

Summary Packet

Received June 14, 2021

CCS HB 69

Fiscal Note Packet

follows Summary

1 * **Sec. 2.** The following appropriation items are for operating expenditures from the general
2 fund or other funds as set out in the fiscal year 2022 budget summary by funding source to the
3 state agencies named and for the purposes set out in the new legislation for the fiscal year
4 beginning July 1, 2021 and ending June 30, 2022, unless otherwise indicated. The
5 appropriations in this section fund legislation assumed to have passed during the first session of
6 the thirty-second legislature. If a measure listed in this section fails to pass and its substance is
7 not incorporated in some other measure, or is vetoed by the governor, the appropriation for that
8 measure shall be reduced accordingly.

9
10 **SB 55 EMPLOYER CONTRIBUTIONS TO PERS**

11 Employer contributions to the Public Employees' Retirement System of Alaska, as described in
12 SB 55 and accompanying fiscal notes, are included in section 1; the Department of
13 Transportation, Alaska Marine Highway System; and Retirement System Funding, Public
14 Employees' Retirement System appropriations of this Act. The fiscal note totals for SB 55 are:
15 -\$24,293,200 of unrestricted general funds, \$3,869,800 of designated general funds,
16 \$17,402,700 of other state funds, and \$10,913,000 of federal receipts.

17
18 Appropriation

19 **HB 27 NAMING IRENE WEBBER BRIDGE**

20 Department of Transportation and Public Facilities
21 Highways, Aviation and Facilities
22 Northern Region Highways and Aviation
23 1004 Gen Fund

10,200

24 **HB 34 NAMING VIETNAM HELI. PILOTS' MEM. BRIDGE**

25 Department of Transportation and Public Facilities
26 Highways, Aviation and Facilities
27 Central Region Highways and Aviation
28 1004 Gen Fund

6,300

29 **HB 100 EXTEND WORKFORCE INVEST BOARD ALLOCATIONS**

30 Department of Education and Early Development
31 Education Support and Administrative Services

	Appropriation
1	
2	Student and School Achievement
3	1151 VoTech Ed -27,400
4	Department of Labor and Workforce Development
5	Commissioner and Administrative Services
6	Workforce Investment Board
7	1151 VoTech Ed -665,400
8	Employment and Training Services
9	Workforce Development
10	1151 VoTech Ed -68,900
11	Alaska Vocational Technical Center
12	Alaska Vocational Technical Center
13	1151 VoTech Ed -382,300
14	University of Alaska
15	University of Alaska
16	Budget Reductions/Additions - Systemwide
17	1151 VoTech Ed -1,012,000
18	SB 19 EXTEND SPECIAL EDUCATION SERVICE AGENCY
19	Department of Education and Early Development
20	K-12 Support
21	Special Schools
22	1004 Gen Fund 533,500
23	SB 21 LICENSE MOBILE INTENSIVE CARE PARAMEDICS
24	Department of Commerce, Community and Economic Development
25	Corporations, Business and Professional Licensing
26	Corporations, Business and Professional Licensing
27	1156 Rcpt Svcs 261,900
28	SB 27 INDUSTRIAL HEMP PROGRAM;MANUFACTURING
29	Department of Natural Resources
30	Agriculture
31	Agricultural Development
32	1005 GF/Prgm 736,400

1		Appropriation
2	*** Total New Legislation Funding ***	-607,700
3	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

**2021 Legislature - Operating Budget
Statewide Totals with Funding - Conf Committee Structure**

Numbers and Language Non Mental Health Funds

	[1] All Funds <u>NewLegis</u>	[2] All Funds <u>SB55 Total</u>
Total	-607.7	7,892.3
<u>Funding Sources</u>		
1002 Fed Rcpts (Fed)	0.0	10,903.7
1003 GF/Match (UGF)	0.0	4,354.7
1004 Gen Fund (UGF)	550.0	-28,647.9
1005 GF/Prgm (DGF)	736.4	2,481.3
1007 I/A Rcpts (Other)	0.0	2,746.1
1014 Donat Comm (Fed)	0.0	9.3
1017 Group Ben (Other)	0.0	428.4
1018 EVOS Civil (Other)	0.0	11.7
1021 Agric RLF (DGF)	0.0	9.2
1023 FICA Acct (Other)	0.0	3.7
1024 Fish/Game (Other)	0.0	3.8
1027 IntAirport (Other)	0.0	2,820.9
1029 PERS Trust (Other)	0.0	414.3
1031 Sec Injury (DGF)	0.0	10.1
1032 Fish Fund (DGF)	0.0	12.4
1034 Teach Ret (Other)	0.0	180.5
1036 Cm Fish Ln (DGF)	0.0	166.8
1042 Jud Retire (Other)	0.0	2.9
1045 Nat Guard (Other)	0.0	11.2
1049 Trng Bldg (DGF)	0.0	13.6
1050 PFD Fund (Other)	0.0	290.2
1054 STEP (DGF)	0.0	33.4
1055 IA/OIL HAZ (Other)	0.0	35.9
1061 CIP Rcpts (Other)	0.0	6,277.4
1066 Pub School (Other)	0.0	6.2
1070 FishEn RLF (DGF)	0.0	22.9
1074 Bulk Fuel (DGF)	0.0	2.1

**2021 Legislature - Operating Budget
Statewide Totals with Funding - Conf Committee Structure**

Numbers and Language Non Mental Health Funds

	[1] All Funds <u>NewLegis</u>	[2] All Funds <u>SB55 Total</u>
<u>Funding Sources (continued)</u>		
1081 Info Svc (Other)	0.0	0.6
1101 AAC Fund (Other)	0.0	58.8
1102 AIDEA Rcpt (Other)	0.0	314.8
1103 AHFC Rcpts (Other)	0.0	1,187.1
1104 AMBB Rcpts (Other)	0.0	11.2
1105 PF Gross (Other)	0.0	1,096.3
1106 ASLC Rcpts (Other)	0.0	363.0
1108 Stat Desig (Other)	0.0	576.2
1141 RCA Rcpts (DGF)	0.0	71.0
1147 PublicBldg (Other)	0.0	3.2
1151 VoTech Ed (DGF)	-2,156.0	22.4
1153 State Land (DGF)	0.0	230.5
1155 Timber Rcp (DGF)	0.0	37.0
1156 Rcpt Svcs (DGF)	261.9	269.5
1157 Wrkrs Safe (DGF)	0.0	319.1
1164 Rural Dev (DGF)	0.0	2.2
1166 Vessel Com (Other)	0.0	50.4
1168 Tob ED/CES (DGF)	0.0	39.8
1169 PCE Endow (DGF)	0.0	34.5
1170 SBED RLF (DGF)	0.0	2.1
1172 Bldg Safe (DGF)	0.0	83.4
1192 Mine Trust (Other)	0.0	0.3
1203 WCBenGF (DGF)	0.0	4.7
1205 Ocn Ranger (Other)	0.0	12.8
1214 WhitTunnel (Other)	0.0	11.6
1215 UCR Rcpts (Other)	0.0	29.4
1220 Crime VCF (Other)	0.0	20.1
1223 CharterRLF (DGF)	0.0	0.7
1224 MariculRLF (DGF)	0.0	0.7

**2021 Legislature - Operating Budget
Statewide Totals with Funding - Conf Committee Structure**

Numbers and Language Non Mental Health Funds

	[1] All Funds <u>NewLegis</u>	[2] All Funds <u>SB55 Total</u>
<u>Funding Sources (continued)</u>		
1227 Micro RLF (DGF)	0.0	0.4
1230 CleanAdmin (Other)	0.0	32.1
1231 DrinkAdmin (Other)	0.0	16.2
1232 ISPF-I/A (Other)	0.0	1.5
1235 AGDC-LNG (Other)	0.0	90.9
1236 AK LNG I/A (Other)	0.0	11.0
1244 AirptRcpts (Other)	0.0	277.8
1245 AirPrt IA (Other)	0.0	4.2
 <u>Funding Summary</u>		
Unrestricted General (UGF)	550.0	-24,293.2
Designated General (DGF)	-1,157.7	3,869.8
Other State Funds (Other)	0.0	17,402.7
Federal Receipts (Fed)	0.0	10,913.0

**2021 Legislature - Operating Budget
Agency Summary with Funding - Conf Committee Structure**

Numbers and Language Non Mental Health Funds

Agency	[1] All Funds NewLegis	[2] All Funds SB55 Total
Agency Operations		
Administration	0.0	7,150.4
Commerce, Community & Econ Dev	261.9	3,274.7
Corrections	0.0	11,924.4
Education & Early Dev	506.1	1,573.8
Environmental Conservation	0.0	2,857.3
Fish and Game	0.0	6,463.6
Governor	0.0	1,051.9
Health & Social Services	0.0	17,335.8
Labor & Workforce Dev	-1,116.6	3,729.1
Law	0.0	3,693.7
Military & Veterans' Affairs	0.0	1,580.0
Natural Resources	736.4	4,185.6
Public Safety	0.0	7,114.4
Revenue	0.0	5,425.7
Transportation	16.5	20,405.4
University of Alaska	-1,012.0	0.0
Judiciary	0.0	3,155.0
Legislature	0.0	2,766.0
Total	-607.7	103,686.8
Statewide Items		
State Retirement Payments	0.0	-95,794.5
Total	0.0	-95,794.5
Statewide Total	-607.7	7,892.3

**2021 Legislature - Operating Budget
 Agency Summary with Funding - Conf Committee Structure**

Numbers and Language Non Mental Health Funds

Agency	[1] All Funds NewLegis	[2] All Funds SB55 Total
Funding Summary		
Unrestricted General (UGF)	550.0	-24,293.2
Designated General (DGF)	-1,157.7	3,869.8
Other State Funds (Other)	0.0	17,402.7
Federal Receipts (Fed)	0.0	10,913.0

AMENDMENT

OFFERED IN CONFERENCE

TO: SCS CSHB 69(FIN) am S

1 Page 145, following line 29:

2 Insert a new subsection to read:

3 "(b) The sum of \$97,699,500 is appropriated from the general fund to the Department
4 of Administration for deposit in the defined benefit plan account in the public employees'
5 retirement system as an additional state contribution under AS 39.35.280 for the fiscal year
6 ending June 30, 2022."
7

8 Reletter the following subsections accordingly.
9

10 Page 150, line 30:

11 Delete "71(a) - (c)"

12 Insert "71(a) - (d)"
13

14 Page 151, following line 19:

15 Insert a new bill section to read:

16 **"* Sec. 78. CONTINGENCIES.** (a) The appropriation made in sec. 71(a) of this Act is
17 contingent on the failure of Senate Bill 55, passed by the Thirty-Second Alaska State
18 Legislature during the First Regular Session, to be enacted into law.

19 (b) The appropriation made in sec. 71(b) of this Act is contingent on enactment into
20 law of Senate Bill 55, passed by the Thirty-Second Alaska State Legislature during the First
21 Regular Session."
22

23 Renumber the following bill sections accordingly.

1

2 Page 151, line 20:

3 Delete "Section 77 of this Act takes"

4 Insert "Sections 77 and 78 of this Act take"

5

6 Page 151, line 26:

7 Delete "78 - 81"

8 Insert "79 - 82"

AMENDMENT

OFFERED IN CONFERENCE

TO: SCS CSHB 69(FIN) am S

1 Page 132, line 20:

2 Delete "\$430,300"

3 Insert "\$436,150"

4

5 Page 132, line 24:

6 Delete "\$356,300"

7 Insert "\$362,150"

8

9 Page 132, line 26:

10 Delete "\$860,400"

11 Insert "\$872,100"

12

13 Page 132, line 31:

14 Delete "\$712,500"

15 Insert "\$724,200"

16

17 Page 133, following line 8:

18 Insert a new subsection to read:

19 "(j) The sum of \$1,738,550 is appropriated from the general fund to the Department
20 of Transportation and Public Facilities, Alaska marine highway system, for the fiscal year
21 ending June 30, 2022, for the following purposes and in the following amounts:

22	PURPOSE	AMOUNT
23	Marine engineering	\$ 37,150

1	Marine shore operations	112,700
2	Marine vessel operations	1,473,550
3	Reservations and marketing	28,600
4	Vessel operations management	86,550"

5

6 Reletter the following subsections accordingly.

7

8 Page 133, line 9:

9 Delete "\$61,000,000"

10 Insert "\$64,477,100"

11

12 Page 133, lines 13 - 18:

13 Delete all material and insert:

14	"PURPOSE	AMOUNT
15	Marine engineering	\$ 127,400
16	Marine shore operations	337,400
17	Marine vessel fuel	7,796,300
18	Marine vessel operations	55,929,400
19	Reservations and marketing	113,500
20	Vessel operations management	173,100"

21

22 Page 151, line 16:

23 Delete "(k), and (l)"

24 Insert "(j), (l), and (m)"

25

26 Page 151, line 18:

27 Delete "(k), and (l)"

28 Insert "(j), (l), and (m)"

29

30 Page 151, line 25:

31 Delete "(j)"

1 Insert "(k)"

**The attached Fiscal Note Packet accompanied the
report for the following:**

**CCS HB 69
HB 69-APPROP: OPERATING
BUDGET/LOANS/FUNDS**

**Please refer to the 6/14/21 memo from the Division
of Legislative Finance for a finalized listing of those
fiscal notes.
(House Journal Page 1354)**

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 27
Fiscal Note Number:	1
(H) Publish Date:	3/12/2021

Identifier: HB027-DOT-NRHA-3-4-21
Title: NAMING IRENE WEBBER BRIDGE
Sponsor: STUTES
Requester: House Transportation

Department: Department of Transportation and Public Facilities
Appropriation: Highways, Aviation and Facilities
Allocation: Northern Region Highways and Aviation
OMB Component Number: 2068

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates					
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities	10.2							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	10.2							
Total	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By: Mike Lesmann, DOT&PF Legislative Liaison

Division: Commissioner's Office

Approved By: Dom Pannone, DOT&PF Administrative Services Director

Agency: Office of Management & Budget

Phone: (907)465-4772

Date: 03/04/2021

Date: 03/04/21

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This proposal would name bridge number 406 at approximately mile 9.5 of the Copper River Highway as the irene Webber Bridge. (Note: Per constituent request, the bill sponsor specifically drafted this legislation with Ms. Webber's first name beginning with a lower case i.)

The estimate for sign materials costs is as follows:

Signs	\$1,695 ea. x 2 =	\$3,390
Posts	\$467 ea. X 6 =	\$2,802
Breakaways	\$540 ea. X 6 =	\$3,240
Post foundations	\$121 ea. X 6 =	\$726
Total materials cost (approximate)		\$10,158

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 34
Fiscal Note Number:	1
(H) Publish Date:	3/10/2021

Identifier: HB034-DOT-CRHA-2-24-21
 Title: NAMING VIETNAM HELI. PILOTS' MEM. BRIDGE
 Sponsor: SHAW
 Requester: House Spc Com Military & Veterans Affairs

Department: Department of Transportation and Public Facilities
 Appropriation: Highways, Aviation and Facilities
 Allocation: Central Region Highways and Aviation
 OMB Component Number: 564

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2022 Request	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022						
Personal Services								
Travel								
Services								
Commodities	6.3							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	6.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	6.3							
Total	6.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? no
 (Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By: Mike Lesmann, Legislative Liaison

Division: Commissioner's Office

Approved By: Dom Pannone, DOT&PF Administrative Services Director

Agency: Office of Management & Budget

Phone: (907)465-4772

Date: 02/24/2021

Date: 02/24/21

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 05/18/2021

REPORTED OUT OF
HFC 05/03/2021

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This proposal would name bridge numbers 1124 and 1889 spanning the Matanuska River northbound and southbound at approximately mile 30.4 of the Glenn Highway as the Vietnam Helicopter Pilots' Memorial Bridge. The estimate for sign materials costs is as follows:

Signs	\$630 ea. X 2 =	\$1,260
Posts	\$465 ea. X 4 =	\$1,860
Post foundations	\$661 ea. X 4 =	\$2,644
Misc. hardware	\$525 X 1 =	\$525
Total materials cost (approximate)		\$6,289

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 100
Fiscal Note Number:	1
(H) Publish Date:	3/20/2021

Identifier: HB100-EED-SSA-3-12-2021
 Title: EXTEND WORKFORCE INVEST BOARD ALLOCATIONS
 Sponsor: WOOL
 Requester: House Labor & Commerce

Department: Department of Education and Early Development
 Appropriation: Education Support and Administrative Services
 Allocation: Student and School Achievement
 OMB Component Number: 2796

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates					
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits	(27.4)	490.8	463.4	463.4				
Miscellaneous								
Total Operating	(27.4)	490.8	463.4	463.4	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1151 VoTech Ed (DGF)	(27.4)	490.8	463.4	463.4				
Total	(27.4)	490.8	463.4	463.4	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
 (Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

Prepared By: Tamara Van Wyhe, Director
 Division: Innovation and Education Excellence
 Approved By: Lacey Sanders, Administrative Services Director
 Agency: Office of Management and Budget

Phone: (907)269-4583
 Date: 03/12/2021
 Date: 03/12/21

APPROVED BY
CONFERENCE
COMMITTEE
Printed 6/12/2021

REPORTED OUT OF
SFC 05/14/2021

REPORTED OUT OF
HFC 04/20/2021

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

-

Analysis

This bill extends the length of time to disperse Technical and Vocational Education Program funds appropriated for distribution to various institutions for adult and higher education from June 30, 2021 to June 30, 2024.

The Department of Education and Early Development distributes grant funding to the Galena City School District for the Galena Interior Learning Academy. The Governor's FY2022 request included an appropriation of \$490,800 based on the current statutory allocation of four percent. Per the Department of Labor & Workforce Development, the revised projected allocation for FY2022 as of March 11, 2021 is \$463,400.

This bill contains a retroactive clause if the Act takes effect after June 30, 2021. This Act takes effect immediately.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 100
Fiscal Note Number:	7
(H) Publish Date:	4/21/2021

Identifier: HB100-DOLWD-AVTEC-04-19-21
 Title: EXTEND WORKFORCE INVEST BOARD ALLOCATIONS
 Sponsor: WOOL
 Requester: (H) FINANCE

Department: Department of Labor and Workforce Development
 Appropriation: Alaska Vocational Technical Center
 Allocation: Alaska Vocational Technical Center
 OMB Component Number: 2686

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2022 Request	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022					
Personal Services							
Travel							
Services	(382.3)	2,351.7	1,969.4	1,969.4			
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	(382.3)	2,351.7	1,969.4	1,969.4	0.0	0.0	0.0

Fund Source (Operating Only)

1151 VoTech Ed (DGF)	(382.3)	2,351.7	1,969.4	1,969.4			
Total	(382.3)	2,351.7	1,969.4	1,969.4	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Updated cost to accurately reflect amounts in FY22 Governor's Amended budget and new TVEP funding amount.

Prepared By: Cathy LeCompte, Director
 Division: Alaska Vocational Technical Center
 Approved By: Dan DeBartolo, Director
 Agency: Administrative Services Division

Phone: (907)224-6150
 Date: 04/19/2021 01:12 PM
 Date: 04/19/21

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 05/14/2021

REPORTED OUT OF
HFC 04/20/2021

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This legislation extends the sunset date for existing funding allocations for program and grant distributions under AS 23.15.835(d) for the Alaska Technical and Vocational Education Program (TVEP) through June 30, 2024. Funding authorization for the Alaska Vocational Technical Center (AVTEC) was included in the FY2022 Governor's budget request and is modified by this fiscal note.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 100
Fiscal Note Number:	8
(H) Publish Date:	4/21/2021

Identifier: HB100-DOLWD-WIB-04-19-21
 Title: EXTEND WORKFORCE INVEST BOARD
 ALLOCATIONS
 Sponsor: WOOL
 Requester: (H) FINANCE

Department: Department of Labor and Workforce Development
 Appropriation: Commissioner and Administrative Services
 Allocation: Workforce Investment Board
 OMB Component Number: 2659

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	68.9	12.1	81.0	81.0			
Travel	11.0		11.0	11.0			
Services	18.0	1.0	19.0	19.0			
Commodities	1.5	0.5	2.0	2.0			
Capital Outlay							
Grants & Benefits	(764.8)	4,703.4	3,938.6	3,938.6			
Miscellaneous							
Total Operating	(665.4)	4,717.0	4,051.6	4,051.6	0.0	0.0	0.0

Fund Source (Operating Only)

1151 VoTech Ed (DGF)	(665.4)	4,717.0	4,051.6	4,051.6			
Total	(665.4)	4,717.0	4,051.6	4,051.6	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
 (Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Updated costs to accurately reflect salary adjustment amount in FY22 Governor's Amended budget.

Prepared By: Louise Dean, Executive Director
 Division: Workforce Investment Board
 Approved By: Dan DeBartolo, Director
 Agency: Administrative Services Division

Phone: (907)269-7487
 Date: 04/19/2021 01:18 PM
 Date: 04/19/21

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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This legislation extends the sunset date for existing funding allocations for program and grant distributions under AS 23.15.835(d) for the Alaska Technical and Vocational Education Program (TVEP) through June 30, 2024. Funding authorization for the TVEP recipients was included in the FY2022 Governor's budget request and is modified by this fiscal note.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 100
Fiscal Note Number:	9
(H) Publish Date:	4/21/2021

Identifier: HB100-DOLWD-WD-04-12-21
Title: EXTEND WORKFORCE INVEST BOARD ALLOCATIONS
Sponsor: WOOL
Requester: (H) L&C

Department: Department of Labor and Workforce Development
Appropriation: Employment and Training Services
Allocation: Workforce Development
OMB Component Number: 3117

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	(52.5)	57.5					
Travel							
Services	(16.4)	16.4					
Commodities		7.0					
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	(68.9)	80.9	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1151 VoTech Ed (DGF)	(68.9)	80.9					
Total	(68.9)	80.9	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Updated to financial information to accurately reflect the reduction from the the amount Included in the Governor's FY2022 Request.

Prepared By: Patsy Westcott, Division Director
Division: Employment and Training Services
Approved By: Dan DeBartolo, Director
Agency: Administrative Services Division

Phone: (907)465-5543
Date: 04/12/2021 08:46 AM
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

-

Analysis

This bill extends the sunset date for existing funding allocations for program and grant distributions under AS 23.15.835(d) for the Alaska Technical and Vocational Education Program (TVEP) through June 30, 2024. Funding authorization for the Workforce Development component was included in the FY2022 Governor Amended request. In FY2023, the administrative service provided by Workforce Development will be phased out and no further funding allocation will be required for FY2023 or FY2024.

This legislation does not change the budgeted authorization needed for the Workforce Development component.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	HB 100
Fiscal Note Number:	11
(H) Publish Date:	4/21/2021

Identifier: HB100-UA-SYSBRA-3-13-21
Title: EXTEND WORKFORCE INVEST BOARD ALLOCATIONS
Sponsor: WOOL
Requester: House Labor and Commerce

Department: University of Alaska
Appropriation: University of Alaska
Allocation: Budget Reductions/Additions - Systemwide
OMB Component Number: 1296

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	(506.0)	3,112.6	2,606.6	2,606.6			
Travel							
Services							
Commodities	(506.0)	3,112.6	2,606.5	2,606.5			
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	(1,012.0)	6,225.2	5,213.1	5,213.1	0.0	0.0	0.0

Fund Source (Operating Only)

1151 VoTech Ed (DGF)	(1,012.0)	6,225.2	5,213.1	5,213.1			
Total	(1,012.0)	6,225.2	5,213.1	5,213.1	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? Yes
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Updated to reflect change in FY22 TVEP projection.

Prepared By: Chad Hutchison
Division: Government Relations
Approved By: Michelle Rizk
Agency: University of Alaska

Phone: (907)378-3946
Date: 04/12/2021 12:00 AM
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STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. HB100

Analysis

The legislation extends the sunset date referenced in AS 23.15.835(d), related to the Alaska Workforce Investment Board. The date would be extended from June 30, 2021 to June 30, 2024. That extension ensures that money will continue to fund the UA's Technical Vocational Education Program (TVEP).

The anticipated amount for FY22 is \$5,213.1, revised from \$6,225.2.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	CSSB 19(FIN)
Fiscal Note Number:	2
(S) Publish Date:	3/24/2021

Identifier: SB019CS(FIN)-EED-SS-3-22-21
Title: EXTEND SPECIAL EDUCATION SERVICE
AGENCY
Sponsor: STEVENS
Requester: Senate Finance

Department: Department of Education and Early Development
Appropriation: K-12 Support
Allocation: Special Schools
OMB Component Number: 2735

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates					
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits	533.5	2,404.4	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9
Miscellaneous								
Total Operating	533.5	2,404.4	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)	533.5	2,404.4	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9
Total	533.5	2,404.4	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9	2,937.9

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Updated analysis to reflect the new committee substitute, which changes the multiplier in statute for determining the Special Education Service Agency's funding from \$18.65 to \$23.13 and establishes the effective date for this change as July 1, 2021. No additional changes made.

Prepared By: Heidi Teshner, Director
Division: Finance and Support Services
Approved By: Lacey Sanders, Administrative Services Director
Agency: Office of Management and Budget

Phone: (907)465-2875
Date: 03/22/2021 12:50 PM
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION**Analysis**

This bill amends AS 14.30.650, the funding for the Special Education Service Agency (SESA), by increasing the funding from eighteen dollars and sixty-five cents (\$18.65) times the average daily membership (ADM) to twenty-three dollars and thirteen cents (\$23.13) times the ADM.

In addition, this bill amends AS 44.66.010(a)(6) to extend the sunset date of SESA from June 30, 2021 to June 30, 2029.

The funding increase under this bill has an effective date of July 1, 2021 (FY2022); the rest of the bill has an immediate effective date.

Per AS 14.30.650, the Department of Education and Early Development's FY2022 budget includes \$2,404.4 to provide grant funding to support SESA's statutory responsibilities. Funding for the FY2022 budget was determined by multiplying \$18.65 by the ADM in the preceding fiscal year (FY2021 Projected) as determined under AS 14.17.600 (\$18.65 x 128,923.91 FY2021 Projected ADM = \$2,404.4).

The FY2021 ADMs were finalized March 15, 2021. The amended FY2022 SESA entitlement is \$2,937.9 (\$23.13 x 127,015.30 FY2021 Final ADM); an increase of \$533.5 compared to the FY2022 budget.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: SB 21
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB21-DCCED-CBPL-CC-5-27-21
Title: LICENSE MOBILE INTENSIVE CARE
PARAMEDICS
Sponsor: REVAK
Requester: CONFERENCE COMMITTEE

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates					
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services	181.9		181.9	181.9	181.9	181.9	181.9	181.9
Travel								
Services	60.0		30.0	30.0	30.0	30.0	30.0	30.0
Commodities	20.0							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	261.9	0.0	211.9	211.9	211.9	211.9	211.9	211.9

Fund Source (Operating Only)

1156 Rcpt Svcs (DGF)	261.9		211.9	211.9	211.9	211.9	211.9	211.9
Total	261.9	0.0	211.9	211.9	211.9	211.9	211.9	211.9

Positions

Full-time	2.0		2.0	2.0	2.0	2.0	2.0	2.0
Part-time								
Temporary								

Change in Revenues

1156 Rcpt Svcs (DGF)	261.9		211.9	211.9	211.9	211.9	211.9	211.9
Total	261.9	0.0	211.9	211.9	211.9	211.9	211.9	211.9

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/22

Why this fiscal note differs from previous version/comments:

CC: Revised for conference committee to add funding to CBPL for this program.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. SB 21

Analysis

SB 21 will move the registration and licensing of Mobile Intensive Care Paramedics (MICP) from the State Medical Board, Division of Corporations, Business, and Professional Licensing, and place them under the Department of Health and Social Services (DHSS), Division of Emergency Services. This legislation will provide a career path for Emergency Medical Technicians (EMT) to become MICPs, as EMT are currently licensed by DHSS.

This legislation will also create a pathway for temporary licensing for military spouses and active duty personnel, a measure that establishes limited reciprocity for qualified practitioners who hold substantially equivalent licenses in other jurisdictions or who have demonstrated substantial compliance with licensing requirements in this state. This will allow the department to streamline the process and issue a one-year temporary license to those qualified military individuals.

If the bill passes the following expenses will be incurred:

- Personal Services: \$83.5 (One Publications Specialist, range 13)
 \$98.4 (One Records and Licensing Supervisor, range 14)

- Services: \$30.0 (Printing, postage, and legal costs for regulations project in FY2022)
 \$30.0 (Statewide core services & allocated costs)

- Commodities: \$20.0 (One-time set up costs in FY2022)

Professional licensing programs within the Division of Corporations, Business and Professional Licensing are funded by Receipt Supported Services, fund source 1156 Rcpt Svcs (DGF). Licensing fees for each occupation are set per AS 08.01.065 the total amount of revenue collected approximately equals the occupation's actual regulatory costs.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	CSSB 27(RES)
Fiscal Note Number:	2
(S) Publish Date:	5/10/2021

Identifier: SB27-DNR-AG-05-09-21
Title: INDUSTRIAL HEMP
PROGRAM;MANUFACTURING
Sponsor: HUGHES
Requester: SFIN

Department: Department of Natural Resources
Appropriation: Agriculture
Allocation: Agricultural Development
OMB Component Number: 455

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	466.6		466.6	466.6	466.6	466.6	466.6
Travel	106.9		106.9	106.9	106.9	106.9	106.9
Services	84.1		84.1	84.1	84.1	84.1	84.1
Commodities	78.8		78.8	78.8	78.8	78.8	78.8
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	736.4	0.0	736.4	736.4	736.4	736.4	736.4

Fund Source (Operating Only)

1005 GF/Prgm (DGF)	736.4		736.4	736.4	736.4	736.4	736.4
Total	736.4	0.0	736.4	736.4	736.4	736.4	736.4

Positions

Full-time	5.0		5.0	5.0	5.0	5.0	5.0
Part-time							
Temporary							

Change in Revenues

1005 GF/Prgm (DGF)	750.0		750.0	750.0	750.0	750.0	750.0
Total	750.0	0.0	750.0	750.0	750.0	750.0	750.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 10/31/21

Why this fiscal note differs from previous version/comments:

Corrected revenue fund code to general funds/program receipts (1005).

Prepared By: David W. Schade, MPA, Director
Division: Agriculture

Approved By: Cheri Lowenstein, Administrative Services Director
Agency: Office of Management and Budget

Phone: (907)761-3867
Date: 05/09/2021 08:00 AM
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This bill will build on the existing industrial hemp pilot program to create a permanent program in the Department of Natural Resources Division of Agriculture. The Industrial Hemp (IH) Program regulates the growing, manufacturing and sales of industrial hemp and industrial hemp product. Regulations are currently in affect that have established the program, and all fees associated with participation in the program. AS 03.05.010 requires for the program be self-funded by the fees it generates.

The IH Program has the potential to have participants in nearly every town and village across Alaska which will be a significant workload for the division. It is projected that 2,000 to 3,000 applications to be processed and monitored on a yearly basis. Currently there are two PCNs for the pilot program, one was hired in 2021 with additional staff report from outside the program as funding receipts have been limited. These positions expire under federal law on October 31, 2021, but do not expire under state law. Additional PCNs will allow the program to be fully operational.

Staff are required to have the knowledge and ability to sample and supervise crops all around the state including indoor operations year-round. The lack of IH program enforcement has caused several participants to ignore the requirements of registration now in place. Enforcement actions have now started, resulting in an increase of applications. The additional staff will be for program management, enforcement, and inspections. The administrative assistant will provide administrative support to the IH program, the natural resource manager, and its inspectors.

The revenue change reflects fees collected through program receipts from the industrial hemp program. Program participation in grow operations and retail applications are expected increase significantly with an estimated increase revenue of \$750,000 annually.

The division projects will require an additional five positions to manage a successful industrial hemp program, as outlined below:

Program Support:**PERSONAL SERVICES COST** - \$466.6 total annually

Natural Resource Manager I, Range 18 (\$112.3)

Agricultural Inspector, Range 16 (\$93.0) x 3 positions = (\$279.0)

Administrative Assistant I, Range 12 (\$75.3)

Total Personal Services Costs = \$466.6

TRAVEL - \$106.9 total

SERVICES - \$84.1 total

COMMODITIES – \$78.8 total

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: SB 55
Fiscal Note Number: _____
() Publish Date: _____

Identifier: 0684-VAR-ALL-6-10-21
Title: EMPLOYER CONTRIBUTIONS TO PERS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Conference Committee

Department: Various
Appropriation: Various
Allocation: All Branches
OMB Component Number: 0

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services	102,993.7		102,993.7	102,993.7	102,993.7	102,993.7	102,993.7
Travel							
Services	705.8		705.8	705.8	705.8	705.8	705.8
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	103,699.5	0.0	103,699.5	103,699.5	103,699.5	103,699.5	103,699.5

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	10,913.0		12,631.3	13,599.7	13,599.7	13,599.7	13,599.7
1178 temp code (UGF)	71,133.0		63,670.8	56,800.5	56,800.5	56,800.5	56,800.5
1251 Non-UGF (Other)	17,773.9		22,411.7	27,068.2	27,068.2	27,068.2	27,068.2
1252 DGF Temp (DGF)	3,879.6		4,985.7	6,231.1	6,231.1	6,231.1	6,231.1
Total	103,699.5	0.0	103,699.5	103,699.5	103,699.5	103,699.5	103,699.5

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Updated for Conference Committee budget changes from Governor's request. Increase \$276.0 all funds, decrease \$749.9 federal funds, increase \$1,025.9 unrestricted general funds (UGF). Net UGF savings for all fiscal notes reduced by \$1,025.9 from \$25.7 million to \$24.7 million.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. SB 55

Analysis

This legislation removes the 22 percent cap on the payroll contribution to the Public Employee Retirement System (PERS) for the State of Alaska as a PERS employer. All other PERS and TRS employers' rates will remain capped at 22 percent of payroll. The contribution cap, which is lower than the annual actuarial rate for the retirement system's normal and past service costs, was implemented to reduce the cost burden on PERS employers. The difference between the 22 percent and the full cost is subsidized by an unrestricted general fund annual payment to the retirement system known as the state assistance payment or "on-behalf" payment.

The Alaska Retirement Management Board approved an actuarially determined contribution rate for fiscal year 2022 for PERS employers of 30.11 percent. Under AS 39.35.280, the state is obligated to make up the difference between the statutory employer contribution rate of 22 percent and the actuarial rate of 30.11 percent, calculated to be \$193.5 million. This legislation would direct the state to apply the 30.11 percent actuarial rate to agency payroll rather than contributing that difference through the state assistance payment. The net impact to the state's overall contribution to the retirement system would be unchanged.

This legislation only impacts the State of Alaska as a PERS employer, and excludes the University of Alaska, municipalities and school districts, the Alaska Housing Finance Corporation, and the Alaska Gasline Development Corporation.

The budgetary impact of this legislation will be reflected as a shift from the direct appropriation to the public employee retirement system, which is typically funded with unrestricted general funds (UGF), to agency payroll, where the cost can be spread across all fund sources. This legislation continues to provide for the full actuarial contribution to the retirement system while changing the financing structure in the state budget.

Page one of this fiscal note reflects the estimated \$103,699.5, all fund sources, increase to State of Alaska executive, legislative and judicial branch payroll in fiscal year 2022, \$71,133.0 of which will be UGF.

An accompanying fiscal note for retirement system payments reflects the \$95,794.5 reduction in UGF.

Combined UGF savings total \$24,661.5 in fiscal year 2022. UGF savings are expected to increase in fiscal years 2023 and beyond as rate-setting agencies have time to adjust rates based on actual costs and grant awards can be renegotiated, reducing the need for UGF offsets. The fiscal impact for fiscal years 2023 through 2027 assumes no changes in agency payroll or the actuarially determined rate of 30.11 percent.

The summary table on the following page reflects the net fiscal impact of this financing change for fiscal year 2022 inclusive of all fiscal notes.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. SB 55 _____

Analysis

FY2022 SB55 Budget Impact

<i>Applies to State of Alaska only</i>	UGF	DGF	Other	Fed	Total
SOA Payroll (FY22)					
Current law: 22% cap	812,360.4	230,584.5	559,009.6	280,950.0	1,882,904.5
Proposed law: 30.11% FY22 Actuarial Rate	883,493.4	234,464.1	576,783.5	291,863.0	1,986,604.0
(A) Difference	71,133.0	3,879.6	17,773.9	10,913.0	103,699.5
State Assistance Appropriation to PERS (FY22)					
Current law: 22% cap	193,494.0	0.0	0.0	0.0	193,494.0
Proposed law: 30.11% FY22 Actuarial Rate	97,699.5				97,699.5
(B) Difference	(95,794.5)	0.0	0.0	0.0	(95,794.5)
Net Fiscal Impact (A + B)	(24,661.5)	3,879.6	17,773.9	10,913.0	7,905.0

Note: Standard methodological differences between actuarial and budgeted payroll projections result in a difference between the state's estimated share of the state assistance payment and the budgetary impact of the change from 22% to 30.11% of payroll.

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	SB 55
Fiscal Note Number:	3
(S) Publish Date:	4/19/2021

Identifier: SB55-RET-PERS-4-16-21
 Title: EMPLOYER CONTRIBUTIONS TO PERS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: SFIN

Department: State Retirement Payments
 Appropriation: PERS State Assistance
 Allocation: All Other PERS
 OMB Component Number: 2866

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates					
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services			***	***	***	***	***	***
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous	(95,794.5)	193,494.0						
Total Operating	(95,794.5)	193,494.0	***	***	***	***	***	***

Fund Source (Operating Only)

1004 Gen Fund (UGF)	(95,794.5)	193,494.0						
Total	(95,794.5)	193,494.0	***	***	***	***	***	***

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Updated analysis to correct typographical error.

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 Division: Office of Management and Budget
 Approved By: Neil Steininger, Director
 Agency: Office of Management and Budget

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 Date: 04/16/2021 02:10 PM
 Date: 04/16/21

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/19/2021

REPORTED OUT OF
HFC 05/14/2021

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION**Analysis**

This legislation removes the 22 percent cap on the payroll contribution to the Public Employee Retirement System (PERS) for the State of Alaska as a PERS employer. All other PERS and TRS employers' rates will remain capped at 22 percent of payroll. The contribution cap, which is lower than the annual actuarial rate for the retirement system's normal and past service costs, was implemented to reduce the cost burden on PERS employers. The difference between the 22 percent and the full cost is subsidized by an unrestricted general fund annual payment to the retirement system known as the state assistance payment or "on-behalf" payment.

The Alaska Retirement Management Board approved an actuarially determined contribution rate for fiscal year 2022 for PERS employers of 30.11 percent. Under AS 39.35.280, the state is obligated to make up the difference between the statutory employer contribution rate of 22 percent and the actuarial rate of 30.11 percent, calculated to be \$193.5 million. This legislation would direct the state to apply the 30.11 percent actuarial rate to agency payroll rather than contributing that difference through the state assistance payment. The net impact to the state's overall contribution to the retirement system would be unchanged.

This legislation only impacts the State of Alaska as a PERS employer, and excludes the University of Alaska, municipalities and school districts, and some state corporations.

The budgetary impact of this legislation will be reflected as a shift from the direct appropriation to the public employee retirement system, which is typically funded with unrestricted general funds (UGF), to agency payroll, where the cost can be spread across all fund sources. This legislation continues to provide for the full actuarial contribution to the retirement system while changing the financing structure in the state budget.

Page one of this fiscal note reflects a reduction of \$95,794.5 from the total \$193,494.0 appropriation for state assistance to the retirement system, which represents the portion of assistance the state pays on behalf of itself. The fiscal note is indeterminate in fiscal years 2023 through 2027 because the actuarial contribution is unknown.

An accompanying fiscal note shows the estimated \$103,423.5, all fund sources, increase to State of Alaska executive, legislative and judicial branch payroll in fiscal year 2022, \$70,107.1 of which will be UGF. Combined UGF savings total \$25,687.4 in fiscal year 2022.