

1 IN THE HOUSE

BY THE COMMITTEE ON WAYS AND MEANS

2

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 6

3

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4

TWENTY-THIRD SESSION

5

A BILL

6 For an Act entitled: "An Act relating to public finance; correct-  
7 ing and supplementing certain provisions of  
8 Chapter 82, SLA 1955 dealing with financial  
9 reports, uniform budgeting, uniform account-  
10 ing, uniform purchasing, and the Legislative  
11 post audit; amending Articles I, II, III, IV,  
12 V, VII, and VIII of Chapter 82, SLA 1955;  
13 amending Sec. 12-2-1, ACLA 1949; amending  
14 subsection (b) of Sec. 7-1-6, ACLA 1949, as  
15 repealed and re-enacted by Ch. 133, SLA  
16 1951, and as repealed and re-enacted by Ch.  
17 24, SLA 1953; amending subsection (e) of  
18 Sec. 7-1-6, ACLA 1949; repealing subsection  
19 (3) of Sec. 3, Art. IV, Ch. 82, SLA 1955,  
20 Sec. 2 and Sec. 3, Art. VII, Ch. 82, SLA  
21 1955, subsections (c), (d), (f) and (g) of  
22 Sec. 7-1-6, ACLA 1949, and subsection (1) of  
23 Sec. 8-1-10, ACLA 1949; and declaring an  
24 effective date."

25 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

26 Section 1. Subsection (2) of Sec. 3, Art. I of Ch. 82, SLA  
27 1955, is hereby amended to read as follows:

28 (2) "Territorial Agencies," "Territorial Agency,"

29 "AGENCIES," "Agencies," "Agency," "Departments," or like

1 terms mean all departments, offices, institutions, boards,  
2 commissions, bureaus, divisions, or other administrative  
3 units forming the Territorial Government of Alaska. For  
4 purposes of this Act, the Alaska Pioneers' Home shall be  
5 deemed a "Territorial Agency."

6 Sec. 2. Sec. 11 of Article I of Ch. 82, SLA 1955, is hereby  
7 amended to read as follows:

8       Sec. 11. The Director shall require the submission of  
9 financial reports and statements by Territorial agencies in  
10 such form and at such times as may be deemed necessary for  
11 the proper administration of this Act [ ] AND ALL ADMINISTRA-  
12 TIVE [ ] . All Territorial agencies heretofore required to sub-  
13 mit reports to the Governor and the Legislature shall, at  
14 least sixty days prior to the convening of the Legislature  
15 submit such reports to the Director [ ] , together with a  
16 short, narrative summary thereof, not to exceed 1,000 words.

17 On or before the tenth day after the convening of the Legis-  
18 lature in regular session, the Director shall submit a con-  
19 solidated report to the Legislature, which report shall be in  
20 lieu of all other reports heretofore required by law to be  
21 submitted to the Legislature. The consolidated report shall,  
22 among other things, contain a report of the financial trans-  
23 actions of the preceding two fiscal years and the financial  
24 condition of the Territory as of the end of each such fiscal  
25 year; and said report shall contain such comments and supple-  
26 mentary data as are deemed necessary by the Director.

27 Sec. 3. Subsection (6) of Sec. 2, Article II of Ch. 82,  
28 SLA 1955, is hereby amended to read as follows:

29 (6) Have the management, care and custody of all

1 buildings of the Territory, except: (a) those buildings under  
2 the care of officers of the University of Alaska, the Commis-  
3 sioner of Education, [AND] the Board of Trustees of the  
4 Pioneers' Home [.]; and (b) those health centers adminis-  
5 tered by the Alaska Department of Health; and (c) those  
6 Alaska National Guard armories and other facilities under  
7 the administrative control of the Territorial Military De-  
8 partment.

9 Sec. 4. Article III of Ch. 82, SLA 1955, is hereby amended  
10 to read as follows:

11 Article III

12 UNIFORM ACCOUNTING

13 Section 1. GENERAL POWERS. There is hereby created the  
14 division of accounts and purchases within the Department of  
15 Finance. The administrative head of the division shall be  
16 the Controller appointed as provided in Section 5 of Article  
17 I of this Act. In general, but not by way of limitation, and  
18 subject to other laws not inconsistent herewith, the Con-  
19 troller shall have the powers and duties prescribed in this  
20 article.

1 Section 2. ACCOUNTING SYSTEM. The Controller shall  
2 maintain centralized accounting records which shall include  
3 the general and controlling accounts of the Territory. [AND  
4 WHICH SHALL BE COORDINATED WITH THE ACCOUNTING RECORDS MAIN-  
5 TAINED BY AGENCIES OF THE TERRITORIAL GOVERNMENT.] The Terri-  
6 torial agencies shall prepare and transmit such documents  
7 [MAINTAIN SUCH CLASSIFICATION OF ACCOUNTS AND REPORTS] as  
8 shall be prescribed by the Director and shall submit such re-  
9 ports and statements as may be required in order to carry out

1 the provisions of this Act. Statistical or cost accounts  
2 N related to the control accounts may be maintained by the  
3 E Controller or by the agencies, may be determined by the Di-  
4 W rector after consultation with the agency concerned. In no  
5 event shall duplicate accounting records be maintained in the  
6 M Territorial agencies and the Department of Finance after a  
7 A transitional period. Duplication of accounting functions  
8 T shall be discontinued according to a schedule issued by the  
9 T Director reasonably in advance of the applicable effective  
10 E dates of said schedule.

11 R Accounting machines not otherwise needed by the agencies  
12 as determined by the Director, and which can be utilized by  
13 the Department of Finance shall be transferred to the Depart-  
14 ment of Finance on written direction of the Director, in lieu  
15 E of the purchase of new machines.

16 W Records of the agencies necessary to the continuity of  
17 the accounting function shall be transferred to the Depart-  
18 ment of Finance at such time as the Department of Finance  
19 A assumes the accounting function.

20 T The calculable savings to the agencies resulting from  
21 T the transfer of accounting functions to the Department of  
22 E Finance shall be impounded by the Director and be covered  
23 R into the General Fund as part of the unappropriated balance.  
24 Such calculable savings shall then serve in effect to offset  
25 those General Fund appropriations made to the Department of  
26 Finance for purposes of performing centralized accounting,  
27 N purchasing and related functions. Such calculable savings  
28 E shall be determined by the Director and shall be impounded  
29 W from both General Fund appropriations and from monies from

1 other funds available to the agencies involved in the transfer.

2 Provided, however, that the Director may decide not to  
3 maintain all or any part of the accounting records for any  
4 agency if, but only if, he finds that to do so would result  
5 in an appreciable loss of Federal grant-in-aid funds to de-  
6 fray the administrative costs of maintaining such records.

7 Section 3. SAME: FUNDS AND ACCOUNTS. The accounting  
8 system shall be in accordance with accepted principles of  
9 governmental (fund) accounting and shall include both budget-  
10 ary and property accounts.

11 The system shall provide records showing at all times by  
12 funds, accounts, and other pertinent classifications, the  
13 amounts appropriated, the estimated revenues, actual revenues  
14 or receipts, the amounts available for expenditure, the total  
15 expenditures, the unliquidated obligations, actual balances  
16 on hand and the unencumbered balances of appropriations for  
17 each Territorial agency.

18 Section 4. PROPERTY RECORDS. The Controller shall di-  
19 rect the use of inventory records by all Territorial agencies  
20 to show all fixed and movable property of the Territory. The  
21 records shall be based on a physical inventory and shall be  
22 changed with all subsequent purchases and shall be reduced by  
23 all property traded in, condemned or otherwise disposed of.  
24 The accuracy of such property record shall be verified period-  
25 ically by actual inspection of such property by the Control-  
26 ler, or by employees under supervision of the Controller.  
27 The Territorial agencies may be required to take physical  
28 inventory of such properties annually and at such other times  
29 as the Controller may direct.

1           Section 5. OBLIGATIONS: HOW INCURRED AND PAID. No  
2 payment shall be made and no obligation shall be incurred  
3 against any fund unless the Controller shall first certify  
4 that his records disclose that there is a sufficient unencum-  
5 bered balance available in such fund and that an appropria-  
6 tion or expenditure authorization has been made for the pur-  
7 pose for which it is intended to incur the obligation.

8           Section 6. PRE-AUDIT OF CLAIMS: The Controller shall  
9 examine and audit every receipt, account, bill, claim, refund,  
10 and demand on the funds in the Territorial Treasury arising  
11 from activities carried on by Territorial agencies. He shall  
12 ascertain whether or not the obligation has been incurred in  
13 accordance with laws and rules or regulations promulgated  
14 under authority of law, and that the amount is correct and is  
15 unpaid. The Controller shall not approve for payment any  
16 account, bill, claim, refund or demand on funds in the Terri-  
17 torial Treasury unless such claim is ordered by Act of the  
18 Legislature or was contracted against the Territory by a duly  
19 authorized officer or agent of the Territory in pursuance of  
20 law.

21           Section 7. PRE-AUDIT OF RECEIPTS. The Treasurer shall  
22 transmit to the Controller copies of all receipt documents  
23 showing all receipts received by the Treasurer. Such receipt  
24 documents shall be audited, examined, and the amounts thereof  
25 shall be entered in the proper accounts in the records of the  
26 Controller. The Director of Finance shall have power to make  
27 regulations to provide the system for providing current re-  
28 ceipt documents.

29           Section 8. FISCAL REPORTING AND STATISTICS. The

1     Controllor shall:

2             (1) At least once each month and annually, prepare  
3 reports as of the close of the preceding month or fiscal year  
4 showing the financial condition of each fund as of the close  
5 of the respective periods and the transactions of each fund  
6 for such month or fiscal year.

7             (2) File with the Governor and with the Legislative  
8 Auditor on or before the fifteenth day of September, a report  
9 of the financial transactions of the preceding fiscal year  
10 and of the financial condition of the Territory as of the end  
11 of that year, with such comments and supplementary data as he  
12 may deem necessary. This report shall be printed for the  
13 information of the Legislature and the public.

14             (3) Compile statistics necessary for the budget and  
15 such other statistics as may be required by the Governor or  
16 Budget Director from time to time.

17             Section 9. 15.7 Section 11-2-1, Alaska Compiled Laws  
18 Annotated, 1948 (being that section repealed by Section 48,  
19 Chapter 133, Session Laws of Alaska, 1951 and re-enacted by  
20 Section 2, Chapter 24, Session Laws of Alaska, 1953) is here-  
21 by amended so as to read as follows:

22             Sec. 11-2-1. Territorial Monies: Accounting and Payment  
23 to Territorial Treasurer: Deposit in Proper Fund. Every  
24 office, board, commission or bureau authorized to collect or  
25 receive any fees, licenses, taxes or other money, and every  
26 office, commission or bureau of the United States, or other  
27 authorized agency, authorized to collect any fees, licenses,  
28 taxes or other money belonging to this Territory, shall ac-  
29 count for and pay such fees, licenses, taxes or other money,  
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1 less any fees he may be entitled to under existing law, to  
2 the Territorial Treasurer at least once each month AND THE  
3 SAME SHALL BE DEPOSITED TO THE CREDIT OF THE PROPER FUND.  
4 ; provided that money collected for the Territory shall be  
5 deposited by the collector in the nearest bank, to the ac-  
6 count of the Treasurer of Alaska, when such collection and  
7 deposit procedure is directed by the Director of Finance.

8 Sec. 5. Subsection (5) of Sec. 1, Article IV of Ch. 82, SLA  
9 1955 is hereby amended to read as follows:

10 (5) Fix standards of quality and quantity and develop  
11 standard specifications IN after consultation with the  
12 several Territorial agencies and approve or determine  
13 final specifications.

14 Sec. 6. Subsection (8) of Sec. 1, Article IV of Ch. 82, SLA  
15 1955 is hereby amended to read as follows:

16 (8) Prescribe standard forms for bids and contracts for  
17 construction, purchases of supplies, and other purposes, which  
18 bids and contracts may contain such provisions as the pur-  
19 chasing agent shall deem necessary; Provided, however, all  
20 contracts for construction shall require a penalty provision  
21 for failure to perform the contract according to the terms  
22 thereof AS THE CASE MAY BE, SHALL CONTAIN IN THEIR PRO-  
23 VISIONS THE FOLLOWING: (A) ALL BIDS SHALL BE ACCOMPANIED BY  
24 A BID BOND OF 10%, TO BE RETURNED TO THE BIDDER FOLLOWING THE  
25 BID OPENING, WITH THE EXCEPTION OF THAT OF THE SUCCESSFUL  
26 BIDDER, WHOSE BID BOND SHALL BE RETAINED UNTIL THE PERFORM-  
27 ANCE OF THE CONTRACT; (B) ALL CONSTRUCTION CONTRACTS SHALL  
28 REQUIRE A PERFORMANCE BOND EQUAL TO 50% OF THE AMOUNT OF THE  
29 BID POSTED AT A TIME SPECIFIED IN THE CONTRACT, AND UPON

1 RECEIPT OF THE PERFORMANCE BOND, THE CONTRACTOR'S BID BOND  
2 MAY BE RETURNED; (C) ALL CONTRACTS SHALL REQUIRE FORFEITURE OF  
3 THE BID OR PERFORMANCE BOND UPON FAILURE TO PERFORM THE CON-  
4 TRACT WITHIN THE TIME SPECIFIED BY THE CONTRACT.

5 Sec. 7. Subsection (1) of Sec. 3, Article IV of Ch. 82, SLA  
6 1955, is hereby amended to read as follows:

7 (1) All contracts for construction and repairs, and all  
8 purchases of and contracts for supplies, materials, equip-  
9 ment, and contractual services shall be based on competitive  
10 bids, and awards shall be made to the lowest responsible bid-  
11 der after advertising for bids as herein provided; and except  
12 that bids shall be awarded to an Alaskan bidder when the  
13 amount of the bid is not more than 5% higher than the lowest  
14 non-resident bidder; and except that competitive bids need  
15 not be required for contractual services where no competition  
16 exists; or sales involving fair trade items; or when, in the  
17 judgment of the Purchasing Agent, food, clothing, or medical  
18 supplies, or materials for use in laboratory and experimental  
19 studies may be purchased otherwise to the best advantage of  
20 the Territory, or where rates are fixed by law or ordinance;  
21 or for items traded in on like items [ ]; or for profes-  
22 sional services.

23 Sec. 8. Subsection (2) of Sec. 3, Article IV of Ch. 82, SLA  
24 1955, is hereby amended to read as follows:

25 (2) If the amount of the contractual services, purchase  
26 or sale is estimated to exceed One Thousand Dollars  
27 (\$1,000.00) sealed bids shall be solicited, when practi-  
28 able, by publication in a newspaper calculated to reach  
29 prospective bidders [AS NEAR AS POSSIBLE TO THE PLACE WHERE

1 THE CONTRACT IS TO BE PERFORMED OR IN THE TOWN IN WHICH THE  
2 HEAD OFFICE AND ADMINISTRATION IS SITUATED; SUCH PUBLICATION  
3 TO BE MADE AT LEAST ONCE EACH WEEK FOR A PERIOD OF THREE  
4 WEEKS, and by posting notices in THREE public places with-  
5 in the area TOWN where the work is to be performed or ma-  
6 terial furnished. In addition thereto the Purchasing Agent  
7 may also designate a trade journal for such publication.  
8 The Purchasing Agent shall also solicit such bids by sending  
9 notices by mail to all active prospective bidders known to  
10 him. All bids shall be sealed when received, and shall be  
11 opened in public at the hour stated in the notice. Provided,  
12 however, if found to be in the best interests of the Terri-  
13 tory by the Board of Examiners, direct negotiation by the  
14 Purchasing Agent shall be authorized.

15 Sec. 9. Subsection (4) of Sec. 3, Article IV of Ch. 82, SLA  
16 1955, is hereby amended to read as follows:

17 (4) All contractual services, purchases or sales where  
18 the known requirements are estimated to be less than approxi-  
19 mately One Thousand Dollars (\$1,000.00) TWO HUNDRED FIFTY  
20 DOLLARS (\$250.00) may be made either upon competitive bids  
21 in accordance with subsection (2) hereof or in the open mar-  
22 ket, in the discretion of the Purchasing Agent; but, so far  
23 as practicable, shall be based on at least three competitive  
24 bids and recorded as provided in section 4 of this article.  
25 IF PROVIDED, AUTHORIZATION MAY BE GIVEN TO ANY TERRITORIAL  
26 AGENCY TO MAKE EMERGENCY PURCHASES OR Small purchases of  
27 less than One Hundred Dollars (\$100.00) TWENTY-FIVE DOLLARS  
28 (\$25.00) in the discretion of the Purchasing Agent may be  
29 made on the open market, and SUCH PURCHASES may be by cash.

1 payment from petty cash accounts set aside for that purpose.  
2 The Purchasing Agent shall MAY determine the amount of such  
3 petty cash accounts needed by each of the several Territorial  
4 agencies, and shall inspect such accounts from time to time,  
5 but at least once each year, to determine that the total of  
6 petty cash plus amounts of receipts for unreplenished dis-  
7 bursements is equal to the fixed sum of cash set aside.  
8 Shortages in such petty cash accounts shall be a personal  
9 liability of the responsible head of the agency to whom such  
10 account has been set aside. The Purchasing Agent shall make  
11 all necessary rules and regulations governing use of and re-  
12 plenishment of such petty cash funds.

13 Sec. 10. Article IV of Ch. 82, SLA 1955, is hereby amended  
14 to include a Sec. 7 to read as follows:

15 Sec. 7. PURCHASES THROUGH GENERAL SERVICES ADMINISTRA-  
16 TION. Nothing in this Act shall prevent the Purchasing Agent  
17 from purchasing through the General Services Administration  
18 as provided by law.

19 Sec. 11. Sec. 1, Article V of Ch. 82, SLA 1955, is hereby  
20 amended to read as follows:

21 Section 1. LEGISLATIVE INTENT. It is the intent of  
22 this article to provide for the auditing of each agency of  
23 the Territorial Government for the purpose of furnishing the  
24 Legislature with information vital to the discharge of its  
25 appropriation and legislative duties. It is hereby deter-  
26 mined that adequate information is not available at each  
27 biennial session through which the members of the Legislature  
28 can determine the needs of the various agencies and depart-  
29 ments of Territorial Government; and, that auditing of each

1 agency will furnish necessary information. It is further  
2 determined that the sixty-day legislative session is not  
3 adequate time in which to audit each agency and that the size  
4 and scope of governmental activity has grown to such an extent  
5 in recent years that such auditing shall be a continuing pro-  
6 cess. It is further determined that the proper agency to  
7 provide for the impartial auditing is an agency directly re-  
8 sponsible to the Legislature in order to be completely in-  
9 dependent of the executive branch of Territorial Government.  
10 It is further determined that a budgetary review and inquiry  
11 into future anticipated revenues immediately prior to the  
12 convening of the Legislature will be beneficial and of great  
13 value to the members of both Houses. It is the intent of this  
14 article to provide the Legislature with adequate information  
15 by which to exercise its valid powers and no others.

16 Sec. 12. Sec. 2, Article V of Chapter 82, SLA 1955, is here-  
17 by amended to read as follows:

18 Section 2. LEGISLATIVE AUDIT COMMITTEE: POWERS AND  
19 DUTIES. The President of the Senate, Speaker of the House,  
20 Chairman of the Senate Finance Committee, and Chairman of the  
21 Ways and Means Committee of the House of Representatives, as  
22 such officers are elected at each regular session of the  
23 Alaska Legislature, and one member from the Senate and from  
24 the House who shall be appointed by the President of the  
25 Senate and Speaker of the House, respectively, are hereby  
26 constituted a Legislative Audit Committee, and the members  
27 thereof shall serve as committee members until the convening  
28 of the next regular session of the Legislature FOR THE EN-  
29 TIRE PERIOD OF THEIR TERMS AS MEMBERS OF THE LEGISLATURE,

1 or until their successors have been named and elected in  
2 such regular session. Whenever possible the membership shall  
3 include at least one member from each judicial division and  
4 at least two members from each of the two major political  
5 parties. In the event of a vacancy by a member of the Senate,  
6 the President of the Senate shall choose a successor. In  
7 the event of a vacancy by a member of the House, the Speaker  
8 of the House shall choose a successor. In the event of the  
9 resignation or death of the President of the Senate the re-  
10 maining committee members from the Senate shall choose a  
11 successor. In the event of the resignation or death of the  
12 Speaker of the House the remaining committee members from the  
13 House shall choose a successor.

14 It shall be the duty of the Committee to study and exam-  
15 ine expenditures by Territorial agencies and to gather in-  
16 formation on anticipated revenues. The Committee shall have  
17 the power to organize and adopt rules for the conduct of its  
18 business and to do whatever else it may deem necessary or ad-  
19 visable to carry out the purpose of this article. The Com-  
20 mittee shall specifically attend the hearings held by the  
21 Budget Director under Article II, Section 4 of this Act, and  
22 make and recommend actions they deem necessary and proper to  
23 the Budget Director.

24 Sec. 13. Sec. 6, Article V of Ch. 82, SLA 1955, is hereby  
25 amended to read as follows:

26 Sec. 6. POWERS AND DUTIES. The Legislative Auditor  
27 shall have authority and it shall be his duty: (1) To perform  
28 an audit of all accounts, books and other financial records  
29 of the Territorial Government or any officer of the Territory,  
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1 to include but not be limited to, every department, board,  
2 bureau, institution, commission, or agency, and to prepare a  
3 written report or reports of such audit or audits TO THE  
4 LEGISLATURE; 7 for presentation to the Legislative Audit Com-  
5 mittee; (2) To examine and audit personally, or by his  
6 duly authorized assistants, all fiscal books, records and  
7 accounts of all custodians of public funds, and of all dis-  
8 burring officers of the Territory, making independent verifi-  
9 cation of all assets, liabilities, revenues and expenditures  
10 of the Territory and agencies thereof now in existence or  
11 hereafter created. Nothing in this Act shall be so construed  
12 as to give the Legislative Auditor the authority to audit  
13 cities, school districts, or other political subdivisions of  
14 the Territory; (3) To specifically perform an audit of the  
15 Department of Finance once every biennium; [(3)] (4) To  
16 cooperate with Territorial agencies by offering such advice  
17 and assistance as may be requested of the Legislative Auditor  
18 for the establishment or improvement of the accounting system  
19 used by the various agencies; [(4)] (5) To require the aid  
20 and assistance of all executives and officials, auditors,  
21 accountants, and other employees of each and every agency at  
22 all times in the inspection, examination and audit of any and  
23 all books, accounts and records of the several departments;  
24 [(5)] (6) To have access at all times to all of the books,  
25 accounts, reports, confidential or otherwise, vouchers, or  
26 other records of information in any Territorial agency.  
27 Nothing in this section shall be construed as authorizing or  
28 permitting the publication of information now or hereafter  
29 prohibited by law.

1       Sec. 14. Sec. 7, Article V of Ch. 82, SLA 1955, is hereby  
2 amended to read as follows:

3       Sec. 7. REPORTS. Copies of each audit report approved  
4 by the Legislative Audit Committee shall, within five days  
5 after the convening of each regular session of the Legisla-  
6 ture, be filed with the agency concerned, the Governor, and  
7 the Legislature. [THE LEGISLATIVE AUDIT COMMITTEE, AND, UPON  
8 REQUEST, TO EACH LEGISLATOR OR LEGISLATOR-ELECT.] The  
9 Legislative [AUDITOR] Audit Committee shall file a biennial  
10 report with the [LEGISLATIVE AUDIT COMMITTEE, THE] Governor,  
11 and each member of the Legislature within five days after the  
12 convening of each regular session of the Legislature. Each  
13 biennial report shall contain, among other things, copies of,  
14 or the substance [OR] of reports to the various agencies, as  
15 well as a summary of recommendations made in regard thereto.  
16 All reports shall be open to public inspection after they  
17 have been filed with the legislature as provided herein.]  
18 ; Provided, however, that that portion of the audit contain-  
19 ing recommendations, comments and any narrative statement is  
20 to be released only upon the approval of a majority vote of  
21 the Legislative Audit Committee.

22       Sec. 15. Sec. 14, Article V of Ch. 82, SLA 1955, is hereby  
23 amended to read as follows:

24       Sec. 14. OATHS; SUMMONS; SANCTIONS. The Legislative  
25 Auditor shall have the power in making any audit or examina-  
26 tion to administer oaths and cause to be summoned to appear  
27 with such papers, files, or records as may be named in the  
28 summons, any person or persons whose testimony may be deemed  
29 necessary in such audit or examination. Any person who

1 wilfully ~~WILLFULLY~~ fails or refuses to appear and testify  
2 or submit papers, files, and records material and pertinent  
3 to the examination, or wilfully ~~WILLFULLY~~ refuses to answer  
4 any material or pertinent questions propounded to him by the  
5 Legislative Auditor shall be deemed guilty of a misdemeanor  
6 and upon conviction by a court of ~~COMPETITION~~ competent  
7 jurisdiction, shall be fined in any sum not less than One  
8 Hundred (\$100.00) Dollars; nor more than Five Hundred  
9 (\$500.00) Dollars; and any person appearing and wilfully  
10 ~~WILLFULLY~~ or corruptly giving any false testimony that is  
11 material and pertinent to the examination, shall be deemed  
12 guilty of a perjury and upon conviction by a court of compe-  
13 tent jurisdiction shall be imprisoned not less than two (2)  
14 years nor more than five (5) years. Any person summoned to  
15 appear shall receive the same compensation as is received by  
16 persons serving as a witness before the Legislature as pro-  
17 vided in Section 4-4-5, Alaska Compiled Laws Annotated, 1949.  
8 Sec. 16. Sec. 1, Article VII of Ch. 82, SLA 1955 is hereby  
9 amended to read as follows:

0 Section 1. INSTALLATION; BY WHOM. The Director ~~GOVER-~~  
1 ~~NOR~~ is authorized to EMPLOY A PROFESSIONAL ACCOUNTANT OR  
2 ACCOUNTANTS TO revise the system of, and forms, books and  
3 records used for, Territorial accounting, in accordance with  
4 the provisions of Article III of this Act, and to prepare,  
5 revise and establish the procedures and forms for installa-  
6 tion of the system of purchasing in accordance with the pro-  
7 visions of Article IV of this Act.

8 Sec. 17. Section 1 of Article VIII of Ch. 82, SLA 1955 is  
9 hereby amended to read as follows:

1 Section 1. INTERPRETATION OF ACT. It is intended  
2 that the provisions of this Act shall be construed as  
3 supplemental to all other laws of Alaska not in conflict  
4 with this Act, and that this Act shall be construed as re-  
5 pealing only those laws and parts thereof specifically re-  
6 pealed herein and also any other laws or parts thereof not  
7 specifically repealed herein which are inconsistent with the  
8 provisions of this Act. If any section of this Act or any  
9 part thereof shall be found to be in conflict with Federal  
10 requirements for any program for which Federal grant-in-aid  
11 funds are available, such section or part shall to the extent  
12 of such conflict be inoperative; provided, however, the re-  
13 mainder of this Act shall be in full force and effect.

14 Sec. 18. Subsection (b) of Sec. 7-1-6, ACLA 1949, as repeal-  
15 ed and re-enacted by Ch. 133, SLA 1951 and as repealed and re-  
16 enacted by Ch. 24, SLA 1953, is hereby amended to read as follows:

17 (b) Disbursements. ~~ON WARRANTS.~~ He shall disburse  
18 public monies only upon vouchers ~~WARRANTS~~ drawn upon the  
19 Treasurer by the Director of Finance ~~AUDITOR~~ or as other-  
20 wise provided by law, and not inconsistent with this Act.  
21 Such vouchers ~~WARRANTS~~ shall be paid by check by the  
22 Treasurer when presented. ~~AND FROM PROPER APPROPRIATIONS,~~  
23 ~~BUT FUNDS SHALL BE RETAINED IN THE TREASURY TO MEET PAYMENTS~~  
24 ~~OF ALL WARRANTS ISSUED PRIOR TO THE ONES PRESENTED AND PAID.~~

25 Sec. 19. Subsection (c) of Sec. 7-1-6, ACLA 1949, is hereby  
26 amended to read as follows:

27 (c) Accounts. He shall keep accounts as prescribed by  
28 the Director of Finance. ~~A FAIR, TRUE, JUST AND COMPRE-~~  
29 ~~HENSIVE ACCOUNT OF ALL MONEYS RECEIVED, SHOWING SOURCE~~

1           THEREOF, AND OF ALL MONEYS DISBURSED, SHOWING WHEN PAID, TO  
2           WHICH, FOR WHAT PURPOSE, AND FROM WHAT APPROPRIATION. 7

3           Sec. 20. The following are hereby repealed: Subsection (3)  
4 of Sec. 3, Article IV, Chapter 82, SLA 1955; Sec. 2 and Sec. 3 of  
5 Article VII, Chapter 82, SLA 1955; Subsections (c), (d), (f) and  
6 (g) of Sec. 7-1-6, ACLA 1949; and Subsection (1) of Sec. 8-1-10,  
7 ACLA 1949.

8           Sec. 21. EFFECTIVE DATE. This Act shall take immediate  
9 effect and be in force from and after its passage and approval or  
10 upon its becoming law without such approval, and it is so enacted.

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