The following pages show the Governor's line item vetoes and reductions. To view the complete text before the changes, click on the enrolled version.

AN ACT

Making supplemental appropriations and other appropriations; amending appropriations; capitalizing funds; and providing for an effective date.

(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.

	Allocations	Appropriation Items	General Funds	Other Funds
* * * * *		* * * * *		
* * * * * **Department of Administration** * * * * *				
* * * * *		* * * * *		
Legal and Advocacy Services		**1,700,000**	**1,700,000**	
Office of Public Advocacy	1,700,000			
Motor Vehicles		**550,000**	**550,000**	
Motor Vehicles	550,000			
* * * * *		* * * * *		
* * * * * **Department of Education and Early Development** * * * * *				
* * * * *		* * * * *		
Education Support and Administrative Services		**10,000,000**		**10,000,000**
Student and School Achievement	10,000,000			
Mt. Edgecumbe Boarding School		**250,000**	**250,000**	
Mt. Edgecumbe Boarding School Facilities Maintenance	250,000			
* * * * *		* * * * *		
* * * * * **Department of Health and Social Services** * * * * *				
* * * * *		* * * * *		
Alaska Pioneer Homes		**1,000,000**	**1,000,000**	
Alaska Pioneer Homes	1,000,000			

	Allocations	Appropriation Items	General Funds	Other Funds
Payment Assistance				
Alaska Psychiatric Institute		**6,000,000**	**6,000,000**	
Alaska Psychiatric Institute	6,000,000			
Public Assistance		**8,600,000**	**8,600,000**	
Adult Public Assistance	8,600,000			
Medicaid Services	mj 271,673,600 ~~302,673,600~~		mj 128,273,600 ~~142,273,600~~	mj 143,400,000 ~~160,400,000~~
Medicaid Services	mj 263,400,000 ~~294,400,000~~			
Adult Preventative Dental Medicaid Services	8,273,600			
* * * * *		* * * * *		
* * * * * **Department of Law** * * * * *				
* * * * *		* * * * *		
Criminal Division		**400,000**		**400,000**
Second Judicial District	150,000			
Criminal Appeals/Special Litigation	250,000			
* * * * *		* * * * *		
* * * * * **Department of Natural Resources** * * * * *				
* * * * *		* * * * *		
Fire Suppression, Land & Water Resources		**110,576,100**	**110,576,100**	
Mining, Land & Water	76,100			
Fire Suppression Activity	110,500,000			
* * * * *		* * * * *		
* * * * * **Department of Public Safety** * * * * *				
* * * * *		* * * * *		
Alaska State Troopers		**6,743,400**	**6,743,400**	
Alaska State Trooper Detachments	4,318,400			
Alaska Wildlife Troopers	1,725,000			

	Allocations	Appropriation Items	General Funds	Other Funds
Alaska Wildlife Troopers Aircraft Section	700,000			
* * * * *		* * * * *		
* * * * * **Department of Revenue** * * * * *				
* * * * *		* * * * *		
Taxation and Treasury		**0**	**400,000**	**-400,000**
Tax Division	0			
* * * * *		* * * * *		
* * * * * **Department of Transportation and Public Facilities** * * * * *				
* * * * *		* * * * *		
Highways, Aviation and Facilities		**158,100**	**158,100**	
Northern Region Highways and Aviation	158,100			
Marine Highway System		**7,050,000**	**7,050,000**	
Marine Vessel Operations	7,050,000			
* * * * * * * * * *				
* * * * * **Judiciary** * * * * *				
* * * * * * * * * *				
Alaska Court System		~~372,600~~ **~~479,100~~**	~~372,600~~ **~~479,100~~**	
Appellate Courts	~~29,600~~			
Trial Courts	~~300,800~~ ~~407,300~~			
Administration and Support	42,200			
Therapeutic Courts		**5,300**	**5,300**	
Therapeutic Courts	5,300			
Commission on Judicial Conduct		**1,300**	**1,300**	
Commission on Judicial Conduct	1,300			
Judicial Council		**4,200**	**4,200**	
Judicial Council	4,200			

(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 Administration	
1004 Unrestricted General Fund Receipts	1,700,000
1005 General Fund/Program Receipts	550,000
*** Total Agency Funding ***	2,250,000
Department of Education and Early Development	
1002 Federal Receipts	10,000,000
1004 Unrestricted General Fund Receipts	100,000
1005 General Fund/Program Receipts	150,000
*** Total Agency Funding ***	10,250,000
Department of Health and Social Services	
1002 Federal Receipts	160,400,000
1003 General Fund Match	150,873,600
1004 Unrestricted General Fund Receipts	7,000,000
*** Total Agency Funding ***	318,273,600
Department of Law	
1002 Federal Receipts	250,000
1108 Statutory Designated Program Receipts	150,000
*** Total Agency Funding ***	400,000
Department of Natural Resources	
1004 Unrestricted General Fund Receipts	110,500,000
1005 General Fund/Program Receipts	76,100
*** Total Agency Funding ***	110,576,100
Department of Public Safety	
1004 Unrestricted General Fund Receipts	6,743,400
*** Total Agency Funding ***	6,743,400
Department of Revenue	
1004 Unrestricted General Fund Receipts	400,000
1061 Capital Improvement Project Receipts	-400,000

Department of Transportation and Public Facilities		
1004	Unrestricted General Fund Receipts	158,100
1061	Capital Improvement Project Receipts	-90,000
1076	Alaska Marine Highway System Fund	7,050,000
1215	Unified Carrier Registration Receipts	90,000
*** Total Agency Funding ***		7,208,100
Judiciary		
1004	Unrestricted General Fund Receipts	489,900
*** Total Agency Funding ***		489,900
* * * * * **Total Budget** * * * * *		**456,191,100**

(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	150,873,600
1004	Unrestricted General Fund Receipts	127,091,400
*** Total Unrestricted General ***		277,965,000
Designated General		
1005	General Fund/Program Receipts	776,100
1076	Alaska Marine Highway System Fund	7,050,000
*** Total Designated General ***		7,826,100
Other Non-Duplicated		
1108	Statutory Designated Program Receipts	150,000
1215	Unified Carrier Registration Receipts	90,000
*** Total Other Non-Duplicated ***		240,000
Federal Receipts		
1002	Federal Receipts	170,650,000
*** Total Federal Receipts ***		170,650,000
Other Duplicated		
1061	Capital Improvement Project Receipts	-490,000
*** Total Other Duplicated ***		-490,000

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

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

	Allocations	Appropriation Items	General Funds	Other Funds
	* * * * *	* * * * *		
*** * * * * Department of Commerce, Community and Economic Development * * * * ***				
	* * * * *	* * * * *		
HUD Community Development Block Grant - Disaster Recovery Program (HD 1-40)		35,856,000		35,856,000
Grants to Named Recipients (AS 37.05.316)				
~~Alaska Municipal League - Rural Real ID Implementation (HD 1-40)~~		~~150,000~~	~~150,000~~	
	* * * * *	* * * * *		
*** * * * * Office of the Governor * * * * ***				
	* * * * *	* * * * *		
Help America Vote Act (HD 1-40)		3,700,000		3,700,000
	* * * * *	* * * * *		
*** * * * * Department of Military and Veterans Affairs * * * * ***				
	* * * * *	* * * * *		
Mass Notification System - Joint Base Elmendorf Richardson (HD 15)		900,000	450,000	450,000
Alaska Land Mobile Radio Site Refresh (HD 1-40)		24,000,000	24,000,000	
	* * * * *	* * * * *		
*** * * * * Department of Public Safety * * * * ***				
	* * * * *	* * * * *		
Automatic Dependent Surveillance Broadcast System for DPS Aircraft (HD		398,400	398,400	

	Allocations	Appropriation Items	General Funds	Other Funds
1-40)				
Radio Replacement (HD 1-40)		500,000	500,000	
* * * * *		* * * * *		
* * * * * **Department of Revenue** * * * * *				
* * * * *		* * * * *		
Alaska Housing Finance Corporation				
~~AHFC Cold Climate Housing Research Center (CCHRC) (HD 1-40)~~		~~520,285~~	~~520,285~~	
* * * * *		* * * * *		
* * * * * **Department of Transportation and Public Facilities** * * * * *				
* * * * *		* * * * *		
Alaska Marine Highway System Vessel Overhaul, Annual Certification and Shoreside Facilities Rehabilitation (HD 1-40)		5,000,000	5,000,000	
State Equipment Fleet Replacement (HD 1-40)		3,155,000		3,155,000
Earthquake Relief - Federally Ineligible Costs (HD 1-40)		3,000,000	3,000,000	

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

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

Funding Source	Amount
Department of Commerce, Community and Economic Development	
1002 Federal Receipts	35,856,000
1004 Unrestricted General Fund Receipts	150,000
*** Total Agency Funding ***	36,006,000
Office of the Governor	
1185 Election Fund	3,700,000
*** Total Agency Funding ***	3,700,000
Department of Military and Veterans Affairs	
1002 Federal Receipts	450,000
1004 Unrestricted General Fund Receipts	24,450,000
*** Total Agency Funding ***	24,900,000
Department of Public Safety	
1004 Unrestricted General Fund Receipts	898,400
*** Total Agency Funding ***	898,400
Department of Revenue	
1139 Alaska Housing Finance Corporation Dividend	520,285
*** Total Agency Funding ***	520,285
Department of Transportation and Public Facilities	
1004 Unrestricted General Fund Receipts	3,000,000
1026 Highways Equipment Working Capital Fund	3,155,000
1076 Alaska Marine Highway System Fund	5,000,000
*** Total Agency Funding ***	11,155,000
* * * * * **Total Budget** * * * * *	**77,179,685**

(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
Unrestricted General		
1004	Unrestricted General Fund Receipts	28,498,400
1139	Alaska Housing Finance Corporation Dividend	520,285
*** Total Unrestricted General ***		29,018,685
Designated General		
1076	Alaska Marine Highway System Fund	5,000,000
*** Total Designated General ***		5,000,000
Federal Receipts		
1002	Federal Receipts	36,306,000
*** Total Federal Receipts ***		36,306,000
Other Duplicated		
1026	Highways Equipment Working Capital Fund	3,155,000
1185	Election Fund	3,700,000
*** Total Other Duplicated ***		6,855,000

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

* **Sec. 7.** ALASKA PERMANENT FUND. Section 19(j), ch. 1, FSSLA 2019, is amended to read:

(j) After the appropriations made in (a) - (i) of this section, the remaining balance of the earnings reserve account (AS 37.13.145), not to exceed $4,000,000,000, 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 **four** [EIGHT] fiscal years.

* **Sec. 8.** DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT. The sum of $8,500,000 is appropriated to the Department of Commerce, Community, and Economic Development for payment as grants under AS 37.05.315 to municipalities impacted by commercial passenger vessel operations for responding to and mitigating the risk of a coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021, from the following sources:

(1) $4,500,000 from the commercial passenger vessel environmental compliance fund (AS 46.03.482);

(2) $4,000,000 from the commercial vessel passenger tax account (AS 43.52.230(a)).

* **Sec. 9.** DEPARTMENT OF CORRECTIONS. (a) Section 14(a), ch. 3, FSSLA 2019, is amended to read:

(a) The sum of $6,000,000 is appropriated from the power cost equalization endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of reopening the Palmer Correctional Center for the fiscal **years** [YEAR] ending June 30, 2020**, and June 30, 2021**.

(b) Section 14(b), ch. 3, FSSLA 2019, is amended to read:

(b) The sum of $10,669,100 is appropriated from the power cost equalization endowment fund (AS 42.45.070(a)) to the Department of Corrections for the costs of reopening the Palmer Correctional Center for the fiscal **years** [YEAR] ending June 30, 2020**, and June 30, 2021**.

(c) The unexpended and unobligated balance on June 30, 2019, of federal receipts received by the Department of Corrections through man-day billings, estimated to be $8,025,700, is appropriated to the Department of Corrections, population management, for the 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 coronavirus disease (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.

(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.

(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:

AGENCY	FISCAL YEAR	AMOUNT
Department of Health and Social Services		
(1) AR H308 Medicaid Management System Completion	2007	$ 211,444.27
Department of Transportation and Public Facilities		
(2) AR TYDE Federal Emergency Projects	2010	21,581.99
(3) AR TYUY Federal Emergency Projects	2012	57,837.47
(4) AR TZ2W Federal Emergency Projects	2013	99,679.25
(5) AR TA1Z Federal Emergency Projects	2014	396,982.74
(6) AR TB47 Federal Emergency Projects	2016	1,290,967.82
(7) AR TBM7 Federal Emergency Projects	2017	325,070.13.

* **Sec. 18.** SALARY AND BENEFIT ADJUSTMENTS. Section 36(b), ch. 1, FSSLA 2019, is amended to read:

(b) The operating budget appropriations made to the University of Alaska in sec. 1 of this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30, 2020, for university employees who are not members of a collective bargaining unit and to implement the monetary terms for the fiscal year ending June 30, 2020, of the following collective bargaining agreements:

(1) Fairbanks Firefighters Union, IAFF Local 1324;

(2) United Academics - Adjuncts - American Association of University Professors, American Federation of Teachers;

(3) United Academics - American Association of University Professors, American Federation of Teachers**;**

(4) Alaska Higher Education Crafts and Trades Employees, Local 6070.

* **Sec. 19.** CONSTITUTIONAL BUDGET RESERVE FUND. (a) (This subsection did not receive the affirmative vote of three-fourths of the members of each house of the legislature required by art. IX, sec. 17(c), Constitution of the State of Alaska.)

(b) (This subsection did not receive the affirmative vote of three-fourths of the members of each house of the legislature required by art. IX, sec. 17(c), Constitution of the State of Alaska.)

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

(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 fund in sec. 19(b) of this Act is contingent on passage by the Thirty-First Alaska State 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 AS 01.10.070(c).