

**SENATE CS FOR CS FOR HOUSE BILL NO. 234(FIN)(brf sup maj fld)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Amended: 3/18/20**

**Offered: 3/18/20**

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

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act making supplemental appropriations and other appropriations; amending**  
2 **appropriations; capitalizing funds; and providing for an effective date."**

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

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

\* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2019 and ending June 30, 2020, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

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

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
				<b>Funds</b>
1				
2				
3	Payment Assistance			
4	<b>Alaska Psychiatric Institute</b>		<b>6,000,000</b>	<b>6,000,000</b>
5	Alaska Psychiatric	6,000,000		
6	Institute			
7	<b>Public Assistance</b>		<b>8,600,000</b>	<b>8,600,000</b>
8	Adult Public Assistance	8,600,000		
9	<b>Medicaid Services</b>		<b>302,673,600</b>	<b>142,273,600</b>
10	Medicaid Services	294,400,000		<b>160,400,000</b>
11	Adult Preventative Dental	8,273,600		
12	Medicaid Services			
13		* * * * *	* * * * *	
14		* * * * *	<b>Department of Law</b>	* * * * *
15		* * * * *	* * * * *	
16	<b>Criminal Division</b>		<b>400,000</b>	<b>400,000</b>
17	Second Judicial District	150,000		
18	Criminal Appeals/Special	250,000		
19	Litigation			
20		* * * * *	* * * * *	
21		* * * * *	<b>Department of Natural Resources</b>	* * * * *
22		* * * * *	* * * * *	
23	<b>Fire Suppression, Land &amp; Water</b>		<b>110,576,100</b>	<b>110,576,100</b>
24	<b>Resources</b>			
25	Mining, Land & Water	76,100		
26	Fire Suppression Activity	110,500,000		
27		* * * * *	* * * * *	
28		* * * * *	<b>Department of Public Safety</b>	* * * * *
29		* * * * *	* * * * *	
30	<b>Alaska State Troopers</b>		<b>6,743,400</b>	<b>6,743,400</b>
31	Alaska State Trooper	4,318,400		
32	Detachments			
33	Alaska Wildlife Troopers	1,725,000		

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

1 \* **Sec. 2.** The following sets out the funding by agency for the appropriations made in sec. 1 of  
2 this Act.

3	Funding Source	Amount
4	<b>Department of Administration</b>	
5	1004 Unrestricted General Fund Receipts	1,700,000
6	1005 General Fund/Program Receipts	550,000
7	*** Total Agency Funding ***	2,250,000
8	<b>Department of Education and Early Development</b>	
9	1002 Federal Receipts	10,000,000
10	1004 Unrestricted General Fund Receipts	100,000
11	1005 General Fund/Program Receipts	150,000
12	*** Total Agency Funding ***	10,250,000
13	<b>Department of Health and Social Services</b>	
14	1002 Federal Receipts	160,400,000
15	1003 General Fund Match	150,873,600
16	1004 Unrestricted General Fund Receipts	7,000,000
17	*** Total Agency Funding ***	318,273,600
18	<b>Department of Law</b>	
19	1002 Federal Receipts	250,000
20	1108 Statutory Designated Program Receipts	150,000
21	*** Total Agency Funding ***	400,000
22	<b>Department of Natural Resources</b>	
23	1004 Unrestricted General Fund Receipts	110,500,000
24	1005 General Fund/Program Receipts	76,100
25	*** Total Agency Funding ***	110,576,100
26	<b>Department of Public Safety</b>	
27	1004 Unrestricted General Fund Receipts	6,743,400
28	*** Total Agency Funding ***	6,743,400
29	<b>Department of Revenue</b>	
30	1004 Unrestricted General Fund Receipts	400,000
31	1061 Capital Improvement Project Receipts	-400,000

1	<b>Department of Transportation and Public Facilities</b>	
2	1004 Unrestricted General Fund Receipts	158,100
3	1061 Capital Improvement Project Receipts	-90,000
4	1076 Alaska Marine Highway System Fund	7,050,000
5	1215 Unified Carrier Registration Receipts	90,000
6	*** Total Agency Funding ***	7,208,100
7	<b>Judiciary</b>	
8	1004 Unrestricted General Fund Receipts	489,900
9	*** Total Agency Funding ***	489,900
10	<b>* * * * * Total Budget * * * * *</b>	<b>456,191,100</b>

11 (SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

3	Funding Source	Amount
4	<b>Unrestricted General</b>	
5	1003 General Fund Match	150,873,600
6	1004 Unrestricted General Fund Receipts	127,091,400
7	*** Total Unrestricted General ***	277,965,000
8	<b>Designated General</b>	
9	1005 General Fund/Program Receipts	776,100
10	1076 Alaska Marine Highway System Fund	7,050,000
11	*** Total Designated General ***	7,826,100
12	<b>Other Non-Duplicated</b>	
13	1108 Statutory Designated Program Receipts	150,000
14	1215 Unified Carrier Registration Receipts	90,000
15	*** Total Other Non-Duplicated ***	240,000
16	<b>Federal Receipts</b>	
17	1002 Federal Receipts	170,650,000
18	*** Total Federal Receipts ***	170,650,000
19	<b>Other Duplicated</b>	
20	1061 Capital Improvement Project Receipts	-490,000
21	*** Total Other Duplicated ***	-490,000

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

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

	Appropriation	General	Other
	Allocations	Items	Funds
	* * * * *	* * * * *	
	<b>* * * * * Department of Commerce, Community and Economic Development * * * * *</b>		
	* * * * *	* * * * *	
HUD Community Development Block Grant	35,856,000		35,856,000
- Disaster Recovery Program (HD 1-40)			
<b>Grants to Named Recipients (AS</b>			
<b>37.05.316)</b>			
Alaska Municipal League - Rural Real	150,000	150,000	
ID Implementation (HD 1-40)			
	* * * * *	* * * * *	
	<b>* * * * * Office of the Governor * * * * *</b>		
	* * * * *	* * * * *	
Help America Vote Act (HD 1-40)	3,700,000		3,700,000
	* * * * *	* * * * *	
	<b>* * * * * Department of Military and Veterans Affairs * * * * *</b>		
	* * * * *	* * * * *	
Mass Notification System - Joint Base	900,000	450,000	450,000
Elmendorf Richardson (HD 15)			
Alaska Land Mobile Radio Site Refresh	24,000,000	24,000,000	
(HD 1-40)			
	* * * * *	* * * * *	
	<b>* * * * * Department of Public Safety * * * * *</b>		
	* * * * *	* * * * *	
Automatic Dependent Surveillance	398,400	398,400	
Broadcast System for DPS Aircraft (HD			

1		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
3	1-40)			
4	Radio Replacement (HD 1-40)		500,000	500,000
5		*****	*****	
6		*****	<b>Department of Revenue</b> *****	
7		*****	*****	
8	<b>Alaska Housing Finance Corporation</b>			
9	AHFC Cold Climate Housing Research		520,285	520,285
10	Center (CCHRC) (HD 1-40)			
11		*****	*****	
12			***** <b>Department of Transportation and Public Facilities</b> *****	
13		*****	*****	
14	Alaska Marine Highway System Vessel		5,000,000	5,000,000
15	Overhaul, Annual Certification and			
16	Shoreside Facilities Rehabilitation			
17	(HD 1-40)			
18	State Equipment Fleet Replacement (HD		3,155,000	3,155,000
19	1-40)			
20	Earthquake Relief - Federally		3,000,000	3,000,000
21	Ineligible Costs (HD 1-40)			
22		(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)		

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

3	Funding Source	Amount
4	<b>Department of Commerce, Community and Economic Development</b>	
5	1002 Federal Receipts	35,856,000
6	1004 Unrestricted General Fund Receipts	150,000
7	*** Total Agency Funding ***	36,006,000
8	<b>Office of the Governor</b>	
9	1185 Election Fund	3,700,000
10	*** Total Agency Funding ***	3,700,000
11	<b>Department of Military and Veterans Affairs</b>	
12	1002 Federal Receipts	450,000
13	1004 Unrestricted General Fund Receipts	24,450,000
14	*** Total Agency Funding ***	24,900,000
15	<b>Department of Public Safety</b>	
16	1004 Unrestricted General Fund Receipts	898,400
17	*** Total Agency Funding ***	898,400
18	<b>Department of Revenue</b>	
19	1139 Alaska Housing Finance Corporation Dividend	520,285
20	*** Total Agency Funding ***	520,285
21	<b>Department of Transportation and Public Facilities</b>	
22	1004 Unrestricted General Fund Receipts	3,000,000
23	1026 Highways Equipment Working Capital Fund	3,155,000
24	1076 Alaska Marine Highway System Fund	5,000,000
25	*** Total Agency Funding ***	11,155,000
26	<b>* * * * * Total Budget * * * * *</b>	<b>77,179,685</b>

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

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

3	Funding Source	Amount
4	<b>Unrestricted General</b>	
5	1004 Unrestricted General Fund Receipts	28,498,400
6	1139 Alaska Housing Finance Corporation Dividend	520,285
7	*** Total Unrestricted General ***	29,018,685
8	<b>Designated General</b>	
9	1076 Alaska Marine Highway System Fund	5,000,000
10	*** Total Designated General ***	5,000,000
11	<b>Federal Receipts</b>	
12	1002 Federal Receipts	36,306,000
13	*** Total Federal Receipts ***	36,306,000
14	<b>Other Duplicated</b>	
15	1026 Highways Equipment Working Capital Fund	3,155,000
16	1185 Election Fund	3,700,000
17	*** Total Other Duplicated ***	6,855,000

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

1 \* **Sec. 7.** ALASKA PERMANENT FUND. Section 19(j), ch. 1, FSSLA 2019, is amended to  
2 read:

3 (j) After the appropriations made in (a) - (i) of this section, the remaining  
4 balance of the earnings reserve account (AS 37.13.145), not to exceed \$4,000,000,000,  
5 is appropriated from the earnings reserve account (AS 37.13.145) to the principal of  
6 the Alaska permanent fund. It is the intent of the legislature that the amount  
7 appropriated in this subsection

8 (1) not include associated unrealized gains; and

9 (2) be used to satisfy the inflation proofing requirement under  
10 AS 37.13.145(c) for the next **four** [EIGHT] fiscal years.

11 \* **Sec. 8.** DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC  
12 DEVELOPMENT. The sum of \$8,500,000 is appropriated to the Department of Commerce,  
13 Community, and Economic Development for payment as grants under AS 37.05.315 to  
14 municipalities impacted by commercial passenger vessel operations for responding to and  
15 mitigating the risk of a COVID-19 outbreak in the state for the fiscal years ending June 30,  
16 2020, and June 30, 2021, from the following sources:

17 (1) \$4,500,000 from the commercial passenger vessel environmental  
18 compliance fund (AS 46.03.482);

19 (2) \$4,000,000 from the commercial vessel passenger tax account  
20 (AS 43.52.230(a)).

21 \* **Sec. 9.** DEPARTMENT OF CORRECTIONS. (a) Section 14(a), ch. 3, FSSLA 2019, is  
22 amended to read:

23 (a) The sum of \$6,000,000 is appropriated from the power cost equalization  
24 endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of  
25 reopening the Palmer Correctional Center for the fiscal **years** [YEAR] ending June 30,  
26 **2020, and June 30, 2021.**

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

28 (b) The sum of \$10,669,100 is appropriated from the power cost equalization  
29 endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of  
30 reopening the Palmer Correctional Center for the fiscal **years** [YEAR] ending June 30,  
31 **2020, and June 30, 2021.**

1 (c) The unexpended and unobligated balance on June 30, 2019, of federal receipts  
 2 received by the Department of Corrections through man-day billings, estimated to be  
 3 \$8,025,700, is appropriated to the Department of Corrections, population management, for the  
 4 fiscal year ending June 30, 2020.

5 \* **Sec. 10.** DEPARTMENT OF HEALTH AND SOCIAL SERVICES. (a) The amount  
 6 necessary to cover the cost of responding to and mitigating the risk of a COVID-19 outbreak  
 7 in the state, not to exceed \$15,000,000, is appropriated from the general fund to the  
 8 Department of Health and Social Services, division of public health, emergency programs, for  
 9 the fiscal years ending June 30, 2020, and June 30, 2021.

10 (b) The amount of federal receipts received during the fiscal year ending June 30,  
 11 2020, for Medicaid services, estimated to be \$0, is appropriated to the Department of Health  
 12 and Social Services, Medicaid services, for the fiscal year ending June 30, 2020.

13 \* **Sec. 11.** DEPARTMENT OF LAW. The sum of \$7,046,865 is appropriated from the  
 14 general fund to the Department of Law, civil division, deputy attorney general's office, for the  
 15 purpose of paying judgments and settlements against the state for the fiscal year ending  
 16 June 30, 2020.

17 \* **Sec. 12.** DEPARTMENT OF REVENUE. (a) Section 28, ch. 1, FSSLA 2019, is amended  
 18 to read:

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

26 \* **Sec. 13.** DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. Section  
 27 14, ch. 19, SLA 2018, is amended to read:

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

1 \* **Sec. 14.** OFFICE OF THE GOVERNOR. (a) The sum of \$18,000 is appropriated from the  
2 general fund to the Office of the Governor, Office of the Lieutenant Governor, for the purpose  
3 of complying with AS 15.45.195 for the fiscal years ending June 30, 2020, and June 30, 2021.

4 (b) The sum of \$215,400 is appropriated from the general fund to the Office of the  
5 Governor, division of elections, for the purpose of providing voter initiative review,  
6 certification, and language translation for the fiscal years ending June 30, 2020, and June 30,  
7 2021.

8 \* **Sec. 15.** NATIONAL PETROLEUM RESERVE - ALASKA IMPACT GRANT  
9 PROGRAM. (a) The unexpended and unobligated balance of the National Petroleum Reserve  
10 - Alaska special revenue fund (AS 37.05.530(a)) under 42 U.S.C. 6506a(l) or former 42  
11 U.S.C. 6508 on June 30, 2020, estimated to be \$6,670,177, is appropriated to the Department  
12 of Commerce, Community, and Economic Development for capital project grants under the  
13 National Petroleum Reserve - Alaska impact grant program.

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

19 \* **Sec. 16.** FUND CAPITALIZATION. (a) The sum of \$600,000 is appropriated from the  
20 general fund to the election fund to serve as matching funds for federal election security  
21 grants.

22 (b) The amount of federal receipts received for federal election security grants during  
23 the fiscal year ending June 30, 2020, is appropriated to the election fund.

24 (c) The sum of \$30,000,000 is appropriated from the general fund to the community  
25 assistance fund (AS 29.60.850).

26 \* **Sec. 17.** RATIFICATIONS OF CERTAIN EXPENDITURES. The following  
27 departmental expenditures made in fiscal years 2007, 2010, 2012, 2013, 2014, 2016, and 2017  
28 are ratified to reverse the negative account balances in the Alaska state accounting system in  
29 the amount listed for the AR number. The appropriations from which those expenditures were  
30 actually paid are amended by increasing those appropriations for the fiscal year ending  
31 June 30, 2020, by the amount listed, as follows:

1	AGENCY	FISCAL YEAR	AMOUNT
2	Department of Health and Social Services		
3	(1) AR H308 Medicaid Management	2007	\$ 211,444.27
4	System Completion		
5	Department of Transportation and Public Facilities		
6	(2) AR TYDE Federal Emergency Projects	2010	21,581.99
7	(3) AR TYUY Federal Emergency Projects	2012	57,837.47
8	(4) AR TZ2W Federal Emergency Projects	2013	99,679.25
9	(5) AR TA1Z Federal Emergency Projects	2014	396,982.74
10	(6) AR TB47 Federal Emergency Projects	2016	1,290,967.82
11	(7) AR TBM7 Federal Emergency Projects	2017	325,070.13.

12 \* **Sec. 18.** SALARY AND BENEFIT ADJUSTMENTS. Section 36(b), ch. 1, FSSLA 2019,  
13 is amended to read:

14 (b) The operating budget appropriations made to the University of Alaska in  
15 sec. 1 of this Act include amounts for salary and benefit adjustments for the fiscal year  
16 ending June 30, 2020, for university employees who are not members of a collective  
17 bargaining unit and to implement the monetary terms for the fiscal year ending  
18 June 30, 2020, of the following collective bargaining agreements:

19 (1) Fairbanks Firefighters Union, IAFF Local 1324;  
20 (2) United Academics - Adjuncts - American Association of  
21 University Professors, American Federation of Teachers;  
22 (3) United Academics - American Association of University  
23 Professors, American Federation of Teachers;

24 **(4) Alaska Higher Education Crafts and Trades Employees, Local**  
25 **6070.**

26 \* **Sec. 19.** CONSTITUTIONAL BUDGET RESERVE FUND. (a) (This subsection did not  
27 receive the affirmative vote of three-fourths of the members of each house of the legislature  
28 required by art. IX, sec. 17(c), Constitution of the State of Alaska.)

29 (b) (This subsection did not receive the affirmative vote of three-fourths of the  
30 members of each house of the legislature required by art. IX, sec. 17(c), Constitution of the  
31 State of Alaska.)

1           (c) The appropriations made in (a) and (b) of this section are made under art. IX, sec.  
2 17(c), Constitution of the State of Alaska.

3       \* **Sec. 20.** LAPSE. (a) Sections 4 and 15(a) of this Act are for capital projects and lapse  
4 under AS 37.25.020.

5           (b) The appropriations made in secs. 15(b) and 16 of this Act are for the capitalization  
6 of funds and do not lapse.

7       \* **Sec. 21.** CONTINGENCY. The appropriation made from the constitutional budget reserve  
8 fund in sec. 19(b) of this Act is contingent on passage by the Thirty-First Alaska State  
9 Legislature in the Second Regular Session and enactment into law of the appropriation made  
10 in sec. 19(a) of this Act.

11       \* **Sec. 22.** Section 19(a) of this Act takes effect July 1, 2020.

12       \* **Sec. 23.** Except as provided in sec. 22 of this Act, this Act takes effect immediately under  
13 AS 01.10.070(c).