

CS FOR SENATE BILL NO. 377(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/21/94
Referred: Rules

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state agency fiscal procedures; and providing for an effective
2 date."

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

4 * Section 1. AS 37.05.180 is amended to read:

5 Sec. 37.05.180. TIME [TWO-YEAR] LIMITATION ON PAYMENT OF
6 WARRANTS. A warrant upon the state treasury may not be paid unless presented at
7 the office of the commissioner of revenue within one year [TWO YEARS] of the date
8 of its issuance. A warrant not presented within that time is considered paid and money
9 held at the expiration of that time in a special fund or account for the payment of the
10 warrant shall be transferred to the general fund, except where the warrant is for the
11 payment of a permanent fund dividend or where transfer is prohibited by the federal
12 government for state participation in a federal program.

13 * Sec. 2. AS 37.05.510(b) is amended to read:

14 (b) The Department of Administration shall allocate to the working reserve

1 account amounts appropriated to all state agencies for the benefits set out in (a) of this
2 section after the appropriation Act implementing the state operating budget is enacted.
3 The department shall charge the reserve account with all payments for the benefits set
4 out in (a) of this section. [IF PAYMENTS FOR A FISCAL YEAR EXCEED THE
5 UNEXPENDED BALANCE OF APPROPRIATIONS ALLOCATED TO THE
6 ACCOUNT, THE DEPARTMENT MAY, EXCEPT FOR PAYMENTS UNDER (a)(4)
7 OF THIS SECTION, PAY THOSE BENEFITS BY CHARGING THE
8 UNENCUMBERED BALANCE OF ANY APPROPRIATION ENACTED TO
9 FINANCE THE PAYMENT OF EMPLOYEE SALARIES AND BENEFITS THAT
10 IS DETERMINED TO BE AVAILABLE FOR LAPSE AT THE END OF THE
11 FISCAL YEAR.]

12 * Sec. 3. AS 37.07.060(b)(2) is amended to read:

13 (2) the governor's operating program and budget recommendations for
14 the succeeding fiscal year organized by agency as required by AS 37.07.020(a); if an
15 appropriation has been made from the constitutional budget reserve fund (art. IX,
16 sec. 17, Constitution of the State of Alaska), and until the amount appropriated
17 is repaid, the governor shall propose the amount of money in the general fund
18 available for appropriation at the end of the preceding fiscal year that shall be
19 appropriated to the constitutional budget reserve fund;

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

21 Sec. 37.07.085. PRORATION OF PAYMENTS. (a) At the beginning of each
22 fiscal year, an agency that administers grants, reimbursement, revenue sharing, public
23 assistance, or other programs to distribute state money under a statute shall determine
24 whether appropriations for the fiscal year are sufficient to pay all anticipated claims
25 and entitlements under the statute. Except as provided in (d) of this section or as
26 otherwise provided by law prescribing agency action in response to insufficient
27 appropriations, if appropriations are not sufficient, the agency shall reduce the amount
28 to be paid to eligible recipients by prorating the shortfall among the eligible recipients.

29 (b) An agency that is paying reduced payments under (a) of this section shall
30 determine, on December 30 of the fiscal year, whether money available is sufficient
31 to fund the reduced payment level for the remainder of the fiscal year.

1 (c) An agency that has determined that appropriations are insufficient under
2 (a) or (b) of this section shall report to the governor, and the governor shall report to
3 the legislature by the 10th day of the next regular legislative session, the amount of
4 additional money needed for the remainder of that fiscal year to fund payments at the
5 reduced level and the amount of additional money needed to make full payments to
6 eligible recipients.

7 (d) An agency that has determined that appropriations are insufficient under
8 (a) of this section may not reduce payments if the reduction would violate the terms
9 of an agreement between the state and the federal government or would violate a
10 requirement for participation in a federal program in which the state is participating.
11 As required by (c) of this section, the agency and the governor shall report regarding
12 the amount of money needed to make full payments to eligible recipients.

13 (e) The commissioner of administration may adopt regulations necessary to
14 implement this section.

15 * Sec. 5. AS 37.25.010(b) is amended to read:

16 (b) An indebtedness arising from a prior year for which the appropriation has
17 lapsed shall be paid from the current year's appropriations, if

18 (1) this expenditure does not exceed the balance lapsed; and

19 (2) the original obligation date is not more than four [TWO] years
20 from the requested date of disbursement.

21 * Sec. 6. AS 39.20.250(a) is amended to read:

22 (a) Terminal leave for unused personal leave shall be allowed upon separation
23 from service. The payment equals the personal leave balance at the date of
24 separation multiplied by the officer's or employee's rate of pay at the date of
25 separation expressed on an hourly basis [COMPENSATION THAT THE OFFICER
26 OR EMPLOYEE WOULD HAVE RECEIVED IF THE OFFICER OR EMPLOYEE
27 HAD REMAINED IN THE SERVICE UNTIL THE EXPIRATION OF THE PERIOD
28 OF UNUSED PERSONAL LEAVE]. A payment of terminal leave to an employee
29 shall be made as a lump sum payment [OR IN INSTALLMENTS OVER A PERIOD
30 OF TIME, AS THE EMPLOYEE ELECTS].

31 * Sec. 7. AS 43.23.055 is amended to read:

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Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

- (1) annually pay permanent fund dividends from the dividend fund;
- (2) subject to AS 43.23.011 and [PARAGRAPH] (8) of this section, adopt regulations under AS 44.62 (Administrative Procedure Act) that establish procedures and time limits for claiming a permanent fund dividend; the department shall determine the number of eligible applicants by October 1 of the year for which the dividend is declared and pay the dividends by December 31 of that year;
- (3) adopt regulations under AS 44.62 (Administrative Procedure Act) that establish procedures and time limits for an individual upon emancipation or upon reaching majority to apply for permanent fund dividends not received during minority because the parent, guardian, or other authorized representative did not apply on behalf of the individual;
- (4) assist residents of the state, particularly in rural areas, who because of language, disability, or inaccessibility to public transportation need assistance to establish eligibility and to apply for permanent fund dividends;
- (5) annually determine, in cooperation with the Department of Corrections, the number and identity of individuals ineligible for a permanent fund dividend under AS 43.23.005(d);
- (6) adopt regulations that are necessary to implement AS 43.23.005(d);
- (7) adopt regulations that establish procedures for the parent, guardian, or other authorized representative of a disabled individual to apply for prior year permanent fund dividends not received by the disabled individual because no application was submitted on behalf of the individual;
- (8) adopt regulations that establish procedures for an individual to apply to have a dividend warrant reissued if it is returned to the department as undeliverable or it is not paid within one year [TWO YEARS] of the date of its issuance; however, the department may not establish a time limit within which an application to have a warrant reissued must be filed;
- (9) adopt regulations establishing an optional longevity bonus program to provide for the direct payment by the department of an individual's permanent fund dividend to an annuity program selected by the individual.

1 * Sec. 8. AS 47.20.070 is amended by adding a new subsection to read:

2 (d) The department may award grants necessary to the performance of its
3 duties under this chapter. If the department determines that it is appropriate to further
4 program objectives, the department may award grants for a period of two years, subject
5 to legislative appropriation.

6 * Sec. 9. AS 39.20.250(b) is repealed.

7 * Sec. 10. This Act takes effect July 1, 1994.