

**HOUSE BILL NO. 84**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES REINBOLD, Tilton, Keller, Hughes, Talerico

Introduced: 1/28/15

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the Legislative Budget and Audit Committee; and requiring state  
2 agencies, municipalities, and regional educational attendance areas to report on federal  
3 receipts."

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

5 \* **Section 1.** AS 24.20.206 is amended to read:

6 **Sec. 24.20.206. Duties.** The Legislative Budget and Audit Committee shall

7 (1) annually review the long-range operating plans of all agencies of  
8 the state that perform lending or investment functions;

9 (2) review periodic reports from all agencies of the state that perform  
10 lending or investment functions;

11 (3) prepare a complete report of investment programs, plans,  
12 performance, and policies of all agencies of the state that perform lending or  
13 investment functions and notify the legislature on or before the first day of each  
14 regular session that the report is available;

1 (4) in conjunction with the finance committee of each house,  
2 recommend annually to the legislature the investment policy for the general fund  
3 surplus and for the income from the permanent fund;

4 (5) provide for an annual post audit and annual operational and  
5 performance evaluation of the Alaska Permanent Fund Corporation investments and  
6 investment programs;

7 (6) provide for an annual operational and performance evaluation of  
8 the Alaska Housing Finance Corporation and the Alaska Industrial Development and  
9 Export Authority; the performance evaluation must include, but is not limited to, a  
10 comparison of the effect on various sectors of the economy by public and private  
11 lending, the effect on resident and nonresident employment, the effect on real wages,  
12 and the effect on state and local operating and capital budgets of the programs of the  
13 Alaska Housing Finance Corporation and the Alaska Industrial Development and  
14 Export Authority;

15 (7) provide assistance to the trustees of the trust established in  
16 AS 37.14.400 - 37.14.450 in carrying out their duties under AS 37.14.415;

17 **(8) review the annual report submitted by the Department of**  
18 **Administration under AS 37.05.215(b) for the preceding fiscal year at the next**  
19 **regular meeting of the committee and recommend to the legislature whether to**  
20 **reduce or repeal any appropriations based on the report.**

21 \* **Sec. 2.** AS 37.05 is amended by adding a new section to article 2 to read:

22 **Sec. 37.05.215. Federal receipts reporting requirements.** (a) On or before  
23 October 31 each year, each state agency and municipality shall prepare and submit to  
24 the Department of Administration a report that

25 (1) states the total amount of federal receipts the state agency or  
26 municipality received for the previous fiscal year;

27 (2) identifies all conditions or requirements a state agency or  
28 municipality shall meet to receive the federal receipts;

29 (3) states whether the state is required to match, supplement, or replace  
30 the federal receipts if the receipts diminish;

31 (4) states the aggregate amount of federal receipts appropriated by the

1 legislature to the state agency or municipality in the previous fiscal year;

2 (5) states the percentage of the total budget that the federal receipts  
3 represent for the state agency or municipality for the previous fiscal year;

4 (6) describes the plan for operating the state agency or municipality if  
5 there is a reduction of

6 (A) between five and 25 percent in the amount of federal  
7 receipts received by the state agency or municipality; and

8 (B) more than 25 percent in the amount of federal receipts  
9 received by the state agency or municipality.

10 (b) By November 30 of each year, the Department of Administration shall  
11 prepare and submit to the Legislative Budget and Audit Committee a report that

12 (1) compiles and summarizes the information submitted under (a) of  
13 this section;

14 (2) compares the aggregate value of the federal receipts each state  
15 agency and municipality received for the previous fiscal year to the total budget of the  
16 state agency or municipality for the same fiscal year; and

17 (3) identifies any state agencies or municipalities that did not submit  
18 the information required in (a) of this section.

19 (c) A state agency or municipality may not accept federal receipts that require  
20 the state to match, supplement, or replace the federal receipts without an appropriation  
21 for the amount of the match, supplement, or replacement by the legislature.

22 (d) In this section,

23 (1) "federal receipts" means financial assistance that a state agency or  
24 municipality receives in the form of grants, loans, loan guarantees, property,  
25 cooperative agreements, interest subsidies, insurance, food commodities, direct  
26 appropriations, incentives, or other assistance from the federal government that is  
27 reported as part of a single audit;

28 (2) "state agency" means, notwithstanding the definition in  
29 AS 37.05.990, a department, institution, board, commission, division, authority, public  
30 corporation, committee, regional educational attendance area, or other administrative  
31 unit of the executive branch of state government, including the University of Alaska;

1 "state agency" does not include an office or entity in the judicial or legislative branch  
2 of state government.