

Original sponsor(s): SEN. DUNCAN, Jones, Eliason, Halford, Kelly;
REP. C.Davis

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 428 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska marine highway system,
7 its funding and its budget; establishing the Alaska
8 marine highway system fund; and providing for an
9 effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 19.65 is amended by adding new sections to read:

12 ARTICLE 2. ALASKA MARINE HIGHWAY SYSTEM FUND AND BUDGET.

13 Sec. 19.65.050. LEGISLATIVE FINDINGS, PURPOSE, AND INTENT. (a)

14 The legislature finds that

15 (1) the Alaska marine highway system is an essential part
16 of the state transportation system, and that it warrants continued and
17 predictable state support;

18 (2) many communities' economies are dependent on a steady
19 and stable marine highway system service level;

20 (3) the state's tourism industry is greatly enhanced by a
21 dependable marine highway transportation network; and

22 (4) efficient and prudent management of the system will
23 benefit the state's economy and foster economic development.

24 (b) It is the purpose of AS 19.65.050 - 19.65.100 to

25 (1) enable the Alaska marine highway system to manage and
26 operate in a manner that will enhance performance and accountability
27 by allowing the system to account for and spend its generated revenue;

28 (2) provide the management tools necessary to efficiently
29 operate the Alaska marine highway system;

1 (3) within constitutional constraints, provide for a pre-
2 dictable funding base for system operations; and

3 (4) provide for predictability and stability in the service
4 level furnished to communities served by the system.

5 (c) It is the intent of AS 19.65.050 - 19.65.100 to

6 (1) encourage prudent administration through cost manage-
7 ment and accurate budgeting by managers of the Alaska marine highway
8 system;

9 (2) increase revenue from the operation of the system
10 consistent with the public interest, increase service consistent with
11 sound fiscal policy, and assist the prudent management and operation
12 of the system; and

13 (3) achieve stability in the level of service communities
14 can anticipate through accurate planning and scheduling.

15 Sec. 19.65.060. ALASKA MARINE HIGHWAY SYSTEM FUND. (a) There
16 is created, as a special account in the general fund, the Alaska
17 marine highway system fund, into which shall be deposited

18 (1) the gross revenue of the Alaska marine highway system;

19 (2) money that is appropriated to the Alaska marine highway
20 system fund by the legislature in an amount that is consistent from
21 year to year and is the amount necessary, after consideration of gross
22 revenue, to provide stable services to the public consistent with the
23 provisions of AS 19.65.050(b)(4), which appropriations are not one-
24 year appropriations and the balances of which do not lapse under
25 AS 37.25.010; and

26 (3) any other money that is appropriated to the Alaska
27 marine highway system fund by the legislature, which appropriations
28 are not one-year appropriations and the balances of which do not lapse
29 under AS 37.25.010.

1 (b) Nothing in this chapter exempts money deposited into the
2 Alaska marine highway system fund from the requirements of AS 37.07
3 (Executive Budget Act) or dedicates that money for a specific purpose.

4 Sec. 19.65.070. REVENUE ACCOUNTING. (a) The Alaska marine
5 highway system shall account for and remit to the Department of Reve-
6 nue in accordance with AS 37.10.050 all gross revenue generated from
7 the operation of the Alaska marine highway system during each annual
8 operating cycle. The money shall then be deposited in the Alaska
9 marine highway system fund.

10 (b) The Alaska marine highway system shall submit a written
11 report to the legislature, no later than the 10th day of each regular
12 legislative session, regarding the previous annual operating cycle.
13 The report must identify

14 (1) gross revenue generated during the previous annual
15 operating cycle;

16 (2) gross revenue generated during the current annual
17 operating cycle and an estimate of gross revenue for the remainder of
18 the current annual operating cycle;

19 (3) projections of the gross revenue to be generated during
20 the next annual operating cycle; and

21 (4) the difference between previous gross revenue estimates
22 prepared under this section and the revenues actually generated.

23 Sec. 19.65.080. ANNUAL APPROPRIATION. (a) Commencing with
24 appropriations for the fiscal year that begins July 1, 1991, on an
25 annual basis and under AS 37.07 (Executive Budget Act), the legis-
26 lature may appropriate amounts from the Alaska marine highway system
27 fund to the Alaska marine highway system.

28 (b) The Department of Transportation and Public Facilities may
29 request the legislature to appropriate money from the Alaska marine

1 highway system fund to the marine highway system for capital improve-
2 ments, if

3 (1) the appropriation under (a) of this section has been
4 made;

5 (2) the amount in the fund, without regard to the appro-
6 priation under (a) of this section, exceeds the total of gross revenue
7 deposited in the fund and the general fund appropriations under
8 AS 19.65.060(a)(2) by 10 percent; and

9 (3) the amount requested for appropriation under this
10 subsection does not exceed 50 percent of the balance remaining after
11 the appropriation for annual management and operations is made under
12 (a) of this section.

13 (c) The unexpended and unobligated balance of money appropriated
14 from the Alaska marine highway system fund lapses into the Alaska
15 marine highway system fund at the end of the fiscal year for which it
16 was appropriated.

17 Sec. 19.65.100. DEFINITIONS. In AS 19.65.050 - 19.65.100,

18 (1) "annual operating cycle" means the annual state fiscal
19 year beginning on July 1 and ending at midnight on the following June
20 30;

21 (2) "gross revenue" means all money, except money refunded
22 to ticket holders and others for unused services, that is generated
23 from the operation of the Alaska marine highway system, including that
24 derived from vessel operations and uses of Alaska marine highway
25 system facilities.

26 * Sec. 2. This Act takes effect July 1, 1990.