

Original sponsor: Finance Committee

1 IN THE SENATE BY THE RULES COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 152 (2d Rules)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the budget of the state and bills
7 related to the budget and merging the division of
8 budget and management, the division of policy devel-
9 opment and planning, and the latter's office of
10 coastal management into one office; and providing for
11 an effective date."

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

13 * Section 1. PURPOSE AND INTENT. (a) It is the purpose of this Act,
14 in the best interests of efficient administration and state planning, to
15 merge the division of budget and management, the division of policy devel-
16 opment and planning, and the latter's office of coastal management, includ-
17 ing both capital and operating expenditures, into one office.

18 (b) It is the intent of the legislature that the powers conferred by
19 this Act be exercised by the executive branch and its agencies, divisions,
20 and departments in cooperation with the legislature and its committees.

21 * Sec. 2. AS 24.20.231(4) is amended to read:

22 (4) cooperate with the office of management and budget
23 [DIVISION OF BUDGET AND MANAGEMENT] in establishing a comprehensive
24 system for state budgeting and financial management as set out in the
25 Executive Budget Act (AS 37.07);

26 * Sec. 3. AS 24.30.035 is amended to read:

27 Sec. 24.30.035. FISCAL NOTES ON BILLS. (a) Before a bill or
28 resolution, except an appropriation bill, is reported from the commit-
29 tee of first referral, there shall be attached to the bill a fiscal

1 note containing an estimate of the amount of the appropriation in-
2 crease or decrease which would result from enactment of the bill for
3 the current [ENSUING] fiscal year and [AT LEAST] five [TWO] succeeding
4 fiscal years or, if the bill has no fiscal impact, a statement to that
5 effect shall be attached. The fiscal note or statement shall be
6 prepared in conformity with the requirements of this section by the
7 department or departments affected and may be reviewed by the office
8 of management and budget. The fiscal note or statement shall be
9 delivered to the committee requesting it within five days of the
10 request or within two days if the request is made after the 90th day
11 of a regular session, or during a special session of the legislature.

12 If the bill is presented by the governor for introduction in accor-
13 dance with AS 24.30.060(b) and the uniform rules of the legislature,
14 the fiscal note or statement shall be attached to the bill before the
15 bill is introduced. An amendment or a substitute bill proposed by a
16 committee of referral that changes the fiscal impact of a bill shall
17 be explained in a revised fiscal note or statement attached to the
18 bill.

19 * Sec. 4. AS 24.30.035 is amended by adding new subsections to read:

20 (b) In addition to the fiscal note required by this section, the
21 sponsor of a bill or resolution may prepare a fiscal note in conform-
22 ity with the requirements of this section and submit it to the commit-
23 tee of first referral or the finance committee. A committee may
24 prepare an additional fiscal note in conformity with the requirements
25 of this section.

26 (c) A fiscal note for a bill or resolution must contain the
27 following information:

- 28 (1) the fiscal impact on existing programs;
29 (2) the fiscal impact of new programs or activities;

- 1 (3) a line item detail of the fiscal impact;
- 2 (4) the source of funds expected to be utilized by general
3 fund source, federal fund source, or other identified source;
- 4 (5) the number of new positions which may be required,
5 identified as full-time, part-time, or temporary;
- 6 (6) an analysis of how the figures in the fiscal note were
7 derived;
- 8 (7) additional information necessary to explain the fiscal
9 note;
- 10 (8) a fiscal impact projection for the first year in which
11 expenditures will be required and for the succeeding five fiscal
12 years; and
- 13 (9) formal information consisting of
- 14 (A) the bill or resolution number,
- 15 (B) the name of the prime sponsors,
- 16 (C) the date the fiscal note was prepared,
- 17 (D) the name of the committee requesting the fiscal
18 note,
- 19 (E) the name and phone number of the person who pre-
20 pared the fiscal note, and
- 21 (F) the budget request unit, program, or subprogram
22 affected.
- 23 (d) The original of a fiscal note shall be submitted to the
24 Division of Legislative Finance and copies shall be sent to the prime
25 sponsor, the committee requesting the fiscal note, and the office of
26 management and budget.

27 * Sec. 5. AS 37.07.040 is amended to read:

28 Sec. 37.07.040. OFFICE OF MANAGEMENT AND BUDGET [DIVISION OF
29 BUDGET AND MANAGEMENT]. The Alaska office of management and budget

1 [BUDGET AND MANAGEMENT DIVISION] shall

2 (1) assist the governor in the preparation and explanation
3 of the proposed comprehensive program and financial plan, including
4 the coordination and analysis of state agency goals and objectives,
5 plans, and budget requests;

6 (2) prepare for submission to the governor an annually up-
7 dated six-year capital improvements program and the proposed capital
8 improvements budget for the coming fiscal year, the latter to include
9 individual project justification with documentation of estimated proj-
10 ect cost;

11 (3) develop procedures to produce the information needed
12 for effective policy decision making, including procedures to provide
13 for the dissemination of information about plans, programs, and budget
14 requests to be included in the annual budget and opportunity for pub-
15 lic review and comment during the period of budget preparation;

16 (4) assist state agencies in their statement of goals and
17 objectives, preparation of plans, budget requests, and reporting of
18 program performance; all documents forwarded by the office [DIVISION]
19 to a state agency containing instructions for the preparation of pro-
20 gram plans and budget requests and the reporting of program perfor-
21 mance are public information after the date they are forwarded;

22 (5) administer its responsibilities under the program exe-
23 cution provisions of this chapter so that the policy decisions and
24 budget determinations of the governor and the legislature are imple-
25 mented;

26 (6) provide the legislative finance division with the bud-
27 get information it may request;

28 (7) provide the legislative finance division with an ad-
29 vance copy of the governor's budget workbooks by the first Monday in

1 January of each year, except that following a gubernatorial election
2 year the advance copy shall be provided by the second Monday in
3 January.

4 * Sec. 6. AS 37.07.040 is amended by adding a new paragraph to read:

5 (8) prepare the proposed capital improvements budget for
6 the coming fiscal year evaluating both state and local requests from
7 the standpoint of need, equity, and priorities of the jurisdiction;
8 other factors such as project amounts, population, local financial
9 match, federal funds being used for local match, municipality or
10 unincorporated community acceptance of the facility and all associated
11 costs of the facility may be considered.

12 * Sec. 7. AS 37.07.070(1) is amended to read:

13 (1) Requests by the governor for supplemental appropria-
14 tions for state agency operating and capital budgets for the current
15 fiscal year may be introduced by the rules committee only through the
16 30th [45TH] legislative day.

17 * Sec. 8. AS 37.07.070(2) is amended to read:

18 (2) Requests by the governor for budget amendments to state
19 agency budgets for the budget fiscal year may be received and reviewed
20 by the finance committees only through the 60th [75TH] legislative
21 day.

22 * Sec. 9. AS 37.07.080(b) is amended to read:

23 (b) Each state agency shall prepare an annual plan for the
24 operation of each of its assigned programs except for programs that
25 are exempted from this requirement by the office [DIVISION]. The
26 operations plan shall be prepared in the form and content and be
27 transmitted on the date prescribed by the office [DIVISION].

28 * Sec. 10. AS 37.07.080(c) is amended to read:

29 (c) The office [DIVISION] shall

1 (1) review each operations plan to determine that it is
2 consistent with the policy decisions of the governor and appropria-
3 tions by the legislature, that it reflects proper planning and effi-
4 cient management methods, that appropriations have been made for the
5 planned purpose and will not be exhausted before the end of the fiscal
6 year;

7 (2) approve the operations plan if satisfied that it meets
8 the requirements under (1) of this subsection; otherwise, the office
9 [DIVISION] shall require revision of the operations plan in whole or
10 in part;

11 (3) Repealed by sec. 1 ch 26 SLA 1976.

12 * Sec. 11. AS 37.07.080(e) is amended to read:

13 (e) Transfers or changes between objects of expenditures or be-
14 tween allocations may be made by the head of a state agency upon ap-
15 proval of the office [DIVISION]. No transfers may be made between ap-
16 propriations except as provided in an act making the transfers between
17 appropriations.

18 * Sec. 12. AS 37.07.080(f) is amended to read:

19 (f) The office [DIVISION] shall report quarterly to the governor
20 and the legislature on the operations of each state agency, relating
21 actual accomplishments to those planned and modifying, if necessary,
22 the operations plan of any agency for the balance of the fiscal year.

23 * Sec. 13. AS 37.07.100 is amended to read:

24 Sec. 37.07.100. PROPOSED SUPPLEMENTAL OR SPECIAL [DEFICIENCY]
25 APPROPRIATIONS. The governor from time to time may transmit to the
26 legislature proposed supplemental or special [DEFICIENCY] appropria-
27 tions in accordance with AS 37.07.070 which in the governor's [HIS]
28 judgment are necessary [ON ACCOUNT OF LAWS ENACTED AFTER THE TRANS-
29 MISSION OF THE BUDGET, OR ARE OTHERWISE IN THE PUBLIC INTEREST].

1 However, if the governor finds that an emergency situation necessi-
2 tates the proposal of supplemental or special appropriations, the
3 governor may transmit them to the legislature at any time. The gover-
4 nor [HE] shall accompany each proposal with a statement of the reasons
5 for it, including the reasons for its omission from the budget.

6 * Sec. 14. AS 37.07.120 is amended by adding new paragraphs to read:

7 (7) "office" means the Alaska office of management and
8 budget established in the Office of the Governor by AS 44.19.141;

9 (8) "capital projects" and "capital improvements" mean an
10 allocation or appropriation item for an asset with an anticipated life
11 exceeding one year and a cost exceeding \$25,000 and include land
12 acquisition, construction, structural improvement, engineering and
13 design for the project, and equipment and repair costs.

14 * Sec. 15. AS 44.19.141 is amended to read:

15 ARTICLE 12. OFFICE OF MANAGEMENT AND BUDGET

16 [DIVISION OF POLICY DEVELOPMENT AND PLANNING].

17 Sec. 44.19.141. ALASKA OFFICE OF MANAGEMENT AND BUDGET [DIVISION
18 OF POLICY DEVELOPMENT AND PLANNING]. There is in the Office of the
19 Governor the Alaska office of management and budget [DIVISION OF
20 POLICY DEVELOPMENT AND PLANNING].

21 * Sec. 16. AS 44.19.142 is amended to read:

22 Sec. 44.19.142. DIRECTOR. The office of management and budget
23 [DIVISION OF POLICY DEVELOPMENT AND PLANNING] is administered by a di-
24 rector who is appointed by, and serves at the pleasure of, the gover-
25 nor.

26 * Sec. 17. AS 44.19.143 is amended to read:

27 Sec. 44.19.143. PERSONNEL. The director shall employ such
28 personnel as may be necessary to carry out the provisions of AS 44.-
29 19.141 - 44.19.152 and the relevant provisions of AS 37.07.

1 * Sec. 18. AS 44.19.144(a) is amended to read:

2 (a) The director shall

3 (1) supervise and administer the activities of the office
4 [DIVISION];

5 (2) advise the governor on matters of comprehensive state
6 planning;

7 (3) make an annual report to the governor of the activities
8 of the office [DIVISION].

9 * Sec. 19. AS 44.19.144(b)(3) is amended to read:

10 (3) on behalf of the state, accept and expend any gifts or
11 grants made to the state with the approval of the governor where such
12 gifts or grants were made for the purposes of furthering the objec-
13 tives of the office [DIVISION].

14 * Sec. 20. AS 44.19.145 is amended to read:

15 Sec. 44.19.145. FUNCTIONS AND DUTIES OF THE OFFICE [DIVISION].

16 (a) The office [DIVISION] shall

17 (1) provide technical assistance to the governor and the
18 legislature in identifying long range goals and objectives for the
19 state and its political subdivisions;

20 (2) prepare and maintain a state comprehensive development
21 plan;

22 (3) provide information and assistance to state agencies to
23 aid in governmental coordination and unity in the preparation of agen-
24 cy plans and programs;

25 (4) review planning within state government as may be nec-
26 essary for receipt of federal, state or other funds;

27 (5) Repealed.

28 (6) participate with other countries, provinces, states or
29 subdivisions of them [THEREOF] in international or interstate plan-

1 ning, and assist Alaska's local governments, governmental conferences
2 and councils, in planning and coordinating their activities;

3 (7) Repealed.

4 (8) encourage educational and research programs that fur-
5 ther state planning and development, and provide administrative and
6 technical services for them;

7 (9) publish such statistical information or other documen-
8 tary material as will further the provisions and intent of AS 44.19.-
9 141 - 44.19.152;

10 (10) assist the governor and the Department of Community and
11 Regional Affairs in coordinating the activities of state agencies
12 which have an impact on the solution of local and regional development
13 problems;

14 (11) serve as a clearinghouse for information, data, and
15 other materials which may be helpful or necessary to federal, state or
16 local governmental agencies in discharging their respective responsi-
17 bilities or in obtaining federal or state financial or technical as-
18 sistance;

19 (12) review all proposals for the location of capital im-
20 provements by any state agency and advise and make recommendations
21 concerning location of these capital improvements;

22 (13) render, on behalf of the state, all federal consistency
23 determinations and certifications authorized by sec. 307 of the
24 Coastal Zone Management Act of 1972, as amended, 16 U.S.C. sec. 1456,
25 and a conclusive state consistency determination when a project re-
26 quires two or more state or federal permits, leases, or authoriza-
27 tions.

28 (b) The office [DIVISION] shall, in carrying out its functions,
29 consult with local, regional, state and federal officials, private

1 groups and individuals, and with officials[,] of other countries,
2 provinces and states, and may hold public hearings to obtain informa-
3 tion for the purpose of carrying out the provisions of AS 44.19.141 -
4 44.19.152.

5 (c) The governor may establish coordinating or advisory planning
6 groups.

7 (d) The office [DIVISION] shall

8 (1) coordinate its services and activities with those of
9 other state departments and agencies to the fullest extent possible to
10 avoid duplication;

11 (2) prepare an integrated annual report on the long-range
12 development program of the state and submit it to the governor for in-
13 corporation into the governor's [HIS] report to the legislature;

14 (3) cooperate with the University of Alaska and other ap-
15 propriate public and private institutions in research and investiga-
16 tions.

17 * Sec. 21. AS 44.19.152 is amended to read:

18 Sec. 44.19.152. DEFINITIONS. In AS 44.19.141 - 44.19.152,

19 [(1) "DIVISION" MEANS THE DIVISION OF POLICY DEVELOPMENT AND
20 PLANNING;]

21 (1) [(2)] "director" means the director of the office of
22 management and budget; [DIVISION OF POLICY DEVELOPMENT AND PLANNING]

23 (2) "office" means the Alaska office of management and bud-
24 get.

25 * Sec. 22. AS 44.19.155(a)(2)(A) is amended to read:

26 (A) the director of the office of management and bud-
27 get [DIVISION OF POLICY DEVELOPMENT AND PLANNING];

28 * Sec. 23. AS 44.19.155(d) is amended to read:

29 (d) Each member of the council shall select one person to serve

1 as a permanent alternate at meetings of the council. If a member of
2 the council is unable to attend, the member [HE] shall advise the
3 alternate who may attend and act in the place of the member. The
4 alternate for a public member appointed after July 9, 1978 under
5 (a)(1) of this section shall, at the time of the attendant's [HIS]
6 designation and throughout the period of [HIS] service as a permanent
7 alternate, be the mayor or member of the assembly or council of a
8 municipality within the region from which the permanent member is
9 appointed. The alternate for the director of the office of management
10 and budget, serving under (a)(2)(A) of this section, shall be the
11 director's designee within that office. The alternate for a designat-
12 ed member serving under (a)(2)(B) - (G) of this section shall be a
13 deputy commissioner of the department or the director of a division in
14 the department. The names of alternates shall be filed with the
15 council.

16 * Sec. 24. AS 44.19.162 is amended to read:

17 Sec. 44.19.162. COUNCIL STAFF. The council shall use [UTILIZE]
18 the staff of the office of coastal management within the office of
19 management and budget [DIVISION OF POLICY DEVELOPMENT AND PLANNING] in
20 discharging its powers and duties. The coordinator of the office of
21 coastal management, under the direction of the council co-chair who is
22 selected from among the members designated in AS 44.19.155(a)(2) [,
23 WITH THE CONCURRENCE OF THE COUNCIL], may contract with or employ per-
24 sonnel or consultants the coordinator [HE] considers necessary to
25 carry out the powers and duties of the council.

26 * Sec. 25. AS 44.83.030(2) is amended to read:

27 (2) the director of the office of [DIVISION OF BUDGET AND]
28 management and budget, or the director's designee within that office,
29 and three commissioners of principal executive departments appointed

1 by the governor.

2 * Sec. 26. AS 37.07.120(2) is repealed.

3 * Sec. 27. TRANSITION. All litigation, hearings, investigations and
4 other proceedings pending under a law amended or repealed by this Act, or
5 in connection with functions transferred by this Act, continue in effect
6 and may be continued and completed notwithstanding a transfer or amendment
7 or repeal provided for in this Act. Certificates, orders, and regulations
8 issued or adopted under authority of a law amended or repealed by this Act
9 remain in effect for the term issued, or until revoked, vacated, or other-
10 wise modified under the provisions of this Act. All contracts, rights,
11 liabilities, and obligations created by or under a law amended or repealed
12 by this Act, and in effect on the effective date of this Act, remain in
13 effect notwithstanding this Act's taking effect. Records, equipment, and
14 other property of agencies of the state whose functions are transferred
15 under this Act shall be transferred commensurate with the provisions of
16 this Act.

17 * Sec. 28. NAME CHANGE. To be consistent with the changes made by this
18 Act, wherever in the Alaska Statutes and in regulations adopted under those
19 statutes "division of budget and management" and "division of policy devel-
20 opment and planning," and other terms identifying those divisions, are
21 used, they must be read as referring to the office of management and bud-
22 get. Similarly, references to the directors of those divisions must be
23 read as references to the director of the office of management and budget.
24 Under AS 01.05.031, the revisor of statutes shall implement this section in
25 the statutes, and, under AS 44.62.125(b)(6), the regulations attorney shall
26 implement this section in the administrative regulations.

27 * Sec. 29. AS 37.07.120(8), added by sec. 14 of this Act, takes effect
28 January 1, 1984.

29 * Sec. 30. AS 37.07.120(7), added by sec. 14 of this Act, and secs. 1 -

1 13 and 15 - 26 of this Act take effect immediately in accordance with
2 AS 01.10.070(c).