SENATE CS FOR CS FOR HOUSE BILL NO. 234(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 3/18/20

Referred: Today's Calendar

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

A BILL

FOR AN ACT ENTITLED

- 1 "An Act making supplemental appropriations and other appropriations; amending
- 2 appropriations; capitalizing funds; making appropriations under art. IX, sec. 17(c),
- 3 Constitution of the State of Alaska, from the constitutional budget reserve fund; and
- 4 providing for an effective date."
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
- 6 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1 2 3 4 5	* Section 1. The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2019 and ending June 30, 2020, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this				
6 7	section to that department, agenc		Appropriation	General	Other
8		Allocations	Items	Funds	Funds
9	*	* * * * *	* * * * *	Tunds	Tunus
10	* * * * * D	epartment of A	Administration *	* * * *	
11		* * * *	* * * * *		
12	Legal and Advocacy Services		1,700,000	1,700,000	
13	Office of Public Advocacy	1,700,000			
14	Motor Vehicles		550,000	550,000	
15	Motor Vehicles	550,000			
16	* * * *	* *	* * * *	: *	
17	* * * * * Department of Education and Early Development * * * * *				
18	* * * *	k *	* * * *	· *	
19	Education Support and Admin	istrative	10,000,000		10,000,000
20	Services				
21	Student and School	10,000,000			
22	Achievement	_			
23	Mt. Edgecumbe Boarding Scho		250,000	250,000	
24	Mt. Edgecumbe Boarding	250,000			
2526	School Facilities Maintenance				
27	* * *	* * *	* * * * :	k	
28			and Social Servi		
29	* * *		* * * * *		
30	Alaska Pioneer Homes		1,000,000	1,000,000	
31	Alaska Pioneer Homes	1,000,000	_,	-,- · · · · · · · · · · · · · · · · · ·	

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

1		$\mathbf{A}_{\mathbf{J}}$	ppropriation	General	Other
2		Allocations	Items	Funds	Funds
3	Alaska Wildlife Troopers	700,000			
4	Aircraft Section				
5		* * * *	* * * * *		
6	* * * *	* Department of	Revenue * * *	* *	
7		* * * * *	* * * * *		
8	Taxation and Treasury		0	400,000	-400,000
9	Tax Division	0			
10	* * * *	*	* * *	* *	
11	* * * * * Department	t of Transportation	on and Public I	Facilities * * * *	*
12	* * * *	*	* * *	* *	
13	Highways, Aviation and Facili	ties	158,100	158,100	
14	Northern Region Highways	158,100			
15	and Aviation				
16	Marine Highway System		7,050,000	7,050,000	
17	Marine Vessel Operations	7,050,000			
18		****	* * * *		
19		* * * * * Judicia	ry * * * * *		
20		* * * * *	* * * *		
21	Alaska Court System		479,100	479,100	
22	Appellate Courts	29,600			
23	Trial Courts	407,300			
24	Administration and Support	42,200			
25	Therapeutic Courts		5,300	5,300	
26	Therapeutic Courts	5,300			
27	Commission on Judicial Cond	uct	1,300	1,300	
28	Commission on Judicial	1,300			
29	Conduct				
30	Judicial Council		4,200	4,200	
31	Judicial Council	4,200			
32	(SECTION 2 OF	THIS ACT BEG	INS ON THE N	EXT PAGE)	

1	* Sec. 2. The following sets out the funding by agency for the appropriations made in sec. 1 of					
2	this Act	this Act.				
3	Fundi	ng Source	Amount			
4	Depart	ment of Administration				
5	1004	Unrestricted General Fund Receipts	1,700,000			
6	1005	General Fund/Program Receipts	550,000			
7	*** T	otal Agency Funding ***	2,250,000			
8	Depart	ment of Education and Early Development				
9	1002	Federal Receipts	10,000,000			
10	1004	Unrestricted General Fund Receipts	100,000			
11	1005	General Fund/Program Receipts	150,000			
12	*** T	otal Agency Funding ***	10,250,000			
13	Depart	ment of Health and Social Services				
14	1002	Federal Receipts	160,400,000			
15	1003	General Fund Match	150,873,600			
16	1004	Unrestricted General Fund Receipts	7,000,000			
17	*** T	otal Agency Funding ***	318,273,600			
18	Depart	ment of Law				
19	1002	Federal Receipts	250,000			
20	1108	Statutory Designated Program Receipts	150,000			
21	*** T	otal Agency Funding ***	400,000			
22	Depart	ment of Natural Resources				
23	1004	Unrestricted General Fund Receipts	110,500,000			
24	1005	General Fund/Program Receipts	76,100			
25	*** T	otal Agency Funding ***	110,576,100			
26	Depart	ment of Public Safety				
27	1004	Unrestricted General Fund Receipts	6,743,400			
28	*** T	otal Agency Funding ***	6,743,400			
29	Department of Revenue					
30	1004	Unrestricted General Fund Receipts	400,000			
31	1061	Capital Improvement Project Receipts	-400,000			

1 **Department of Transportation and Public Facilities** 2 1004 Unrestricted General Fund Receipts 158,100 3 -90,000 1061 Capital Improvement Project Receipts 4 7,050,000 1076 Alaska Marine Highway System Fund 5 1215 Unified Carrier Registration Receipts 90,000 *** Total Agency Funding *** 6 7,208,100 7 **Judiciary** 8 1004 Unrestricted General Fund Receipts 489,900 9 *** Total Agency Funding *** 489,900 * * * * * Total Budget * * * * * 456,191,100 10 (SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE) 11

1	* Sec. 3. The following sets out the statewide funding for the appropriations made in sec. 1 of				
2	this Act.				
3	Fundi	ng Source	Amount		
4	Unrest	ricted General			
5	1003	General Fund Match	150,873,600		
6	1004	Unrestricted General Fund Receipts	127,091,400		
7	*** T	otal Unrestricted General ***	277,965,000		
8	Designa	ated General			
9	1005	General Fund/Program Receipts	776,100		
10	1076	Alaska Marine Highway System Fund	7,050,000		
11	*** T	otal Designated General ***	7,826,100		
12	Other Non-Duplicated				
13	1108	Statutory Designated Program Receipts	150,000		
14	1215	Unified Carrier Registration Receipts	90,000		
15	*** T	otal Other Non-Duplicated ***	240,000		
16	Federa	l Receipts			
17	1002	Federal Receipts	170,650,000		
18	*** T	otal Federal Receipts ***	170,650,000		
19	Other l	Duplicated			
20	1061	Capital Improvement Project Receipts	-490,000		
21	*** T	otal Other Duplicated ***	-490,000		
22	(SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)				

1	* Sec. 4. The following appropriation items are for capital projects and grants from the				
2	general fund or other funds as set out in section 5 of this Act by funding source to the				
3	agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise				
4	noted.				
5		Appropriation	General	Other	
6	Allocations	Items	Funds	Funds	
7	* * * *	*	* * * *		
8	* * * * Department of Commerce, Commun	nity and Econor	mic Developme	nt * * * * *	
9	* * * *	*	* * * *		
10	HUD Community Development Block Grant	35,856,000		35,856,000	
11	- Disaster Recovery Program (HD 1-40)				
12	Grants to Named Recipients (AS				
13	37.05.316)				
14	Alaska Municipal League - Rural Real	150,000	150,000		
15	ID Implementation (HD 1-40)				
16	* * * * *	* * * * *			
17	* * * * Office of the	Governor * * *	* *		
18	* * * *	* * * * *			
19	Help America Vote Act (HD 1-40)	3,700,000		3,700,000	
20	* * * * *	* * * *	· *		
21	* * * * Department of Military	and Veterans A	ffairs * * * * *		
22	* * * * *	* * * *	· *		
23	Mass Notification System - Joint Base	900,000	450,000	450,000	
24	Elmendorf Richardson (HD 15)				
25	Alaska Land Mobile Radio Site Refresh	24,000,000	24,000,000		
26	(HD 1-40)				
27	* * * * *	* * * * *			
28	* * * * Department of H	Public Safety *	* * * *		
29	* * * * *	* * * * *			
30	Automatic Dependent Surveillance	398,400	398,400		
31	Broadcast System for DPS Aircraft (HD				

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

1	* Sec. 5. The following sets out the funding by agency for the appropriations made in sec. 4 of				
2	this Act.				
3	Fundir	ng Source	Amount		
4	Departi	ment of Commerce, Community and Economic Development			
5	1002	Federal Receipts	35,856,000		
6	1004	Unrestricted General Fund Receipts	150,000		
7	*** To	otal Agency Funding ***	36,006,000		
8	Office of	of the Governor			
9	1185	Election Fund	3,700,000		
10	*** To	otal Agency Funding ***	3,700,000		
11	Departi	ment of Military and Veterans Affairs			
12	1002	Federal Receipts	450,000		
13	1004	Unrestricted General Fund Receipts	24,450,000		
14	*** To	otal Agency Funding ***	24,900,000		
15	Departi	ment of Public Safety			
16	1004	Unrestricted General Fund Receipts	898,400		
17	*** To	otal Agency Funding ***	898,400		
18	Departi	ment of Revenue			
19	1139	Alaska Housing Finance Corporation Dividend	520,285		
20	*** To	otal Agency Funding ***	520,285		
21	Departi	ment of Transportation and Public Facilities			
22	1004	Unrestricted General Fund Receipts	3,000,000		
23	1026	Highways Equipment Working Capital Fund	3,155,000		
24	1076	Alaska Marine Highway System Fund	5,000,000		
25	*** To	otal Agency Funding ***	11,155,000		
26	* * * * *	* Total Budget * * * * *	77,179,685		
27		(SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)			

1	* Sec. 6. The following sets out the statewide funding for the appropriations made in sec. 4 of			
2	this Act			
3	Fundi	ng Source	Amount	
4	Unrest	ricted General		
5	1004	Unrestricted General Fund Receipts	28,498,400	
6	1139	Alaska Housing Finance Corporation Dividend	520,285	
7	*** T	otal Unrestricted General ***	29,018,685	
8	Designa	ated General		
9	1076	Alaska Marine Highway System Fund	5,000,000	
10	*** T	otal Designated General ***	5,000,000	
11	Federa	Receipts		
12	1002	Federal Receipts	36,306,000	
13	*** T	otal Federal Receipts ***	36,306,000	
14	Other l	Duplicated		
15	1026	Highways Equipment Working Capital Fund	3,155,000	
16	1185	Election Fund	3,700,000	
17	*** T	otal Other Duplicated ***	6,855,000	
18		(SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)		

1	" Sec. 7. ALASKA PERMANENT FUND. Section 19(1), Cit. 1, FSSLA 2019, is amended to
2	read:
3	(j) After the appropriations made in (a) - (i) of this section, the remaining
4	balance of the earnings reserve account (AS 37.13.145), not to exceed \$4,000,000,000,
5	is appropriated from the earnings reserve account (AS 37.13.145) to the principal of
6	the Alaska permanent fund. It is the intent of the legislature that the amount
7	appropriated in this subsection
8	(1) not include associated unrealized gains; and
9	(2) be used to satisfy the inflation proofing requirement under
10	AS 37.13.145(c) for the next four [EIGHT] fiscal years.
11	* Sec. 8. DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC
12	DEVELOPMENT. The sum of \$8,500,000 is appropriated to the Department of Commerce,
13	Community, and Economic Development for payment as grants under AS 37.05.315 to
14	municipalities impacted by commercial passenger vessel operations for responding to and
15	mitigating the risk of a COVID-19 outbreak in the state for the fiscal years ending June 30,
16	2020, and June 30, 2021, from the following sources:
17	(1) \$4,500,000 from the commercial passenger vessel environmental
18	compliance fund (AS 46.03.482);
19	(2) \$4,000,000 from the commercial vessel passenger tax account
20	(AS 43.52.230(a)).
21	* Sec. 9. DEPARTMENT OF CORRECTIONS. (a) Section 14(a), ch. 3, FSSLA 2019, is
22	amended to read:
23	(a) The sum of \$6,000,000 is appropriated from the power cost equalization
24	endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of
25	reopening the Palmer Correctional Center for the fiscal <u>years</u> [YEAR] ending June 30,
26	2020 <u>, and June 30, 2021</u> .
27	(b) Section 14(b), ch. 3, FSSLA 2019, is amended to read:
28	(b) The sum of \$10,669,100 is appropriated from the power cost equalization
29	endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of
30	reopening the Palmer Correctional Center for the fiscal <u>years</u> [YEAR] ending June 30,
31	2020, and June 30, 2021.

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

- * Sec. 10. DEPARTMENT OF HEALTH AND SOCIAL SERVICES. (a) The amount necessary to cover the cost of responding to and mitigating the risk of a COVID-19 outbreak in the state, not to exceed \$15,000,000, is appropriated from the general fund to the Department of Health and Social Services, division of public health, emergency programs, for the fiscal years ending June 30, 2020, and June 30, 2021.
- (b) The amount of federal receipts received during the fiscal year ending June 30, 2020, for Medicaid services, estimated to be \$0, is appropriated to the Department of Health and Social Services, Medicaid services, for the fiscal year ending June 30, 2020.
- * Sec. 11. DEPARTMENT OF LAW. The sum of \$7,046,865 is appropriated from the general fund to the Department of Law, civil division, deputy attorney general's office, for the purpose of paying judgments and settlements against the state for the fiscal year ending June 30, 2020.
- * Sec. 12. DEPARTMENT OF REVENUE. (a) Section 28, ch. 1, FSSLA 2019, is amended to read:
 - Sec. 28. DEPARTMENT OF REVENUE. The amount determined to be available in the Alaska Tax Credit Certificate Bond Corporation reserve fund (AS 37.18.040) for purchases, refunds, or payments under AS 43.55.028, estimated to be \$700,000,000, is appropriated from the Alaska Tax Credit Certificate Bond Corporation reserve fund (AS 37.18.040) to the Department of Revenue, office of the commissioner, for the purpose of making purchases, refunds, or payments under AS 43.55.028 for the fiscal **years** [YEAR] ending June 30, 2020, and June 30, 2021.
- * Sec. 13. DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. Section
 14, ch. 19, SLA 2018, is amended to read:
- Sec. 14. DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. The sum of \$2,000,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for the Knik-Goose Bay Road reconstruction [, VINE ROAD TO SETTLERS BAY DRIVE PROJECT].

- * Sec. 14. OFFICE OF THE GOVERNOR. (a) The sum of \$18,000 is appropriated from the general fund to the Office of the Governor, Office of the Lieutenant Governor, for the purpose of complying with AS 15.45.195 for the fiscal years ending June 30, 2020, and June 30, 2021.
- 4 (b) The sum of \$215,400 is appropriated from the general fund to the Office of the Governor, division of elections, for the purpose of providing voter initiative review, certification, and language translation for the fiscal years ending June 30, 2020, and June 30, 2021.
- * Sec. 15. NATIONAL PETROLEUM RESERVE ALASKA IMPACT GRANT PROGRAM. (a) The unexpended and unobligated balance of the National Petroleum Reserve Alaska special revenue fund (AS 37.05.530(a)) under 42 U.S.C. 6506a(*l*) or former 42 U.S.C. 6508 on June 30, 2020, estimated to be \$6,670,177, is appropriated to the Department of Commerce, Community, and Economic Development for capital project grants under the National Petroleum Reserve Alaska impact grant program.

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- (b) The portion of the amount appropriated by sec. 12(b), ch. 3, FSSLA 2019, and (a) of this section that is not subject to a signed grant agreement between the Department of Commerce, Community, and Economic Development and an impacted municipality on or before August 31, 2020, lapses into the National Petroleum Reserve Alaska special revenue fund (AS 37.05.530(a)) on September 1, 2020.
- * Sec. 16. FUND CAPITALIZATION. (a) The sum of \$600,000 is appropriated from the general fund to the election fund to serve as matching funds for federal election security grants.
 - (b) The amount of federal receipts received for federal election security grants during the fiscal year ending June 30, 2020, is appropriated to the election fund.
 - (c) The sum of \$30,000,000 is appropriated from the general fund to the community assistance fund (AS 29.60.850).
- * Sec. 17. RATIFICATIONS OF CERTAIN EXPENDITURES. The following departmental expenditures made in fiscal years 2007, 2010, 2012, 2013, 2014, 2016, and 2017 are ratified to reverse the negative account balances in the Alaska state accounting system in the amount listed for the AR number. The appropriations from which those expenditures were actually paid are amended by increasing those appropriations for the fiscal year ending June 30, 2020, by the amount listed, as follows:

1	AGENCY	FISCAL YEAR		AMOUNT	
2	Department of Health and Social Services				
3	(1) AR H308 Medicaid Management	2007	\$	211,444.27	
4	System Completion				
5	Department of Transportation and Public Faciliti	es			
6	(2) AR TYDE Federal Emergency Project	ets 2010		21,581.99	
7	(3) AR TYUY Federal Emergency Proje	cts 2012		57,837.47	
8	(4) AR TZ2W Federal Emergency Project	ets 2013		99,679.25	
9	(5) AR TA1Z Federal Emergency Project	ets 2014		396,982.74	
10	(6) AR TB47 Federal Emergency Project	ts 2016		1,290,967.82	
11	(7) AR TBM7 Federal Emergency Project	ets 2017		325,070.13.	
12	* Sec. 18. SALARY AND BENEFIT ADJUSTMENT	S. Section 36(b)	, ch. 1	, FSSLA 2019,	
13	is amended to read:				
14	(b) The operating budget appropriations	s made to the Ur	niversit	ty of Alaska in	
15	sec. 1 of this Act include amounts for salary and benefit adjustments for the fiscal year				
16	ending June 30, 2020, for university employees who are not members of a collective				
17	bargaining unit and to implement the monetary terms for the fiscal year ending				
18	June 30, 2020, of the following collective bargaining agreements:				
19	(1) Fairbanks Firefighters Union, IAFF Local 1324;				
20	(2) United Academics - Ad	juncts - Ameri	ican /	Association of	
21	University Professors, American Federation of T	eachers;			
22	(3) United Academics - An	merican Associ	ation	of University	
23	Professors, American Federation of Teachers:				
24	(4) Alaska Higher Education C	Crafts and Trad	es Em	ployees, Local	
25	<u>6070</u> .				
26	* Sec. 19. CONSTITUTIONAL BUDGET RESERV	E FUND. (a) D	eposits	s in the budget	
27	reserve fund (art. IX, sec. 17, Constitution of the State of	of Alaska) for fise	cal yea	ar 2020 that are	
28	made from subfunds and accounts of the operating gen	eral fund by ope	ration	of art. IX, sec.	
29	17(d), Constitution of the State of Alaska, to repay ap	propriations from	m the	budget reserve	
30	fund are appropriated from the budget reserve fund to the	he subfunds and	accoun	nts from which	
31	those funds were transferred.				

- 1 (b) If, after the appropriations made in secs. 17(b) and (c), ch. 1, SSSLA 2019, the 2 unrestricted state revenue available for appropriation in fiscal year 2020 is insufficient to 3 cover the general fund appropriations that take effect in fiscal year 2020 that are made in this 4 Act, as passed by the Thirty-First Alaska State Legislature in the Second Regular Session and 5 enacted into law, the amount necessary to balance revenue and general fund appropriations 6 that take effect in fiscal year 2020 that are made in this Act, as passed by the Thirty-First 7 Alaska State Legislature in the Second Regular Session and enacted into law, is appropriated 8 to the general fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of 9 Alaska).
- 10 (c) The appropriations made in (a) and (b) of this section are made under art. IX, sec.
 11 17(c), Constitution of the State of Alaska.
- * Sec. 20. LAPSE. (a) Sections 4 and 15(a) of this Act are for capital projects and lapse under AS 37.25.020.
- 14 (b) The appropriations made in secs. 15(b) and 16 of this Act are for the capitalization of funds and do not lapse.
- * Sec. 21. CONTINGENCY. The appropriation made from the constitutional budget reserve
- 17 fund in sec. 19(b) of this Act is contingent on passage by the Thirty-First Alaska State
- 18 Legislature in the Second Regular Session and enactment into law of the appropriation made
- in sec. 19(a) of this Act.
- * Sec. 22. Section 19(a) of this Act takes effect July 1, 2020.
- * Sec. 23. Except as provided in sec. 22 of this Act, this Act takes effect immediately under
- 22 AS 01.10.070(c).