

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SPECIAL SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 7/29/19

Offered: 7/28/19

Sponsor(s): HOUSE RULES COMMITTEE

A BILL

FOR AN ACT ENTITLED

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

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

7 **(SECTION 1 OF THIS ACT BEGINS ON PAGE 2)**

* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2019 and ending June 30, 2020, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

	Appropriation	General	Other
Allocations	Items	Funds	Funds
*****	*****		
***** Department of Administration *****			
*****	*****		
Public Communications Services	2,716,600	2,716,600	
Public Broadcasting	46,700		
Commission			
Public Broadcasting - Radio	2,036,600		
Public Broadcasting - T.V.	633,300		
Legal and Advocacy Services	671,700	668,500	3,200
Office of Public Advocacy	91,900		
Public Defender Agency	579,800		
*****	*****		
***** Department of Commerce, Community and Economic Development *****			
*****	*****		
Community and Regional Affairs	450,000	450,000	
Community and Regional	450,000		
Affairs			
Alaska Seafood Marketing Institute	209,600		209,600
Alaska Seafood Marketing	209,600		
Institute			
*****	*****		
***** Department of Education and Early Development *****			
*****	*****		

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Education Support and Administrative	8,847,700	8,847,700	
4	Services			
5	Early Learning Coordination	8,847,700		
6	Alaska State Council on the Arts	3,869,600	704,400	3,165,200
7	Alaska State Council on the	3,869,600		
8	Arts			
9	Mt. Edgecumbe Boarding School	314,400	252,200	62,200
10	Mt. Edgecumbe Boarding	64,400		
11	School			
12	Mt. Edgecumbe Boarding	250,000		
13	School Facilities			
14	Maintenance			
15	Alaska State Libraries, Archives and	809,100	809,100	
16	Museums			
17	Online with Libraries (OWL)	670,900		
18	Live Homework Help	138,200		
19	Alaska Commission on Postsecondary	66,800		66,800
20	Education			
21	Program Administration &	66,800		
22	Operations			
23	* * * * *	* * * * *		
24	* * * * * Department of Environmental Conservation * * * * *			
25	* * * * *	* * * * *		
26	Water	3,426,000		3,426,000
27	Water Quality,	3,426,000		
28	Infrastructure Support &			
29	Financing			
30	* * * * *	* * * * *		
31	* * * * * Department of Fish and Game * * * * *			
32	* * * * *	* * * * *		
33	Commercial Fisheries	1,249,000	1,045,800	203,200

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

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

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Litigation			
4	*****	*****		
5	***** Department of Military and Veterans' Affairs *****			
6	*****	*****		
7	Military and Veterans' Affairs	198,900	100,000	98,900
8	Office of the Commissioner	98,900		
9	Veterans' Services	100,000		
10	Alaska Aerospace Corporation	42,300		42,300
11	Alaska Aerospace	42,300		
12	Corporation			
13	*****	*****		
14	***** Department of Natural Resources *****			
15	*****	*****		
16	Administration & Support Services	165,900	165,900	
17	Recorder's Office/Uniform	165,900		
18	Commercial Code			
19	Fire Suppression, Land & Water	1,000,000		1,000,000
20	Resources			
21	Mining, Land & Water	1,000,000		
22	Agriculture	3,064,300	2,483,900	580,400
23	Agricultural Development	1,206,000		
24	North Latitude Plant	1,538,700		
25	Material Center			
26	Agriculture Revolving Loan	319,600		
27	Program Administration			
28	*****	*****		
29	***** Department of Public Safety *****			
30	*****	*****		
31	Village Public Safety Officer Program	3,000,000	3,000,000	
32	Village Public Safety	3,000,000		
33	Officer Program			

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

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

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

Funding Source	Amount
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Department of Administration

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

Department of Commerce, Community and Economic Development

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

Department of Education and Early Development

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

Department of Environmental Conservation

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

Department of Fish and Game

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

1	1007	Interagency Receipts	37,100
2	1018	Exxon Valdez Oil Spill Trust--Civil	500
3	1024	Fish and Game Fund	567,800
4	1108	Statutory Designated Program Receipts	81,500
5	1109	Test Fisheries Receipts	12,500
6	1201	Commercial Fisheries Entry Commission Receipts	14,300
7	***	Total Agency Funding ***	2,890,900
8	Department of Health and Social Services		
9	1002	Federal Receipts	35,900
10	1003	General Fund Match	84,475,700
11	1004	Unrestricted General Fund Receipts	25,034,800
12	1007	Interagency Receipts	7,300
13	1092	Mental Health Trust Authority Authorized Receipts	5,900
14	1254	Marijuana Education and Treatment Fund	6,100,000
15	***	Total Agency Funding ***	115,659,600
16	Department of Law		
17	1004	Unrestricted General Fund Receipts	1,058,300
18	***	Total Agency Funding ***	1,058,300
19	Department of Military and Veterans' Affairs		
20	1002	Federal Receipts	98,900
21	1004	Unrestricted General Fund Receipts	100,000
22	1101	Alaska Aerospace Corporation Fund	42,300
23	***	Total Agency Funding ***	241,200
24	Department of Natural Resources		
25	1002	Federal Receipts	1,559,900
26	1004	Unrestricted General Fund Receipts	1,540,700
27	1005	General Fund/Program Receipts	540,900
28	1007	Interagency Receipts	20,500
29	1021	Agricultural Revolving Loan Fund	398,900
30	1153	State Land Disposal Income Fund	169,300
31	***	Total Agency Funding ***	4,230,200

1	Department of Public Safety	
2	1004 Unrestricted General Fund Receipts	3,500,000
3	*** Total Agency Funding ***	3,500,000
4	Department of Revenue	
5	1105 Permanent Fund Corporation Gross Receipts	5,296,300
6	*** Total Agency Funding ***	5,296,300
7	Department of Transportation and Public Facilities	
8	1004 Unrestricted General Fund Receipts	5,281,900
9	*** Total Agency Funding ***	5,281,900
10	University of Alaska	
11	1004 Unrestricted General Fund Receipts	110,253,100
12	*** Total Agency Funding ***	110,253,100
13	Judiciary	
14	1004 Unrestricted General Fund Receipts	2,104,000
15	1037 General Fund / Mental Health	64,400
16	*** Total Agency Funding ***	2,168,400
17	* * * * * Total Budget * * * * *	271,961,400
18	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

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

Funding Source	Amount
Unrestricted General	
1003 General Fund Match	85,170,700
1004 Unrestricted General Fund Receipts	163,760,000
1037 General Fund / Mental Health	64,400
*** Total Unrestricted General ***	248,995,100
Designated General	
1005 General Fund/Program Receipts	826,300
1021 Agricultural Revolving Loan Fund	398,900
1109 Test Fisheries Receipts	12,500
1153 State Land Disposal Income Fund	169,300
1201 Commercial Fisheries Entry Commission Receipts	14,300
1226 Alaska Higher Education Investment Fund	138,200
1254 Marijuana Education and Treatment Fund	6,100,000
*** Total Designated General ***	7,659,500
Other Non-Duplicated	
1018 Exxon Valdez Oil Spill Trust--Civil	500
1024 Fish and Game Fund	567,800
1066 Public School Trust Fund	31,700
1092 Mental Health Trust Authority Authorized Receipts	9,100
1101 Alaska Aerospace Corporation Fund	42,300
1105 Permanent Fund Corporation Gross Receipts	5,296,300
1108 Statutory Designated Program Receipts	2,612,700
1205 Berth Fees for the Ocean Ranger Program	3,426,000
*** Total Other Non-Duplicated ***	11,986,400
Federal Receipts	
1002 Federal Receipts	3,121,200
*** Total Federal Receipts ***	3,121,200
Other Duplicated	

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

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

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

(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of
2 this Act.

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

8 (SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of
2 this Act.

3 Funding Source	Amount
4 Unrestricted General	
5 1004 Unrestricted General Fund Receipts	800,000
6 *** Total Unrestricted General ***	800,000

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

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

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

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

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

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

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

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

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

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

(1) not include associated unrealized gains; and

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

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

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

AGENCY AND PROJECT	APPROPRIATION AMOUNT
(1) University of Alaska	\$1,219,025
Anchorage Community and Technical	
College Center	
Juneau Readiness Center/UAS Joint Facility	
(2) Department of Transportation and Public Facilities	
(A) Matanuska-Susitna Borough	712,513
(deep water port and road upgrade)	
(B) Aleutians East Borough/False Pass	166,400
(small boat harbor)	
(C) City of Valdez (harbor renovations)	210,375

1	(D) Aleutians East Borough/Akutan	215,308
2	(small boat harbor)	
3	(E) Fairbanks North Star Borough	333,193
4	(Eielson AFB Schools, major	
5	maintenance and upgrades)	
6	(F) City of Unalaska (Little South America	365,695
7	(LSA) Harbor)	
8	(3) Alaska Energy Authority	
9	(A) Kodiak Electric Association	943,676
10	(Nyman combined cycle cogeneration plant)	
11	(B) Copper Valley Electric Association	351,180
12	(cogeneration projects)	

(b) The amount necessary for state aid for costs of school construction under AS 14.11.100, after the appropriation made in sec. 31(n), ch. 1, FSSLA 2019, estimated to be \$48,910,250, is appropriated from the general fund to the Department of Education and Early Development for the fiscal year ending June 30, 2020.

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

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

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

(d) The sum of \$19,694,500 is appropriated from the general fund to the regional educational attendance area and small municipal school district school fund (AS 14.11.030(a)).

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

1 provide civil legal services to low-income individuals.

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

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

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

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

8 (c) Sections 1 - 3, 8 - 10, 11(a) and (d), 12, and 13 of this Act are retroactive to July 1,
9 2019.

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

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