

SENATE BILL NO. 141

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/16/18

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a biennial budget; relating to the salary and per diem of members of**
2 **the legislature and the governor; and providing for an effective date."**

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

4 * **Section 1.** AS 14.30.630(b) is amended to read:

5 (b) The agency shall

6 (1) provide special education services including

7 (A) itinerant outreach services to students who are deaf, deaf-
8 blind, intellectually disabled, developmentally disabled, hearing impaired,
9 blind and visually impaired, orthopedically disabled, health-impaired in other
10 ways, and severely emotionally disturbed, and to students with multiple
11 disabilities;

12 (B) special education instructional support and training of local
13 school district special education personnel; and

14 (C) other services appropriate to special education needs;

(2) provide for an annual audit of the agency;

(3) provide the department with a two-year plan of operation including a description of the services to be offered by the agency, the method by which the services will be evaluated, information on the number of students and school district personnel to be served, a schedule of funds available to the agency from all sources, and other information that may be required by the department by regulation;

(4) present **a biennial** [AN ANNUAL] budget to the department.

* **Sec. 2.** AS 18.23.300(b) is amended to read:

(b) The system established under this section must

(1) include infrastructure planning that involves

(A) the designation by the commissioner of a qualified entity or combination of qualified entities in the state that

(i) has an advisory or governing body made up of health system stakeholders that include members identified under (d) of this section;

(ii) applies for available federal and state funding for planning and implementation of the system authorized by the commissioner;

(iii) submits **a biennial** [AN ANNUAL] budget for approval of the commissioner;

(iv) complies with nondiscrimination and conflict of interest policies;

(v) meets and complies with federal and state health information policies and standards;

(vi) provides cost and cost saving data associated with the development and use of the system to the department;

(B) the development of statewide infrastructure to support the electronic health information exchange system established under this section and to connect electronic health records to the infrastructure;

(C) the development of a statewide technology plan, with the participation of identified stakeholders, to promote the implementation and

1 sustained use by public and private health care payors and providers of
 2 electronic health records and the system established under this section in order
 3 to ensure interoperability among government-operated health information
 4 systems and other public and private health information and reporting systems;

5 (D) the development of policies and standards, consistent with
 6 federal and state law, to safeguard the privacy and security of health
 7 information;

8 (E) the development of a training and workforce development
 9 plan for implementing and serving the system;

10 (F) an estimate of costs of the hardware, software, services, and
 11 support needed to implement and maintain the technical infrastructure; and

12 (2) include implementation measures that

13 (A) provide for installation and training on the use of the
 14 system;

15 (B) set out a plan to encourage health care provider, payor, and
 16 patient use of electronic records over a sustained period of time;

17 (C) provide support to providers for workflow redesign, quality
 18 improvement, and care management services;

19 (D) provide for participation by all identified stakeholders in
 20 the planning and implementation of the system;

21 (E) comply with federal and state health information policies;
 22 and

23 (F) provide for periodic evaluation and improvement of the
 24 system.

25 * **Sec. 3.** AS 22.30.040 is amended to read:

26 **Sec. 22.30.040. Preparation of budget.** The commission shall be responsible
 27 for preparing and presenting to the legislature its proposed [ANNUAL] budgets.

28 * **Sec. 4.** AS 23.30.009(a) is amended to read:

29 (a) The chair of the commission shall exercise general supervision over the
 30 office of the commission and over appeals and shall direct the administrative functions
 31 of the commission. The chair of the commission shall serve as the executive officer of

1 the commission and shall have authority in all administrative matters relating to the
2 members. The chair may

3 (1) employ and supervise commission staff and appoint a commission
4 clerk;

5 (2) establish and implement a time management system for the
6 commission members and staff and manage the calendar of appeals;

7 (3) assign the work of the commission members and staff so that
8 appeals are resolved as expeditiously and competently as possible;

9 (4) advise and cooperate with the board to develop appropriate
10 procedures for maintenance and transfer of hearing files and the preservation and
11 transfer of records on appeal; and

12 (5) prepare **a biennial** [AN ANNUAL] budget of the commission.

13 * **Sec. 5.** AS 23.30.241(b) is amended to read:

14 (b) **Appropriations** [ANNUAL APPROPRIATIONS] to fund the coverage
15 provided for in (a) of this section shall be provided for in the budget of the Department
16 of Public Safety.

17 * **Sec. 6.** AS 24.10.100 is amended by adding a new subsection to read:

18 (b) Unless, within the first 90 consecutive days of a regular legislative session,
19 including the day the legislature first convenes in that regular session, the biennial or
20 interim appropriation bills have been passed by the legislature as required under
21 AS 37.07.014(g) or (h), members of the legislature shall have their salaries suspended
22 until the first day after the biennial or interim appropriation bills have been passed by
23 the legislature as required under AS 37.07.014(g) or (h), or the first day of the next
24 regular legislative session, whichever occurs first. In this subsection, "passed by the
25 legislature" has the meaning given in AS 01.10.070.

26 * **Sec. 7.** AS 24.10.130(b) is amended to read:

27 (b) Legislators and officers and employees of the legislative branch of
28 government may be entitled to a per diem allowance; **however, if the biennial or**
29 **interim appropriation bills required under AS 37.07.014(g) or (h) have not been**
30 **passed by the legislature within the first 90 consecutive days of a regular**
31 **legislative session, including the day the legislature first convenes in that regular**

session, members of the legislature are not entitled to a per diem allowance for any day the legislature is in session after that 90-day period until the first day after the biennial or interim appropriation bills required under AS 37.07.014(g) or (h) have been passed by the legislature or on the first day of the next regular legislative session, whichever occurs first. In this subsection, "passed by the legislature" has the meaning given in AS 01.10.070.

* **Sec. 8.** AS 24.10.130(c) is amended to read:

(c) The Alaska Legislative Council shall adopt a policy in accordance with (b) of this section and AS 39.23.540(d) regarding reimbursement for moving expenses applicable to all legislators and an applicable per diem allowance policy. The policy must set conditions for the reimbursement for moving expenses and payment of per diem and prescribe the amounts of reimbursement adapted to the special needs of the legislative branch as determined by the council.

* **Sec. 9.** AS 24.20.130 is amended to read:

Sec. 24.20.130. Budgets. The council shall submit a budget of its anticipated needs [FOR EACH FISCAL YEAR] to the finance committees of the legislature. The executive director shall biennially [ANNUALLY] submit an estimated budget to the governor for information purposes in the preparation of the executive budget. The council staff shall also assist, as needed, in preparing a budget of the anticipated [ANNUAL] needs of the legislature.

* **Sec. 10.** AS 24.20.132 is amended to read:

Sec. 24.20.132. Legislative budget and expenses. The estimate of operating expenses for the legislature shall be included in the biennial [ANNUAL] budget submitted by the legislative council. A summary total by major item shall be submitted by the council to the governor for information purposes in the preparation of the executive budget. A detailed budget document shall be submitted to the house and senate finance committees. All disbursements from legislative appropriations shall be certified by the bonded certifying officer designated by the council.

* **Sec. 11.** AS 24.55.080(c) is amended to read:

(c) The ombudsman shall submit a budget [FOR EACH FISCAL YEAR] to the Alaska Legislative Council and the council shall biennially [ANNUALLY] submit

1 an estimated budget to the governor for information purposes in the preparation of the
 2 executive budget. After reviewing and approving, with or without modifications, the
 3 budget submitted by the ombudsman, the council shall submit the approved budget to
 4 the finance committees of the legislature.

5 * **Sec. 12.** AS 26.27.100(b) is amended to read:

6 (b) The corporation shall

7 (1) prepare an annual report of its operations to include a balance
 8 sheet, an income statement, a statement of changes in financial position, a
 9 reconciliation of changes in equity accounts, a summary of significant accounting
 10 principles, an auditor's report, comments regarding the year's business, and prospects
 11 from the next year; the report shall be completed by the third day of each regular
 12 session of the legislature, and the corporation shall notify the governor, the presiding
 13 officers of each house of the legislature, the University of Alaska, and the Legislative
 14 Budget and Audit Committee that the report is available;

15 (2) submit its **biennial** [ANNUAL] budget to the legislature through
 16 the governor as provided for state agencies by AS 37.07;

17 (3) establish a personnel management system for hiring employees and
 18 setting employee-benefit packages;

19 (4) establish procedures, rules, and rates governing per diem and travel
 20 expenses of the employees of the corporation in substantial conformity to statutes,
 21 procedures, rules, and rates governing state employees;

22 (5) fulfill its purposes, perform its duties, and exercise its power in a
 23 manner that does not interfere or restrict the educational and research functions of
 24 Poker Flat Research Range and the University of Alaska.

25 * **Sec. 13.** AS 37.05.555(b) is amended to read:

26 (b) The legislature may appropriate, **biennially** [ANNUALLY] and under
 27 AS 37.07 (Executive Budget Act), amounts from the University of Alaska building
 28 fund to the University of Alaska to pay the costs of use, management, operation,
 29 maintenance, and depreciation related to space in covered buildings managed under an
 30 agreement with the University of Alaska.

31 * **Sec. 14.** AS 37.05.600(b) is amended to read:

(b) Beginning with the appropriations for the fiscal year beginning July 1, 2008, on a biennial [AN ANNUAL] basis and under AS 37.07 (Executive Budget Act), the legislature may appropriate amounts from the Alaska veterans' cemetery fund to the Department of Military and Veterans' Affairs for the construction, operation, and maintenance of the Alaska veterans' cemeteries established under AS 44.35.035.

* **Sec. 15.** AS 37.07.010 is amended to read:

Sec. 37.07.010. Statement of policy. It is the purpose of this chapter to establish a comprehensive system for state program and financial management that furthers the capacity of the governor and legislature to plan and finance the services that they determine the state will provide for its citizens. The system must include procedures for

(1) the orderly establishment, continuing review, and periodic revision of the program goals and policies of state agencies and financial goals and policies of the state;

(2) the development, coordination, and review of long-range program and financial plans that will implement established state goals and policies;

(3) the preparation, coordination, analysis, and enactment of a budget that is organized to focus on the services provided by state agencies and on the cost of those services and that provides for implementation of policies and plans, in the succeeding budget period;

(4) the evaluation of alternatives to existing policies, plans, and procedures that offer potential for more efficient state services;

(5) the regular appraisal and reporting of program performance;

(6) public participation in the development of the biennial [ANNUAL] budget, including opportunity for the public to review and comment upon the plans and programs of the Office of the Governor and all state agencies in the executive branch, the legislature, the judicial system, the University of Alaska, and the public corporations of the state.

* **Sec. 16.** AS 37.07.014(e) is amended to read:

(e) The legislature shall

(1) provide for a post-audit function to cover financial transactions,

1 program accomplishment, and compliance with legislative intent;

2 (2) adopt or revise the estimate of receipts required to balance each
 3 [THE SUCCEEDING] fiscal year of the biennial [YEAR'S] budget in order that
 4 proposed expenditures do not exceed estimated receipts for each [THAT] fiscal year
 5 of the biennial budget;

6 (3) adopt, revise, or initiate revenue measures in order to balance the
 7 biennial [SUCCEEDING FISCAL YEAR'S] budget and the capital improvements
 8 section of the budget for the succeeding six years.

9 * **Sec. 17.** AS 37.07.014 is amended by adding new subsections to read:

10 (g) In a legislature's first regular session, a legislature shall pass
 11 comprehensive biennial appropriation bills

12 (1) authorizing the operating and capital expenditures of the state's
 13 integrated comprehensive mental health program under AS 37.14.003(a);

14 (2) authorizing state operating expenditures other than those included
 15 in the state's integrated comprehensive mental health program; and

16 (3) authorizing capital expenditures other than those included in the
 17 state's integrated comprehensive mental health program.

18 (h) In a legislature's second regular session, a legislature shall pass an interim
 19 appropriation bill authorizing unanticipated operating and capital expenditures in the
 20 second fiscal year of the biennium.

21 * **Sec. 18.** AS 37.07.020(a) is amended to read:

22 (a) Beginning December 15, 2018, and every two years thereafter, the
 23 [THE] governor shall prepare a biennial budget for the succeeding two fiscal years
 24 [YEAR] that must cover all estimated receipts, including all grants, loans, and money
 25 received from the federal government and all proposed expenditures of the state
 26 government. The biennial budget shall be organized so that the proposed expenditures
 27 for each agency are presented separately by fiscal year. The biennial budget must be
 28 accompanied by the information required under AS 37.07.050 and by the following
 29 separate bills: (1) an appropriation bill authorizing the operating and capital
 30 expenditures of the state's integrated comprehensive mental health program under
 31 AS 37.14.003(a); (2) an appropriation bill authorizing state operating expenditures

other than those included in the state's integrated comprehensive mental health program; (3) an appropriation bill authorizing capital expenditures other than those included in the state's integrated comprehensive mental health program; and (4) a bill or bills covering recommendations, if any, in the budget for new or additional revenue. The **biennial** budget for the succeeding fiscal **years** [YEAR] and each of the bills shall become public information on December 15 at which time the governor shall submit copies to the legislature and make copies available to the public. The bills, identical in content to the copies released on December 15, shall be delivered to the rules committee of each house before the fourth legislative day of the next regular session for introduction.

* **Sec. 19.** AS 37.07.020(b) is amended to read:

(b) **Beginning December 15, 2018, and every two years thereafter, in** [IN] addition to the **biennial** budget and bills submitted under (a) of this section, the governor shall submit a capital improvements program covering the succeeding six fiscal years. The governor shall also submit a fiscal plan with estimates of significant sources and uses of funds for the succeeding 10 fiscal years. The fiscal plan

(1) must include sufficient details to identify

(A) significant sources of funds;

(B) significant uses of funds, including lump sum projections

of

(i) operating expenditures;

(ii) capital expenditures;

(iii) debt service expenditures;

(iv) fund capitalizations;

(v) appropriations of income of the Alaska permanent fund (art. IX, sec. 15, Constitution of the State of Alaska), if any;

(2) must balance sources and uses of funds held while providing for essential state services and protecting the economic stability of the state;

(3) must include projected balances of significant funds held in separate accounts, including the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), the public education fund (AS 14.17.300), and the Alaska capital

1 income fund (AS 37.05.565);

2 (4) must set out significant assumptions used in the projections with
3 sufficient detail to enable the legislature to rely on the fiscal plan in understanding,
4 evaluating, and resolving issues of state budgeting, including information that supports
5 major areas of operating increases, such as population demographics that affect the
6 need for particular government services.

7 * **Sec. 20.** AS 37.07.020 is amended by adding new subsections to read:

8 (f) Beginning December 15, 2019, and every two years thereafter, the
9 governor shall prepare an interim budget proposal and appropriation bills for the
10 second fiscal year of the biennial budget to cover amended budget items and
11 expenditures and revenues not anticipated in the approved biennial budget including
12 any unanticipated reduction in revenues. The interim budget proposal and
13 appropriations bills shall become public information on December 15, 2019, and every
14 two years thereafter at which time the governor shall submit copies to the legislature
15 and make copies available to the public. The bills, identical in content to the copies
16 released on December 15, shall be delivered to the rules committee of each house
17 before the fourth legislative day of the next regular session for introduction.

18 (g) If appropriation bills authorizing the operating and capital expenditures of
19 the state including the mental health program as set out in (a) of this section are not
20 made public and submitted to the legislature by December 15, the salary of the
21 governor shall be suspended and the governor is not entitled to a daily per diem
22 allowance until the first day after the appropriation bills have been made public.

23 * **Sec. 21.** AS 37.07.040 is amended to read:

24 **Sec. 37.07.040. Office of management and budget.** The Alaska office of
25 management and budget shall

26 (1) assist the governor in meeting the requirements of AS 37.07.020
27 and 37.07.060, including the coordination and analysis of state agency goals and
28 objectives, plans, and budget requests;

29 (2) prepare for submission to the governor a biennially [AN
30 ANNUALLY] updated six-year capital improvements program and the proposed
31 capital improvements budget for the coming two fiscal years [YEAR], the latter to

1 include individual project justification with documentation of estimated project cost;

2 (3) develop procedures to produce the information needed for effective
3 policy decision making, including procedures to provide for the dissemination of
4 information about plans, programs, and budget requests to be included in the **biennial**
5 [ANNUAL] budget and opportunity for public review and comment during the period
6 of budget preparation;

7 (4) assist state agencies in their statement of goals and objectives to
8 achieve, among other things, the legislature's mission and desired results, preparation
9 of plans, assessments of the extent to which missions and desired results have been
10 achieved, budget requests, and reporting of program performance; all documents
11 forwarded by the office to a state agency containing instructions for the preparation of
12 program plans and budget requests and the reporting of program performance are
13 public information after the date they are forwarded;

14 (5) administer its responsibilities under the program execution
15 provisions of this chapter so that the policy decisions and budget determinations of the
16 governor and the legislature are implemented;

17 (6) provide the legislative finance division with the budget information
18 it may request;

19 (7) provide the legislative finance division with an advance copy of the
20 governor's budget workbooks at least seven days before the legislature convenes in a
21 regular session;

22 (8) prepare the proposed capital improvements budget for the **next two**
23 **consecutive** [COMING] fiscal **years** [YEAR] evaluating both state and local requests
24 from the standpoint of need, equity, and priorities of the jurisdiction; other factors
25 such as project amounts, population, local financial match, federal funds being used
26 for local match, municipality or unincorporated community acceptance of the facility,
27 and all associated costs of the facility may be considered;

28 (9) for each department in the executive branch, report to the
29 legislature by the 45th day of each regular session the amount of money appropriated
30 to the department that is expected to lapse into the general fund at the end of the
31 current fiscal year;

(10) establish and administer a state agency program performance management system involving planning, performance budgeting, performance measurement, and program evaluation; the office shall ensure that information generated under this system is useful for managing and improving the efficiency and effectiveness of agency operations;

(11) by January 15, list each lease-purchase agreement entered into by an agency during the immediately preceding fiscal year for the acquisition of equipment or other personal property, together with a description of the property acquired and financial details, including the purchase price, the term for payments, the amount of each payment, and the amount of interest or financing charges paid;

(12) work with state agencies to develop a standardized methodology to collect and store energy consumption and expense data.

* **Sec. 22.** AS 37.07.050(a) is amended to read:

(a) The agencies shall assure the development of a statewide system of results-based government designed to increase efficiency and effectiveness of state programs and services. Toward that end, each state agency shall, on a semi-annual basis, identify results-based measures that have been used to work toward achievement of the mission statement and desired results issued by the legislature and of other goals of the agency, and set out the results as measured. **Beginning in 2018 and every two years thereafter, each** [EACH] state agency shall also prepare information that shall be compiled and submitted on December 15 **with the biennial budget** [EACH YEAR] to the office, the legislature, and the legislative finance division; this information must

(1) identify the agency mission and desired results established by the legislature;

(2) identify the goals and objectives the agency will use to achieve the legislature's mission and desired results;

(3) set out the results of any user group surveys and, if the results do not agree with the mission and desired results, goals, and objectives, explain why;

(4) include written, defined methods of measuring results that apply to the responsibilities, products, and services of the agency;

(5) identify results-based measures that have been used to work toward

1 achievement of the mission statement and desired results issued by the legislature and
 2 other goals of the agency and set out the results as measured;

3 (6) identify surveys or other methods of gathering user group opinions
 4 that have been used by the agency to identify ways to improve its programs;

5 (7) identify methods of measuring performance when the mission
 6 statement and desired results issued by the legislature involve more than one agency
 7 and make recommendations to eliminate duplication of government functions and
 8 waste;

9 (8) identify ways in which the agency has involved its employees in
 10 the development of methods of measuring results, including opportunities for
 11 employee representatives to participate in committees established to develop methods
 12 of measuring results;

13 (9) include the budget requested to carry out the agency's proposed
 14 plans in the succeeding two fiscal years [YEAR], including information reflecting the
 15 expenditures during the last fiscal year, the expenditures authorized for the current
 16 fiscal year, the expenditures proposed for the succeeding two fiscal years [YEAR], an
 17 explanation of the services to be provided, the number of total positions for all persons
 18 employed or under contract by the agency for personal services including those
 19 rendered for capital improvement projects, the need for the services, the cost of the
 20 services, and other information requested by the office;

21 (10) include a report of agency receipts during the last fiscal year, an
 22 estimate of receipts during the current fiscal year, and an estimate of receipts for the
 23 succeeding two fiscal years [YEAR];

24 (11) identify legislation required to implement the proposed programs
 25 and financial plans;

26 (12) include an evaluation of the advantages and disadvantages of
 27 specific alternatives to existing or proposed agency activities or administrative
 28 methods;

29 (13) prioritize the activities of the agency from the most important to
 30 the least important.

31 * **Sec. 23.** AS 37.07.060 is amended to read:

1 **Sec. 37.07.060. Governor's recommendation. (a) Beginning December 15,**
 2 **2018, and every two years thereafter, the** [THE] governor shall formulate the
 3 **biennial** operating and capital budget, capital improvements program, and fiscal plan
 4 required to be recommended to the legislature by AS 37.07.020 after considering the
 5 state agency proposed program and financial plans prepared in accordance with
 6 AS 37.07.050, and other programs and alternatives that the governor considers
 7 appropriate. The plans must include the governor's recommended missions and results,
 8 recommended strategies to implement the missions and results, recommended
 9 measures for determining whether the missions and desired results are achieved,
 10 including an assessment of whether prior year missions and desired results have been
 11 achieved, recommended operating program for the succeeding **biennium** [FISCAL
 12 YEAR], recommended capital improvements program for the succeeding six fiscal
 13 years, recommended programs for the upgrading of public buildings and facilities
 14 prepared in accordance with AS 35.10.015, and recommended revenue measures to
 15 support the programs.

16 (b) **Beginning December 15, 2018, and every two years thereafter, the**
 17 [THE] governor shall present the proposed comprehensive **biennial** operating and
 18 capital improvements programs, and fiscal plan if it is required under
 19 AS 37.07.020(b), in a message to a joint session of the legislature before the fourth
 20 legislative day following the convening of the legislature in regular session. The
 21 message must be accompanied by an explanatory report that summarizes
 22 recommended goals, plans, and appropriations. The report must contain

23 (1) the coordinated program goals and objectives that the governor
 24 recommends to guide the decisions on the proposed program plans and budget
 25 appropriations;

26 (2) the governor's operating program and budget recommendations for
 27 the succeeding **two** fiscal **years** [YEAR] organized by agency as required by
 28 AS 37.07.020(a);

29 (3) the governor's capital improvements program and budget
 30 recommendations for the succeeding **two** fiscal **years** [YEAR] and capital
 31 improvements program for the succeeding six fiscal years, which must include

1 (A) a description of each project, its estimated cost for the year
 2 construction is to start and the estimated cost of the project adjusted for
 3 inflation over the estimated period of construction, and the source of financing
 4 for the project; the project description for a new building or a new facility or
 5 for a major addition to a building or facility should include a site plan,
 6 preliminary drawings, and architect's or engineer's total cost estimate for the
 7 project;

8 (B) a summary of projects previously authorized and not yet
 9 completed;

10 (C) a summary, listed by agency, of all previously proposed
 11 projects that have been deferred beyond the six years covered by the plan and
 12 the year in which construction has been rescheduled to begin;

13 (D) a forecast of the debt structure of the state and the various
 14 debt ratios over the life of the state's bonds outstanding, bonds authorized and
 15 to be issued, and bond authorizations recommended in the plan;

16 (E) a description of additional revenue measures needed to
 17 finance the plan in lieu of debt;

18 (F) bond election bills to authorize the bonds required to fund
 19 the projects scheduled for the first three years of the plan;

20 (G) projections of population of the state and its regions and
 21 communities;

22 (H) economic data and projections necessary for the evaluation
 23 of the plan;

24 (4) a summary of state receipts in the last fiscal year, a revised estimate
 25 for the current fiscal year, and an estimate for the succeeding **two** fiscal **years**
 26 [YEAR];

27 (5) a summary of expenditures during the last fiscal year, those
 28 authorized for the current fiscal year, and an estimate for the succeeding **two** fiscal
 29 **years** [YEAR];

30 (6) any additional information that will facilitate understanding of the
 31 governor's proposed programs and financial plans by the legislature and the public.

1 * **Sec. 24.** AS 37.07.070 is amended to read:

2 **Sec. 37.07.070. Legislative review.** The legislature shall consider the
3 governor's proposed comprehensive operating and capital improvements programs,
4 and fiscal plan if it is required under AS 37.07.020(b), evaluate alternatives to the
5 plans, make program selections among the various alternatives, and determine, subject
6 to available revenues, the level of funding required to support authorized state
7 services. The presiding officer of each house may refer the fiscal plan to one or more
8 committees. If the fiscal plan is referred, the first committee of referral shall hold at
9 least one hearing on it. The operating and capital budgets of each agency shall be
10 separately reviewed. During each regular session of the legislature, legislative review
11 of the governor's supplemental appropriation bills and the governor's budget
12 amendments are governed by the following time limits:

13 (1) requests by the governor for supplemental appropriations for state
14 agency operating and capital budgets for the current fiscal year may be introduced by
15 the rules committee only through the 15th legislative day;

16 (2) requests by the governor for budget amendments to state agency
17 budgets for the **biennial** budget [FISCAL YEAR] may be received and reviewed by
18 the finance committees only through the 30th legislative day **of the first regular**
19 **session;**

20 **(3) requests by the governor for amendments to state agency**
21 **budgets for the second fiscal year of the biennial budget may be received and**
22 **reviewed by the finance committees only through the 30th legislative day of the**
23 **second regular session.**

24 * **Sec. 25.** AS 37.07.080(b) is amended to read:

25 (b) Each state agency shall prepare **a biennial** [AN ANNUAL] plan for the
26 operation of each of its assigned programs except for programs that are exempted from
27 this requirement by the office. The operations plan shall be prepared in the form and
28 content and be transmitted on the date prescribed by the office.

29 * **Sec. 26.** AS 37.07.120 is amended by adding new paragraphs to read:

30 (11) "biennial budget" means an appropriations request covering two
31 fiscal years, submitted in alternate years, beginning December 15, 2018;

(12) "interim budget" means an appropriations request covering unanticipated expenditures and revenues for a fiscal year, submitted in alternate years, beginning December 15, 2019.

* **Sec. 27.** AS 37.14.005(a) is amended to read:

(a) The legislature shall [ANNUALLY] pass and transmit to the governor a bill making appropriations of money for **each fiscal year** for the state's integrated comprehensive mental health program.

* **Sec. 28.** 37.14.415 is amended to read:

Sec. 37.14.415. Budget and reports. The state trustees shall

(1) submit to the governor and the legislature by December 15 of each year a report setting out, for each object or purpose of expenditure, the amounts approved for expenditure from the trust during the preceding fiscal year and the amounts actually expended during the preceding fiscal year;

(2) prepare and submit, under AS 37.07 (Executive Budget Act), a **biennial** budget [FOR THE NEXT FISCAL YEAR] setting out, for each object or purpose of expenditure, the trustees' estimate of the amounts that are, during the next **biennium** [FISCAL YEAR], to be funded by the trust and expended by state agencies; and

(3) prepare and submit to the legislature at the same time the budget for state agency expenditures is submitted under (2) of this section, a proposal setting out, for each object or purpose of expenditure, the trustees' estimate of the amounts that are to be funded by the trust in the next **biennium** [FISCAL YEAR] and that are not included in the budget submitted under (2) of this section.

* **Sec. 29.** AS 38.04.020(e) is amended to read:

(e) The commissioner shall [ANNUALLY] submit to the governor an appropriation request for funding estimated to be necessary for the next two years to allow

(1) survey and disposal of land proposed to be made available for homestead staking, with the general location of the land;

(2) survey and disposal of land to be offered as agricultural, commercial, industrial, or other uses under AS 38.05.055 or 38.05.057, with the

1 general location of the land;

2 (3) the survey and disposal of land proposed to be offered as
3 subdivisions, with the general location of the land;

4 (4) preliminary feasibility studies, engineering design work, right-of-
5 way acquisition, and construction of access roads and capital improvements required
6 by municipal subdivision ordinance or regulation of the platting authority;

7 (5) identification of land that will be proposed for disposal under this
8 subsection in future fiscal years.

9 * **Sec. 30.** AS 39.30.050 is amended to read:

10 **Sec. 39.30.050. Administrative costs.** The department shall collect from each
11 participating political subdivision its respective pro rata share of the expenses incurred
12 in the administration of AS 39.30.010 - 39.30.080. The amounts collected from
13 participating political subdivisions, together with money appropriated by the state for
14 covering the state's share of administrative costs, shall be deposited in an FICA
15 administration fund and are not allocable to any other purpose. Expenditures from the
16 FICA administration fund shall be included in the governor's budget for each
17 **biennium** [FISCAL YEAR] and are subject to appropriation by the legislature. At the
18 time of preparation of the governor's **biennial** [ANNUAL] budget the department
19 shall review the FICA administration fund and adjust the rate of assessment on
20 political subdivisions so as to prevent the accumulation of more money than is needed
21 to administer AS 39.30.010 - 39.30.080.

22 * **Sec. 31.** AS 43.08.035(c) is amended to read:

23 (c) The commissioner shall make available to the legislature by the third
24 Monday of each January a report setting out in detail the amount appropriated from
25 the general fund under this section for the previous fiscal year, the amount anticipated
26 during the current fiscal year, and an amount forecast for the next **two fiscal years**
27 [FISCAL YEAR]. The commissioner shall notify the legislature that the report is
28 available.

29 * **Sec. 32.** AS 44.21.045(e) is amended to read:

30 (e) A state agency that receives information services from the department shall
31 include in its **biennial** [ANNUAL] budget, as an identifiable item, its expected fees

1 and surcharges for information services provided by the Department of
2 Administration.

3 * **Sec. 33.** AS 44.85.110 is amended to read:

4 **Sec. 44.85.110. Biennial [ANNUAL] budget.** The bond bank authority shall
5 prepare and submit **a biennial** [AN ANNUAL] budget under AS 37.07 (Executive
6 Budget Act).

7 * **Sec. 34.** AS 47.80.090 is amended to read:

8 **Sec. 47.80.090. Responsibilities.** The council shall

9 (1) serve as a forum by which issues and benefits regarding current and
10 potential services to disabled persons may be discussed by consumer, public, private,
11 professional, and lay interests;

12 (2) advocate the needs of disabled persons before the executive and
13 legislative branches of the state government and before the public;

14 (3) advise the executive and legislative branches of the state
15 government and the private sector on programs and policies pertaining to current and
16 potential services to disabled persons and their families;

17 (4) submit periodic reports to the commissioner of health and social
18 services, the commissioner of education and early development, and to other
19 appropriate departments, on the effects of current federal and state programs regarding
20 services to disabled persons; these reports must include program performance reports
21 to the governor, the federal government, and state agencies as required under 20
22 U.S.C. 1482 and 42 U.S.C. 15025;

23 (5) in conjunction with the Departments of Health and Social Services
24 and Education and Early Development, develop, prepare, adopt, periodically review,
25 and revise as necessary an annual state plan prescribing programs that meet the needs
26 of persons with developmental disabilities as required under 42 U.S.C. 15024;

27 (6) review and comment to commissioners of state departments on all
28 state plans and proposed regulations relating to programs for persons who are
29 experiencing disabilities before the adoption of a plan or regulation; for this purpose,
30 the appropriate departments shall submit the plans and proposed regulations to the
31 council;

1 (7) recommend the priorities and specifications for the use of funds
2 received by the state under 20 U.S.C. 1471 - 1482 and 42 U.S.C. 15001 - 15083;

3 (8) submit **biennially** [ANNUALLY] to the commissioner of health
4 and social services, the commissioner of education and early development, and the
5 commissioner of commerce, community, and economic development a proposed
6 interdepartmental program budget for services to disabled persons that includes,
7 insofar as possible, projected revenues and expenditures for programs implemented by
8 state agencies, local governmental agencies, and private organizations; the
9 interdepartmental program budget is an informational supplement to the regular
10 **biennial** [ANNUAL] budgetary submissions of the departments to the Office of the
11 Governor;

12 (9) provide information and guidance for the development of
13 appropriate special educational programs and services for a child with a disability as
14 defined in AS 14.30.350;

15 (10) monitor and evaluate budgets or other implementation plans and
16 programs for disabled persons to assure nonduplication of services and encourage
17 efficient and coordinated use of federal, state, and private resources in the provision of
18 services; members of the council, with the approval of the council, have access to
19 information in the possession of state agencies subject to disclosure restrictions
20 imposed by state or federal confidentiality or privacy laws;

21 (11) perform other duties required under applicable federal laws or
22 AS 14.30.231 and as the governor may assign;

23 (12) govern the special education service agency and may hire
24 personnel necessary to operate the agency; and

25 (13) provide to the Alaska Mental Health Trust Authority for its
26 review and consideration recommendations concerning the integrated comprehensive
27 mental health program for the people of the state who are described in
28 AS 47.30.056(b)(2) and the use of the money in the mental health trust settlement
29 income account in a manner consistent with regulations adopted under AS 47.30.031.

30 * **Sec. 35.** This Act takes effect July 1, 2018.