

Offered: 4/25/86  
Referred: Rules

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 513 (Finance)

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 a budget limitation and to re-  
7 serve funds; and providing for an effective date."

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

9 \* Section 1. AS 37.05.159 is repealed and reenacted to read:

10 Sec. 37.05.159. BUDGET RESERVE FUND. (a) There is established  
11 as a separate fund in the state treasury the budget reserve fund. The  
12 budget reserve fund consists of money appropriated to that fund and of  
13 the balance of the reserve for emergency operating expenses account as  
14 of July 1, 1986.

15 (b) Not more than 25 percent of the budget reserve fund balance  
16 may be appropriated for any fiscal year. However, additional amounts  
17 may be appropriated from the fund to meet a state emergency declared  
18 by the governor as prescribed by law. For purposes of this subsection  
19 "emergency" means the events set out in AS 26.23.230(1) or a reduction  
20 of the revenue from nonstate sources that seriously impairs the abili-  
21 ty of the state to perform essential functions.

22 \* Sec. 2. AS 37.07.020(c) is amended to read:

23 (c) Proposed expenditures other than deposits to the permanent  
24 fund may not exceed appropriations made from state sources in the  
25 preceding calendar year by more than 15 percent. Estimated revenue  
26 that exceeds that budget limit shall be shown as available for  
27 appropriation to the budget reserve fund established under  
28 AS 37.05.159 [ESTIMATED REVENUES FOR THE SUCCEEDING FISCAL YEAR. THE  
29 EXPENDITURES PROPOSED IN THE SIX-YEAR CAPITAL IMPROVEMENTS PROGRAM AND

1 FINANCIAL PLAN SHALL NOT EXCEED THE ESTIMATED REVENUES AND BOND  
2 AUTHORIZATIONS PASSED AND PROPOSED].

3 \* Sec. 3. AS 37.07.020 is amended by adding new subsections to read:

4 (e) For the purpose of determining the amount of the budget  
5 limit under (c) of this section

6 (1) an appropriation is considered to be made in the calen-  
7 dar year in which it is enacted; and

8 (2) the amount of revenue received by the state from state  
9 sources includes the amount carried forward from the preceding fiscal  
10 year.

11 (f) In this section "state source" means

12 (1) the undistributed income account in the permanent fund;

13 and

14 (2) all sources of money in the state general fund except

15 (A) federal sources;

16 (B) bond proceeds;

17 (C) sources from which money is received in trust for  
18 a specific purpose; and

19 (D) the dividend fund established under AS 43.23.045.

20 \* Sec. 4. This Act takes effect July 1, 1986.