

SENATE BILL NO. 138

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY SENATOR MYERS

Introduced: 5/7/21

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to transfers or changes between allocations by state agencies."**

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

3 * **Section 1.** AS 37.07.080(e) is amended to read:

4 (e) **Except as provided in (i) of this section, transfers** [TRANSFERS] or
 5 changes between objects of expenditures or between allocations may be made by the
 6 head of an agency upon approval of the office. Transfers may not be made between
 7 appropriations, including transfers made through the use of a reimbursable service
 8 agreement or other agreement, except as provided in an act making the transfers
 9 between appropriations. However, a reimbursable service agreement or other
 10 agreement may be used to finance the provision of a service if

11 (1) the agency that requires the service has, by law, the authority to
 12 obtain or provide the service and has an appropriation that may be used for that
 13 purpose; and

14 (2) the agency that provides the service bills the agency administering
 15 the available funds based on

1 (A) the actual cost to provide the service; or

2 (B) a cost allocation method approved by the office.

3 * **Sec. 2.** AS 37.07.080 is amended by adding a new subsection to read:

4 (i) A transfer or change made under (e) of this section

5 (1) may not increase the total of an allocation for a capital project as
6 defined in AS 37.06.090 by more than 10 percent or the total of an allocation for an
7 operating expense by more than 50 percent.

8 (2) may increase the total of an allocation for an operating expense by
9 more than 10 percent but not more than 50 percent in accordance with the following
10 procedures:

11 (A) the governor shall submit a request for the transfer or
12 change to the Legislative Budget and Audit Committee for review;

13 (B) 45 days shall elapse before commencement of the transfer
14 or change unless the Legislative Budget and Audit Committee earlier
15 recommends the transfer or change;

16 (C) should the Legislative Budget and Audit Committee
17 recommend within the 45-day period that the state not initiate the transfer or
18 change, the governor shall again review the transfer or change and if the
19 governor determines to authorize the transfer or change, the governor shall
20 provide the Legislative Budget and Audit Committee with a statement of the
21 governor's reasons before commencement of the transfer or change.