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Referred: Finance

Original sponsors: Davis, Koponen,
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1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 487 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to projected operating and mainte-
7 nance costs of capital improvements."

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

9 * Section 1. AS 24.08.030 is amended by adding a new subsection to
10 read:

11 (b) Before an appropriation bill containing an appropriation for
12 a capitol improvement is reported from the committee of first refer-
13 ral, there shall be attached to the bill a fiscal note containing the
14 projected operating and maintenance costs of the proposed capital
15 improvement.

16 * Sec. 2. AS 37.07.030 is amended to read:

17 Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legis-
18 lature shall

19 (1) provide for a budget review function;

20 (2) analyze the comprehensive operating and capital im-
21 provements programs and financial plans recommended by the governor;

22 (3) adopt legislation to authorize implementation of the
23 governor's comprehensive operating and capital improvements programs
24 and financial plans or appropriate alternatives to those plans;

25 (4) provide for a post-audit function, to cover financial
26 transactions, program accomplishment, and compliance with legislative
27 intent;

28 (5) adopt or revise the estimate or receipts required to
29 balance the succeeding fiscal year's budget in order that proposed

1 expenditures do not exceed estimated receipts for that fiscal year;

2 (6) adopt, revise, or initiate revenue measures in order to
3 balance the succeeding fiscal year's budget and the capital improve-
4 ments section of the budget for the succeeding six years;

5 (7) consider the projected operating and maintenance costs
6 of capital improvements submitted in legislation.

7 * Sec. 3. AS 37.07.060(b) is amended to read:

8 (b) The governor shall present the proposed comprehensive
9 operating and capital improvements programs and financial plans in a
10 message to a joint session of the legislature before the fourth legis-
11 lative day following the convening of the legislature in regular
12 session. The message shall be accompanied by an explanatory report
13 which summarizes recommended goals, plans, and appropriations. The
14 report shall contain

15 (1) the coordinated program goals and objectives which the
16 governor recommends to guide the decisions on the proposed program
17 plans and budget appropriations;

18 (2) the governor's operating program and budget recommenda-
19 tions for the succeeding fiscal year organized by agency as required
20 by AS 37.07.020(a);

21 (3) the governor's capital improvements program and budget
22 recommendations for the succeeding fiscal year and capital improve-
23 ments program for the succeeding six fiscal years which shall include

24 (A) a description of each project, its estimated cost
25 for the year construction is to start and the estimated cost of
26 the project adjusted for inflation over the estimated period of
27 construction, and the source of financing for the project; the
28 project description for a new building or a new facility or for a
29 major addition to a building or facility should include a site

1 plan, preliminary drawings, and architect's or engineer's total
2 cost estimate for the project;

3 (B) a summary of projects previously authorized and
4 not yet completed;

5 (C) a summary, listed by agency, of all previously
6 proposed projects which have been deferred beyond the six years
7 covered by the plan and the year in which construction has been
8 rescheduled to begin;

9 (D) a forecast of the debt structure of the state and
10 the various debt ratios over the life of the state's bonds out-
11 standing, bonds authorized and to be issued, and bond authoriza-
12 tions recommended in the plan;

13 (E) a description of additional revenue measures
14 needed to finance the plan in lieu of debt;

15 (F) bond election bills to authorize the bonds re-
16 quired to fund the projects scheduled for the first three years
17 of the plan;

18 (G) projections of population of the state and its
19 regions and communities;

20 (H) economic data and projections necessary for the
21 evaluation of the plan, including projected operating and mainte-
22 nance costs of the capital improvements;

23 (4) a summary of state receipts in the last fiscal year, a
24 revised estimate for the current fiscal year, and an estimate for the
25 succeeding fiscal year;

26 (5) a summary of expenditures during the last fiscal year,
27 those authorized for the current fiscal year, and an estimate for the
28 succeeding fiscal year;

29 (6) any additional information which will facilitate

- 1 understanding of the governor's proposed programs and financial plans
- 2 by the legislature and the public.