

HOUSE CS FOR SENATE BILL NO. 1(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/2/95

Referred: Rules

Sponsor(s): SENATORS TAYLOR, Kelly, Halford, Sharp

REPRESENTATIVES Kohring, Rokeberg, James

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to state implementation of federal statutes."**

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

3 *** Section 1. FINDINGS AND INTENT.** (a) The legislature finds that

4 (1) the people of the state, acting through their elected state officers, retain the
5 authority to establish state policy regarding the implementation of many federal statutes;

6 (2) implementation of federal policies in the state by federal agencies in ways
7 contrary to fundamental notions of federalism and self-determination on the state level must
8 be identified and countered;

9 (3) there is an urgent need to modify certain mandates imposed on the state
10 by the federal government because the implementation of those mandates wastes the financial
11 resources of the state, municipalities, and state residents and may undermine policies set by
12 the state;

13 (4) federal regulators frequently do not understand the needs and priorities of
14 this state;

15 (5) the tenth amendment to the United States Constitution directs that powers

1 not delegated to the United States are reserved to the states or to the people, yet the federal
2 government has intruded more and more into areas that must be left to the states;

3 (6) state government has a responsibility to monitor federal mandates to ensure
4 that they do not unduly conflict with state policy or go beyond the bounds imposed by the
5 tenth amendment to the United States Constitution.

6 (b) It is the intent of the legislature to assure that state government scrutinizes the
7 extent and scope of authority asserted by the federal government in imposing mandated
8 programs on the state to determine whether these mandates are inconsistent with state policy
9 or exceed the lawful authority of the federal government.

10 * **Sec. 2.** AS 37 is amended by adding a new chapter to read:

11 CHAPTER 40. IMPLEMENTATION OF FEDERAL MANDATES.

12 Sec. 37.40.010. STATE PROGRAMS IMPLEMENTING FEDERAL
13 MANDATES. (a) The commissioner of each department or head of another agency
14 in the executive branch shall, every four years, review each program administered by
15 that department or agency that implements federal statutes that impose mandated duties
16 on the state. The commissioner or agency head shall also review federal statutes,
17 regulations, guidelines, and policies that pertain to the program and identify those
18 provisions that are inconsistent with state policy or are not cost-effective. The
19 commissioner or agency head shall prepare a report describing the materials reviewed,
20 setting out conclusions, and making recommendations for changes in federal law to
21 make the program consistent with state policy or more cost-effective. A copy of the
22 review prepared under this subsection shall be delivered to the governor and the
23 Legislative Budget and Audit Committee by February 1.

24 (b) The commissioner of a department or head of another agency of the
25 executive branch authorized to develop a state program to respond to mandates
26 contained in federal statute shall, with the assistance of the Department of Law, review
27 the applicable federal statutes, regulations, guidelines, and policies to determine
28 whether the federal government has exceeded its authority to impose mandates on the
29 state. If it is determined that the federal government may have exceeded its authority,
30 the commissioner or agency head shall submit a written report to the governor and the
31 Legislative Budget and Audit Committee setting out the basis for this determination.

1 (c) A department or other agency of the executive branch authorized to
2 develop a state program to respond to mandates contained in federal statute shall

3 (1) give due consideration to the financial restraints of the state and
4 municipalities in the development of the program; and

5 (2) devise a program that is as efficient as possible in terms of long-
6 range public benefit and cost.

7 Sec. 37.40.020. LEGISLATIVE REVIEW OF FEDERAL MANDATES. (a)
8 Upon receipt of a report under AS 37.40.010(a) or (b), the Legislative Budget and
9 Audit Committee shall review the report and may seek additional information
10 regarding the federal mandate involved. The Legislative Budget and Audit Committee
11 may enter into contracts for research into legal theories that may support the right of
12 the state to oppose the federal mandate or research into more cost-effective methods
13 of implementing the mandate.

14 (b) Based upon its review under (a) of this section, the Legislative Budget and
15 Audit Committee may submit a report of its recommendations to the governor and the
16 legislature regarding

17 (1) the need to seek a change in federal statute, regulation, or policy
18 to ensure that the federal mandate is consistent with state policy and suited to the
19 needs of the state;

20 (2) ways in which the state program might be altered to more
21 efficiently implement the federal mandate;

22 (3) the possibility of pursuing a legal challenge to the validity of the
23 mandate.

24 * **Sec. 3.** APPLICATION. The first report prepared under AS 37.40.010(a) is due for
25 delivery to the governor and the Legislative Budget and Audit Committee by February 1,
26 1996.