12 general obligation bonds, series 2009A;

13 (6) the amount necessary for payment of debt service and accrued  
14 interest on outstanding State of Alaska general obligation bonds, series 2009A, after  
15 the payment made in (5) of this subsection, estimated to be \$12,532,700, from the  
16 general fund for that purpose;

17 (7) the sum of \$615,715 from the investment earnings on the bond  
18 proceeds deposited in the capital project funds for the series 2010A, 2010B, and  
19 2010C general obligation bonds, for payment of debt service and accrued interest on  
20 outstanding State of Alaska general obligation bonds, series 2010A, 2010B, and  
21 2010C;

22 (8) the sum of \$2,672,892 from the amount received from the United  
23 States Treasury as a result of the American Recovery and Reinvestment Act of 2009,  
24 Build America Bond credit payments due on the series 2010A general obligation  
25 bonds, for payment of debt service and accrued interest on outstanding State of Alaska  
26 general obligation bonds, series 2010A, 2010B, and 2010C;

27 (9) the sum of \$2,714,012 from the amount received from the United  
28 States Treasury as a result of the American Recovery and Reinvestment Act of 2009,  
29 Qualified School Construction Bond interest subsidy payments due on the series  
30 2010B general obligation bonds, for payment of debt service and accrued interest on  
31 outstanding State of Alaska general obligation bonds, series 2010A, 2010B, and

1 2010C;

2 (10) the amount necessary for payment of debt service and accrued  
3 interest on outstanding State of Alaska general obligation bonds, series 2010A, 2010B,  
4 and 2010C after the payment made in (9) of this subsection, estimated to be  
5 \$20,343,700, from the general fund for that purpose;

6 (11) the sum of \$1,836,566 from State of Alaska general obligation  
7 bonds, series 2010C bond issue premium, interest earnings, and accrued interest held  
8 in the debt service fund of the series 2010C bonds, for payment of debt service and  
9 accrued interest on outstanding State of Alaska general obligation bonds, series  
10 2010C;

11 (12) the amount necessary for payment of debt service and accrued  
12 interest on outstanding State of Alaska general obligation bonds, series 2012A, 2012B,  
13 and 2012C, estimated to be \$15,000,000, from the general fund for that purpose;

14 (13) the amount necessary for payment of trustee fees on outstanding  
15 State of Alaska general obligation bonds, series 2003A, 2009A, 2010A, 2010B,  
16 2010C, 2012A, 2012B, and 2012C, estimated to be \$4,400, from the general fund for  
17 that purpose; and

18 (14) if the amount necessary to pay the debt service obligations on  
19 State of Alaska general obligation bonds exceeds the amounts appropriated in this  
20 subsection, the additional amount necessary to pay the obligations, from the general  
21 fund for that purpose.

22 (b) Section 23(i), ch. 15, SLA 2012, page 85, lines 19 - 25, is amended to read:

23 (i) The sum of \$41,208,341 is appropriated to the state bond committee for  
24 payment of debt service and trustee fees on outstanding international airports revenue  
25 bonds for the fiscal year ending June 30, 2013, from the following sources in the  
26 amounts stated:

SOURCE	AMOUNT
International Airports Revenue Fund	<u>\$22,078,578</u>
(AS 37.15.430(a))	[\$32,078,578]
<b><u>International Airports Construction Fund</u></b>	<b><u>10,000,000</u></b>
<b><u>(AS 37.15.420(a))</u></b>	

1	Passenger facility charge	8,700,000
2	AIAS <b>2010D</b> [2012D] Build America Bonds	429,763
3	federal interest subsidy	

4 (c) Section 23(k), ch. 15, SLA 2012, page 86, lines 2 - 6, is amended to read:

5 (k) The sum of **\$115,386,300** [\$120,386,300] is appropriated to the  
 6 Department of Education and Early Development for state aid for costs of school  
 7 construction under AS 14.11.100 for the fiscal year ending June 30, 2013, from the  
 8 following sources:

9	General fund	<b><u>\$93,586,300</u></b>
10		[98,586,300]
11	School Fund (AS 43.50.140)	21,800,000

12 \* **Sec. 14. FUND CAPITALIZATION.** The sum of \$3,400,000 is appropriated from the  
 13 general fund to the disaster relief fund (AS 26.23.300(a)).

14 \* **Sec. 15. FUND TRANSFERS.** The amount equal to the revenue collected from the  
 15 following sources during the fiscal year ending June 30, 2013, is appropriated to the fish and  
 16 game fund (AS 16.05.100):

17 (1) range fees collected at shooting ranges operated by the Department of Fish  
 18 and Game (AS 16.05.050(a)(15)), estimated to be \$303,900;

19 (2) receipts from the sale of waterfowl conservation stamp limited edition  
 20 prints (AS 16.05.826(a)), estimated to be \$5,000;

21 (3) fees collected for sanctuary access permits (AS 16.05.050(a)(15)),  
 22 estimated to be \$87,400.

23 \* **Sec. 16. RATIFICATIONS OF CERTAIN EXPENDITURES.** The expenditures by the  
 24 Department of Natural Resources for fire suppression for the fiscal year ending June 30, 2012  
 25 (AR 37313-12 Fire General Fund) are ratified in the amount of \$2,927,446.05.

26 \* **Sec. 17. LAPSE OF APPROPRIATIONS.** (a) The appropriations made in secs. 6, 10, and  
 27 11 of this Act are for capital projects and lapse under AS 37.25.020.

28 (b) The appropriations made in secs. 14 and 15 of this Act are for the capitalization of  
 29 funds and do not lapse.

30 \* **Sec. 18. RETROACTIVITY.** (a) Section 16 of this Act is retroactive to June 30, 2012.

31 (b) The appropriation made in sec. 12(b) of this Act is retroactive to June 30, 2012.

1      \* **Sec. 19.** This Act takes effect April 14, 2013.