

HOUSE BILL NO. 85

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/10/25

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act making supplemental appropriations, reappropriations, and other**
2 **appropriations; amending appropriations; capitalizing funds; repealing appropriations;**
3 **and providing for an effective date."**

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

5 (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 the fiscal year 2025 budget summary for the operating budget by funding source to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2024, and ending June 30, 2025, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
***** Department of Commerce, Community, and Economic Development *****			
	*****	*****	
Alaska Oil and Gas Conservation	30,000		30,000
Commission			
Alaska Oil and Gas	30,000		
Conservation Commission			
	*****	*****	
***** Department of Corrections *****			
	*****	*****	
Population Management	4,100,000	4,100,000	
Institution Director's Office	3,905,000		
Regional and Community	195,000		
Jails			
	*****	*****	
***** Department of Education and Early Development *****			
	*****	*****	
Student Financial Aid Programs	975,000	975,000	
Alaska Performance	650,000		
Scholarship Awards			
Alaska Education Grants	325,000		
	*****	*****	
***** Department of Fish and Game *****			
	*****	*****	
Subsistence Research & Monitoring	50,000		50,000

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	State Subsistence	50,000		
4	Research			
5		* * * * *	* * * * *	
6		* * * * * Department of Health	* * * * *	
7		* * * * *	* * * * *	
8	Behavioral Health	3,100,000		3,100,000
9	Behavioral Health	3,100,000		
10	Treatment and Recovery			
11	Grants			
12	Public Assistance	5,000,000		5,000,000
13	Energy Assistance	5,000,000		
14	Program			
15	Medicaid Services	228,599,000	14,200,000	214,399,000
16	Medicaid Services	228,599,000		
17		* * * * *	* * * * *	
18		* * * * * Department of Labor and Workforce Development	* * * * *	
19		* * * * *	* * * * *	
20	Alaska Vocational Technical Center	888,600	888,600	
21	Alaska Vocational	888,600		
22	Technical Center			
23		* * * * *	* * * * *	
24		* * * * * Department of Natural Resources	* * * * *	
25		* * * * *	* * * * *	
26	Agriculture	3,200,000		3,200,000
27	Agricultural Development	3,200,000		
28		* * * * *	* * * * *	
29		* * * * * Department of Revenue	* * * * *	
30		* * * * *	* * * * *	
31	Taxation and Treasury	536,200		536,200
32	Alaska Retirement	512,900		
33	Management Board			

		Appropriation	General	Other
		Allocations	Items	Funds
1				
2				
3	Permanent Fund Dividend	23,300		
4	Division			
5		* * * * *	* * * * *	
6		* * * * * Department of Transportation and Public Facilities	* * * * *	
7		* * * * *	* * * * *	
8	Highways, Aviation and Facilities		620,400	620,400
9	Central Region Highways	165,700		
10	and Aviation			
11	Northern Region Highways	454,700		
12	and Aviation			
13		* * * * *	* * * * *	
14		* * * * * University of Alaska	* * * * *	
15		* * * * *	* * * * *	
16	University of Alaska		133,010,000	-28,600,000
17	Systemwide Services	15,520,000		
18	Anchorage Campus	2,790,000		
19	Fairbanks Campus	114,480,000		
20	Juneau Campus	220,000		
21		* * * * *	* * * * *	
22		* * * * * Judiciary	* * * * *	
23		* * * * *	* * * * *	
24	Alaska Court System			
25	Trial Courts	0		
26	(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
Department of Commerce, Community, and Economic Development	
1002 Federal Receipts	30,000
* * * Total Agency Funding * * *	\$30,000
Department of Corrections	
1004 Unrestricted General Fund Receipts	4,100,000
* * * Total Agency Funding * * *	\$4,100,000
Department of Education and Early Development	
1226 Alaska Higher Education Investment Fund	975,000
* * * Total Agency Funding * * *	\$975,000
Department of Fish and Game	
1108 Statutory Designated Program Receipts	50,000
* * * Total Agency Funding * * *	\$50,000
Department of Health	
1002 Federal Receipts	222,499,000
1003 General Fund Match	14,200,000
* * * Total Agency Funding * * *	\$236,699,000
Department of Labor and Workforce Development	
1004 Unrestricted General Fund Receipts	888,600
* * * Total Agency Funding * * *	\$888,600
Department of Natural Resources	
1002 Federal Receipts	3,200,000
* * * Total Agency Funding * * *	\$3,200,000
Department of Revenue	
1017 Group Health and Life Benefits Fund	182,000
1029 Public Employees Retirement Trust Fund	203,000
1034 Teachers Retirement Trust Fund	116,800
1042 Judicial Retirement System	11,100
1050 Permanent Fund Dividend Fund	23,300

1	* * * Total Agency Funding * * *	\$536,200
2	Department of Transportation and Public Facilities	
3	1244 Rural Airport Receipts	620,400
4	* * * Total Agency Funding * * *	\$620,400
5	University of Alaska	
6	1048 University of Alaska Restricted Receipts	-28,600,000
7	1108 Statutory Designated Program Receipts	79,110,000
8	1174 University of Alaska Intra-Agency Transfers	82,500,000
9	* * * Total Agency Funding * * *	\$133,010,000
10	Judiciary	
11	1004 Unrestricted General Fund Receipts	10,586,300
12	1271 ARPA Revenue Replacement	-10,586,300
13	* * * Total Agency Funding * * *	\$0
14	* * * Total Budget * * *	\$380,109,200
15	(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 Funds	
1003 General Fund Match	14,200,000
1004 Unrestricted General Fund Receipts	15,574,900
1271 ARPA Revenue Replacement	-10,586,300
* * * Total Unrestricted General Funds * * *	\$19,188,600
Designated General Funds	
1048 University of Alaska Restricted Receipts	-28,600,000
1226 Alaska Higher Education Investment Fund	975,000
* * * Total Designated General Funds * * *	\$-27,625,000
Other Non-Duplicated Funds	
1017 Group Health and Life Benefits Fund	182,000
1029 Public Employees Retirement Trust Fund	203,000
1034 Teachers Retirement Trust Fund	116,800
1042 Judicial Retirement System	11,100
1108 Statutory Designated Program Receipts	79,160,000
1244 Rural Airport Receipts	620,400
* * * Total Other Non-Duplicated Funds * * *	\$80,293,300
Other Duplicated Funds	
1050 Permanent Fund Dividend Fund	23,300
1174 University of Alaska Intra-Agency Transfers	82,500,000
* * * Total Other Duplicated Funds * * *	\$82,523,300
Federal Receipts	
1002 Federal Receipts	225,729,000
* * * Total Federal Receipts * * *	\$225,729,000
* * * Total Budget * * *	\$380,109,200

(SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)

* **Sec. 4.** The following appropriations are for capital projects and grants from the general fund or other funds as set out in sec. 5 of this Act by funding source to the agencies named for the purposes expressed. They lapse under AS 37.25.020, unless otherwise noted.

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
***** Department of Commerce, Community, and Economic Development *****			
	*****	*****	
Administrative Systems Updates (HD 1-40)	628,700		628,700
Leased Warehouse Repairs and Improvements (HD 1-40)	100,000		100,000
Alaska Oil and Gas Conservation Commission Risk Based Data Management System Upgrade (HD 1-40)	4,277,767	4,277,767	
Alaska Oil and Gas Conservation Commission Orphaned Well Performance Grants (HD 1-40)	40,000,000		40,000,000
Alaska Oil and Gas Conservation Commission Orphaned Well Formula Grants (HD 1-40)	25,000,000		25,000,000
	*****	*****	
***** Department of Military and Veterans' Affairs *****			
	*****	*****	
Flood Mitigation for Acquisition of High Hazard Areas in the Matanuska-Susitna Borough (HD 9-24)	2,500,000		2,500,000
	*****	*****	
***** Department of Natural Resources *****			
	*****	*****	
National Recreational Trails Federal Grant	600,000		600,000

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1	Program (HD 1-40)			
2				
3				
4	*****	*****		
5	***** Department of Transportation and Public Facilities *****			
6	*****	*****		
7	Alaska Marine Highway System Vessel	6,500,000	6,500,000	
8	Overhaul, Annual Certification and			
9	Shoreside Facilities Rehabilitation (HD 1-40)			
10	(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
2 of this Act.

3 Funding Source	Amount
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4 **Department of Commerce, Community, and Economic Development**

5 1002 Federal Receipts	65,000,000
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6 1162 Alaska Oil & Gas Conservation Commission	4,277,767
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7 Receipts

8 1219 Emerging Energy Technology Fund	728,700
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9 * * * Total Agency Funding * * *	\$70,006,467
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10 **Department of Military and Veterans' Affairs**

11 1002 Federal Receipts	2,500,000
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12 * * * Total Agency Funding * * *	\$2,500,000
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13 **Department of Natural Resources**

14 1002 Federal Receipts	600,000
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15 * * * Total Agency Funding * * *	\$600,000
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16 **Department of Transportation and Public Facilities**

17 1076 Alaska Marine Highway System Fund	6,500,000
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18 * * * Total Agency Funding * * *	\$6,500,000
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19 * * * Total Budget * * *	\$79,606,467
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20 (SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

Funding Source	Amount
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Unrestricted General Funds

*** Total Unrestricted General Funds ***	\$0
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Designated General Funds

1076 Alaska Marine Highway System Fund	6,500,000
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1162 Alaska Oil & Gas Conservation Commission	4,277,767
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Receipts

*** Total Designated General Funds ***	\$10,777,767
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Other Non-Duplicated Funds

*** Total Other Non-Duplicated Funds ***	\$0
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Other Duplicated Funds

1219 Emerging Energy Technology Fund	728,700
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*** Total Other Duplicated Funds ***	\$728,700
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Federal Receipts

1002 Federal Receipts	68,100,000
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*** Total Federal Receipts ***	\$68,100,000
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*** Total Budget ***	\$79,606,467
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(SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 7.** ALASKA HOUSING FINANCE CORPORATION. (a) Section 14(b), ch. 1,
2 SSSLA 2021, as amended by sec. 20, ch. 1, FSSLA 2023, and sec. 11(a), ch. 7, SLA 2024, is
3 amended to read:

4 (b) The amount of federal receipts received for the support of rental relief,
5 homeless programs, or other housing programs provided under federal stimulus
6 legislation, estimated to be **\$131,000,000** [\$127,000,000], is appropriated to the
7 Alaska Housing Finance Corporation for that purpose for the fiscal years ending
8 June 30, 2021, June 30, 2022, June 30, 2023, June 30, 2024, [AND] June 30, 2025,
9 **and June 30, 2026.**

10 (b) Section 60(g), ch. 11, SLA 2022, as amended by sec. 11(b), ch. 7, SLA 2024, is
11 amended to read:

12 (g) Designated program receipts under AS 37.05.146(b)(3) received by the
13 Alaska Housing Finance Corporation, estimated to be \$40,000,000, for administration
14 of housing and energy programs on behalf of a municipality, tribal housing authority,
15 or other third party are appropriated to the Alaska Housing Finance Corporation for
16 the fiscal years ending June 30, 2023, June 30, 2024, [AND] June 30, 2025, **and**
17 **June 30, 2026.**

18 * **Sec. 8.** DEPARTMENT OF HEALTH. Section 60(d), ch. 1, SSSLA 2021, as amended by
19 secs. 23(b) and 67(x), ch. 11, SLA 2022, is amended to read:

20 (d) The sum of \$40,000,000 is appropriated from federal receipts received
21 from sec. 9901, P.L. 117-2 (Subtitle M—Coronavirus State and Local Fiscal Recovery
22 Funds, American Rescue Plan Act of 2021) to the Department of Health, division of
23 public health, emergency programs, for responding to public health matters arising
24 from COVID-19 for the fiscal years ending June 30, 2023, June 30, 2024, [AND]
25 June 30, 2025, **June 30, 2026, and June 30, 2027.**

26 * **Sec. 9.** DEPARTMENT OF LAW. (a) The sum of \$4,000,000 is appropriated from the
27 general fund to the Department of Law, civil division, special litigation and appeals, for the
28 purpose of ongoing litigation brought by A Better Childhood Inc., for the fiscal years ending
29 June 30, 2025, June 30, 2026, and June 30, 2027.

30 (b) The sum of \$2,756,227 is appropriated from the general fund to the Department of
31 Law, civil division, deputy attorney general's office, for the purpose of paying judgements

1 and settlements against the state for the fiscal year ending June 30, 2025.

2 * **Sec. 10.** OFFICE OF THE GOVERNOR. The unexpended and unobligated balance on
3 June 30, 2025, of the Alaska capital income fund (AS 37.05.565) is appropriated to the Office
4 of the Governor for statewide critical deferred maintenance, renovation, and repair.

5 * **Sec. 11.** DEBT AND OTHER OBLIGATIONS. (a) Section 47(g), ch. 7, SLA 2024, is
6 amended to read:

7 (g) The following amounts are appropriated to the state bond committee from
8 the specified sources, and for the stated purposes, for the fiscal year ending June 30,
9 2025:

10 (1) the amount necessary for payment of debt service and accrued
11 interest on outstanding State of Alaska general obligation bonds, series 2010A,
12 estimated to be \$0 [\$2,229,468], from the amount received from the United States
13 Treasury as a result of the American Recovery and Reinvestment Act of 2009, Build
14 America Bond credit payments due on the series 2010A general obligation bonds;

15 (2) the amount necessary for payment of debt service and accrued
16 interest on outstanding State of Alaska general obligation bonds, series 2010A, after
17 the payment made in (1) of this subsection, estimated to be \$0 [\$6,754,939], from the
18 general fund for that purpose;

19 (3) the amount necessary for payment of debt service and accrued
20 interest on outstanding State of Alaska general obligation bonds, series 2010B,
21 estimated to be \$2,259,773, from the amount received from the United States Treasury
22 as a result of the American Recovery and Reinvestment Act of 2009, Qualified School
23 Construction Bond interest subsidy payments due on the series 2010B general
24 obligation bonds;

25 (4) the amount necessary for payment of debt service and accrued
26 interest on outstanding State of Alaska general obligation bonds, series 2010B, after
27 the payment made in (3) of this subsection, estimated to be \$2,403,900, from the
28 general fund for that purpose;

29 (5) the amount necessary for payment of debt service and accrued
30 interest on outstanding State of Alaska general obligation bonds, series 2013A,
31 estimated to be \$434,570, from the amount received from the United States Treasury

1 as a result of the American Recovery and Reinvestment Act of 2009, Qualified School
 2 Construction Bond interest subsidy payments due on the series 2013A general
 3 obligation bonds;

4 (6) the amount necessary for payment of debt service and accrued
 5 interest on outstanding State of Alaska general obligation bonds, series 2013A, after
 6 the payments made in (5) of this subsection, estimated to be \$460,839, from the
 7 general fund for that purpose;

8 (7) the amount necessary for payment of debt service and accrued
 9 interest on outstanding State of Alaska general obligation bonds, series 2015B,
 10 estimated to be \$11,461,500 [\$11,966,500], from the general fund for that purpose;

11 (8) the amount necessary for payment of debt service and accrued
 12 interest on outstanding State of Alaska general obligation bonds, series 2016A,
 13 estimated to be \$9,358,000 [\$10,381,125], from the general fund for that purpose;

14 (9) the amount necessary for payment of debt service and accrued
 15 interest on outstanding State of Alaska general obligation bonds, series 2016B,
 16 estimated to be \$9,579,375 [\$10,304,125], from the general fund for that purpose;

17 (10) the sum of \$511,245 from the investment earnings on the bond
 18 proceeds deposited in the capital project funds for the series 2020A general obligation
 19 bonds, for payment of debt service and accrued interest on outstanding State of Alaska
 20 general obligation bonds, series 2020A;

21 (11) the amount necessary for payment of debt service and accrued
 22 interest on outstanding State of Alaska general obligation bonds, series 2020A, after
 23 the payment made in (10) of this subsection, estimated to be \$6,526,505, from the
 24 general fund for that purpose;

25 (12) the amount necessary for payment of debt service and accrued
 26 interest on outstanding State of Alaska general obligation bonds, series 2023A,
 27 estimated to be \$18,384,000, from the general fund for that purpose;

28 (13) the amount necessary for payment of trustee fees on outstanding
 29 State of Alaska general obligation bonds, series 2010A, 2010B, 2013A, 2015B,
 30 2016A, 2016B, 2020A, and 2023A, estimated to be \$3,450, from the general fund for
 31 that purpose;

(14) the amount necessary for the purpose of authorizing payment to the United States Treasury for arbitrage rebate and payment of tax penalties on outstanding State of Alaska general obligation bonds, estimated to be \$50,000, from the general fund for that purpose;

(15) if the proceeds of state general obligation bonds issued are temporarily insufficient to cover costs incurred on projects approved for funding with these proceeds, the amount necessary to prevent this cash deficiency, from the general fund, contingent on repayment to the general fund as soon as additional state general obligation bond proceeds have been received by the state; and

(16) if the amount necessary for payment of debt service and accrued interest on outstanding State of Alaska general obligation bonds exceeds the amounts appropriated in this subsection, the additional amount necessary to pay the obligations, from the general fund for that purpose;

(17) the amount necessary for payment of debt service and accrued interest on outstanding State of Alaska general obligation bonds, series 2024A, estimated to be \$3,623,467, from the general fund for that purpose;

(18) the amount necessary for payment of debt service and accrued interest on outstanding State of Alaska general obligation bonds, series 2024B, estimated to be \$1,912,228, from the general fund for that purpose.

* **Sec. 12.** FUND CAPITALIZATION. The unexpended and unobligated balance, estimated to be \$3,000,000, of the appropriation made in sec. 4, ch. 7, SLA 2020, page 9, lines 20 - 21 (Department of Transportation and Public Facilities, earthquake relief - federally ineligible costs - \$3,000,000), is reappropriated to the disaster relief fund (AS 26.23.300).

* **Sec. 13.** Section 1, ch. 8, SLA 2024, page 14, lines 5 - 7, is repealed.

* **Sec. 14.** LAPSE OF APPROPRIATIONS. (a) The appropriation made in sec. 12 of this Act is for the capitalization of a fund and does not lapse.

(b) The appropriations made in secs. 4 and 10 of this Act are for capital projects and lapse under AS 37.25.020.

* **Sec. 15.** RETROACTIVITY. If this Act takes effect after June 30, 2025, this Act is retroactive to July 1, 2024.

* **Sec. 16.** This Act takes effect immediately under AS 01.10.070(c).