

Original sponsor(s): REP. GRUENBERG, Koponen

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 518 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to balancing the budget and ensuring
7 compliance with appropriation limits in the budget
8 process."

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

13 (1) a capital improvements program and financial plan
14 covering the succeeding six fiscal years; and

15 (2) an estimate of state revenue expected to be received
16 and the amount of total expenditures recommended for the fiscal year
17 following the fiscal year for which the budget is submitted.

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

19 (c) Proposed expenditures may not exceed estimated revenue for
20 the succeeding fiscal year and must comply with the appropriation
21 limits in the Constitution of the State of Alaska and AS 37.05.540(b).
22 The expenditures proposed in the six-year capital improvements program
23 and financial plan may not exceed the estimated revenue and bond
24 authorizations passed and proposed.

25 * Sec. 3. AS 37.07.030 is amended to read:

26 Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legis-
27 lature shall

28 (1) provide for a budget review function;

29 (2) analyze the comprehensive operating and capital

1 improvements programs and financial plans recommended by the governor;

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

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

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

11 (6) adjust state expenditures and adopt, revise, or initi-
12 ate revenue measures in order to balance the succeeding fiscal year's
13 budget and the capital improvements section of the budget for the
14 succeeding six years within the appropriation limits in the Consti-
15 tution of the State of Alaska and AS 37.05.540(b).

16 * Sec. 4. AS 37.07 is amended by adding a new section to read:

17 Sec. 37.07.115. FISCAL EMERGENCIES. During the interim, if the
18 governor determines that projected state revenue will be insufficient
19 to pay for projected state expenditures during the next three months,
20 the governor shall declare a state of fiscal emergency and immediately
21 issue a proclamation calling the legislature into special session.
22 Notwithstanding AS 24.05.100(a)(1), the date of convening stated in
23 the proclamation shall be within 10 days after the proclamation is
24 issued. At a special session called under this subsection, only
25 legislation to increase sources of revenue or reduce expenditures may
26 be considered. The legislature may also reconsider legislation vetoed
27 after the last regular session.