

USFB
5519

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

Date: _____

Mr. Speaker:

The Committee on SECURITY & NATIONAL AFFAIRS has had 56 days

NAF Act relating to BUREAU CRIMINALS; and providing for effective date.

under consideration and reports it back as follows:

- do pass do not pass
- do pas with attached amendments(s) same title
- replace with CS for _____ new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

(C) the minority leaders of each house of the legislature.

(d) Votes required to be conducted under (c) of this section may be conducted by teleconference. (§ 1 ch 170 SLA 1980)

Cross reference. — For the 1980 special appropriation to the reserve for emergency operating expenses account, see Chapter 171, SLA 1980, in the

Temporary and Special Acts binder.

Effective date. — Section 2, ch. 170, SLA 1980, makes this section effective July 1, 1980.

Article 4. Uniform Purchasing.

Section

230. Competitive bids

Sec. 37.05.230. Competitive bids. In the manner provided in this chapter and rules and regulations established under it

(4) the provisions of this section relative to competitive bids do not apply to contracts for the operation of transportation systems for students to and from the schools within the state, as are authorized under AS 14.09.010; and these contracts may be awarded by bid or negotiation and, at the discretion of the Board of Education, may be awarded for periods of three years or less;

Revisor's note. — The reference to AS 14.09.010 in paragraph (4) was originally a reference to AS 14.10.070. Chapter 98,

SLA 1966 revised Title 14 and the substance of AS 14.10.070 became AS 14.09.010.

Article 5. General Provisions.

Section

315. State grants

Sec. 37.05.300. Interpretation of chapter.

Chapter applicable to University of Alaska. — See note under this catchline following chapter analysis.

Sec. 37.05.315. State grants. (a) When an appropriation is made as a grant to a municipality, the Department of Administration shall promptly notify the municipality of the availability of the grant. When the Department of Administration receives an agreement executed by the municipality which provides that the municipality (1) will spend the grant for the purposes specified in the appropriation; (2) will allow, on request, an audit by the state of the uses made of the grant; and (3) assures that, to the extent consistent with the purpose of the appropriation, the facilities and services provided with the grant will be available for the use of the general public, the Department of Administration shall pay the grant directly to the municipality. The agreement executed by a municipality under this section shall be on a form furnished by the Department of Administration.

Not less than 20 percent of the grant shall be paid to the municipality within 10 days of the effective date of the agreement. The remainder of the grant shall be paid either in monthly installments equal to the amount of grant money the municipality expended in the previous month or in a lump sum as determined by the Department of Administration.

(b) An appropriation for a grant to a municipality for construction of a public facility lapses if substantial, ongoing work on the project has not begun within five years after the effective date of the appropriation.

(c) In accepting a grant of money for construction of a public facility, each municipality covenants with the state that it will operate and maintain the facility for its practical life and that it will not look to the state to operate or maintain the facility or pay for its operation or maintenance.

(d) When an appropriation is made to a department as a grant for a named recipient which is not a municipality, the department to which the appropriation is made shall promptly notify the named recipient of the availability of the grant and request the named recipient to submit a proposal to provide the goods or services, or both, for which the appropriation is made. At the same time, the department shall issue a request for proposals from other qualified persons to provide the same goods or services, or both, in the same area. The department shall contract with the named recipient unless the Office of the Governor, with due regard for any local expertise or experience among those making proposals, determines that an award of the contract to a different party would better serve the public interest. If the contract is awarded to another party than that named by the legislature, the basis of that action shall be stated in writing at the time the grant is issued. The purchase of the goods or services, or both, shall be in accordance with AS 37.05.230(1)(C).

(e) A grant to a municipality must be made within 60 days after the effective date of the appropriation. A contract under (d) of this section must be executed within 60 days after the effective date of the appropriation.

(f) A grant to an unincorporated community made under this section shall be disbursed as follows:

(1) Within 45 days after the effective date of the appropriation, the Department of Community and Regional Affairs shall notify the governing body of the unincorporated community, if any, that a grant is available.

(2) The Department of Community and Regional Affairs shall determine whether there is a qualified incorporated entity in the community area which will agree to receive the grant and administer it, subject to terms generally applicable to private grantees. If there is more than one such entity, the Department of Community and

Regional Affairs shall select the entity to be awarded to that incorporated entity. The Department of Community and Regional Affairs shall give preference to an incorporated community for receipt of the grant.

(3) If there is no incorporated entity in the community, the Department of Community and Regional Affairs may contract in the community for the program directly or through a contractor.

(g) Notwithstanding the provisions of the Fiscal Procedures Act (AS 37.07), a department may impose additional requirements on a grantee, specific or otherwise, that are not required by the federal programs. (§ 1 ch 156 SLA 1980)

Effective date. — Section 2 of SLA 1980, makes this section effective.

Chapter 0

Section

- 20. Responsibilities of the governor
- 60. Governor's recommendations
- 80. Program execution

The University of Alaska is exempt from the provisions of this section. February 28, 1977. Op. Atty Gen. There is no constitutional issue.

Sec. 37.07.020. Res

(d) The governor shall report to the legislature, report to the Senate and Audit Committee the results of the study.

- (1) alternate levels of state; and
 - (2) alternative investment programs.
- (am § 4 ch 18 SLA 1980)

Effect of amendment. — The 1980 amendment, effective February 28, 1977, added subsection (d).

Regional Affairs shall select the most qualified and the grant shall be awarded to that incorporated entity for the purposes of the appropriation; however, the Department of Community and Regional Affairs shall give preference to a nonprofit corporation organized by a community for receipt of the grant.

(3) If there is no incorporated entity qualified to receive the grant, the Department of Community and Regional Affairs shall administer the program directly or through agents or contractors with whom it may contract in the community area.

(g) Notwithstanding the Administrative Procedure Act (AS 44.62), the Fiscal Procedures Act (AS 37.05), and the Executive Budget Act (AS 37.07), a department may not adopt regulations or impose additional requirements or procedures to implement, interpret, make specific or otherwise carry out the provisions of this section unless required by the federal government for participation in federal programs (§ 1 ch 156 SLA 1980)

Effective date. — Section 2, ch. 156, July 2, 1980, in accordance with AS SLA 1980, makes this section effective 01.10.070(c).

Chapter 07. Executive Budget Act.

Section

- 20. Responsibilities of the governor
- 60. Governor's recommendation
- 80. Program execution

The University of Alaska is subject to the provisions of this chapter. February 28, 1977, Op. Att'y Gen.
There is no constitutional obstacle to

making the University of Alaska subject to the provisions contained in this title. February 28, 1977, Op. Att'y Gen.

Sec. 37.07.020. Responsibilities of the governor.

(d) The governor shall annually, before the convening of the legislature, report to the legislature through the Legislative Budget and Audit Committee the long-range fiscal and economic consequences of

- (1) alternate levels of capitalization of the investment funds of the state; and
 - (2) alternative investment policy for the general fund surplus.
- (am § 4 ch 18 SLA 1980)

Effect of amendment.
The 1980 amendment, effective April 9, 1980, added subsection (d).

As the rest of the section was not affected by the amendment, it is not set out.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

Rep. J. J. J. J. J.
Rm 604
FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 9981.
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MEMORANDUM

TO: Senator Ed Dankworth, Co-chairman,
Senate Finance Committee

FROM: *J. H. Hogan*
JAY H. HOGAN, Director
Legislative Finance Division

DATE: May 7, 1981

The attached draft relating to grants has been drafted in consultation with the attorneys from Ely, Guess and Rudd, who are handling the Legislature's suit against the Governor over numerous vetoes of grants contained in last year's General Appropriations Act. This is essentially a housekeeping measure and makes no changes in the provisions of the three types of grants provided for in chapter 156 passed last year.

The proposed changes to the existing law can easily be seen on the attached draft.

1. Page 1 - lines 4, 5, 12, and 19
Page 2 - lines 5 and 6
Page 3 - lines 11 and 12

The three types of grant provisions are changed to provide that grants may be either "appropriations" or "allocations". In the lawsuit, the Attorney General argues that since the existing grants law does not mention allocations, grants that are written as allocations are not grants subject to the new law.

2. Page 2 - line 11
Page 3 - lines 25 and 26
Page 4 - line 3

In several instances the phrase "as specified in the Appropriations Act" is added to make it clear that whatever the Appropriations Act sets out as the purpose of the appropriation is the purpose of the appropriation. Again, in legal argument on the current case, the Attorney General argues some appropriations made last year are for no purpose and therefore cannot be for a "public purpose".

3. Page 2 - line 13

Departments are authorized to issue requests for proposals rather than directed to. If a state agency has no problem with a named recipient it would appear to be a waste of everyone's time to require an RFP in those circumstances where the department feels comfortable about making the grant to the named recipient.

4. Page 2 - line 21

The existing statute does not name anyone to receive the written comments of the Governor regarding his decision not to award a grant to a named recipient. The draft would require that his reasons be sent to the Legislative Budget and Audit Committee.

5. Page 3 - line 4

"no state agency" is substituted for "a department" in the section prohibiting adoption of additional regulations to make it clear that department or otherwise, no state agency is to adopt additional regulations or requirements.

c. Page 1 - line 4
Page 2 - line 5
Page 3 - line 11

Finally, each of the three types of grants is given an individual section in the statutes, and a brief title.

Attachmen
JHH:dh

1981 '51

SB 550 cont'd

Letter of Intent on SB 550 follows:

The State Affairs Committee recommends that CS FOR SENATE BILL NO. 550, entitled: "An Act making an appropriation to the Office of the Governor, State Commission for Human Rights; eff. date", do pass.

It is the intent of the Committee that these funds will not be used to increase the staff of the Human Rights Commission. The funds will be given to the rural employment rights programs and local human rights commission so that they can provide services to their respective areas on a non-discriminatory basis.

/s/ V. Fischer
Vic Fischer, Chairperson

/s/ Mike Colletta
Mike Colletta, V-Chairperson

/s/ Brad Bradley
Brad Bradley

/s/ Dick Eliason
Dick Eliason

/s/ Terry Stinson
Terry Stinson

SB 559

The Finance Committee submitted a new amendment No. 1 to SENATE BILL NO. 559 to replace the amendment offered on page 1081 of the Senate Journal:

Page 2, line 5: following "maintenance," add: "This requirement does not apply to a grant for money for repair or improvement of an existing facility operated or maintained by the state at the time the grant is accepted if the repair or improvement for which the grant is made will not substantially increase the operating or maintenance costs to the state."

Page 4, line 1 | delete extra "not"

HB 359

The Finance Committee considered CS FOR HOUSE BILL NO. 358 (FIN) (supplemental appropriations to the Department of Health and Social Services and Department of Labor and amending 1980-1981 general appropriations Act) and recommends it be replaced with SENATE CS FOR CS FOR HOUSE BILL NO. 358 (FIN) and reports it back as follows: Senator Bennett, Co-Chairman and Senators Sackett and Danworth signed "no recommendation". Senators Eliason, Sturgulewicz and Stinson signed "do pass".