

SENATE CS FOR CS FOR HOUSE BILL NO. 2001(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SPECIAL SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 7/28/19

Referred: Today's Calendar

Sponsor(s): HOUSE RULES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act making appropriations for the operating and loan program expenses of state**
2 **government and for certain programs; capitalizing funds; making supplemental**
3 **appropriations, reappropriations, and other appropriations; making appropriations for**
4 **the operating and capital expenses of the state's integrated comprehensive mental health**
5 **program; and providing for an effective date."**

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

7 **(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	Funds
	* * * * *	* * * * *		
	* * * * * Department of Administration * * * * *			
	* * * * *	* * * * *		
Public Communications Services		2,716,600	2,716,600	
Public Broadcasting	46,700			
Commission				
Public Broadcasting - Radio	2,036,600			
Public Broadcasting - T.V.	633,300			
Legal and Advocacy Services		671,700	668,500	3,200
Office of Public Advocacy	91,900			
Public Defender Agency	579,800			
	* * * * *	* * * * *		
	* * * * * Department of Commerce, Community and Economic Development * * * * *			
	* * * * *	* * * * *		
Community and Regional Affairs		450,000	450,000	
Community and Regional	450,000			
Affairs				
Alaska Seafood Marketing Institute		209,600		209,600
Alaska Seafood Marketing	209,600			
Institute				
	* * * * *	* * * * *		
	* * * * * Department of Education and Early Development * * * * *			
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		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	Education Support and Administrative	8,847,700	8,847,700	
4	Services			
5	Early Learning Coordination	8,847,700		
6	Alaska State Council on the Arts	3,869,600	704,400	3,165,200
7	Alaska State Council on the	3,869,600		
8	Arts			
9	Mt. Edgecumbe Boarding School	314,400	252,200	62,200
10	Mt. Edgecumbe Boarding	64,400		
11	School			
12	Mt. Edgecumbe Boarding	250,000		
13	School Facilities			
14	Maintenance			
15	Alaska State Libraries, Archives and	809,100	809,100	
16	Museums			
17	Online with Libraries (OWL)	670,900		
18	Live Homework Help	138,200		
19	Alaska Commission on Postsecondary	66,800		66,800
20	Education			
21	Program Administration &	66,800		
22	Operations			
23	*****	*****		
24	***** Department of Environmental Conservation *****			
25	*****	*****		
26	Water	3,426,000		3,426,000
27	Water Quality,	3,426,000		
28	Infrastructure Support &			
29	Financing			
30	*****	*****		
31	***** Department of Fish and Game *****			
32	*****	*****		
33	Commercial Fisheries	1,249,000	1,045,800	203,200

		Appropriation	General	Other
		Allocations	Funds	Funds
3	Southeast Region Fisheries	308,000		
4	Management			
5	Central Region Fisheries	250,100		
6	Management			
7	AYK Region Fisheries	358,200		
8	Management			
9	Westward Region Fisheries	264,700		
10	Management			
11	Statewide Fisheries	65,300		
12	Management			
13	Commercial Fisheries Entry	2,700		
14	Commission			
15	Sport Fisheries		279,800	279,800
16	Sport Fisheries	276,400		
17	Sport Fish Hatcheries	3,400		
18	Wildlife Conservation		140,000	823,800
19	Wildlife Conservation	963,800		
20	Habitat		202,700	
21	Habitat	202,700		
22	State Subsistence Research		195,600	
23	State Subsistence Research	195,600		
24	* * * * *		* * * * *	
25	* * * * * Department of Health and Social Services * * * * *			
26	* * * * *		* * * * *	
27	Behavioral Health		6,100,000	6,100,000
28	Behavioral Health Treatment	6,100,000		
29	and Recovery Grants			
30	Juvenile Justice		2,000,000	2,000,000
31	Nome Youth Facility	2,000,000		
32	Public Assistance		7,471,200	
33	Adult Public Assistance	7,471,200		

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	Senior Benefits Payment Program	20,786,100	20,786,100	
4	Senior Benefits Payment	20,786,100		
5	Program			
6	Senior and Disabilities Services	49,100		49,100
7	Governor's Council on	49,100		
8	Disabilities and Special			
9	Education			
10	Human Services Community Matching	1,387,000	1,387,000	
11	Grant			
12	Human Services Community	1,387,000		
13	Matching Grant			
14	Community Initiative Matching Grants	861,700	861,700	
15	Community Initiative	861,700		
16	Matching Grants (non-			
17	statutory grants)			
18	Medicaid Services	77,004,500	77,004,500	
19	Medicaid Services	50,000,000		
20	Adult Preventative Dental	27,004,500		
21	Medicaid Services			
22	*****	*****		
23	***** Department of Law *****			
24	*****	*****		
25	Criminal Division	1,058,300	1,058,300	
26	First Judicial District	80,000		
27	Second Judicial District	631,200		
28	Third Judicial District:	80,700		
29	Anchorage			
30	Third Judicial District:	92,000		
31	Outside Anchorage			
32	Fourth Judicial District	82,500		
33	Criminal Appeals/Special	91,900		

		Appropriation	General	Other
		Allocations	Funds	Funds
1	Litigation			
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		Appropriation	General	Other
		Allocations	Funds	Funds
3	Sexual Assault			
4	Council on Domestic	250,000		
5	Violence and Sexual Assault			
6	Statewide Support	250,000	250,000	
7	Alaska Wing Civil Air	250,000		
8	Patrol			
9		* * * * *	* * * * *	
10		* * * * * Department of Revenue * * * * *		
11		* * * * *	* * * * *	
12	Alaska Permanent Fund Corporation	5,296,300		5,296,300
13	APFC Investment Management	5,296,300		
14	Fees			
15		* * * * *	* * * * *	
16		* * * * * Department of Transportation and Public Facilities * * * * *		
17		* * * * *	* * * * *	
18	Highways, Aviation and Facilities	281,900	281,900	
19	Central Region Highways and	21,300		
20	Aviation			
21	Northern Region Highways	252,000		
22	and Aviation			
23	Southcoast Region Highways	8,600		
24	and Aviation			
25	Marine Highway System	5,000,000	5,000,000	
26	Marine Vessel Operations	5,000,000		
27		* * * * *	* * * * *	
28		* * * * * University of Alaska * * * * *		
29		* * * * *	* * * * *	
30	University of Alaska	110,253,100	110,253,100	
31	Budget Reductions/Additions	110,253,100		
32	- Systemwide			
33		* * * * *	* * * * *	

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3		***** Judiciary *****		
4		***** *****		
5	Alaska Court System	1,944,900	1,944,900	
6	Appellate Courts	445,500		
7	Trial Courts	1,258,900		
8	Administration and Support	240,500		
9	Therapeutic Courts	188,400	188,400	
10	Therapeutic Courts	188,400		
11	Commission on Judicial Conduct	8,300	8,300	
12	Commission on Judicial	8,300		
13	Conduct			
14	Judicial Council	26,800	26,800	
15	Judicial Council	26,800		
16	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

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

Funding Source	Amount
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Department of Administration

1004	Unrestricted General Fund Receipts	3,383,300
1005	General Fund/Program Receipts	1,800
1092	Mental Health Trust Authority Authorized Receipts	3,200
***	Total Agency Funding ***	3,388,300

Department of Commerce, Community and Economic Development

1004	Unrestricted General Fund Receipts	450,000
1108	Statutory Designated Program Receipts	209,600
***	Total Agency Funding ***	659,600

Department of Education and Early Development

1002	Federal Receipts	806,600
1003	General Fund Match	693,500
1004	Unrestricted General Fund Receipts	9,518,600
1005	General Fund/Program Receipts	263,100
1007	Interagency Receipts	104,300
1066	Public School Trust Fund	31,700
1108	Statutory Designated Program Receipts	2,321,600
1145	Art in Public Places Fund	30,000
1226	Alaska Higher Education Investment Fund	138,200
***	Total Agency Funding ***	13,907,600

Department of Environmental Conservation

1205	Berth Fees for the Ocean Ranger Program	3,426,000
***	Total Agency Funding ***	3,426,000

Department of Fish and Game

1002	Federal Receipts	619,900
1003	General Fund Match	1,500
1004	Unrestricted General Fund Receipts	1,535,300
1005	General Fund/Program Receipts	20,500

1	1007	Interagency Receipts	37,100
2	1018	Exxon Valdez Oil Spill Trust--Civil	500
3	1024	Fish and Game Fund	567,800
4	1108	Statutory Designated Program Receipts	81,500
5	1109	Test Fisheries Receipts	12,500
6	1201	Commercial Fisheries Entry Commission Receipts	14,300
7	***	Total Agency Funding ***	2,890,900
8	Department of Health and Social Services		
9	1002	Federal Receipts	35,900
10	1003	General Fund Match	84,475,700
11	1004	Unrestricted General Fund Receipts	25,034,800
12	1007	Interagency Receipts	7,300
13	1092	Mental Health Trust Authority Authorized Receipts	5,900
14	1254	Marijuana Education and Treatment Fund	6,100,000
15	***	Total Agency Funding ***	115,659,600
16	Department of Law		
17	1004	Unrestricted General Fund Receipts	1,058,300
18	***	Total Agency Funding ***	1,058,300
19	Department of Military and Veterans' Affairs		
20	1002	Federal Receipts	98,900
21	1101	Alaska Aerospace Corporation Fund	42,300
22	***	Total Agency Funding ***	141,200
23	Department of Natural Resources		
24	1002	Federal Receipts	1,559,900
25	1004	Unrestricted General Fund Receipts	1,540,700
26	1005	General Fund/Program Receipts	540,900
27	1007	Interagency Receipts	20,500
28	1021	Agricultural Revolving Loan Fund	398,900
29	1153	State Land Disposal Income Fund	169,300
30	***	Total Agency Funding ***	4,230,200
31	Department of Public Safety		

1	1004	Unrestricted General Fund Receipts	3,500,000
2	***	Total Agency Funding ***	3,500,000
3	Department of Revenue		
4	1105	Permanent Fund Corporation Gross Receipts	5,296,300
5	***	Total Agency Funding ***	5,296,300
6	Department of Transportation and Public Facilities		
7	1004	Unrestricted General Fund Receipts	5,281,900
8	***	Total Agency Funding ***	5,281,900
9	University of Alaska		
10	1004	Unrestricted General Fund Receipts	110,253,100
11	***	Total Agency Funding ***	110,253,100
12	Judiciary		
13	1004	Unrestricted General Fund Receipts	2,104,000
14	1037	General Fund / Mental Health	64,400
15	***	Total Agency Funding ***	2,168,400
16	* * * * * Total Budget * * * * *		271,861,400
17	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)		

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

Funding Source	Amount
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Unrestricted General

1003	General Fund Match	85,170,700
1004	Unrestricted General Fund Receipts	163,660,000
1037	General Fund / Mental Health	64,400
***	Total Unrestricted General ***	248,895,100

Designated General

1005	General Fund/Program Receipts	826,300
1021	Agricultural Revolving Loan Fund	398,900
1109	Test Fisheries Receipts	12,500
1153	State Land Disposal Income Fund	169,300
1201	Commercial Fisheries Entry Commission Receipts	14,300
1226	Alaska Higher Education Investment Fund	138,200
1254	Marijuana Education and Treatment Fund	6,100,000
***	Total Designated General ***	7,659,500

Other Non-Duplicated

1018	Exxon Valdez Oil Spill Trust--Civil	500
1024	Fish and Game Fund	567,800
1066	Public School Trust Fund	31,700
1092	Mental Health Trust Authority Authorized Receipts	9,100
1101	Alaska Aerospace Corporation Fund	42,300
1105	Permanent Fund Corporation Gross Receipts	5,296,300
1108	Statutory Designated Program Receipts	2,612,700
1205	Berth Fees for the Ocean Ranger Program	3,426,000
***	Total Other Non-Duplicated ***	11,986,400

Federal Receipts

1002	Federal Receipts	3,121,200
***	Total Federal Receipts ***	3,121,200

Other Duplicated

1	1007	Interagency Receipts	169,200
2	1145	Art in Public Places Fund	30,000
3	***	Total Other Duplicated ***	199,200
4	(SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)		

* **Sec. 4.** The following appropriation items are for supplemental operating expenditures from the general fund or other funds as set out in section 5 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2018 and ending June 30, 2019, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Funds	Funds
	* * * * *	* * * * *	
	* * * * * Department of Health and Social Services * * * * *		
	* * * * *	* * * * *	
Senior Benefits Payment Program	800,000	800,000	
Senior Benefits Payment	800,000		
Program			

(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 Department of Health and Social Services	
5 1004 Unrestricted General Fund Receipts	800,000
6 *** Total Agency Funding ***	800,000
7 * * * * * Total Budget * * * * *	800,000

8 (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 Unrestricted General	
5 1004 Unrestricted General Fund Receipts	800,000
6 *** Total Unrestricted General ***	800,000

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

* **Sec. 7.** SUPPLEMENTAL DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. The unexpended and unobligated Alaska higher education investment fund balance, not to exceed \$1,175,300 of the appropriation made in sec. 1, ch. 17, SLA 2018, page 12, lines 15 - 16, and allocated on page 12, line 17 (Department of Education and Early Development, Alaska state libraries, archives and museums, library operations - \$8,444,300) is reappropriated to the Department of Education and Early Development, Mt. Edgecumbe boarding school, for maintenance and operation of the Mt. Edgecumbe Aquatic Center for the fiscal years ending June 30, 2019, June 30, 2020, and June 30, 2021.

* **Sec. 8.** ALASKA PERMANENT FUND. (a) The amount necessary, when added to the appropriation made by sec. 24(a), ch. 1, SSSLA 2017, to satisfy the deposit described under AS 37.13.010(a)(2) during the fiscal year ending June 30, 2018, plus interest, estimated to be \$99,800,000, is appropriated from the earnings reserve account (AS 37.13.145) to the general fund.

(b) The amount necessary, when added to the appropriation made by sec. 24(a), ch. 1, SSSLA 2017, to satisfy the deposit described under AS 37.13.010(a)(2) during the fiscal year ending June 30, 2018, plus interest, estimated to be \$99,800,000, is appropriated from the general fund to the principal of the Alaska permanent fund.

(c) The amount necessary, when added to the appropriation made by sec. 9(a), ch. 17, SLA 2018, to satisfy the deposit described under AS 37.13.010(a)(2) during the fiscal year ending June 30, 2019, estimated to be \$80,000,000, is appropriated from the earnings reserve account (AS 37.13.145) to the general fund.

(d) The amount necessary, when added to the appropriation made by sec. 9(a), ch. 17, SLA 2018, to satisfy the deposit described under AS 37.13.010(a)(2) during the fiscal year ending June 30, 2019, estimated to be \$80,000,000, is appropriated from the general fund to the principal of the Alaska permanent fund.

(e) The sum of \$1,000,000,000 is appropriated from the earnings reserve account (AS 37.13.145) to the general fund for the fiscal year ending June 30, 2020.

(f) The unexpended and unobligated balance of the budget reserve fund (AS 37.05.540(a)), estimated to be \$172,200,000, is appropriated to the dividend fund (AS 43.23.045(a)) for the payment of permanent fund dividends and for administrative and associated costs for the fiscal year ending June 30, 2020.

(g) The sum of \$896,470,000 is appropriated from the general fund to the dividend fund (AS 43.23.045(a)) for the payment of permanent fund dividends and for administrative and associated costs for the fiscal year ending June 30, 2020.

(h) The amount necessary, when added to the appropriations made in (f) and (g) of this section, to fund the total amount authorized under AS 37.13.145(b) for transfer by the Alaska Permanent Fund Corporation on June 30, 2019, estimated to be \$875,330,000, is appropriated from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for the payment of permanent fund dividends and for administrative and associated costs for the fiscal year ending June 30, 2020.

(i) After the appropriations made in (a), (c), and (e) of this section, the remaining balance of the earnings reserve account (AS 37.13.145), not to exceed \$5,400,000,000, is appropriated from the earnings reserve account (AS 37.13.145) to the principal of the Alaska permanent fund. It is the intent of the legislature that the amount appropriated in this subsection

(1) not include associated unrealized gains; and

(2) be used to satisfy the inflation proofing requirement under AS 37.13.145(c) for the next eight fiscal years.

*** Sec. 9. OPERATING DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT.** The sum of \$309,090 is appropriated from the civil legal services fund (AS 37.05.590) to the Department of Commerce, Community, and Economic Development for payment as a grant under AS 37.05.316 to Alaska Legal Services Corporation for the fiscal year ending June 30, 2020.

*** Sec. 10. DEBT AND OTHER OBLIGATIONS.** The sum of \$4,517,365 is appropriated from the general fund to the following agencies for the fiscal year ending June 30, 2020, for payment of debt service on outstanding debt authorized by AS 14.40.257, AS 29.60.700, and AS 42.45.065, respectively, for the following projects:

AGENCY AND PROJECT	APPROPRIATION AMOUNT
(1) University of Alaska	\$1,219,025
Anchorage Community and Technical	
College Center	
Juneau Readiness Center/UAS Joint Facility	

(2) Department of Transportation and Public Facilities

(A) Matanuska-Susitna Borough 712,513

(deep water port and road upgrade)

(B) Aleutians East Borough/False Pass 166,400

(small boat harbor)

(C) City of Valdez (harbor renovations) 210,375

(D) Aleutians East Borough/Akutan 215,308

(small boat harbor)

(E) Fairbanks North Star Borough 333,193

(Eielson AFB Schools, major

maintenance and upgrades)

(F) City of Unalaska (Little South America 365,695

(LSA) Harbor)

(3) Alaska Energy Authority

(A) Kodiak Electric Association 943,676

(Nyman combined cycle cogeneration plant)

(B) Copper Valley Electric Association 351,180

(cogeneration projects)

* **Sec. 11.** FUND CAPITALIZATION. (a) The sum of \$30,000,000 is appropriated from the general fund to the community assistance fund (AS 29.60.850).

(b) The amount necessary to fund the total amount for the fiscal year ending June 30, 2021, of state aid calculated under the public school funding formula under AS 14.17.410(b) is appropriated from the general fund to the public education fund (AS 14.17.300).

(c) The amount necessary to fund transportation of students under AS 14.09.010 for the fiscal year ending June 30, 2021, is appropriated from the general fund to the public education fund (AS 14.17.300).

* **Sec. 12.** FUND TRANSFERS. (a) An amount equal to 10 percent of the filing fees received by the Alaska Court System during the fiscal year ending June 30, 2018, estimated to be \$309,090, is appropriated from the general fund to the civil legal services fund (AS 37.05.590) for the purpose of making appropriations from the fund to organizations that provide civil legal services to low-income individuals.

1 (b) The sum of \$454,000 is appropriated from the power cost equalization endowment
2 fund (AS 42.45.070) to the renewable energy grant fund (AS 42.45.045).

3 * **Sec. 13.** LAPSE. The appropriations made in secs. 8(b), (d), and (f) - (i), 11, and 12 of this
4 Act are for the capitalization of funds and do not lapse.

5 * **Sec. 14.** RETROACTIVITY. (a) Sections 4 - 6 of this Act are retroactive to May 1, 2019.

6 (b) Section 7 of this Act is retroactive to June 30, 2019.

7 (c) Sections 1 - 3, 8 - 10, 11(a), 12, and 13 of this Act are retroactive to July 1, 2019.

8 * **Sec. 15.** Sections 11(b) and (c) of this Act take effect July 1, 2020.

9 * **Sec. 16.** Except as provided in sec. 15 of this Act, this Act takes effect immediately under
10 AS 01.10.070(c).