

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR HOUSE BILL NO. 87 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act requiring the governor to formulate and
7 submit a long-term financial plan for the state; and
8 providing for an effective date."

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

10 * Section 1. AS 37.07.020(b) is amended to read:

11 (b) In addition to the budget and general appropriation bill,
12 the governor shall submit a long-term [CAPITAL IMPROVEMENTS PROGRAM
13 AND] financial plan. The long-term financial plan shall include
14 estimates of expenditures, estimates of annual revenue from all
15 sources, and recommendations for additional sources of revenue. The
16 long-term financial plan shall include projections of estimated expen-
17 ditures covering the four succeeding fiscal years and projections of
18 revenue for the 10 succeeding fiscal years [COVERING THE SUCCEEDING
19 SIX FISCAL YEARS].

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

21 Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legis-
22 lature shall

- 23 (1) provide for a budget review function;
24 (2) analyze the comprehensive operating and capital im-
25 provements programs and long-term financial plan [PLANS] recommended
26 by the governor;
27 (3) adopt legislation to authorize implementation of the
28 governor's comprehensive operating and capital improvements budget
29 [PROGRAMS AND FINANCIAL PLANS OR APPROPRIATE ALTERNATIVES TO THOSE

1 PLANS];

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

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

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

11 * Sec. 3. AS 37.07.060 is amended to read:

12 Sec. 37.07.060. GOVERNOR'S RECOMMENDATION. (a) The governor
13 shall formulate the long-term [OPERATING AND CAPITAL IMPROVEMENTS
14 PROGRAMS AND] financial plan [PLANS] required to be recommended to the
15 legislature by AS 37.07.020 after considering the state agency pro-
16 posed program and financial plan [PLANS], and other programs and
17 alternatives that the governor considers appropriate. The plan
18 [PLANS] must include the governor's recommended goals and policies,
19 recommended plans to implement the goals and policies, recommended
20 operating and capital improvement program for the succeeding four
21 fiscal [YEAR, RECOMMENDED CAPITAL IMPROVEMENTS PROGRAM FOR THE SUC-
22 CEEDING SIX FISCAL] years, recommended programs for the upgrading of
23 public buildings and facilities prepared in accordance with AS 35.10.-
24 015, and recommended revenue measures to support the programs.

25 (b) The governor shall present the proposed budget [COMPRE-
26 HENSIVE OPERATING AND CAPITAL IMPROVEMENTS PROGRAMS] and long-term
27 financial plan [PLANS] in a message to a joint session of the legisla-
28 ture before the fourth legislative day following the convening of the
29 legislature in regular session. The message must be accompanied by an

1 explanatory report that summarizes recommended goals, plans, and
2 appropriations. The report must contain

3 (1) the coordinated program goals and objectives that the
4 governor recommends to guide the decisions on the proposed program
5 plans and budget appropriations;

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

9 (3) the governor's capital improvements program and budget
10 recommendations for the four succeeding fiscal [YEAR AND CAPITAL
11 IMPROVEMENTS PROGRAM FOR THE SUCCEEDING SIX FISCAL] years, which must
12 include

13 (A) a description of each project, its estimated cost
14 for the year construction is to start and the estimated cost of
15 the project adjusted for inflation over the estimated period of
16 construction, and the source of financing for the project; the
17 project description for a new building or a new facility or for a
18 major addition to a building or facility should include a site
19 plan, preliminary drawings, and architect's or engineer's total
20 cost estimate for the project;

21 (B) a summary of projects previously authorized and
22 not yet completed;

23 (C) a summary, listed by agency, of all previously
24 proposed projects that have been deferred beyond the period [SIX
25 YEARS] covered by the plan and the year in which construction has
26 been rescheduled to begin;

27 (D) a forecast of the debt structure of the state and
28 the various debt ratios over the life of the state's bonds out-
29 standing, bonds authorized and to be issued, and bond

- 1 authorizations recommended in the plan;
- 2 (E) a description of additional revenue measures
3 needed to finance the plan in lieu of debt;
- 4 (F) bond election bills to authorize the bonds re-
5 quired to fund the projects scheduled for the first three years
6 of the plan;
- 7 (G) projections of population of the state and its
8 regions and communities;
- 9 (H) economic data and projections necessary for the
10 evaluation of the plan;
- 11 (4) a summary of state receipts in the last fiscal year, a
12 revised estimate for the current fiscal year, and an estimate for the
13 succeeding fiscal year;
- 14 (5) a summary of expenditures during the last fiscal year,
15 those authorized for the current fiscal year, and an estimate for the
16 succeeding fiscal year;
- 17 (6) any additional information that will facilitate under-
18 standing of the governor's proposed programs and long-term financial
19 plan [PLANS] by the legislature and the public.

20 * Sec. 4. AS 37.07.070 is amended to read:

21 Sec. 37.07.070. LEGISLATIVE REVIEW. The legislature shall
22 consider the governor's proposed long-term [COMPREHENSIVE OPERATING
23 AND CAPITAL IMPROVEMENTS PROGRAMS AND] financial plan [PLANS], evalu-
24 ate alternatives to the plan [PLANS], make program selections among
25 the various alternatives and determine, subject to available revenues
26 the level of funding required to support authorized state services.
27 The operating and capital budgets of each agency shall be separately
28 reviewed. During each regular session of the legislature, legislative
29 review of the governor's supplemental appropriation bills and the

1 governor's budget amendments shall be governed by the following time
2 limits:

3 (1) requests [REQUESTS] by the governor for supplemental
4 appropriations for state agency operating and capital budgets for the
5 current fiscal year may be introduced by the rules committee only
6 through the 30th legislative day; [.]

7 (2) requests [REQUESTS] by the governor for budget amend-
8 ments to state agency budgets for the budget fiscal year may be
9 received and reviewed by the finance committees only through the 60th
10 legislative day.

11 * Sec. 5. This Act takes effect July 1, 1989.