

**SB**

**226**

**SFIN**

**FILE**

SB 226

was referred to the  
Senate Finance  
Committee

Hearing(s) were held

The bill did not move  
from Committee

# STATE OF ALASKA

## OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110020  
JUNEAU, ALASKA 99811-0020  
PHONE: (907) 465-4660  
FAX: (907) 465-3008

March 11, 2004

To: Senator Gary Wilken, Co-Chair  
Senate Finance Committee

From: Cheryl Frasca, Director *CFR*  
Office of Management and Budget

Subject: Request to Schedule Senate Bill 226

Late last session the Governor introduced Senate Bill 226, which amends the way the state categorizes certain receipts. Its purpose is to reverse the current policy of segregating certain general fund revenue into special-purpose accounts. SB 325 redesignates 65 special purpose accounts (and \$165 million if it were in place in FY 04) to general funds.

Over the years fences have been built around revenues generated by certain activities. In fact, this revenue and spending is often described as "off budget" because it gets minimal scrutiny (the spending, however, is subject to the annual appropriation process) and any savings doesn't contribute to closing the state's fiscal gap.

This legislation reflects the spirit of our constitutional framers who prohibited the practice of dedicated funds. They believed it was important to provide each legislature the flexibility to respond to current needs. The practice of special-purpose accounts, or designated funds, runs counter to these intentions.

For the committee's reference, attached is:

- Attachment #1: Summary of the affected fund sources
- Attachment #2: Sectional Analysis
- Attachment #3: Fiscal Notes

Please let me know what additional information we can provide. I look forward to an opportunity to discuss the measure with your committee members.

cc: Mike Tibbles, Legislative Director

|    | A           | B                | C  | D                                 | E  | F                                  |
|----|-------------|------------------|--|-----------------------------------|--|------------------------------------|
| 1  |             |                  |  |                                   | Appropriations currently considered<br>Other Funds would become General<br>Funds if the bill passed. |                                    |
| 2  | Sec.<br>No. | Affected<br>Dept | Component(s)   | Current<br>Fund<br>Source         | Existing FY04<br>Appropriations  | FY05 Gov<br>December 15<br>Request |
| 3  | 5           | DPS              | AK Police Standards Council  | 1156 RSS                          | 978.0  | 989.5                              |
| 4  | 8           | DPS              | AK Fire Standards Council  | 1152<br>AFSC<br>Rcpts             | 226.3  | 229.0                              |
| 5  | 9           | F&G              | Multiple components  | 1109 Test<br>Fish<br>Rcpts        | 2,652.7  | 2,847.1                            |
| 6  | 9           | DCED             | Regulatory Commission of Alaska  | 1141 RCA<br>Rcpts                 | 6,143.8  | 6,506.9                            |
| 7  | 9           | DOA              | Alaska Oil and Gas Conservation Commission                                       | 1162<br>AOGCC<br>Rcpts            | 4,112.9  | 3,981.5                            |
| 8  | 9           | DCED             | Occupational Licensing   | 1156 RSS                          | 7,120.3  | 6,962.7                            |
| 9  | 9           | DCED             | Alaska Seafood Marketing Institute   | 1156 RSS                          | 5,513.6  | 5,589.5                            |
| 10 | 9           | DCED             | Community Advocacy in FY 04<br>Banking & Securities in FY 05                     | 1156 RSS                          | 309.3  | 313.2                              |
| 11 | 9           | F&G              | Commercial Fish  | 1156 RSS                          | 354.0  | 358.1                              |
| 12 | 9           | DPS              | Judicial Services  | 1156 RSS                          | 46.7   | 48.0                               |
| 13 | 9           | F&G              | Commercial Fisheries Entry Commission, Comm<br>Fish Hdqtr, State Facilities Rent | 1156 RSS                          | 3,024.5  | 3,024.5                            |
| 14 | 9           | Labor            | AVTEC  | 1156 RSS                          | 1,835.4  | 1,969.5                            |
| 15 | 9           | HSS              | Pioneer Homes  | 1156 RSS                          | 12,661.9   | 12,827.4                           |
| 16 | 9           | DCED             | Insurance  | 1156 RSS                          | 5,217.1  | 5,317.3                            |
| 17 | 9           | DCED             | Banking, Securities and Corporations   | 1156 RSS                          | 2,217.0  | 2,420.2                            |
| 18 | 9           | DOC              | Classification and Furlough  | 1156 RSS                          | 751.7  | 751.7                              |
| 19 | 9           | DOC              | Classification and Furlough  | 1156 RSS                          | 100.0  | 100.0                              |
| 20 | 9           | DOC              | Existing CRCs and Nome CRC   | 1156 RSS                          | 1,731.1  | 1,731.1                            |
| 21 | 9           | DPS              | Fire Prevention/Fire Service Training  | 1156 RSS                          | 1,335.7  | 1,368.8                            |
| 22 | 9           | DOT              | Measurement Standards & Commercial Vehicle<br>Enforcement                        | 1156 RSS                          | 1,741.6  | 1,821.3                            |
| 23 | 9           | DEED             | Teacher Certification  | 1156 RSS                          | 689.9  | 605.3                              |
| 24 | 9           | DEED             | Professional Teaching Practices Commission                                       | 1156 RSS                          | 217.8  | 226.1                              |
| 25 | 9           | HSS              | Bureau of Vital Statistics   | 1156 RSS                          | 1,245.5  | 1,449.6                            |
| 26 | 9           | HSS              | Information Technology Services  | 1156 RSS                          |  | 106.1                              |
| 27 | 9           | DOC              | Anchorage Correctional Complex and Lemon Creek                                   | 1156 RSS                          | 204.0  | 204.0                              |
| 28 | 9           | DPS              | AK Crim Records and Identification   | 1156 RSS                          | 1,327.8  | 1,356.1                            |
| 29 | 9           | DOA              | Motor Vehicles   | 1156 RSS                          | 401.1  | 401.1                              |
| 30 | 9           | DNR              | Land Sales   | 1153<br>State<br>Land             | 7,818.5  | 7,175.9                            |
| 31 | 9           | DNR              | Claims, Permits & Leases   | 1154<br>Shore<br>Fish             | 329.4  | 341.1                              |
| 32 | 9           | DNR              | Forest Mgt   | 1155<br>Timber<br>Rcpts           | 693.7  | 711.9                              |
| 33 | 9           | Labor            | Workers' Compensation; Occupational Safety and<br>Health                         | 1157<br>Workers<br>Safety<br>Fund | 4,210.4  | 4,400.5                            |
| 34 | 9           | DNR              | Recorder's Office  | 1156 RSS                          | 3,111.2  | 3,360.1                            |
| 35 | 9           | DEC              | Commercial Passenger Vessel Program  | 1166<br>Comm<br>Pass<br>Vessel    | 706.9  | 713.6                              |

|    | A           | B                | C   | D                           | E  | F                                  |
|----|-------------|------------------|---|-----------------------------|--|------------------------------------|
| 1  |             |                  |   |                             | Appropriations currently considered<br>Other Funds would become General<br>Funds if the bill passed. |                                    |
| 2  | Sec.<br>No. | Affected<br>Dept | Component(s)  | Current<br>Fund<br>Source   | Existing FY04<br>Appropriations  | FY05 Gov<br>December 15<br>Request |
| 36 | 9           | DCED             | Occupational Licensing FY 04 and FY 05<br>Office of Econ Dev FY 05<br>Trade & Dev FY 04   | 1175 Bus<br>Lic Rpts        | 2,173.0  | 1,493.4                            |
| 37 | 9           | Labor            | Mechanical Inspection   | 1172 Bldg<br>Safety<br>Acct | 1,603.7  | 1,552.2                            |
| 38 | 9           | DEC              | Food Safety and Sanitation  | 1156 RSS                    | 1,099.4  | 1,181.2                            |
| 39 | 9           | DNR              | Parks Mgt   | 1156 RSS                    | 1,478.1  | 1,837.2                            |
| 40 | 9           | DPS              | AST Detachments in FY 04<br>AK Criminal Records and ID in FY 05   | 1156 RSS                    | 45.0   | 46.6                               |
| 41 | 9           | DPS              | AST Detachments in FY 04<br>AK Criminal Records and ID in FY 05   | 1156 RSS                    | 127.8  | 127.8                              |
| 42 | 9           | HSS              | Medicaid Services   | 1108<br>SDPR                | 63,434.5   | 55,890.5                           |
| 43 | 9           | HSS              | Medicaid Services   | 1156 RSS                    | 750.0  | 750.0                              |
| 44 | 9           | HSS              | Foster Care Base Rate   | 1156 RSS                    | 991.5  | 1,590.7                            |
| 45 | 9           | HSS              | Nursing   | 1156 RSS                    | 188.4  | 264.5                              |
| 46 | 9           | HSS              | Information Technology Services   | 1108<br>SDPR                |  | 106.4                              |
| 47 | 9           | HSS              | Women and Adolescents Services  | 1156 RSS                    | 80.6   | 80.6                               |
| 48 | 9           | HSS              | Women, Infants and Children   | 1156 RSS                    | 152.0  | 152.0                              |
| 49 | 9           | HSS              | Medical Assistance Administration   | 1156 RSS                    | 17.1   | 682.1                              |
| 50 | 9           | HSS              | Epidemiology  | 1156 RSS                    | 15.7   | 21.7                               |
| 51 | 9           | HSS              | Community Health/EMS Services   | 1156 RSS                    | 163.1  | 61.8                               |
| 52 | 9           | HSS              | Behavioral Health Administration  | 1156 RSS                    | see above  | 100.0                              |
| 53 | 9           | HSS              | Public Health Laboratories  | 1156 RSS                    | 67.7   | 68.9                               |
| 54 | 9           | HSS              | Alcohol Safety Action Program   | 1156 RSS                    | 154.5  | 4.3                                |
| 55 | 9           | HSS              | Alcohol Safety Action Program   | 1108<br>SDPR                | 70.0   | 0.0                                |
| 56 | 9           | HSS              | Protection, Comm Svcs & Admin. FY 04<br>Certification and Licensing FY 05   | 1156 RSS                    | 10.4   | 10.4                               |
| 57 | 9           | HSS              | Behavioral Health Administration  | 1156 RSS                    | 10.1   | 3.9                                |
| 58 | 9           | DOT              | Commissioner's Office; Regional Admin; Statewide<br>Aviation; Central Region (CR) Leasing; Northern<br>Region (NR) Leasing; CR Highways and Aviation;<br>NR H&A; SE H&A | 1156 RSS                    | 3,059.0  | 3,074.5                            |
| 59 | 9           | DOT              | CR, NR, SE Design and Engineering   | 1156 RSS                    | 360.8  | 379.1                              |
| 60 | 9           | DOT              | CR, NR, SE Highways and Aviation  | 1156 RSS                    | 257.9  | 258.4                              |
| 61 | 9           | Revenue          | CSED  | 1156 RSS                    | 3,220.2  | 3,397.7                            |
| 62 | 9           | DOA              | Motor Vehicles  | 1156 RSS                    | 5,100.4  | 5,196.8                            |
| 63 | 9           | DOA              | Motor Vehicles  | 1156 RSS                    | 643.6  | 708.6                              |
| 64 | 9           | DEED             | Museum Operations   | 1156 RSS                    | 323.9  | 349.5                              |
| 65 | 9           | DEED             | Mt. Edgecumbe   | 1156 RSS                    | 57.4   | 57.4                               |
| 66 | 9           | DEED             | Alyeska Central School  | 1156 RSS                    | 250.0  | 0.0                                |
| 67 | 9           | HSS              | Protection, Comm Svcs & Admin.  | 1108<br>SDPR                | 150.5  | 0.0                                |
| 68 |             |                  |   |                             | 165,086.1  | 159,656.9                          |

|    | A        | B             | C  | D  | E  | F               | G            | H             |
|----|----------|---------------|--|--|--|-----------------|--------------|---------------|
| 1  | Sec. No. | Affected Dept | Component                                  | What is changed?   | Effect of the change   | Fund Source     | FY04 Approp. | FY05 Gov Req. |
| 2  | 1        | All           |  | Purpose section  |  |                 |              |               |
| 3  | 2        | DPS           | AK Police Standards Council                | 12.25.195(c) amended by deleting the reference to AS 37.05.142, which required the Department of Administration to maintain separate accounts for program receipts.  | The effect of this section is that the required surcharge is simply deposited into the general fund.   | See sec. 5      | See sec. 5   | See sec. 5    |
| 4  | 3        | DPS           | Alaska Criminal Records and Identification | 12.62.160(d) amended by deleting language referencing the legislature's ability to make appropriations from the separate account maintained by the Department of Administration.   | See section 5.   | 1156 RSS        | See sec. 9   | See sec. 9    |
| 5  | 4        | Univ          |  | 14.40.368 amended by deleting the reference to AS 37.05.142, which required the Department of Administration to maintain separate accounts for program receipts.   | Pertains to University land management issues  |                 |              |               |
| 6  | 5        | DPS           | AK Police Standards Council                | 18.65.225 amended by deleting language referencing the legislature's ability to make appropriations to the Police Training Fund from the separate accounts maintained by the Department of Administration.   | The legislature is currently able to appropriate the balance in the separate accounts maintained for fees collected under AS 12.25.195( c), AS 12.55.039, AS 28.05.151, and AS 29.25.074 to the Police Training Fund. The legislature will still be able to appropriate monies in o the fund, but it would be GF. See sections 2, 3, 6, and 7 of this legislation. | 1156 RSS        | 978.0        | 989.5         |
| 7  | 6        | DPS           | AK Police Standards Council                | 28.05.151(c) amended the section to have surcharges required to be paid under this subsection to be deposited into the general fund  | See section 5.   | See sec. 5      | See sec. 5   | See sec. 5    |
| 8  | 7        | DPS           | AK Police Standards Council                | 29.25.074(a) amended the section to have surcharges to be deposited into general fund, the legislature may reimburse a municipality for the cost of collections not to exceed 10% of the collected surcharges                                      | See section 5.   | See sec. 5      | See sec. 5   | See sec. 5    |
| 9  | 8        | All           |  | 1) 37.05.146(b) amended by deleting "program" preceding "receipts"<br>2) 37.05.146(b)(3) amended by replacing "designated program receipts" with "trust or custodial receipts"<br>3) 37.05.146(b)(5) deleted re AK Fire Standards Council receipts | 1) Eliminates the term "program receipts"<br>2) Changes the name for receipts restricted to a specific use by the terms of a gift, grant, bequest, or contract<br>3) Removes receipts of the AK Fire Standards Council from the non-general fund category.   | 1152 AFSC Rcpts | 226.3        | 229.0         |
| 10 | 9        | All           |  | 37.05.146( c) amended by deleting the word "program" preceding "receipts"  | Eliminates the term "program receipts"   | n/a             | n/a          | n/a           |

|    | A        | B             | C   | D   | E   | F                    | G            | H             |
|----|----------|---------------|---|---|---|----------------------|--------------|---------------|
|    | Sec. No. | Affected Dept | Component   | What is changed?  | Effect of the change  | Fund Source          | FY04 Approp. | FY05 Gov Req. |
| 1  | 9        | F&G           | Multiple components                                       | 37.05.146(c)(21) deleted: commercial fisheries test fishing operations (AS 16.05.050(a)(15))  | Commercial fishing interests want to know how much the department collects from this funding source for their management activities, though a separate fund source is not required to accomplish this.  | 1109 Test Fish Rcpts | 2,652.7      | 2,847.1       |
| 11 | 9        | DCED          | Regulatory Commission of Alaska                           | 37.05.146(c)(22) deleted: Regulatory Commission of Alaska under AS 42.05 and AS 42.06   | The fees collected are to approximately equal the regulatory cost. Under the terms of 42.05.254(b) and 42.06.286(b), the regulatory "cost charge" is to be reduced if the revenue received "exceeds the authorized budget of the commission". | 1141 RCA Rcpts       | 6,143.8      | 6,506.9       |
| 12 | 9        | DOA           | Alaska Oil and Gas Conservation Commission                | 37.05.146(c)(23) deleted: Alaska Oil and Gas Conservation Commission under AS 31.05   | Funds go to General Fund and can be appropriated by the Legislature.  | 1162 AOGCC Rcpts     | 4,112.9      | 3,981.5       |
| 13 | 9        | DCED          | Occupational Licensing                                    | 37.05.146(c)(24) deleted: receipts of DCED under AS 08.01.065(a), (c), and (f) that authorize the department to establish application and examination fees, license and registrations fees, etc. with the exception of business license fees. | Funds go to General Fund and can be appropriated by the Legislature.  | 1156 RSS             | 7,120.3      | 6,962.7       |
| 14 | 9        | DCED          | Alaska Seafood Marketing Institute                        | 37.05.146(c)(25) deleted: receipts from the seafood marketing assessment under AS 16.51.120 - 16.51.170, the salmon marketing tax under AS 43.76.110 - 43.76.130, and other receipts of the Alaska Seafood Marketing Institute                | Funds go to General Fund and can be appropriated by the Legislature.  | 1156 RSS             | 5,513.6      | 5,589.5       |
| 15 | 9        | DCED          | Community Advocacy in FY 04 Banking & Securities in FY 05 | 37.05.146(c)(26) deleted: the administrative cost charge under AS 44.33.113 for the state's role in the federal community development quota program   | Funds go to General Fund and can be appropriated by the Legislature.  | 1156 RSS             | 309.3        | 313.2         |
| 16 | 9        | F&G           | Commercial Fish   | 37.05.146(c)(27) deleted: dive fishery management assessment receipts (AS 43.76.150), salmon fishery assessment receipts (AS 43.76.220), and permit buy-back assessment receipts (AS 43.76.300)   | Funds go to General Fund and can be appropriated by the Legislature.  | 1156 RSS             | 354.0        | 358.1         |
| 17 | 9        | DPS           | Judicial Services   | 37.05.146(c)(28) deleted: process service fees collected by the Department of Public Safety to show them as unrestricted general fund   | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS             | 46.7         | 48.0          |
| 18 |          |               |   |   |   |                      |              |               |

|    | A        | B             | C   | D   | E   | F           | G            | H             |
|----|----------|---------------|---|---|---|-------------|--------------|---------------|
|    | Sec. No. | Affected Dept | Component   | What is changed?  | Effect of the change  | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 1  | 9        | F&G           | Commercial Fisheries Entry Commission, Comm Fish Hdqtr, State Facilities Rent | 37.05.146(c)(29) deleted: Alaska Commercial Fisheries Entry Commission under AS 16.05.490, 16.05.530, and AS 16.43  | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 3,024.5      | 3,024.5       |
| 19 | 9        | Labor         | AVTEC   | 37.05.146(c)(30) deleted: receipts of the Alaska Vocational Technical Center  | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 1,835.4      | 1,969.5       |
| 20 | 9        | HSS           | Pioneer Homes   | 37.05.146(c)(31) deleted: Alaska Pioneers' Home care and support receipts under AS 47.55.030  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 12,661.9     | 12,827.4      |
| 21 | 9        | DCED          | Insurance   | 37.05.146(c)(33) deleted: receipts of the Department of Community and Economic Development, Division of Insurance, from license fees and fees for services      | Revenue collected will be posted as GFPR, as it was before the statute change --or receipts could be just deposited into the GF and appropriations made from plain GF.          | 1156 RSS    | 5,217.1      | 5,317.3       |
| 22 | 9        | DCED          | Banking, Securities and Corporations  | 37.05.146(c)(34) deleted: receipts of the division of the Department of Community and Economic Development that regulates banking, securities, and corporations | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 2,217.0      | 2,420.2       |
| 23 | 9        | DOC           | Classification and Furlough   | 37.05.146(c)(35) deleted: receipts of the Department of Corrections from the electronic prisoner monitoring program under AS 33.30.065(d)                       | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 751.7        | 751.7         |
| 24 | 9        | DOC           | Classification and Furlough   | 37.05.146(c)(36) deleted: receipts of the Department of Corrections from Offender Supervision program operated under Existing CRC contracts                     | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 100.0        | 100.0         |
| 25 | 9        | DOC           | Existing CRCs and Nome CRC (small amount)                                     | 37.05.146(c)(36) deleted: receipts of the Department of Corrections from the operation of community residential centers   | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 1,731.1      | 1,731.1       |
| 26 | 9        | DPS           | AK Police Standards Council   | 37.05.146(c)(37) deleted: receipts of the Alaska Police Standards Council   | None -- Funds go to General Fund and can be appropriated by the Legislature   | See sec. 5  | See sec. 6   | See sec. 6    |
| 27 | 9        | DPS           | Fire Prevention/Fire Service Training   | 37.05.146(c)(38) deleted: receipts of the Department of Public Safety from fees for fire and life safety plan checks under AS 18.70.080(b)                      | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 1,335.7      | 1,368.8       |
| 28 |          |               |   |   |   |             |              |               |

|    | A        | B             | C  | D  | E   | F               | G            | H             |
|----|----------|---------------|--|--|---|-----------------|--------------|---------------|
| 1  | Sec. No. | Affected Dept | Component  | What is changed?   | Effect of the change  | Fund Source     | FY04 Approp. | FY05 Gov Req. |
| 29 | 9        | DOT           | Measurement Standards & Commercial Vehicle Enforcement | 37.05.146(c)(39) deleted: receipts of the Department of Transportation and Public Facilities from the measurement standards and commercial vehicle enforcement program   | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS        | 1,741.6      | 1,821.3       |
| 30 | 9        | DEED          | Teacher Certification                                  | 37.05.146(c)(40) deleted: [separate accounting of] receipts of the Department of Education and Early Development for teacher certification under AS 14.20.020  | Conforms with sec. 24 of this bill.   | 1156 RSS        | 689.9        | 605.3         |
| 31 | 9        | DEED          | Professional Teaching Practices Commission             | 37.05.146(c)(41) deleted: [separate accounting of] receipts of the Professional Teaching Practices Commission from professional certification fees   | Conforms with sec. 24 of this bill.   | 1156 RSS        | 217.8        | 226.1         |
| 32 | 9        | HSS           | Bureau of Vital Statistics                             | 37.05.146(c)(42) deleted: receipts of the Department of Health and Social Services, Bureau of Vital Statistics   | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS        | 1,245.5      | 1,449.6       |
| 33 | 9        | HSS           | Information Technology Services                        | 37.05.146(c)(42) deleted: receipts of the Department of Health and Social Services, Bureau of Vital Statistics   | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS        |              | 106.1         |
| 34 | 9        | DOC           | Anchorage Correctional Complex and Lemon Creek         | 37.05.146(c)(43) deleted: receipts of the Department of Corrections from the inmate telephone system   | None -- Funds get deposited into GF and can be appropriated by the Legislature- Department does not anticipate any collections in FY 04.  | 1156 RSS        | 204.0        | 204.0         |
| 35 | 9        | DPS           | Ak Crim Records and Identification                     | 37.05.146(c)(44) deleted: receipts of the Department of Public Safety from the Alaska automated fingerprint system under AS 44.41.025(b) for FY05 concealed handgun and security licensing fees are in CRI see lines 47-48 for the additional receipts explanation | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS        | 1,327.8      | 1,356.1       |
| 36 | 9        | DOA           | Motor Vehicles   | 37.05.146(c)(45) deleted: receipts of the Department of Administration from the boat registration program under AS 05.25.096   | None -- Funds go to General Fund and can be appropriated by the Legislature -- intent was to use the funds for boater safety issues   | 1156 RSS        | 401.1        | 401.1         |
| 37 | 9        | DNR           | Land Sales   | 37.05.146(c)(46) deleted: state land disposal program (AS 38.04.022)   | None. Although AS 38.04.022 states there shall be a separate fund for revenue collected under this statute, there is no reason it couldn't be a subfund of the general fund.    | 1153 State Land | 7,818.5      | 7,175.9       |

|    | A        | B             | C   | D  | E  | F                        | G            | H             |
|----|----------|---------------|---|--|--|--------------------------|--------------|---------------|
| 1  | Sec. No. | Affected Dept | Component   | What is changed?   | Effect of the change   | Fund Source              | FY04 Approp. | FY05 Gov Req. |
| 38 | 9        | DNR           | Claims, Permits & Leases  | 37.05.146(c)(47) deleted: shore fisheries development lease program account (AS 38.05.082(f))  | None. Conforms with sec. 24 with the repeal of AS 38.05.082(f)   | 1154 Shore Fish          | 329.4        | 341.1         |
| 39 | 9        | DNR           | Forest Mgt  | 37.05.146(c)(48) deleted: timber receipts account (AS 38.05.110)   | None. Conforms with sec. 24 with the repeal of AS 38.05.110(b)   | 1155 Timber Rcpts        | 693.7        | 711.9         |
| 40 | 9        | Labor         | Workers' Compensation; Occupational Safety and Health                       | 37.05.146(c)(49) deleted: workers' safety and compensation administration account (AS 23.05.067)   | None -- Eliminates the requirement that service fees and civil penalties from worker's safety and compensation programs be deposited into the separate worker's safety and compensation administration account, and the "intent" that legislature <u>may</u> appropriate such monies for costs of said programs. | 1157 Workers Safety Fund | 4,210.4      | 4,400.5       |
| 41 | 9        | DNR           | Recorder's Office   | 37.05.146(c)(50) deleted: receipts of fees for recording and related services of the Department of Natural Resources (AS 40.17.030(a)(10), 40.17.070, AS 44.37.025(b), 44.37.027(c), AS 45.29.303(b), 45.29.525, and 45.29.619(b)) | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF.  | 1156 RSS                 | 3,111.2      | 3,360.1       |
| 42 | 9        | DEC           | Commercial Passenger Vessel Program   | 37.05.146(c)(51) deleted: receipts described in As 46.03.482(b)(1) and (2) received under the commercial passenger vessel environmental compliance program   | None -- Funds go to General Fund and can be appropriated by the Legislature  | 1166 Comm Pass Vessel    | 706.9        | 713.6         |
| 43 | 9        | DCED          | Occupational Licensing 04 and 05<br>Office of Econ Dev 05<br>Trade & Dev 04 | 37.05.146(c)(52) deleted: receipts of the Department of Community and Economic Development for fees for business licenses and license endorsements under AS 43.70  | None -- revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could just be deposited into the GF and appropriations made from plain GF.  | 1175 Bus Lic Rcpts       | 2,173.0      | 1,493.4       |
| 44 | 9        | Labor         | Mechanical Inspection   | 37.05.146(c)(53) deleted: receipts of fees for certain inspections deposited under AS 18.60.360, 18.60.800, and AS 18.62.030 in the building safety account created under AS 44.31.025   | Funds go to General Fund and can be appropriated by the Legislature  | 1172 Bldg Safety Accl    | 1,603.7      | 1,552.2       |
| 45 | 9        | DEC           | Food Safety and Sanitation  | 37.05.146(c)(55) deleted: money received by the Department of Environmental Conservation from the inspection of food under AS 17.20  | None -- Funds go to General Fund and can be appropriated by the Legislature. Fees, though, are set to support the program.   | 1156 RSS                 | 1,099.4      | 1,181.2       |
| 46 | 9        | DNR           | Parks Mgt   | 37.05.146(c)(56) deleted: fees received by the Department of Natural Resources under AS 41.21.026 for the use of state park system facilities  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF.  | 1156 RSS                 | 1,478.1      | 1,837.2       |

|    | A        | B             | C   | D  | E   | F           | G            | H             |
|----|----------|---------------|---|--|---|-------------|--------------|---------------|
|    | Sec. No. | Affected Dept | Component   | What is changed?   | Effect of the change  | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 1  | 9        | DPS           | AST Detachments in FY 04<br>AK Criminal Records and ID in FY 05 | 37.05.146(c)(57) deleted: application and renewal fees received by the Department of Public Safety under AS 18.65.400 - 18.65.490 for licenses for security guards and security guard agencies | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 45.0         | 46.6          |
| 47 | 9        | DPS           | AST Detachments in FY 04<br>AK Criminal Records and ID in FY 05 | 37.05.146(c)(58) deleted: fees received by the Department of Public Safety under AS 18.65.700 - 18.65.790 for the issuance, renewal, and replacement of permits to carry concealed handguns    | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 127.8        | 127.8         |
| 48 | 9        | HSS           | Medicaid Services   | 37.05.146(c)(59) deleted: monetary recoveries by the Department of Health and Social Services of medicaid expenditures from recipients, third parties, and providers under AS 47               | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1108 SDPR   | 63,434.5     | 55,890.5      |
| 49 | 9        | HSS           | Medicaid Services   | 37.05.146(c)(60) deleted: the state's share of overpayments collected by the Department of Health and Social Services under AS 47.05.080   | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 750.0        | 750.0         |
| 50 | 9        | HSS           | Foster Care Base Rate   | 37.05.146(c)(61) deleted: income received by the Department of Health and Social Services from a state or federal agency for children in foster care under AS 47.14.100                        | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 991.5        | 1,590.7       |
| 51 | 9        | HSS           | Nursing   | 37.05.146(c)(62) deleted: fees received by the Department of Health and Social Services under AS 44.29.022 for nursing and planning services provided at health centers                        | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 188.4        | 264.5         |
| 52 | 9        | HSS           | Information Technology Services                                 | 37.05.146(c)(62) deleted: fees received by the Department of Health and Social Services under AS 44.29.022 for nursing and planning services provided at health centers                        | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1108 SDPR   |              | 106.4         |
| 53 | 9        | HSS           | Women and Adolescents Services                                  | 37.05.146(c)(63) deleted: fees received by the Department of Health and Social Services under AS 44.29.022 for genetic screening clinics and specialty clinics                                 | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 80.6         | 80.6          |
| 54 |          |               |   |  |   |             |              |               |

|    | A        | B             | C                                 | D   | E   | F           | G            | H             |
|----|----------|---------------|-----------------------------------|---|---|-------------|--------------|---------------|
| 1  | Sec. No. | Affected Dept | Component                         | What is changed?  | Effect of the change  | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 55 | 9        | HSS           | Women, Infants and Children       | 37.05.146(c)(63) deleted: fees received by the Department of Health and Social Services under AS 44.29.022 for genetic screening clinics and specialty clinics  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 152.0        | 152.0         |
| 56 | 9        | HSS           | Medical Assistance Administration | 37.05.146(c)(63) deleted: fees received by the Department of Health and Social Services under AS 44.29.022 for genetic screening clinics and specialty clinics  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 17.1         | 682.1         |
| 57 | 9        | HSS           | Epidemiology                      | 37.05.146(c)(63) deleted: fees received by the Department of Health and Social Services under AS 44.29.022 for genetic screening clinics and specialty clinics  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 15.7         | 21.7          |
| 58 | 9        | HSS           | Community Health/EMS Services     | 37.05.146(c)(64) deleted: fees received by the Department of Health and Social Services under AS 18.08.080 for the certification of emergency medical technicians, emergency medical dispatchers, and emergency medical technician instructors and for tobacco endorsement fees collected under AS 43.070.075 by the Department of Community and Economic Development | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 163.1        | 61.8          |
| 59 | 9        | HSS           | Behavioral Health Administration  | 37.05.146(c)(64) deleted: fees received by the Department of Health and Social Services for tobacco endorsement fees collected under AS 43.070.075 by the Department of Community and Economic Development  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | see above    | 100.0         |
| 60 | 9        | HSS           | Public Health Laboratories        | 37.05.146(c)(65) deleted: fees collected by the Department of Health and Social Services under AS 44.29.022 from the certification of x-ray machines  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 67.7         | 68.9          |
| 61 | 9        | HSS           | Alcohol Safety Action Program     | 37.05.146(c)(66) deleted: fees collected under AS 44.29.022 by the Department of Health and Social Services under the alcohol safety action program   | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 154.5        | 4.3           |

|    | A        | B             | C   | D   | E   | F           | G   | H  |
|----|----------|---------------|---|---|---|-------------|---|--|
| 1  | Sec. No. | Affected Dept | Component   | What is changed?  | Effect of the change  | Fund Source | FY04 Approp.  | FY05 Gov Req.                              |
| 62 | 9        | HSS           | Alcohol Safety Action Program   | 37.05.146(c)(66) deleted: fees collected under AS 44.29.022 by the Department of Health and Social Services under the alcohol safety action program   | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1108 SDPR   | 70.0  | 0.0  |
| 63 | 9        | HSS           | Protection, Comm Svcs & Admin.  | 37.05.146(c)(67) deleted: fees received by the Department of Health and Social Services under AS 47.33.910 for licensing assisted living homes  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 10.4  | transferred to Certification and Licensing |
| 64 | 9        | HSS           | Certification and Licensing   | 37.05.146(c)(67) deleted: fees received by the Department of Health and Social Services under AS 47.33.910 for licensing assisted living homes  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | transferred from Protection, Community Services, and Admin. | 10.4                                       |
| 65 | 9        | HSS           | Behavioral Health Administration  | 37.05.146(c)(67) deleted: fees received by the Department of Health and Social Services under AS 47.33.910 for licensing assisted living homes  | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF. | 1156 RSS    | 10.1  | 3.9  |
| 66 | 9        | DOT           | Commissioner's Office; Regional Admin; Statewide Aviation; Central Region (CR) Leasing; Northern Region L(NR) Leasing; CR Highways and Aviation; NR H&A; SE H&A | 37.05.146(c)(63) deleted: charges, rentals, and fees for airport or air navigation facility contracts, leases, and other arrangements under AS 02.15.020 and 02.15.090  | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 3,059.0   | 3,074.5                                    |
| 67 | 9        | DOT           | CR, NR, SE Design and Engineering   | 37.05.146(c)(69) deleted: fees for utility facility permits under AS 02.15.102, encroachment permits under AS 02.15.106, utility right-of-way permits under AS 19.25.010, and utility facility permits under AS 35.10.210 | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 360.8   | 379.1                                      |
| 68 | 9        | DOT           | CR, NR, SE Highways and Aviation  | 37.05.146(c)(70) deleted: recoveries of repair costs for damage to highway fixtures   | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 257.9   | 258.4                                      |

|    | A        | B             | C                      | D   | E   | F           | G            | H             |
|----|----------|---------------|------------------------|---|---|-------------|--------------|---------------|
| 1  | Sec. No. | Affected Dept | Component              | What is changed?  | Effect of the change  | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 69 | 9        | Revenue       | CSED                   | 37.05.146(c)(71) deleted: the state's share of child support collections for reimbursement of the cost of the Alaska temporary assistance program as provided under AS 25.27.120, 25.27.130, and AS 47.27.040 | None -- Revenue collected will be posted as GFPR, as it was before the statute change -- or receipts could be just deposited into the GF and appropriations made from plain GF.   | 1156 RSS    | 3,220.2      | 3,397.7       |
| 70 | 9        | DOA           | Motor Vehicles         | 37.05.146(c)(72) deleted: vehicle registration fees collected under AS 28.10.421 and other fees and charges collected under AS 28.10.441  | None -- Funds go to General Fund and can be appropriated by the Legislature -- total FY2004 projected revenue is \$37.8 million. The FY04 appropriation amount is a pro rata allocation of DMV's two primary revenue collections. | 1156 RSS    | 5,100.4      | 5,196.8       |
| 71 | 9        | DOA           | Motor Vehicles         | 37.05.146(c)(73) deleted: fees for drivers' licenses, drivers' permits, renewals, and driver skills tests collected under AS 28.15.271  | None -- Funds go to General Fund and can be appropriated by the Legislature -- total FY04 projected revenue is \$8.0 million. The FY04 appropriation amount is a pro rata allocation of DMV's two primary revenue collections.    | 1156 RSS    | 643.6        | 708.6         |
| 72 | 9        | DEED          | Museum Operations      | 37.05.146(c)(74) deleted: [separate accounting of] user fees and other fees collected by the Department of Education and Early Development under AS 14.57.010 [museums]                                       | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 323.9        | 349.5         |
| 73 | 9        | DEED          | Mt. Edgecumbe          | 37.05.146(c)(75) deleted: [separate accounting of] student tuition and other fees related to schools that are operated by the state and collected under AS 14.07.030  | None -- Funds go to General Fund and can be appropriated by the Legislature   | 1156 RSS    | 57.4         | 57.4          |
| 74 | 9        | DEED          | Alyeska Central School | 37.05.146(c)(75) deleted: [separate accounting of] student tuition and other fees related to schools that are operated by the state and collected under AS 14.07.030  | None -- Funds go to General Fund and can be appropriated by the Legislature (School ceases to exist in DEED on June 30, 2004)   | 1156 RSS    | 250.0        | 0.0           |
| 75 | 9        | Law           | N/A                    | 37.05.146(c)(76) deleted: receipts of fees for registration and renewal of registration for the sale of business opportunities under AS 45.66.040   | None -- Law has no RSS budgeted for this item. The potential revenue arising from this statute (HB 393 - Ch 128, SLA 2002) is unknown, but is not expected to be significant.   | 1156 RSS    | 0.0          | 0.0           |
| 76 | 10       | All           |                        | 37.07.080(h) amended by deleting "or other program"   | Limits RPLs to just new federal funds   | n/a         | n/a          | n/a           |
| 77 | 11       | All           |                        | 37.10.050(a) amended by deleting "The Commissioner of Administration shall separately account under AS 37.05.142 for receipts deposited under this subsection."   | Language to conform with the changes made in AS 37.05.146(c)  | n/a         | n/a          | n/a           |

|    | A        | B             | C                   | D   | E  | F  | G            | H             |
|----|----------|---------------|---------------------|---|--|--|--------------|---------------|
| 1  | Sec. No. | Affected Dept | Component           | What is changed?  | Effect of the change   | Fund Source                                | FY04 Approp. | FY05 Gov Req. |
| 78 | 12       | DNR           | Land Sales          | 38.95.260 amended by deleting "and credited to the land disposal income account under AS 38.04.022"   | Eliminates the credit of the net proceeds from the sale of escheated real property from the escheated real property trust account to the general fund and credited to the land disposal income account. The proceeds will just be transferred to the general fund. | 1153 State Land                            | See sec. 9   | See sec. 9    |
| 79 | 13       | Revenue       | Tax                 | 43.50.350 amended by deleting "The annual estimated balance in the account maintained by the commissioner of administration under AS 37.05.142 may be used by the legislature to make appropriations for health care, health research, health promotion, and health education programs."  | Eliminates the separate accounting for tobacco taxes and deletes the purpose guidelines for appropriations of tobacco taxes.<br><br>There is no separate fund source for tobacco taxes.  | n/a  | n/a          | n/a           |
| 80 | 14       | DEC           | fund capitalization | 43.55.211 amended by changing the characterization of the surcharge the legislature may appropriate to the response fund in the oil and hazardous substance release prevention and response fund from the "annual estimated balance of the account maintained under AS 37.05.142 for deposits into the general fund" to "from the general fund an amount equal to"      | The amount appropriated to the response fund is clearly designated as general funds.<br><br>(Currently considered GFPR, so no change in fund source grouping would occur. FY 04 amount is 12,218.5; FY 05 is 9,500.0.)   | 1005 GFPR (total for all related sections) |              |               |
| 81 | 15       | DEC           | fund capitalization | 43.55.221(a)(2) amended by deleting "balance of the account maintained under AS 37.05.142 that accounts for the" proceeds of the surcharge. . .   | Needed to conform with the change made to AS 43.55.211 in sec. 14  | 1005 GFPR                                  | see Sec. 14  | see Sec. 14   |
| 82 | 16       | DEC           | fund capitalization | 43.55.231(b)(1) amended by deleting "the account maintained under AS 37.05.142 to account for" all proceeds of the surcharge. . .   | Needed to conform with the changes made to AS 43.55.211 in sec. 14 and AS 43.44.221 in sec. 15   | 1005 GFPR                                  | see Sec. 14  | see Sec. 14   |
| 83 | 17       | DEC           | fund capitalization | 43.55.310 amended by changing the characterization of the surcharge the legislature may appropriate to the prevention account in the oil and hazardous substance release prevention and response fund from the "annual estimated balance of the account maintained under AS 37.05.142 for deposits into the general fund" to "from the general fund an amount equal to" | The amount appropriated to the prevention account is clearly designated as general funds.  | 1005 GFPR                                  | see Sec. 14  | see Sec. 14   |

|    | A        | B             | C                              | D  | E  | F           | G            | H             |
|----|----------|---------------|--------------------------------|--|--|-------------|--------------|---------------|
|    | Sec. No. | Affected Dept | Component                      | What is changed?   | Effect of the change   | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 1  |          |               |                                |  |  |             |              |               |
| 84 | 18       | F&G           | SE Region Commercial Fisheries | 43.76.190(d) amended by deleting "Under AS 37.05.146( c), assessment receipts shall be accounted for separately, and appropriation from the account are not made from the unrestricted general fund."  | Dive fishery management assessment - Current practice of considering these receipts non-gf is the result of an agreement between the legislature and the private divers association in southeast Alaska to use dive fisheries self assessment receipts to fund the opening and management of new dive fisheries. | See sec. 9  | See sec. 9   | See sec. 9    |
| 85 | 19       | F&G           | Comm Fish                      | 43.76.310(d) amended by deleting "The department shall separately account for the amounts collected and interest accrued on the amounts collected for each permit buy-back assessment imposed under AS 43.76.300. The legislature may appropriate revenue generated by a permit buy-back assessment and interest accrued on the assessment to the buy-back fund established for the fishery in which the assessment was collected for the purpose of supporting the buy-back program for that fishery under AS 16.43.310 and 16.43.320." | Permit buy-back assessment receipts would become general funds. No funds have been received from the permit buy-back assessment.   | 1156 RSS    | 0.0          | 0.0           |
| 86 | 20       | DCED          | Community Advocacy             | 44.33.113(c) amended the calculation of the administrative cost charge by deleting the reference to "appropriations from sources of program receipts under AS 37.05.146(b) and (c) not collected under this section; and"  | Fees are paid by the CDQs for the administration of the program, a quasi-contractual agreement, would become general funds.<br><br>Conforms with sec. 21 of this bill.   | 1156 RSS    | See sec. 9   | See sec. 9    |
| 87 | 21       | DCED          | Community Advocacy             | 44.33.113(g) amended by specifying that the CDQ administrative cost is deposited in the treasury. It also deletes the reference to AS 37.05.146(c), that the receipts are non-gf, and that the legislature may appropriate funds from the separate account for necessary expenditures by DCED.   | Conforms with sec. 20 of this bill.  | 1156 RSS    | See sec. 20  | See sec. 20   |

|    | A        | B             | C                   | D  | E   | F           | G            | H             |
|----|----------|---------------|---------------------|--|---|-------------|--------------|---------------|
|    | Sec. No. | Affected Dept | Component           | What is changed?   | Effect of the change  | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 1  | 22       | DEC           | fund capitalization | <p>1) 46.08.020(a)(1) amended by changing the characterization of the funds the legislature may appropriate to the prevention account in the oil and hazardous substance release prevention and response fund from the "annual estimated balance of the account maintained under AS 37.05.142 for deposits into the general fund" to "from the general fund an amount equal to"</p> <p>2) 46.08.020(a)(5) deleted which allowed the legislature to appropriate into the prevention account the interest earned on the accounts</p> | <p>1) The amount appropriated to the prevention account is clearly designated as general funds.</p> <p>2) There would be no separate accrual of interest able to be appropriated since funds would be in the general fund.</p>  | 1005 GFPR   | see Sec. 14  | see Sec. 14   |
| 88 | 23       | DEC           | fund capitalization | 46.08.025(a) amended by changing the characterization of the funds the legislature may appropriate to the response account in the oil and hazardous substance release prevention and response fund from the "annual estimated balance of the account maintained under AS 37.05.142 for deposit into the general fund" to "from the general fund an amount equal to"  | The amount appropriated to the response account is clearly designated as general funds.   | 1005 GFPR   | see Sec. 14  | see Sec. 14   |
| 89 | 24       | DPS           | ABC Board           | AS 04.11.590(c) is repealed  | <p>This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees to support DPS carrying out AS 04.06.(Alcohol licenses and fines).</p> <p>In FY 04 \$755.0 is appropriated as GFPR.<br/>In FY 05, 782.0 GFPR.</p> | 1005 GFPR   | see note     | see note      |
| 90 | 24       | DOA           | Motor Vehicles      | AS 05.25.096(b) is repealed  | <p>This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees to support DMV.</p>   | 1156 RSS    | See sec. 9   | See sec. 9    |
| 91 |          |               |                     |  |   |             |              |               |

|    | A        | B             | C   | D   | E  | F           | G                                 | H                                 |
|----|----------|---------------|---|---|--|-------------|-----------------------------------|-----------------------------------|
| 1  | Sec. No. | Affected Dept | Component   | What is changed?  | Effect of the change   | Fund Source | FY04 Approp.                      | FY05 Gov Req.                     |
| 92 | 24       | DOC           |   | AS 12.55.036(g) is repealed   | This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees to support CDVSA, Violent Crimes Compensation Board, and other purposes.<br><br>[Currently 100% of the day fines collected by the Court System are deposited into GF, the separate account was established but nothing has been coded to it.] | n/a         | 0.0                               | 0.0                               |
| 93 | 24       | DPS           | AK Police Standards Council   | AS 12.55.039(d) is repealed   | Sec 24 repeals the requirement for separate accounting   | See Sec 5   | See Sec 5                         | See Sec 5                         |
| 94 | 24       | DOA           | OPA   | AS 13.26.410(f) is repealed   | This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees to support office of public advocacy.   |             |                                   |                                   |
| 95 | 24       | DEED          | Teacher Certification, and Professional Teaching Practices Commission | AS 14.20.020(e) is repealed   | This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees to support Teacher Certification and PTPC.<br><br>Conforms with sec. 9 of this bill.  | 1156 RSS    | listed above in 9(c)(40) and (41) | listed above in 9(c)(40) and (41) |
| 96 | 9        | HSS           | Protection, Comm. Svcs & Admin.                                       | 37.05.146(c)(67) deleted: fees received by the Department of Health and Social Services from the Robert Wood Johnson Foundation | None   | 1108 SDPR   | 150.5                             | decremented out in FY05           |
| 97 | 24       | HSS           |   | AS 18.50.225(d) is repealed   | This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees from birth certificates to support the Alaska children's trust.   | 1156 RSS    | See sec. 9                        | See sec. 9                        |
| 98 | 24       | HSS           |   | AS 18.50.272(e) is repealed   | This section says legislature <u>may</u> make appropriations from the separate account (Sec 24 is repealing the requirement for separate accounting) set up for these fees from heirloom certificates of marriage to support the Alaska children's trust.  | 1156 RSS    | See sec. 9                        | See sec. 9                        |

|     | A        | B             | C   | D                           | E   | F                        | G            | H             |
|-----|----------|---------------|---|-----------------------------|---|--------------------------|--------------|---------------|
| 1   | Sec. No. | Affected Dept | Component   | What is changed?            | Effect of the change  | Fund Source              | FY04 Approp. | FY05 Gov Req. |
| 99  | 24       | Labor         | Mechanical Inspection                                 | AS 18.60.360(c) is repealed | This section says the department shall give an official receipt for fees from inspections of boilers and pressure vessels and the fees shall be transferred into a separate building safety account (Sec 24 is repealing the requirement for separate accounting).  | 1172 Bldg Safety Acct    | See sec. 9   | See sec. 9    |
| 100 | 24       | Labor         | Mechanical Inspection                                 | AS 18.60.800(f) is repealed | This section says that elevator inspection fees will be deposited in the separate building safety account (Sec 24 is repealing the requirement for separate accounting).  | 1172 Bldg Safety Acct    | See sec. 9   | See sec. 9    |
| 101 | 24       | N/A           |   | AS 18.60.810(f) is repealed |   | n/a                      | n/a          | n/a           |
| 102 | 24       | Labor         | Mechanical Inspection                                 | AS 18.62.030(b) is repealed | This section says that certificate of fitness fees will be deposited in the separate building safety account (Sec 24 is repealing the requirement for separate accounting).   | 1172 Bldg Safety Acct    | See sec. 9   | See sec. 9    |
| 103 | 24       | Labor         | Workers' Compensation; Occupational Safety and Health | AS 23.05.067(e) is repealed | Eliminates the requirement that service fees and civil penalties from worker's safety and compensation programs be deposited into the separate worker's safety and compensation administration account, and the "intent" that legislature <u>may</u> appropriate such monies for costs of said programs. Insurance industry and organized labor may object. | 1157 Workers Safety Fund | See sec. 9   | See sec. 9    |
| 104 | 24       | HSS           |   | AS 25.27.125(b) is repealed | Eliminates the "intent" that legislature <u>may</u> appropriate to HSS from separate account under AS 37.05.142 for program receipts for [Foster] Care of Children and ATAP.  | 1156 RSS                 | See sec. 9   | See sec. 9    |
| 105 | 24       | DOA           | Finance   | AS 37.05.142 is repealed    | Eliminates requirement to establish and maintain separate accounts by program source for all program receipts that state agencies deposit.  |                          | n/a          | n/a           |
| 106 | 24       | Various       |   | AS 37.05.144 is repealed    | Eliminates "intent" by removing section that says legislature <u>may</u> use balances in these [separate] accounts to appropriate to administer the programs that generate the receipts, etc.   |                          | n/a          | n/a           |
| 107 | 24       | Various       |   | AS 37.05.146(a) is repealed | Eliminates definition of program receipts and how they are account for within and appropriated from the general fund.   |                          | n/a          | n/a           |

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

Sectional Analysis of HB 325 / SB 226

Attachment #2

|     | C        | D             | E                        | F                                 | G  | H                 |              |               |
|-----|----------|---------------|--------------------------|-----------------------------------|--|-------------------|--------------|---------------|
| 1   | Sec. No. | Affected Dept | Component                | What is changed?                  | Effect of the change   | Fund Source       | FY04 Approp. | FY05 Gov Req. |
| 108 | 24       | Various       |                          | AS 37.10.420(a)(1)(B) is repealed | Removes general fund program receipts from the definition [constitutional purposes] of "amount/funds available for appropriation".   |                   | n/a          | n/a           |
| 109 | 24       | DNR           | Land Sales               | AS 38.04.022 is repealed          | Eliminates requirements that revenue from the state land disposal program be deposited into a state land disposal income fund, that a specific portion of the fund be deposited annually into the general fund, and that DNR notify legislature that report on deposits is available; and removes "intent" that legislature <u>may</u> appropriate from the fund for DNR costs to implement the program. | 1153 State Land   | See sec. 9   | See sec. 9    |
| 110 | 24       | DNR           | Claims, Permits & Leases | AS 38.05.082(f) is repealed       | Eliminates the establishment of the shore fisheries development lease program account and the requirement that proceeds from such leases be deposited into the account; and removes the "intent" that the legislature <u>may</u> appropriate said money to operate the program or for any other public purpose.  | 1154 Shore Fish   | See sec. 9   | See sec. 9    |
| 11  | 24       | DNR           | Forest Mgt               | AS 38.05.110(b) is repealed       | Eliminates the establishment of the timber receipts account and the requirement that the revenue from state land timber sales be deposited into the account, and removes the "intent" that the legislature <u>may</u> appropriate said money to operate the program or for any other public purpose.   | 1155 Timber Rcpts | See sec. 9   | See sec. 9    |
|     | 24       | DNR           | Recorder's Office        | AS 40.17.075 is repealed          | This section states that the fees for services of the recorder shall be accounted for separately and appropriations from the account are not unrestricted GF. (Sec 24 is repealing the requirement for separate accounting).   | 1156 RSS          | See sec. 9   | See sec. 9    |

|     | A        | B             | C                                   | D                              | E   | F                     | G            | H             |
|-----|----------|---------------|-------------------------------------|--------------------------------|---|-----------------------|--------------|---------------|
| 1   | Sec. No. | Affected Dept | Component                           | What is changed?               | Effect of the change  | Fund Source           | FY04 Approp. | FY05 Gov Req. |
| 113 | 24       | DNR           | Various                             | AS 41.23.470(e) is repealed    | This section says legislature <u>may</u> make appropriations from the program receipts account (Sec 24 is repealing the requirement for separate accounting) set up for collections of public land mining permits, recreation fees, land leasing, timber or material sales.<br><br>In FY04 \$2,716.5 is appropriated as GFPR. | n/a                   | n/a          | n/a           |
| 114 | 24       | Labor         | Mechanical Inspection               | AS 44.31.025 is repealed       | This section creates the building safety account and says legislature <u>may</u> make appropriations from the account (Sec 24 is repealing the requirement for separate accounting) to administer the mechanical inspection and certificate of fitness programs.  | 1172 Bldg Safety Accl | See sec. 9   | See sec. 9    |
| 115 | 24       | DCED          | CDQ                                 | AS 44.33.113(c)(1) is repealed | This section limits administrative charges to CDQs to the amount appropriated for the state's role in the CDQ, less other related program receipts and RSS.   | 1156 RSS              | See sec. 20  | See sec. 20   |
| 116 | 24       | DCED          | CDQ                                 | AS 44.33.113(g) is repealed    | This section allows the dept to collect assessments into a CDQ account and the legislature may make appropriations for program expenditures or any other public purpose.  | 1156 RSS              | See sec. 21  | See sec. 21   |
| 117 | 24       | DNR           | Recorder's Office                   | AS 44.37.025(f) is repealed    | This section directs the fees for recording and related services to a separate account.   | 1156 RSS              | See sec. 9   | See sec. 9    |
| 118 | 24       | DNR           | Recorder's Office                   | AS 44.37.027(f) is repealed    | This section directs the fees for UCC filing services to a separate account.  | 1156 RSS              | See sec. 9   | See sec. 9    |
| 119 | 24       | DNR           | Recorder's Office                   | AS 45.29.530 is repealed       | This section directs the fees for recording secured transactions under AS 45.29 to a separate account.  | 1156 RSS              | See sec. 9   | See sec. 9    |
| 120 | 24       | Law           | N/A                                 | AS 45.66.040(b) is repealed    | Conforms with sec. 9 re sale of business opportunities  | n/a                   | n/a          | n/a           |
| 121 | 24       | DEC           | Commercial Passenger Vessel Program | AS 46.03.482 is repealed       | Conforms with sec. 9 re commercial passenger vessel environmental compliance fund   | See sec. 9            | See sec. 9   | See sec. 9    |
| 122 | 24       | DEC           | Commercial Passenger Vessel Program | AS 46.03.490(5) is repealed    | Repeals definition of the commercial passenger vessel environmental compliance fund   | See sec. 9            | See sec. 9   | See sec. 9    |
| 123 | 25       | All           |                                     | Effective date of July 1, 2004 |   |                       |              |               |
| 124 |          |               |                                     |                                |   |                       | 165,086.1    | 159,656.9     |

|     | A        | B             | C         | D                | E                    | F           | G            | H             |
|-----|----------|---------------|-----------|------------------|----------------------|-------------|--------------|---------------|
|     | Sec. No. | Affected Dept | Component | What is changed? | Effect of the change | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 1   |          |               |           |                  |                      |             |              |               |
| 125 |          |               |           |                  |                      |             |              |               |
| 126 |          |               |           |                  |                      |             |              |               |
| 127 |          |               |           |                  |                      |             |              |               |
| 128 |          |               |           |                  |                      |             |              |               |
| 129 |          |               |           |                  |                      |             |              |               |
| 130 |          |               |           |                  |                      |             |              |               |
| 131 |          |               |           |                  |                      |             |              |               |
| 132 |          |               |           |                  |                      |             |              |               |
| 133 |          |               |           |                  |                      |             |              |               |
| 134 |          |               |           |                  |                      |             |              |               |
| 135 |          |               |           |                  |                      |             |              |               |
| 136 |          |               |           |                  |                      |             |              |               |
| 137 |          |               |           |                  |                      |             |              |               |
| 138 |          |               |           |                  |                      |             |              |               |
| 139 |          |               |           |                  |                      |             |              |               |
| 140 |          |               |           |                  |                      |             |              |               |
| 141 |          |               |           |                  |                      |             |              |               |
| 142 |          |               |           |                  |                      |             |              |               |
| 143 |          |               |           |                  |                      |             |              |               |
| 144 |          |               |           |                  |                      |             |              |               |
| 145 |          |               |           |                  |                      |             |              |               |
| 146 |          |               |           |                  |                      |             |              |               |
| 147 |          |               |           |                  |                      |             |              |               |
| 148 |          |               |           |                  |                      |             |              |               |
| 149 |          |               |           |                  |                      |             |              |               |
| 150 |          |               |           |                  |                      |             |              |               |
| 151 |          |               |           |                  |                      |             |              |               |
| 152 |          |               |           |                  |                      |             |              |               |
| 153 |          |               |           |                  |                      |             |              |               |
| 154 |          |               |           |                  |                      |             |              |               |
| 155 |          |               |           |                  |                      |             |              |               |

|     | A        | B             | C         | D                | E                    | F           | G            | H             |
|-----|----------|---------------|-----------|------------------|----------------------|-------------|--------------|---------------|
|     | Sec. No. | Affected Dept | Component | What is changed? | Effect of the change | Fund Source | FY04 Approp. | FY05 Gov Req. |
| 1   |          |               |           |                  |                      |             |              |               |
| 156 |          |               |           |                  |                      |             |              |               |

**State of Alaska**  
**FY2005 Governor Amended Fiscal Summary**  
(dollars shown in millions)

|    |   | <b>FY2005 Governor Amended</b> |                          |                        |                        |
|----|---|--------------------------------|--------------------------|------------------------|------------------------|
|    |   | <b>General<br/>Fund</b>        | <b>Federal<br/>Funds</b> | <b>Other<br/>Funds</b> | <b>Total<br/>Funds</b> |
| 8  | <b>Authorization to Spend</b>             |                                |                          |                        |                        |
| 9  | <b>Operating</b>                          | <b>2,147.2</b>                 | <b>1,524.5</b>           | <b>824.3</b>           | <b>4,491.7</b>         |
| 10 | Agency Operations (non-formula)           | 1,077.1                        | 753.2                    | 1,284.0                | 3,114.3                |
| 11 | Formula Programs                          | 1,066.9                        | 771.2                    | 134.0                  | 1,972.1                |
| 12 | Negotiated Bargain Unit Agreements        | 3.2                            | 0.2                      | 0.9                    | 4.3                    |
| 13 | Duplicated Authorizations                 |                                |                          | (594.6)                | (594.6)                |
| 14 | <b>Capital</b>                            | <b>20.4</b>                    | <b>1,426.1</b>           | <b>110.3</b>           | <b>1,556.8</b>         |
| 15 | Project Appropriations & Revised Programs | 20.4                           | 1,426.1                  | 195.9                  | 1,642.4                |
| 16 | Duplicated Authorizations                 |                                |                          | (85.6)                 | (85.6)                 |
| 17 | <b>Debt and Other Statewide</b>           | <b>69.5</b>                    | <b>54.5</b>              | <b>150.7</b>           | <b>274.7</b>           |
| 18 | Debt Service                              | 2.7                            | 0.0                      | 179.9                  | 182.6                  |
| 19 | Loan and Debt Fund Capitalization         | 47.7                           | 41.3                     | 85.3                   | 174.2                  |
| 20 | Supplemental-Operating (FY2004 submitted) |                                |                          |                        | 0.0                    |
| 21 | Supplemental-Capital (FY2004 submitted)   |                                |                          |                        | 0.0                    |
| 22 | SB241 (North Slope Natural Gas)           |                                |                          |                        | 0.0                    |
| 23 | Supplemental Appropriations (placeholder) | 12.5                           |                          |                        | 12.5                   |
| 24 | New Legislation                           | 6.6                            | 13.2                     | 1.1                    | 20.9                   |
| 25 | Duplicated Authorizations                 |                                |                          | (115.6)                | (115.6)                |
| 26 | <b>Total Authorization to Spend</b>       | <b>2,237.2</b>                 | <b>3,005.1</b>           | <b>1,085.3</b>         | <b>6,323.2</b>         |

*Extract from December 2004 Fiscal Summary*

*Re:  
SB 226*

Commentary on the Article on Finance and Taxation(Sec. 1. Taxing Power)

The power to tax is never to be surrendered, but under terms that may be established by the legislature, it may be suspended or temporarily contracted away. This could include industrial incentives, for example.

(Sec. 2. Taxation of Non-residents)

This section and its wording is required by the latest proposed enabling act, H.R. 2535.

(Sec. 3. Uniform Standards for Assessment)

The legislature is authorized to set up, notwithstanding home rule or any system for the selection of assessors, uniform standards of assessment.

(Sec. 4. Exemptions from Taxation)

All property owned by the state and its subdivisions is exempt from taxation unless the legislature directs otherwise. An exception from tax immunity might be appropriate if a government engaged in what is normally a private business, such as operating a ski resort, a moving picture theater, or a swimming pool.

The second sentence of this section is intended to exempt from taxation that part of the property of religious, charitable, cemetery, or educational organizations which is actually used for these purposes, as the legislature may direct. But their property used for other purposes would be taxable, for example, an office building owned by a college as part of its endowment.

The legislature is authorized to make further tax exemptions to encourage, among other purposes, new industry, and all valid current exemptions are continued.

(Sec. 5. Taxation of United States Property)

This section is required by the latest proposed enabling act, H.R. 2535. Even if it were not included, the state could not, under a long line of U. S. Supreme Court cases, tax federal property.

(Sec. 6. Taxation of Private Interests in U. S. Property)

Taxation is permitted of private interests in land or property owned

or held by the United States.

(Sec. 7. Public Purpose Clause)

Public purpose clauses are common to most constitutions, and are included to prevent appropriation of public funds for private purposes.

→ (Sec. 8. Earmarking of Revenues Restricted)

The allocation of certain revenues to special purposes is prohibited, with two exceptions: (1) if required in order to participate in a federal program or (2) if the earmarking is in existence at the time of ratification of the constitution. Even those persons or interests who seek the dedication of revenues for their own projects will admit that the earmarking of taxes or fees for other interests is a fiscal evil. But if allocation is permitted for one interest the denial of it to another is difficult, and the more special funds are set up the more difficult it becomes to deny other requests until the point is reached where neither the governor nor the legislature has any real control over the finances of the state. In one Rocky Mountain state the legislature is free to appropriate only 17 per cent of the tax collections; the rest are dedicated. In Alaska at present, 27 per cent of territorial funds are earmarked, primarily for school construction and roads.

(Sec. 9. Debt Contraction)

This section forbids state or local debt except in special emergencies or for the purpose of making capital improvements, the proposals for which must be approved by the voters.

(Sec. 10. Tax Anticipation Notes)

This section permits the state to borrow in anticipation of taxes in any fiscal year money to meet appropriations.

(Sec. 11. Refunding and Revenue Debt)

In a period when interest rates fall, a government may save large amounts of money if it can pay off its old high-rate obligations with new funds borrowed at lower rates. This process, here permitted, is called refunding, and the restrictions on the contraction of original debt are unnecessary; they are here made inapplicable. When the state or its subdivisions can contract debts for special purposes (for example, to build a toll bridge) without pledging more than the improvement or the revenues from the enterprise, such debt is permitted without referendum. This provision is sometimes necessary if a state is to take advantage of federal loans at particularly favorable rates.

(Sec. 12. Budget)

This section requires the governor to submit a complete budget and an appropriation bill to authorize the expenditures he proposes. This process is now standard.

(Sec. 13. Expenditures)

The requirement of appropriation before expenditure is also standard. The second sentence requires the recapture of unexpended balances.

(Sec. 14. Auditor)

The auditor is commonly regarded as a legislative officer, and his appointment is here vested in the legislature.

(Sec. 15. Debts and Assets)

This section provides for the state to take over the debts to and of the Territory of Alaska, as well as its assets.

FRANK H. MURKOWSKI  
GOVERNOR  
GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

P.O. Box 110001  
JUNEAU, ALASKA 99811-0001  
(907) 465-3500  
FAX (907) 465-3532  
WWW.GOV.STATE.AK.US

May 14, 2003

The Honorable Gene Therriault  
President of the Senate  
Alaska State Legislature  
State Capitol, Room 107  
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the receipts of certain state agencies and accounting for those receipts. The bill would eliminate authority for the segregation of and separate accounting for program receipts. These receipts are collected principally under AS 37.10.050 in the form of fees, licenses, taxes, or other money generated by state agency activities. If these receipts were not statutorily designated as "program receipts", they would be considered assets of the unrestricted general fund. Under provisions of existing law, these receipts keep their identity even though they are deposited in the general fund of the state. Separate accounts are kept within the general fund from which the legislature appropriates for purposes usually related to sources from which the receipts are derived.

This bill would repeal the authority for the separate accounting of program receipts. The bill also would amend parts of the enabling statutes of state agencies that authorize separate accounting of specific receipts.

Separate accounting has the effect of segregating these receipts from other amounts in the general fund. It also tends to place artificial restrictions on the ability to expend from the general fund and is contrary to the spirit of the Alaska Constitution's prohibition against dedicated funds. The legislature retains the power to appropriate these receipts for any public purpose and it is this power that distinguishes the practice of designating program receipts from a legal dedication for a specific purpose. However, the designations made by law operate in the same manner as earmarking. It is inefficient fiscal policy and I hope that this bill will serve as a basis for reconsidering the treatment of these valuable state assets.

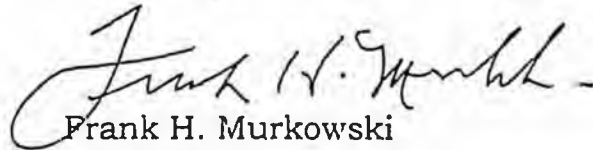
The Honorable Gene Therriault  
May 14, 2003  
Page 2

Finally, eliminating program receipts as a funding source in the various major appropriation bills would lead to a more easily understood and transparent budget. Designated program receipts are general fund assets. However, these receipts currently are declared to be a funding source apart from the general fund for budgeting purposes. By use of this device, funding sources in the budget bills have shifted from the general fund to program receipts. If this practice is eliminated, the public would have a full accounting of all the state's revenue that is earned by the state and appropriated for public purposes.

To avoid disrupting the process for the fiscal year 2004 budgets, the changes made by the bill would not take effect until July 1, 2004.

I urge your favorable consideration of this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Frank H. Murkowski".

Frank H. Murkowski  
Governor