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ROGERS

1 IN THE HOUSE

2 HOUSE BILL NO. 477

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state fiscal procedures; and pro-
7 viding for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. INTENT. It is the intent of the legislature in establishing
10 the budget and appropriations reserve account in this Act to provide a mech-
11 anism to eventually allow the state to prepare its annual budget based upon
12 revenues that have actually been received during the previous fiscal year
13 rather than basing it upon estimated revenues to be received during the
14 succeeding fiscal year. By placing a portion of the state's annual receipts
15 into the budget and appropriations reserve account for each of the next seven
16 years, it is intended that the amount in the budget and appropriations
17 reserve account will be sufficient to cover all of the state's operating and
18 capital expenses for fiscal year 1987, thus allowing a transitional period in
19 which the receipts deposited in the general fund during fiscal year 1987 will
20 be available to meet the state's operating and capital expenses for fiscal
21 year 1988.

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

23 Sec. 37.05.156. BUDGET AND APPROPRIATIONS RESERVE ACCOUNT. (a)

24 There is created as a special account within the general fund the budget
25 and appropriations reserve account.

26 (b) The legislature shall appropriate money from the general fund
27 to the budget and appropriations reserve account as provided in (c) of
28 this section. Amounts appropriated to the budget and appropriations
29 reserve account shall be treated as surplus of the general fund and

1 shall be invested in accordance with AS 37.10.070. Income from invest-
2 ment of the budget and appropriations reserve account shall be deposited
3 in the general fund.

4 (c) Beginning with the Second Session of the Eleventh Legislature
5 and continuing through the Second Session of the Fourteenth Legislature,
6 the legislature shall annually appropriate from the general fund to the
7 budget and appropriations reserve account an amount equal to 15 per cent
8 of the average gross receipts of the general fund, as determined in
9 accordance with this subsection. Each appropriation shall include a
10 provision stating that the amount appropriated to the budget and appro-
11 priations reserve account lapses into the general fund on July 1, 1986,
12 notwithstanding AS 37.25.010. For the purposes of this subsection,
13 "average gross receipts of the general fund" is determined by dividing
14 the total amount of money deposited in the general fund and in special
15 accounts within the general fund (other than the budget and appropri-
16 ations reserve account) from all sources during the four fiscal years
17 immediately preceding the current fiscal year by four.

18 * Sec. 3. AS 37.07.020(a) is amended to read:

19 (a) The governor shall prepare and submit to the legislature
20 before the fourth legislative day a budget for the succeeding fiscal
21 year which shall cover all estimated receipts, including all grants,
22 loans, and money received from the federal government, and all proposed
23 expenditures of the state government. The budget shall be accompanied
24 by a general appropriation bill to authorize the proposed expenditures,
25 and a bill or bills covering recommendations in the budget for new or
26 additional revenues. After July 1, 1986, the budget shall also be
27 accompanied by a statement of all receipts, including all grants, loans
28 and money received from the federal government, deposited in the general
29 fund during the previous fiscal year.

1 * Sec. 4. AS 37.07.020(c) is amended to read:

2 (c) Before July 1, 1985, proposed [PROPOSED] expenditures may not
3 exceed estimated revenues for the succeeding fiscal year. Between
4 July 1, 1985 and July 1, 1986, proposed expenditures may not exceed
5 estimated revenues for the succeeding fiscal year excluding the amount
6 lapsed into the general fund from the budget and appropriations reserve
7 account under AS 37.05.156(c). Between July 1, 1986 and July 1, 1987,
8 proposed expenditures may not exceed the amount lapsed into the general
9 fund from the budget and appropriations reserve account under AS 37.05.-
10 156(c). For fiscal years beginning after June 30, 1987, proposed expen-
11 ditures may not exceed the amount of revenues deposited in the general
12 fund in the preceding fiscal year. The expenditures proposed in the
13 six-year capital improvements program and financial plan shall not
14 exceed the estimated revenues and bond authorizations passed and
15 proposed.

16 * Sec. 5. This Act takes effect July 1, 1979.
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