

# Fund Source Report

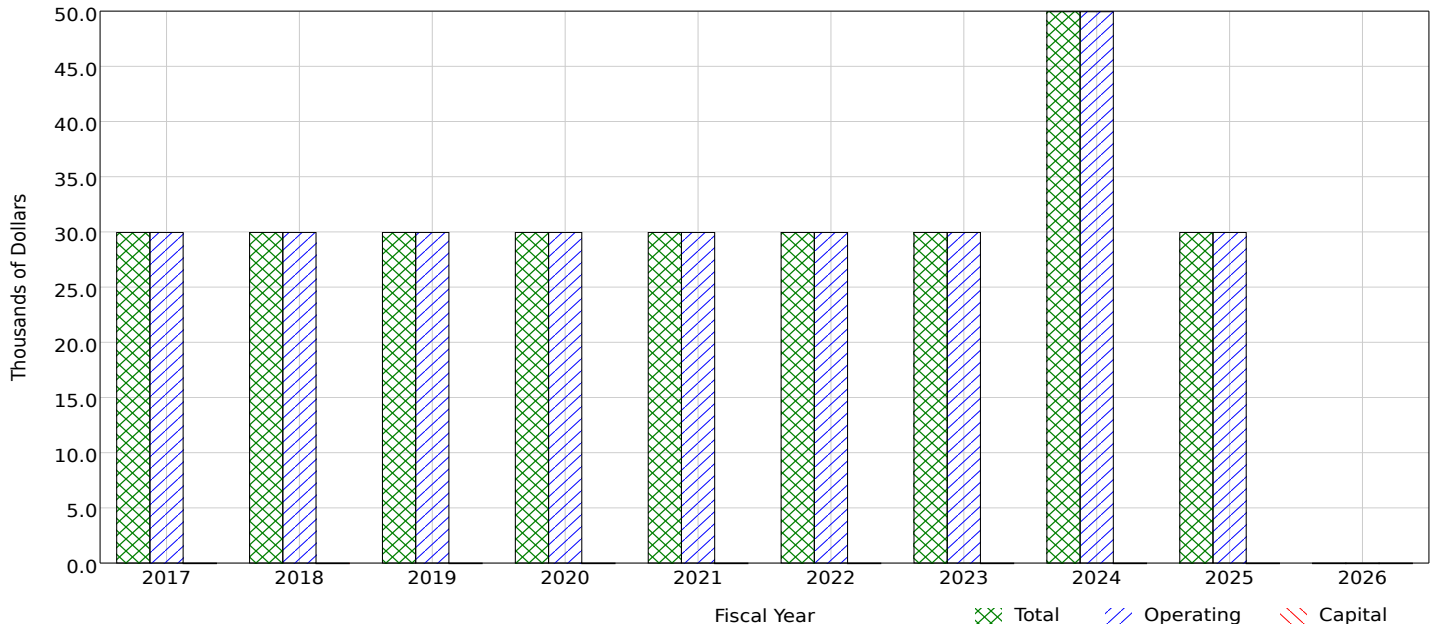
1145

AIPP Fund

Art in Public Places Fund

Year Authorized 2001    Year Repealed    Active? Yes    Mental Health? No    Duplicated? Yes    Fund Group Other Designated

## Operating and Capital Appropriations



### Legal Authority

AS 44.27.060, AS 35.27.010

### Source of Revenue

One percent of the total construction cost of a building or facility that would be subject to the art works in public buildings and facilities program but for the fact that 1) the estimated cost of the project is less than \$250,000 or 2) the building or facility is not designed for substantial public use.

### Restrictions on Use

Money in the fund may be appropriated to purchase art to be displayed in public places or to meet expenses for a commissioned work of art if the cost exceeds the minimum to be reserved.

### Description and History

The legislature created a state policy that a portion of appropriations for capital expenditures be set aside for the acquisition of works of art to be used for state buildings and other public facilities. A building or facility constructed, remodeled, or renovated after June 30, 1975 must include works of art, including sculptures, paintings, murals or objects relating to Native art.

AS 35.27 mandates that one percent of actual construction costs be set aside for the purchase of works of art for buildings and facilities with estimated construction costs exceeding \$250,000 and designed for substantial public use. AS 44.27.060 requires the department to deposit 1 percent of construction costs into the art fund for construction projects that are either less than \$250,000 or for a building or facility is not designed for substantial public use.

Legislative Legal Services determined that the AIPP is limited to building construction projects managed by the Department of Transportation and Public Facilities. The University of Alaska and the Courts System have instituted similar AIPP programs. The Alaska State Council on the Arts provides administrative services to all three entities having an art program. The Alaska State Council on the Arts may use the money in this fund to commission or purchase art.

In 1999, a legal opinion indicated that a set-aside for art was insufficient to authorize expenditures for art unless the legislature appropriated money from the fund.

A 1999 audit found the program not functioning as envisioned because it did not set aside funding sources other than general funds. The audit recommended repeal of AS 44.27.060--the public art fund--and noted that the program was subject to conflicting direction and should be modified to clarify the intent, applicability and mechanics of the program.

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No statutory revisions were forthcoming, but this code was established in FY2001. This code has been used for several years to appropriate \$30.0 to the Alaska State Council on the Arts.

July 2014

The findings/recommendations of the 1999 audit appear to be unaddressed--the program does not appear to follow statute. Because only general funds are placed in the art fund, the classification of the art fund was changed from "other designated" funds to designated general funds.

July 2017

Changed from designated general funds to other (duplicated). General funds are counted when appropriated to the project and the appropriation from the AIPP fund is a duplicated appropriation, therefore classified as other.

August 2021

Changed the "CBR Sweep" designation to "Yes" from "No" per DOF/DLA sweep analysis.