

Glossary and Appendices

Glossary



Constitutional Budget Reserve Fund (CBRF)

Created by voters in 1990, the CBRF receives proceeds from settlements of oil, gas, and mining tax and royalty disputes. The Legislature may, with a three-quarters majority vote in each chamber, withdraw money from the fund.

Designated General Fund Revenue

General fund revenue that is designated for a specific purpose, typically using a general fund subaccount. The Legislature can at any time remove the restrictions on this category of revenue as they are solely imposed by either Alaska statute or customary practice. At times, this category of revenue may be included in legislative and public debate over the budget.

Federal Revenue

When the federal government gives money to states, it typically restricts how that money can be used. For example, highway and airport construction funds, Medicaid, and education funding cannot be used for other purposes. In addition to restricting how the money is spent, the federal government often requires states to put up matching funds to qualify for the federal funding.

General Fund Revenue

General fund revenue has different meanings in different contexts. In the state's official financial reports, general fund revenue is used to designate the sum of general fund unrestricted revenue, general fund sub-account revenue, program receipts and other funds spent through the general fund. In budget reports, general fund revenue is split into revenue with no specific purpose, and revenue with a specific purpose. These categories are called unrestricted general fund revenue and designated general fund revenue, respectively.

General Fund Unrestricted Revenue

Revenue not restricted by the Alaska Constitution, state or federal law, trust or debt restrictions, or customary practice. This revenue is deposited into the state's unrestricted general fund and most legislative and public debate over the budget each year centers on this category of revenue. In deriving the department's Unrestricted Revenue figure from total general fund revenue, the department has excluded general fund

subaccount revenue, as well as customarily restricted revenue such as shared taxes and pass-through revenue for qualified fisheries associations. The department has also added certain revenue such as transfers to the state treasury from the Unclaimed Property Trust and dividends from component units.

Other Restricted State Revenue

Non-federal revenue that is not deposited to the general fund or a subaccount of the general fund. This revenue is restricted by the Alaska Constitution, state or federal law, trust or debt restrictions, or by customary practice.

Permanent Fund GASB (or Market) Income

Under standards adopted by the Governmental Accounting Standards Board, the Permanent Fund's income – and that of any other government fund – is the difference between the purchase price of the investments and their market value at a given point in time, plus any dividends, interest or rent earned on those investments. Under GASB standards, the Permanent Fund does not have to sell the investment to count the gain or loss as it changes value. It is called "marking to market," that is, measuring the value of the fund's investments by the current market price. This can produce a much different picture than Permanent Fund statutory income, which does not reflect fluctuating investment values until the assets are sold.

Permanent Fund Statutory Income

The annual Permanent Fund dividend is based on statutory income. This is the sum of realized gains and losses of all Permanent Fund investment transactions during the year, plus interest, dividends and rents earned by the fund. The Legislature may appropriate the earnings for any purpose it chooses. The historical practice has been to use realized income primarily for dividends and inflation-proofing, and then either leave the excess in the realized earnings account, or transfer it to the principal of the Permanent Fund.

Restricted Program Receipts

This revenue is earmarked in state statute or by contract for specific purposes and is usually appropriated back to the program that generated the revenue. Examples include University of Alaska tuition payments, marine highway receipts, payments to various revol-

ing loan funds, and public corporation receipts. Some of this revenue is actually dedicated as a consequence of provisions of the Alaska Constitution. The remainder, while statutorily earmarked, may be appropriated to purposes other than those reflected in statute if the Legislature so chooses. These earmarked funds are categorized as designated general funds.

Restricted Revenue

Restricted revenue represents revenue that is restricted by the Alaska Constitution, state or federal law, trust or debt restrictions, or by customary practice. The Legislature can at any time remove restrictions that are solely imposed by either Alaska statute or customary practice. Program receipts, revenue allocated to sub-accounts of the general fund, and general fund revenue customarily shared with other entities are all considered restricted revenue for the purposes of this report. In this report, the department presents three categories of restricted revenue: designated general fund revenue, other restricted state revenue, and federal revenue.

Revenue Available for Current-Year Appropriation

All revenue that is technically available for the Legislature to appropriate, regardless of customary practice. Includes General Fund Unrestricted Revenue, Designated General Fund Revenue, deposits to and earnings from the CBRF, a portion of deposits to the Permanent Fund, and realized earnings from the Permanent Fund.

Acronyms

AAC – Alaska Aerospace Corporation
 AEA – Alaska Energy Authority
 AGDC – Alaska Gasline Development Corporation
 AGI – Adjusted gross income
 AHFC – Alaska Housing Finance Corporation
 AIDEA – Alaska Industrial Development and Export Authority
 APFC – Alaska Permanent Fund Corporation
 AMBBA – Alaska Municipal Bond Bank Authority
 AMHTA – Alaska Mental Health Trust Authority
 ANS – Alaska North Slope
 AOGCC – Alaska Oil and Gas Conservation Commission
 APFC – Alaska Permanent Fund Corporation
 ARC – Alaska Railroad Corporation
 ASAP – Alaska Stand Alone Pipeline
 ASLC – Alaska Student Loan Corporation
 ASMI – Alaska Seafood Marketing Institute
 BTU – British thermal unit
 CAPEX – Capital expenditures
 CBRF – Constitutional Budget Reserve Fund
 CDQ – Community development quota

CIT – Corporate Income Tax
 CPVT – Commercial Passenger Vessel Taxes
 CY – Calendar year
 DCCED – Department of Commerce, Community and Economic Development
 DNR – Department of Natural Resources
 DOR – Department of Revenue
 ELF – Economic Limit Factor
 EPA – Environmental Protection Agency
 ERA – Earnings reserve account
 ERG – Economic Research Group
 FBT – Fisheries business tax
 FERC – Federal Energy Regulatory Commission
 FY – Fiscal year
 GAAP – Generally Accepted Accounting Principles
 GASB – Governmental Accounting Standards Board
 GFUR – General fund unrestricted revenue
 GVPP – Gross value at point of production
 GVR – Gross value reduction
 LLC – Limited Liability Corporation
 LNG – Liquefied natural gas
 MCF – Thousand cubic feet
 MLT – Mining license tax
 MFT – Motor fuel tax
 NPR-A – National Petroleum Reserve in Alaska
 OECD – Organization for Economic Cooperation and Development
 OPEC – Organization of Petroleum Exporting Countries
 OPEX – Operating expenditures
 PERS – Public Employees' Retirement System
 PCE – Power Cost Equalization
 PSTF – Public School Trust Fund
 QR – Quick Response
 RCA – Regulatory Commission of Alaska
 RIK – Royalty in kind
 RIV – Royalty in value
 RSB – *Revenue Sources Book*
 SB 21 – Senate Bill 21, passed in 2013
 SBRF – Statutory Budget Reserve Fund
 TAPS – Trans-Alaska Pipeline System
 TRS – Teachers' Retirement System
 UA – University of Alaska
 WTI – West Texas Intermediate