Alaska State Legislature

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## **REPRESENTATIVE MIKE CHENAULT** SPEAKER OF THE ALASKA STATE HOUSE

## Sectional Analysis

## HB 30

## "An Act relating to performance reviews and audits of executive branch agencies, the University of Alaska, the Legislature and the Alaska Court System; and providing for an effective date."

This is a summary only. Note that this sectional analysis should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

<u>Section 1</u>--requires the Legislative Finance Division to identify the reduction in state expenditures in the first fiscal year following audit of an agency by Legislative Audit under proposed AS 44.66.040, added by section 6 of the bill, and report that amount to the Legislative Audit and Budget Committee.

<u>Section 2</u>--deletes existing language authorizing Legislative Audit to conduct performance post-audit of programs and activities of agencies, and to terminate programs and activities of agencies. The section also adds language authorizing Legislative Audit to conduct a performance review of certain agencies.

Section 3--requires Legislative Audit to keep the performance review reports on file.

<u>Section 4</u>--requires an annual report produced by the Legislative Budget and Audit Committee to include actual and projected reductions in state expenditures from the agency reviews.

<u>Section 5</u>-repeals and reenacts AS 44.66.020. The statute now requires Legislative Audit to ensure that the review team conducts a performance review of the agencies listed in the statute. The statute also lists the years in which the first review shall be conducted.

<u>Section 6</u>--sets out the duties of the review team, including scheduling hearings, collaborating with other agencies, consulting other states and organization, analyzing material relevant to the performance review of the agency, and providing preliminary and final reports by specific dates. Requires the Legislative Budget and Audit Committee to track and publish actual reductions in state expenditures as a result of the review team's audit. Allows the House and Senate Finance Committees to incorporate the recommendations of the review team into the budget.

Section 7--removes references to agency programs in AS 44.66.050.

<u>Section 8</u>--adds clarifying language to AS 44.66.060 so that a claim against a program of an agency terminated by the legislature does not extinguish the claim.

Section 9--defines "agency" and "review team."

Section 10-- repeals AS 44.66.030.

Section 11----repeals AS 24.20.231(7), 24.20.271(2), 24.20.311(b), AS 44.66.020, and 44.66.040 on July 1, 2023.

Section 12--provides an effective date of July 1, 2013.