

_____ **BILL NO.**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE ____ **RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

Introduced:

Referred:

A BILL

FOR AN ACT ENTITLED

"An Act making and amending appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

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

*** Section 1. ALASKA HOUSING FINANCE CORPORATION.** (a) The board of directors of the Alaska Housing Finance Corporation has estimated that \$103,000,000 will be available in each of the seven fiscal years 1999 through 2006, for the repayment of bonds authorized under sec. 2(c), ch. 129, SLA 1998, for expenditures on corporate funded capital projects, and for transfer to the general fund.

(b) The money described in (a) of this section for the fiscal year ending June 30, 2001 is used for the following purposes in the following estimated amounts in the operating, capital, and mental health budgets for the fiscal year ending June 30, 2001:

- (1) \$52,000,000 for capital projects;
- (2) \$34,992,474 for debt service on the bonds authorized under sec. 2(c), ch. 129, SLA 1998; and
- (3) \$1,000,000 for debt service on University of Alaska, Anchorage dormitory construction authorized under ch. 26, SLA 1996.

(c) After deductions for the items set out in (b) of this section are made, any remaining balance of the amount under (a) of this section determined by the Alaska Housing Finance Corporation board of directors to be available in fiscal year 2001 is appropriated to the Alaska debt retirement fund (AS 37.15.011).

(d) All unrestricted mortgage loan interest payments, mortgage loan commitment fees, and all other unrestricted receipts received by or accrued to the Alaska Housing Finance Corporation during fiscal year 2001 and all income earned on assets of the corporation during that period are appropriated to the Alaska Housing Finance Corporation to hold as corporate receipts for the purposes described in AS 18.55 and 18.56. The corporation shall allocate its corporate receipts among the Alaska housing finance revolving fund (AS 18.56.082), housing assistance loan fund (AS 18.56.420), and senior housing revolving fund (AS 18.56.710) in accordance with procedures adopted by the board of directors.

(e) The following amounts are appropriated to the Alaska Housing Finance Corporation (AHFC) from the sources indicated and for the following purposes:

PURPOSE	AMOUNT	SOURCE
Housing loan programs not subsidized by AHFC	\$798,000,000	AHFC corporate receipts
Housing loan programs and projects subsidized by AHFC	70,000,000	AHFC corporate receipts derived from arbitrage earnings
Housing assistance payments Section 8 program	25,000,000	Federal receipts

* **Sec. 2. ALASKA PERMANENT FUND CORPORATION.** (a) The amount authorized for transfer by the Alaska Permanent Fund Corporation under AS 37.13.145(b) is appropriated from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for the payment of permanent fund dividends and administrative and associated costs.

(b) After money is transferred to the dividend fund under (a) of this section, the amount calculated under AS 37.13.145 to offset the effect of inflation on the principal of the Alaska permanent fund is appropriated from the earnings reserve account (AS 37.13.145) to the principal of the Alaska permanent fund.

(c) The amount required to be deposited under AS 37.13.010(a)(1) and (2) during fiscal year 2001 is appropriated to the principal of the Alaska permanent fund in satisfaction of that requirement.

(d) The interest earned during fiscal year 2001 on revenue from the sources set out in AS 37.13.010 while the revenue is held in trust, escrow, or otherwise before receipt by the state is appropriated to the principal of the Alaska permanent fund.

* **Sec. 3. ALASKA SCIENCE AND TECHNOLOGY FOUNDATION.** The unexpended and unobligated balance in the Alaska science and technology endowment earnings reserve on June 30, 2000, is appropriated to the Alaska Science and Technology Foundation to award as grants under AS 37.17.030(d) for the fiscal year ending June 30, 2001.

* **Sec. 4. ALASKA SEAFOOD MARKETING INSTITUTE.** An amount equal to the unexpended and unobligated balance on June 30, 2000, of the fiscal year 2000 general fund receipts from the salmon marketing tax (AS 43.76.110) and from the seafood marketing assessment (AS 16.51.120) is appropriated to the Alaska Seafood Marketing Institute for marketing Alaska seafood products during fiscal year 2001.

* **Sec. 5. CHILD SUPPORT ENFORCEMENT DIVISION.** The minimum amount of program receipts received during the fiscal year ending June 30, 2001, by the Department of Revenue, child support enforcement division, that is necessary to secure federal funding appropriated for the child support enforcement program in sec. 39 of this Act is appropriated to the Department of Revenue, child support enforcement division, for the fiscal year ending June 30, 2001.

* **Sec. 6. CONSTITUTIONAL BUDGET RESERVE FUND.** (a) Amounts equal to the deposits in the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) for fiscal year 2000 that were made from subfunds and accounts other than the operating general fund (state accounting system fund number 11100) by operation of art. IX, sec. 17(d), Constitution of the State of Alaska, to repay appropriations from the budget reserve fund are appropriated from the budget reserve fund to the subfunds and accounts from which they were transferred.

(b) If the unrestricted state revenue available for appropriation in fiscal year 2001 is

insufficient to cover the general fund appropriations made for fiscal year 2001, the amount necessary to balance revenue and general fund appropriations is appropriated to the general fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).

(c) The appropriations in (a) and (b) of this section are made under art. IX, sec. 17(c), Constitution of the State of Alaska.

* **Sec. 7. DISASTER RELIEF.** Federal receipts received for disaster relief are appropriated to the disaster relief fund (AS 26.23.300).

* **Sec. 8. FEDERAL AND OTHER PROGRAM RECEIPTS.** (a) Federal or other program receipts as defined under AS 37.05.146 that exceed the amounts appropriated by this Act are appropriated conditioned on compliance with the program review provisions of AS 37.07.080(h).

(b) If federal or other program receipts as defined in AS 37.05.146 exceed the estimates appropriated by this Act, the appropriations from state funds for the affected program may be reduced by the excess if the reductions are consistent with applicable federal statutes.

(c) If federal or other program receipts as defined in AS 37.05.146 fall short of the estimates appropriated by this Act, the affected appropriation is reduced by the amount of the shortfall in receipts.

* **Sec. 9. FEDERAL SUBSISTENCE FUNDS.** (a) The United States Congress appropriated \$11,000,000 to the United States Department of Interior and the United States Department of Agriculture to manage subsistence fisheries on federal public lands and waters in this state under the provisions of Title VIII of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3111 - 3126). The Alaska Department of Fish and Game is working with the respective federal agencies to coordinate management of subsistence resources on state and federal lands and waters.

(b) The sum of \$3,000,000 is appropriated from federal receipts to the Department of Fish and Game for the fiscal year ending June 30, 2001 for contracts with the federal government related to biological research, monitoring, training, and technical services, to ensure sustained yield and to improve utilization of fish and game for subsistence, commercial, and sport purposes, and to support coordination among the Alaska Board of Fisheries, the Alaska Board of Game, regional advisory councils, and local advisory committees.

* **Sec. 10. FISH AND GAME ENFORCEMENT.** (a) To increase enforcement of the fish and game laws of the state, the amount deposited in the general fund during the fiscal year ending

June 30, 2000, from criminal fines, penalties, and forfeitures imposed for violation of AS 16 and its implementing regulations and from the sale of forfeited property or alternative damages collected under AS 16.05.195 is appropriated to the fish and game fund (AS 16.05.100).

(b) Appropriations totaling the estimated amount of the deposits described in (a) of this section are made in sec. 39 of this Act to the Department of Public Safety and the Department of Law for increased enforcement, investigation, and prosecution of state fish and game laws. If the receipts appropriated to the fish and game fund (AS 16.05.100) from the sources described in (a) of this section during fiscal year 2001 fall short of the estimates appropriated by this Act, each department's appropriation set out in sec. 39 of this Act is reduced proportionately.

* **Sec. 11. FISH AND GAME FUND.** (a) The amount of revenue received from the sale of crewmember fishing licenses (AS 16.05.480(a)) during the fiscal year ending June 30, 2001 that is not deposited into the fishermen's fund under AS 23.35.060 is appropriated to the fish and game fund (AS 16.05.100).

(b) The amount of range fees collected at shooting ranges operated by the Department of Fish and Game (AS 16.05.050(16)) during the fiscal year ending June 30, 2001 is appropriated to the fish and game fund (AS 16.05.100).

(c) The amount of fees collected during the fiscal year ending June 30, 2001 at boating and angling access sites described in AS 16.05.050(7) and managed by the Department of Natural Resources, division of parks and outdoor recreation, under a cooperative agreement is appropriated to the fish and game fund (AS 16.05.100).

* **Sec. 12. FOUR DAM POOL TRANSFER FUND.** The amount available in the four dam pool transfer fund (AS 42.45.050) during fiscal year 2001 is appropriated to the following funds in the following percentages for the purposes set out in AS 42.45.050:

Power cost equalization and rural electric capitalization fund (AS 42.45.100)	60 percent
Southeast energy fund (AS 42.45.040)	40 percent

* **Sec. 13. INFORMATION SERVICES FUND.** The sum of \$55,000 is appropriated to the information services fund (AS 44.21.045) for the Department of Administration, information technology group programs, from designated program receipts of the information technology group.

* **Sec. 14. INSURANCE.** The unexpended and unobligated balance on June 30, 2000, of the

Department of Community and Economic Development, division of insurance, general fund program receipts from insurance fees under AS 21.06.250 is appropriated to the Department of Community and Economic Development, division of insurance, for operating costs for the fiscal year ending June 30, 2001.

* **Sec. 15. INSURANCE AND BOND CLAIMS.** (a) The amount necessary to fund the uses of the state insurance catastrophe reserve account described in AS 37.05.289(a) is appropriated from that account to the Department of Administration for those uses.

(b) Amounts received in settlement of claims against bonds guaranteeing the reclamation of state land are appropriated from the general fund to the agency secured by the bond for the purpose of reclaiming state land affected by a use covered by the bond.

* **Sec. 16. MARINE HIGHWAY SYSTEM FUND.** The sum of \$27,129,500 is appropriated from the general fund to the Alaska marine highway system fund (AS 19.65.060).

* **Sec. 17. MEDICAID SCHOOL BASED CLAIM.** If the federal receipts for the School Based Services Administrative Claim under 42 U.S.C. 1396a (Sec. 1902(a)(4), Title XIX of the Social Security Act) for the fiscal year ending June 30, 2001, fall short of the estimate in sec. 39 of this Act, the amount of the shortfall is appropriated from the general fund.

* **Sec. 18. MOTOR FUEL TAX.** The following estimated amounts from the unreserved special accounts in the general fund are included within the general fund amounts appropriated by this Act:

Special highway fuel tax account (AS 43.40.010(g))	\$25,338,300
Special aviation fuel tax account (AS 43.40.010(e))	5,600,000

* **Sec. 19. OCCUPATIONAL LICENSING.** The unexpended and unobligated balance on June 30, 2000, of the Department of Community and Economic Development, division of occupational licensing, general fund program receipts from occupational licensing fees under AS 08.01.065 is appropriated to the Department of Community and Economic Development, division of occupational licensing, for operating costs for the fiscal year ending June 30, 2001.

* **Sec. 20. OIL AND HAZARDOUS SUBSTANCE RELEASE PREVENTION ACCOUNT.** The following amounts are appropriated to the oil and hazardous substance release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010) from the sources indicated:

(1) the balance of the oil and hazardous substance release prevention mitigation

account (AS 46.08.020(b)) in the general fund on July 1, 2000, not otherwise appropriated by this Act;

(2) the amount collected for the fiscal year ending June 30, 2000, estimated to be \$9,800,000 from the surcharge levied under AS 43.55.300.

*** Sec. 21. OIL AND HAZARDOUS SUBSTANCE RELEASE RESPONSE ACCOUNT.** The following amounts are appropriated to the oil and hazardous substance release response account (AS 46.08.010(a)(2)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010) from the following sources:

(1) the balance of the oil and hazardous substance release response mitigation account (AS 46.08.025(b)) in the general fund on July 1, 2000, not otherwise appropriated by this Act;

(2) the amount collected for the fiscal year ending June 30, 2000, from the surcharge levied under AS 43.55.201.

*** Sec. 22. REGULATORY COMMISSION OF ALASKA.** The unexpended and unobligated balance on June 30, 2000, of the Regulatory Commission of Alaska receipts account for regulatory cost charges under AS 42.05.254 and AS 42.06.286 for fiscal year 2000 is appropriated to the Regulatory Commission of Alaska for fiscal year 2001 expenditures.

*** Sec. 23. RETAINED FEES.** The amount retained to compensate the collector or trustee of fees, licenses, taxes, or other money belonging to the state during the fiscal year ending June 30, 2001, is appropriated for that purpose to the agency authorized by law to generate the revenue.

*** Sec. 24. SAFETY ADVISORY COUNCIL.** The amount appropriated for the 2000 annual governor's safety conference (sec. 23, ch. 84, SLA 1999), plus the fiscal year 2000 program receipts of the Alaska Safety Advisory Council (AS 18.60.830), less the amount expended or obligated for the 2000 annual governor's safety conference, is appropriated from general fund program receipts to the Alaska Safety Advisory Council for costs of the 2001 annual governor's safety conference.

*** Sec. 25. SALARY AND BENEFIT ADJUSTMENTS.** (a) The operating budget appropriations made to the University of Alaska in sec. 39 of this Act include amounts to implement the monetary terms of the collective bargaining agreements listed in (b) of this section and for salary and benefit adjustments for university employees who are not members of a collective bargaining unit.

(b) Funding for the terms of the following collective bargaining agreements is included in the appropriations made to the University of Alaska in sec. 39 of this Act:

- (1) University of Alaska Classified Employees Association;
- (2) Alaska Community College Federation of Teachers;
- (3) United Academics;
- (4) United Academics-Adjuncts.

(c) The operating budget appropriations made in sec. 39 of this Act to the University of Alaska include any increase or decrease caused by changes to the Public Employees' Retirement System or Teachers' Retirement System contribution rates.

* **Sec. 26. SALMON ENHANCEMENT TAX.** The salmon enhancement tax collected under AS 43.76.010 - 43.76.030 in calendar year 1999 and deposited in the general fund under AS 43.76.025(c) is appropriated from the general fund to the Department of Community and Economic Development for payment in fiscal year 2001 to qualified regional associations operating within a region designated under AS 16.10.375.

* **Sec. 27. SHARED TAXES AND FEES.** The amount necessary to refund to local governments their share of taxes and fees collected in the listed fiscal years under the following programs is appropriated to the Department of Revenue from the general fund for payment in fiscal year 2001:

REVENUE SOURCE	FISCAL YEAR COLLECTED
fisheries taxes (AS 43.75)	2000
fishery resource landing tax (AS 43.77)	2000
aviation fuel tax (AS 43.40.010)	2001
electric and telephone cooperative tax (AS 10.25.570)	2001
liquor license fee (AS 04.11)	2001

* **Sec. 28. SOCIAL SERVICES BLOCK GRANT.** If the federal receipts under 42 U.S.C. 1397 - 1397f (Title XX of the Social Security Act) for the fiscal year ending June 30, 2001, fall short of the estimate in sec. 39 of this Act, the amount of the shortfall, not to exceed \$4,474,500, is appropriated from the general fund.

* **Sec. 29. STATE DEBT AND OTHER OBLIGATIONS.** (a) The amount required to pay interest on any revenue anticipation notes issued by the commissioner of revenue under AS 43.08 is appropriated from the general fund to the Department of Revenue for payment of the interest

on those notes.

(b) The amount required to be paid by the state for principal and interest on all issued and outstanding state-guaranteed bonds is appropriated from the general fund to the state bond committee for payment of principal and interest on those bonds.

(c) The sum of \$15,793,430 is appropriated from the general fund to the Alaska debt retirement fund (AS 37.15.011).

(d) The sum of \$12,857,805 is appropriated from the Alaska debt retirement fund (AS 37.15.011) to the state bond committee for trustee fees and lease payments relating to certificates of participation issued for real property.

(e) The sum of \$7,906,977 is appropriated from the International Airports Revenue Fund (AS 37.15.430) to the state bond committee for payment of debt service and trustee fees on outstanding international airports revenue bonds.

(f) The sum of \$52,818,852 is appropriated to the Department of Education and Early Development for state aid for costs of school construction under AS 14.11.100 from the following sources:

Alaska debt retirement fund (AS 37.15.011)	\$23,481,517
School fund (AS 43.50.140)	29,337,335

(g) The sum of \$3,541,385 is appropriated from the general fund to the Department of Administration for payment of obligations to the Alaska Housing Finance Corporation for the Robert B. Atwood Building in Anchorage.

(h) The sum of \$1,680,000 is appropriated from interest earnings of the Alaska clean water fund (AS 46.03.032) to the Alaska clean water fund revenue bond redemption fund (AS 37.15.560) for payment of principal of and interest, redemption premium, and trustee fees, if any, on bonds issued by the Alaska clean water fund under AS 37.15.560.

(i) Section 69, ch. 2, FSSLA 1999 is amended to read:

Sec. 69. **The** [IN ADDITION TO THE AMOUNT REQUIRED TO BE PAID BY THE STATE FOR PRINCIPAL AND INTEREST ON ALL ISSUED AND OUTSTANDING STATE-GUARANTEED BONDS, THE] sum of \$2,450,000 is appropriated from the general fund to the **Alaska debt retirement fund (AS 37.15.011)** [STATE BOND COMMITTEE FOR PAYMENT OF ADDITIONAL PRINCIPAL AND INTEREST ON THOSE BONDS].

* **Sec. 30.** STATE TRAINING AND EMPLOYMENT PROGRAM. The lapsing balance of the employment assistance and training program account (AS 23.15.625) on June 30, 2000, is appropriated to the employment assistance and training program account for the fiscal year ending June 30, 2001.

* **Sec. 31.** STATEWIDE PRIMARY AND GENERAL ELECTION YEAR COSTS. (a) The sum of \$1,629,000 is appropriated from the general fund to the Office of the Governor, division of elections, for costs associated with conducting the statewide primary and general elections in the fiscal year ending June 30, 2001.

(b) The sum of \$70,000 is appropriated from the general fund to the Department of Administration, Alaska Public Offices Commission, for costs associated with the statewide primary and general elections in the fiscal year ending June 30, 2001.

* **Sec. 32.** STATUTORY BUDGET RESERVE FUND. If the unrestricted state revenue available for appropriation in fiscal year 2001 is insufficient to cover the general fund appropriations made for fiscal year 2001, the amount necessary to balance revenue and general fund appropriations is appropriated to the general fund from the budget reserve fund (AS 37.05.540).

* **Sec. 33.** STORAGE TANK ASSISTANCE FUND. The sum of \$1,090,612 is appropriated from the oil and hazardous substance release prevention account (AS 46.08.010(a)(1)) to the storage tank assistance fund (AS 46.03.410) for the fiscal year ending June 30, 2001.

* **Sec. 34.** STUDENT LOAN PROGRAM. The amount from student loan borrowers of the Alaska Commission on Postsecondary Education that is assessed for loan origination fees for the fiscal year ending June 30, 2001, is appropriated to the origination fee account (AS 14.43.120(u)) within the student loan fund of the Alaska Student Loan Corporation for the purposes specified in AS 14.43.120(u).

* **Sec. 35.** TEACHER CERTIFICATION. The unexpended and unobligated balance on June 30, 2000, of the Department of Education and Early Development, teacher certification general fund program receipts from certification fees under AS 14.20.020(c), is appropriated to the Department of Education and Early Development, teacher certification, for operating costs for the fiscal year ending June 30, 2001.

* **Sec. 36.** TEST FISHERY RECEIPTS. The unexpended and unobligated amount of commercial fisheries test fishing operations receipts (AS 37.05.146(b)(4)(U)) from the harvest

and sale of crab in the fiscal year ending June 30, 2000, is appropriated to the Department of Fish and Game for operations of the shellfish onboard observer program in the division of commercial fisheries management and development for the fiscal year ending June 30, 2001.

* **Sec. 37. NONLAPSE OF APPROPRIATIONS.** The appropriations made by secs. 1, 2(b), (c), and (d), 7, 10(a), 11, 12, 13, 16, 20, 21, 29(c), (h), and (i), and 34 of this Act are for the capitalization of funds and do not lapse.

(SECTION 38 OF THIS ACT BEGINS ON PAGE 12)