

Original sponsor: Finance Committee

Offered: 3/10/82
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 876 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for a federal budget impact fund; and
7 providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS. The legislature finds that substantial
10 reductions in federal funding for various programs in the state are proposed
11 for federal fiscal years 1982 and 1983. There exists considerable uncertainty
12 as to the amount and the effect of these reductions in the state because
13 regular appropriation bills for a number of federal programs have not yet
14 been enacted and are subject to a continuing resolution that ends March 31,
15 1982. As a result, it is unlikely that definite information on the total
16 amount of budget reductions for the purpose of assessing the effects on
17 federally funded programs in the state will be available before the end of
18 the Second Session of the Twelfth Legislature. Action will be necessary,
19 therefore, after adjournment of the twelfth legislative session in order to
20 properly address the adverse impact of federal budget reductions on citizens
21 of the state. A federal budget impact fund is established to allow such
22 action to be taken after the legislature adjourns.

23 * Sec. 2. FEDERAL BUDGET IMPACT FUND. There is established in the Office
24 of the Governor a federal budget impact fund. The Department of Revenue is
25 the custodian of the fund. The amount of the fund may not exceed \$20,000,000.
26 From legislative appropriations to the fund, the governor shall make grants
27 to state and other agencies for the continuation of programs affected by
28 reductions in federal appropriations for federal fiscal years 1982 and 1983.

29 * Sec. 3. USE OF FUND. The governor, based on criteria he develops in

1 consultation with the commissioners of affected departments of the executive
2 branch, shall authorize expenditures from the federal budget impact fund for
3 grants to state and other agencies for programs affected by reduced federal
4 appropriations.

5 * Sec. 4. FUND PROCEDURES. State departments shall submit their requests
6 for state financing of programs under this Act to the governor. Non-state
7 agencies and organizations shall submit their requests for state financing of
8 programs under this Act to the Department of Community and Regional Affairs.
9 The Department of Community and Regional Affairs shall compile a list of
10 non-state agencies and organizations that conduct programs that are federally
11 funded and subject to termination or curtailment due to reduced federal
12 appropriations. The Department of Community and Regional Affairs shall
13 submit this list to the governor, along with any other information he
14 requests, for his use in approving expenditures from the federal budget
15 impact fund.

16 * Sec. 5. REPORTS. (a) The governor shall submit proposed expenditures
17 from the federal budget impact fund to the Legislative Budget and Audit
18 Committee and the chairmen of the senate and house finance committees for
19 review.

20 (b) Forty-five days shall elapse before commencement of expenditures
21 from the fund unless the Legislative Budget and Audit Committee recommends by
22 a majority vote that the expenditures be made earlier.

23 (c) If the Legislative Budget and Audit Committee recommends within the
24 45-day period that the expenditures not be made, the governor shall again
25 review the expenditures and if he determines to authorize the expenditures,
26 he shall provide the Legislative Budget and Audit Committee and the chairmen
27 of the senate and house finance committees with a statement of his reasons
28 before the expenditures are made.

29 * Sec. 6. This Act terminates June 30, 1983.

1 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
2 070(c).

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