

**SENATE CS FOR CS FOR HOUSE BILL NO. 419(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 4/10/08**

**Referred: Rules**

**Sponsor(s): HOUSE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to state lease-purchases of equipment and other personal property;**  
2 **and providing for an effective date."**

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

4 **\* Section 1.** AS 36.30.085(a) is amended to read:

5 (a) To perform its duties and statutory functions, the department, the Board of  
6 Regents of the University of Alaska, the legislative council, or the supreme court may  
7 enter into lease-purchase agreements **for real property**. The department, the Board of  
8 Regents, the legislative council, or the supreme court may enter into a lease-purchase  
9 agreement only if the department, the Board of Regents, the legislative council, or the  
10 supreme court is the lessee under the agreement.

11 **\* Sec. 2.** AS 36.30 is amended by adding a new section to article 1 to read:

12 **Sec. 36.30.086. Lease-purchase of personal property.** (a) To perform its  
13 duties and statutory functions, an agency, the Board of Regents of the University of  
14 Alaska, the legislative council, the Legislative Budget and Audit Committee, the

1 office of victims' rights, the office of the ombudsman, or the supreme court may enter  
 2 into lease-purchase agreements for the acquisition of equipment or other personal  
 3 property. The government entity is the lessee under the agreement.

4 (b) If a government entity enters into a lease-purchase agreement under (a) of  
 5 this section that exceeds \$100,000 in payments by the state, the government entity  
 6 shall provide notice to the presiding officers and finance committee chairs of the house  
 7 and senate. The notice must describe the property that is the subject of the agreement  
 8 and must set out the terms of the lease-purchase.

9 \* **Sec. 3.** AS 37.07.040 is amended to read:

10 **Sec. 37.07.040. Office of management and budget.** The Alaska office of  
 11 management and budget shall

12 (1) assist the governor in the preparation and explanation of the  
 13 proposed comprehensive program and financial plan, including the coordination and  
 14 analysis of state agency goals and objectives, plans, and budget requests;

15 (2) prepare for submission to the governor an annually updated six-  
 16 year capital improvements program and the proposed capital improvements budget for  
 17 the coming fiscal year, the latter to include individual project justification with  
 18 documentation of estimated project cost;

19 (3) develop procedures to produce the information needed for effective  
 20 policy decision making, including procedures to provide for the dissemination of  
 21 information about plans, programs, and budget requests to be included in the annual  
 22 budget and opportunity for public review and comment during the period of budget  
 23 preparation;

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

31 (5) administer its responsibilities under the program execution

1 provisions of this chapter so that the policy decisions and budget determinations of the  
2 governor and the legislature are implemented;

3 (6) provide the legislative finance division with the budget information  
4 it may request;

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

8 (8) prepare the proposed capital improvements budget for the coming  
9 fiscal year evaluating both state and local requests from the standpoint of need, equity,  
10 and priorities of the jurisdiction; other factors such as project amounts, population,  
11 local financial match, federal funds being used for local match, municipality or  
12 unincorporated community acceptance of the facility, and all associated costs of the  
13 facility may be considered;

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

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

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

29 \* **Sec. 4.** This Act takes effect July 1, 2008.