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1 IN THE HOUSE

BY DAVIS, BROWN AND GOLL

2

HOUSE BILL NO. 9

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to projected operating and maintenance costs of capital improvements."

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

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* Section 1. AS 24.08.030 is amended by adding a new subsection to

10 read:

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(b) Before an appropriation bill containing an appropriation for

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a capital improvement is reported from the committee of first refer-

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ral, there shall be attached to the bill a fiscal note containing the

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projected operating and maintenance costs of each proposed capital

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improvement. The note must identify the state agency, political

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subdivision, or other public or private entity that is responsible for

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payment of the projected costs.

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

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Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legis-

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lature shall

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(1) provide for a budget review function;

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(2) analyze the comprehensive operating and capital im-

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provements programs and financial plans recommended by the governor;

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(3) adopt legislation to authorize implementation of the

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governor's comprehensive operating and capital improvements programs

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and financial plans or appropriate alternatives to those plans;

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(4) provide for a post-audit function, to cover financial

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transactions, program accomplishment, and compliance with legislative

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intent;

1 (5) adopt or revise the estimate or receipts required to
2 balance the succeeding fiscal year's budget in order that proposed
3 expenditures do not exceed estimated receipts for that fiscal year;

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

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

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

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

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

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

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

26 (A) a description of each project, its estimated cost
27 for the year construction is to start and the estimated cost of
28 the project adjusted for inflation over the estimated period of
29 construction, and the source of financing for the project; the

1 project description for a new building or a new facility or for a
2 major addition to a building or facility should include a site
3 plan, preliminary drawings, and architect's or engineer's total
4 cost estimate for the project;

5 (B) a summary of projects previously authorized and
6 not yet completed;

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

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

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

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

20 (G) projections of population of the state and its
21 regions and communities;

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

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

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

- 1 succeeding fiscal year;
- 2 (6) any additional information which will facilitate under-
- 3 standing of the governor's proposed programs and financial plans by
- 4 the legislature and the public.