

COMMITTEE REPORT

HOUSE

(11)

FURTHER:

3/18/83

Date: 3/25/83

Mr. Speaker:

The Committee on FINANCE has had CSSB 152(Fin)

An Act relating to the budget of the state and bills related to the budget and merging the division of budget and management, the division of policy development and planning, and the latter's office of coastal management into one office; and providing for an effective date.

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^HCS for CSSB 152 (FIN) same title
 new title
- and recommends to pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature] (No Rec)
[Signature]
[Signature]
[Signature]
[Signature]

[Signature]
CHAIRMAN

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 28, 1983

SUBJECT: Office of Management and Budget
(CSSB 152 (Finance))

TO: Representative Alkert P. Adams
Chairman, House Finance Committee

FROM: Keith B. Levy *KBL*
Legislative Counsel

Enclosed is the committee substitute you requested to CSSB 152 (Finance), relating to the office of management and budget. You should be aware that the amendments on page 1 regarding the Institute of Social and Economic Research do not really have the force of law since it only affects the purpose and intent clause of the bill. The Institute of Social and Economic Research does not exist by statute, it was created by the university under the authority of AS 14.-40.110. Consequently, the amendments can, at best, encourage cooperation between the office of management and budget and the Institute of Social and Economic Research. They will not have the effect of causing an actual merger of the two offices.

If you want to actually merge these two offices, you would have to create the Institute of Social and Economic Research within the office of management and budget by statute. You can not do this by way of an amendment to CSSB 152 (Finance), however, since such an amendment would require a title change which is prohibited in the second house by Rule 35 of the Uniform Rules of the Alaska State Legislature.

If I may be of further assistance, please advise.

KBL:ljb

Enclosure
11/015

Original sponsor: Finance Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 152 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the budget of the state and bills
7 related to the budget and merging the division of
8 budget and management, the division of policy devel-
9 opment and planning, and the latter's office of
10 coastal management into one office; and providing for
11 an effective date."

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

13 * Section 1. PURPOSE AND INTENT. (a) It is the purpose of this Act,
14 in the best interests of efficient administration and state planning, to
15 merge the institute of social and economic research, the division of budget
16 and management, the division of policy development and planning, and the
17 latter's office of coastal management, including both capital and operating
18 expenditures, into one office.

19 (b) It is the intent of the legislature that the powers conferred by
20 this Act be exercised by the executive branch and its agencies, divisions,
21 and departments, as well as the institute of social and economic research,
22 in cooperation with the legislature and its committees.

23 * Sec. 2. AS 24.20.231(4) is amended to read:

24 (4) cooperate with the office of management and budget
25 [DIVISION OF BUDGET AND MANAGEMENT] in establishing a comprehensive
26 system for state budgeting and financial management as set out in the
27 Executive Budget Act (AS 37.07);

28 * Sec. 3. AS 24.30.035 is amended to read:

29 Sec. 24.30.035. FISCAL NOTES ON BILLS. (a) Before a bill or

1 resolution, except an appropriation bill, is reported from the commit-
2 tee of first referral, there shall be attached to the bill a fiscal
3 note containing an estimate of the amount of the appropriation in-
4 crease or decrease which would result from enactment of the bill for
5 the current [ENSUING] fiscal year and [AT LEAST] five [TWO] succeeding
6 fiscal years or, if the bill has no fiscal impact, a statement to that
7 effect shall be attached. The fiscal note or statement shall be
8 prepared in conformity with the requirements of this section by the
9 department or departments affected and may be reviewed by the office
10 of management and budget. The fiscal note or statement shall be
11 delivered to the committee requesting it within five days of the
12 request or within two days if the request is made after the 90th day
13 of a regular session, or during a special session of the legislature.
14 If the bill is presented by the governor for introduction in accor-
15 dance with AS 24.30.060(b) and the uniform rules of the legislature,
16 the fiscal note or statement shall be attached to the bill before the
17 bill is introduced. An amendment or a substitute bill proposed by a
18 committee of referral that changes the fiscal impact of a bill shall
19 be explained in a revised fiscal note or statement attached to the
20 bill.

21 * Sec. 4. AS 24.30.035 is amended by adding new subsections to read:

22 (b) In addition to the fiscal note required by this section, the
23 sponsor of a bill or resolution may prepare a fiscal note in conform-
24 ity with the requirements of this section and submit it to the commit-
25 tee of first referral or the finance committee. A committee may
26 prepare an additional fiscal note in conformity with the requirements
27 of this section.

28 (c) A fiscal note for a bill or resolution must contain the
29 following information:

- 1 (1) the fiscal impact on existing programs;
- 2 (2) the fiscal impact of new programs or activities;
- 3 (3) a line item detail of the fiscal impact;
- 4 (4) the source of funds expected to be utilized by general
- 5 fund source, federal fund source, or other identified source;
- 6 (5) the number of new positions which may be required,
- 7 identified as full-time, part-time, or temporary;
- 8 (6) an analysis of how the figures in the fiscal note were
- 9 derived;
- 10 (7) additional information necessary to explain the fiscal
- 11 note;
- 12 (8) a fiscal impact projection for the first year in which
- 13 expenditures will be required and for the succeeding five fiscal
- 14 years; and
- 15 (9) formal information consisting of
- 16 (A) the bill or resolution number,
- 17 (B) the name of the prime sponsors,
- 18 (C) the date the fiscal note was prepared,
- 19 (D) the name of the committee requesting the fiscal
- 20 note,
- 21 (E) the name and phone number of the person who pre-
- 22 pared the fiscal note, and
- 23 (F) the budget request unit, program, or subprogram
- 24 affected.

25 (d) The original of a fiscal note shall be submitted to the

26 Division of Legislative Finance and copies shall be sent to the prime

27 sponsor, the committee requesting the fiscal note, and the office of

28 management and budget.

29 * Sec. 5. AS 37.07.040 is amended to read:

1 Sec. 37.07.040. OFFICE OF MANAGEMENT AND BUDGET [DIVISION OF
2 BUDGET AND MANAGEMENT]. The Alaska office of management and budget
3 [BUDGET AND MANAGEMENT DIVISION] shall

4 (1) assist the governor in the preparation and explanation
5 of the proposed comprehensive program and financial plan, including
6 the coordination and analysis of state agency goals and objectives,
7 plans, and budget requests;

8 (2) prepare for submission to the governor an annually up-
9 dated six-year capital improvements program and the proposed capital
10 improvements budget for the coming fiscal year, the latter to include
11 individual project justification with documentation of estimated proj-
12 ect cost;

13 (3) develop procedures to produce the information needed
14 for effective policy decision making, including procedures to provide
15 for the dissemination of information about plans, programs, and budget
16 requests to be included in the annual budget and opportunity for pub-
17 lic review and comment during the period of budget preparation;

18 (4) assist state agencies in their statement of goals and
19 objectives, preparation of plans, budget requests, and reporting of
20 program performance; all documents forwarded by the office [DIVISION]
21 to a state agency containing instructions for the preparation of pro-
22 gram plans and budget requests and the reporting of program perfor-
23 mance are public information after the date they are forwarded;

24 (5) administer its responsibilities under the program exe-
25 cution provisions of this chapter so that the policy decisions and
26 budget determinations of the governor and the legislature are imple-
27 mented;

28 (6) provide the legislative finance division with the bud-
29 get information it may request;

1 (7) provide the legislative finance division with an ad-
2 vance copy of the governor's budget workbooks by the first Monday in
3 January of each year, except that following a gubernatorial election
4 year the advance copy shall be provided by the second Monday in
5 January.

6 * Sec. 6. AS 37.07.040 is amended by adding a new paragraph to read:

7 (8) promulgate regulations consistent with this section in
8 accordance with AS 44.62 no later than August 1, 1983.

9 * Sec. 7. AS 37.07.070(1) is amended to read:

10 (1) Requests by the governor for supplemental appropria-
11 tions for state agency operating and capital budgets for the current
12 fiscal year may be introduced by the rules committee only through the
13 30th [45TH] legislative day.

14 * Sec. 8. AS 37.07.070(2) is amended to read:

15 (2) Requests by the governor for budget amendments to state
16 agency budgets for the budget fiscal year may be received and reviewed
17 by the finance committees only through the 60th [75TH] legislative
18 dsy.

19 * Sec. 9. AS 37.07.080(b) is amended to read:

20 (b) Each state agency shall prepare an annual plan for the
21 operation of each of its assigned programs except for programs that
22 are exempted from this requirement by the office [DIVISION]. The
23 operations plan shall be prepared in the form and content and be
24 transmitted on the date prescribed by the office [DIVISION].

25 * Sec. 10. AS 37.07.080(c) is amended to read:

26 (c) The office [DIVISION] shall

27 (1) review each operations plan to determine that it is
28 consistent with the policy decisions of the governor and appropria-
29 tions by the legislature, that it reflects proper planning and

1 efficient management methods, that appropriations ~~have~~ been made for
2 the planned purpose and will not be exhausted before the end of the
3 fiscal year;

4 (2) approve the operations plan if satisfied that it meets
5 the requirements under (1) of this subsection; otherwise, the office
6 [DIVISION] shall require revision of the operations plan in whole or
7 in part;

8 (3) Repealed by sec. 1 ch 26 SLA 1976.

9 * Sec. 11. AS 37.07.080(e) is amended to read:

10 (e) Transfers or changes between objects of expenditures or be-
11 tween allocations may be made by the head of a state agency upon ap-
12 proval of the office [DIVISION]. No transfers may be made between ap-
13 propriations except as provided in an act making the transfers between
14 appropriations.

15 * Sec. 12. AS 37.07.080(f) is amended to read:

16 (f) The office [DIVISION] shall report quarterly to the governor
17 and the legislature on the operations of each state agency, relating
18 actual accomplishments to those planned and modifying, if necessary,
19 the operations plan of any agency for the balance of the fiscal year.

20 * Sec. 13. AS 37.07.100 is amended to read:

21 Sec. 37.07.100. PROPOSED SUPPLEMENTAL OR SPECIAL [DEFICIENCY]
22 APPROPRIATIONS. The governor from time to time may transmit to the
23 legislature proposed supplemental or special [DEFICIENCY] appropria-
24 tions in accordance with AS 37.07.070 which in the governor's [HIS]
25 judgment are necessary [ON ACCOUNT OF LAWS ENACTED AFTER THE TRANS-
26 MISSION OF THE BUDGET, OR ARE OTHERWISE IN THE PUBLIC INTEREST].
27 However, if the governor finds that an emergency situation necessi-
28 tates the proposal of supplemental or special appropriations, the
29 governor may transmit them to the legislature at any time. The

1 governor [HE] shall accompany each proposal with a statement of the
2 reasons for it, including the reasons for its omission from the bud-
3 get.

4 * Sec. 14. AS 37.07.120 is amended by adding new paragraphs to read:

5 (7) "office" means the Alaska office of management and
6 budget established in the Office of the Governor by AS 44.19.141,

7 (8) "capital projects" and "capital improvements" mean an
8 allocation or appropriation item for land acquisition, construction,
9 or structural improvement including engineering and design for the
10 project and equipment and maintenance costs exceeding \$50,000.

11 * Sec. 15. AS 44.19.141 is amended to read:

12 ARTICLE 12. OFFICE OF MANAGEMENT AND BUDGET [DIVISION
13 OF POLICY DEVELOPMENT AND PLANNING].

14 Sec. 44.19.141. ALASKA OFFICE OF MANAGEMENT AND BUDGET [DIVISION
15 OF POLICY DEVELOPMENT AND PLANNING]. There is in the Office of the
16 Governor the Alaska office of management and budget [DIVISION OF
17 POLICY DEVELOPMENT AND PLANNING].

18 * Sec. 16. AS 44.19.142 is amended to read:

19 Sec. 44.19.142. DIRECTOR. The office of management and budget
20 [DIVISION OF POLICY DEVELOPMENT AND PLANNING] is administered by a di-
21 rector who is appointed by, and serves at the pleasure of, the gover-
22 nor.

23 * Sec. 17. AS 44.19.143 is amended to read:

24 Sec. 44.19.143. PERSONNEL. The director shall employ such per-
25 sonnel as may be necessary to carry out the provisions of AS 44.19.-
26 141 - 44.19.152 and the relevant provisions of AS 37.07.

27 * Sec. 18. AS 44.19.144(a) is amended to read:

28 (a) The director shall

29 (1) supervise and administer the activities of the office

1 [DIVISION];

2 (2) advise the governor on matters of comprehensive state
3 planning;

4 (3) make an annual report to the governor of the activities
5 of the office [DIVISION].

6 * Sec. 19. AS 44.19.144(b)(3) is amended to read:

7 (3) on behalf of the state, accept and expend any gifts or
8 grants made to the state with the approval of the governor where such
9 gifts or grants were made for the purposes of furthering the objec-
10 tives of the office [DIVISION].

11 * Sec. 20. AS 44.19.145 is amended to read:

12 Sec. 44.19.145. FUNCTIONS AND DUTIES OF THE OFFICE [DIVISION].

13 (a) The office [DIVISION] shall

14 (1) provide technical assistance to the governor and the
15 legislature in identifying long range goals and objectives for the
16 state and its political subdivisions;

17 (2) prepare and maintain a state comprehensive development
18 plan;

19 (3) provide information and assistance to state agencies to
20 aid in governmental coordination and unity in the preparation of agen-
21 cy plans and programs;

22 (4) review planning within state government as may be nec-
23 essary for receipt of federal, state or other funds;

24 (5) Repealed.

25 (6) participate with other countries, provinces, states or
26 subdivisions of them [THEREOF] in international or interstate plan-
27 ning, and assist Alaska's local governments, governmental conferences
28 and councils, in planning and coordinating their activities;

29 (7) Repealed.

1 (8) encourage educational and research programs that fur-
2 ther state planning and development, and provide administrative and
3 technical services for them;

4 (9) publish such statistical information or other documen-
5 tary material as will further the provisions and intent of AS 44.19.-
6 141 - 44.19.152;

7 (10) assist the governor and the Department of Community and
8 Regional Affairs in coordinating the activities of state agencies
9 which have an impact on the solution of local and regional development
10 problems;

11 (11) serve as a clearinghouse for information, data, and
12 other materials which may be helpful or necessary to federal, state or
13 local governmental agencies in discharging their respective responsi-
14 bilities or in obtaining federal or state financial or technical as-
15 sistance;

16 (12) review all proposals for the location of capital im-
17 provements by any state agency and advise and make recommendations
18 concerning location of these capital improvements;

19 (13) review and comment on federal consistency determina-
20 tions and certifications authorized by sec. 307 of the Coastal Zone
21 Management Act of 1972, as amended, 16 U.S.C. sec. 1456, and the state
22 coastal management program.

23 (b) The office [DIVISION] shall, in carrying out its functions,
24 consult with local, regional, state and federal officials, private
25 groups and individuals, and with officials[,] of other countries,
26 provinces and states, and may hold public hearings to obtain informa-
27 tion for the purpose of carrying out the provisions of AS 44.19.141 -
28 44.19.152.

29 (c) The governor may establish coordinating or advisory planning

1 groups.

2 (d) The office [DIVISION] shall

3 (1) coordinate its services and activities with those of
4 other state departments and agencies to the fullest extent possible to
5 avoid duplication;

6 (2) prepare an integrated annual report on the long-range
7 development program of the state and submit it to the governor for in-
8 corporation into the governor's [HIS] report to the legislature;

9 (3) cooperate with the University of Alaska and other ap-
10 propriate public and private institutions in research and investiga-
11 tions.

12 * Sec. 21. AS 44.19.152 is amended to read:

13 Sec. 44.19.152. DEFINITIONS. In AS 44.19.141 - 44.19.152,

14 (1) ["DIVISION" MEANS THE DIVISION OF POLICY DEVELOPMENT
15 AND PLANNING;]

16 (2) "director" means the director of the office of manage-
17 ment and budget; [DIVISION OF POLICY DEVELOPMENT AND PLANNING.]

18 (3) "office" means the Alaska office of management and bud-
19 get.

20 * Sec. 22. AS 44.19.155(a)(2)(A) is amended to read:

21 (A) the director of the office of management and bud-
22 get [DIVISION OF POLICY DEVELOPMENT AND PLANNING];

23 * Sec. 23. AS 44.19.155(d) is amended to read:

24 (d) Each member of the council shall select one person to serve
25 as a permanent alternate at meetings of the council. If a member of
26 the council is unable to attend, the member [HE] shall advise the
27 alternate who may attend and act in the place of the member. The
28 alternate for a public member appointed after July 9, 1978 under
29 (a)(1) of this section shall, at the time of the attendant's [HIS]

1 designation and throughout the period of [HIS] service as a permanent
2 alternate, be the mayor or member of the assembly or council of a
3 municipality within the region from which the permanent member is
4 appointed. The alternate for the director of the office of management
5 and budget, serving under (a)(2)(A) of this section, shall be the
6 director's designee within that office. The alternate for a designat-
7 ed member serving under (a)(2)(B) - (G) of this section shall be a
8 deputy commissioner of the department or the director of a division in
9 the department. The names of alternates shall be filed with the
10 council.

11 * Sec. 24. AS 44.19.162 is amended to read:

12 Sec. 44.19.162. COUNCIL STAFF. The council shall use [UTILIZE]
13 the staff of the office of coastal management within the office of
14 management and budget [DIVISION OF POLICY DEVELOPMENT AND PLANNING] in
15 discharging its powers and duties. The coordinator of the office of
16 coastal management, under the direction of the council co-chair who is
17 selected from among the members designated in AS 44.19.155(a)(2) [,
18 WITH THE CONCURRENCE OF THE COUNCIL], may contract with or employ per-
19 sonnel or consultants the coordinator [HE] considers necessary to
20 carry out the powers and duties of the council.

21 * Sec. 25. AS 44.83.030(2) is amended to read:

22 (2) the director of the office of [DIVISION OF BUDGET AND]
23 management and budget, or the director's designee within that office,
24 and three commissioners of principal executive departments appointed
25 by the governor.

26 * Sec. 26. AS 37.07.120(2) is repealed.

27 * Sec. 27. TRANSITION. All litigation, hearings, investigations and
28 other proceedings pending under a law amended or repealed by this Act, or
29 in connection with functions transferred by this Act, continue in effect

1 and may be continued and completed notwithstanding a transfer or amendment
2 or repeal provided for in this Act. Certificates, orders, and regulations
3 issued or adopted under authority of a law amended or repealed by this Act
4 remain in effect for the term issued, or until revoked, vacated, or other-
5 wise modified under the provisions of this Act. All contracts, rights,
6 liabilities, and obligations created by or under a law amended or repealed
7 by this Act, and in effect on the effective date of this Act, remain in
8 effect notwithstanding this Act's taking effect. Records, equipment, and
9 other property of agencies of the state whose functions are transferred
10 under this Act shall be transferred commensurate with the provisions of
11 this Act.

12 * Sec. 28. NAME CHANGE. To be consistent with the changes made by this
13 Act, wherever in the Alaska Statutes and in regulations adopted under those
14 statutes "division of budget and management" and "division of policy devel-
15 opment and planning," and other terms identifying those divisions, are
16 used, they must be read as referring to the office of management and bud-
17 get. Similarly, references to the directors of those divisions must be
18 read as references to the director of the office of management and budget.
19 Under AS 01.05.031, the revisor of statutes shall implement this section in
20 the statutes, and, under AS 44.62.125(b)(6), the regulations attorney shall
21 implement this section in the administrative regulations.

22 * Sec. 29. AS 37.07.120(8), added by sec. 14 of this Act, takes effect
23 January 1, 1984.

24 * Sec. 30. AS 37.07.120(7), added by sec. 14 of this Act and sections
25 1 - 13 and 15 - 26 of this Act take effect immediately in accordance with
26 AS 01.10.070(c).
27
28
29

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB 152 (Finance)

Title Re: budget of the state and bills related to budget/merging budget & Mgt., Division of Policy Dev. & Planning, Coastal Mgt.

Requested by House Finance Committee Date 3/18/83

II. FISCAL DETAIL

Agency Affected Office of the Governor

Program Category Affected DP/DP and Office of Management and Budget

BRU, Program, Or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
POSITIONS	0	0	0	0	0	0

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE 3/18/83 PREPARED BY H. Adams, Chairman

AGENCY House Finance Committee

PHONE 465-3706

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/82)

Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

March 23, 1983

to: House Finance Committee
from: Ginny Chitwood *GC.*
re: SB 152

Because there has been some confusion about how Section 6 would be implemented, please adopt the Senate letter of intent that was drafted to clarify the issue.

SB 152 cont'd

Senator Josephson moved for the adoption of the following letter of intent:

LETTER OF INTENT
CSSB 152 (FIN)

Insofar as the language "notwithstanding considerations such as population, local financial match, or federal funds being used for local match" in Section 6 is concerned, it is the intention of the section that needed projects will have priority over non-needed projects, even if the non-needed projects have such attractive considerations as population, local financial match, or available federal funds useable for local match.

However, as between competing projects that are justified by an assessment of need, priority can be given on the basis of considerations such as population, local financial match, available federal funds useable for local match, or other criteria which the planning process may rationally take into account.

The question being: "Shall the letter of intent be adopted?"
On voice vote, the Senate Letter of Intent was adopted.

The question to be reconsidered is: "Shall CS FOR SENATE BILL NO. 152 (FIN) (budget of the state and bills related to the budget, and merging the division of budget and management, the division of policy development and planning, and the latter's office of coastal management into one office) pass the Senate?" The roll was taken with the following result:

CS SB 152 (FIN) RECON

Yeas: 20 Bennett, Eliason, Fahrenkamp,
Faiks, Ferguson, Fischer Paul,
Fischer Vic, Gilman, Halford,
Josephson, Kelly, Kerttula, Moss,
Mulcahy, Pettyjohn, Ray, Rodey,
Sackett, Sturgulewski, Ziegler

Nays: 0

and so, CS FOR SENATE BILL NO. 152 (FIN) passed the Senate on reconsideration with Senate Letter of Intent.

SENATE
LETTER OF INTENT
CSSB 152 (FIN)

Insofar as the language "notwithstanding considerations such as population, local financial match, or federal funds being used for local match" in Section 6 is concerned, it is the intention of the section that needed projects will have priority over non-needed projects, even if the non-needed projects have such attractive considerations as population, local financial match, or available federal funds useable for local match.

However, as between competing projects that are justified by an assessment of need, priority can be given on the basis of considerations such as population, local financial match, available federal funds useable for local match, or other criteria which the planning process may rationally take into account.

Adopted by the Senate 3/17/83

P E S T I N G E R

A M E N D M E N T

D E L E T E S E N A T E

L E T T E R O F I N T E N T

P E R T A I N I N G T O

S E C . 6 A D O P T E D

B Y S E N A T E 3 - 1 7 - 8 3

Alaska State Legislature

House of Representatives

Al Adams

Chairman

Committee on Finance

WHILE IN SESSION

Pouch V

State Capitol

Juneau, Alaska 99811

(907) 465-3706

OUT OF SESSION

P.O. Box 333

Kotzebue, Alaska 99752

(907) 442-3320

1024 W. 6th

Anchorage, Alaska 99501

(907) 274-0615

Official Business

March 18, 1983

MEMORANDUM

TO: House Finance Committee Members

FROM: Al Adams, Chair *APA*
House Finance Committee

SUBJ: CS SB 152 (Finance)

CS SB 152 (Finance) contains all of the provisions of E.O. 53, creating the Office of Management & Budget (OMB) as well as certain other provisions relating to the state budget and preparation of fiscal notes.

Section-by-section Analysis

Section 1. PURPOSE AND INTENT. States that the purpose of the Act is to merge the division of budget and management and the division of policy development and planning in the Governor's office into one office for more efficient administration and planning.

States that the legislature's intent is that the executive branch cooperate with the legislature in exercising the powers given to the administration in the Act.

Section 2. States that Legislative Finance will cooperate with OMB with regard to state budgeting and fiscal management.

Section 3. States that fiscal notes for bills and resolutions, except appropriation bills, will be prepared for the current fiscal year and five succeeding fiscal years. Fiscal notes shall be prepared by OMB in conformity with the requirements of statute.

A fiscal note shall be delivered to the requesting committee within five days of the request, or within

two days of the request after the 90th day of regular session and during special sessions.

Section 4. Provides that a bill sponsor may prepare a fiscal note in conformity with the requirements of statute and submit it to the first committee of referral or to the finance committee. A committee may also prepare an additional fiscal note that conforms with statutory requirements.

A fiscal note must contain an estimate of fiscal impact on existing state programs and new programs, a line item detail of fiscal impact, identification of the source of funds (general fund, federal funds, other) to pay the cost of the bill, the number of new state positions required, an analysis of how the fiscal impact was derived, appropriate additional information, fiscal impact projection for the current and next five fiscal years, the bill or resolution number, the prime sponsors, the date of fiscal note preparation, the committee requesting the fiscal note, the name and phone number of the fiscal note preparator, the BRU, program or subprogram affected.

The fiscal note original shall be sent to Legislative Finance, copies shall be sent to the prime sponsor, the committee requesting the fiscal note, and OMB.

Section 5. Transfers the functions of the division of budget and management to OMB.

Section 6. States that OMB will prepare the capital budget evaluating both state and local government requests from the standpoint of need. Need is given priority over other considerations such as population, local financial match or the availability of federal funds for local match.

Section 7. States that supplemental appropriation requests for both the operating and capital budgets shall be submitted to the legislature by the 30th legislative day.

Section 8. States that budget amendments shall be submitted to the legislature by the 60th legislative day.

Section 9. States that state agency operating plans are prepared under the direction of OMB.

Section 10. Same as section 9.

Section 11. States that OMB must approve all transfers between allocations and expenditures.

Section 12. States that OMB shall report quarterly on the operations of each agency and modify the agency's operations plan if necessary.

Section 13. Provides that the Governor may, from time to time, submit supplemental or special appropriation requests to the legislature within the time limits imposed by section 7 of the Act. However, if an emergency necessitates a supplemental or special appropriation, it can be submitted at any time.

Section 14. Adds a new definition to the Executive Budget Act. The term "office" means OMB.

Section 15. Language establishing OMB.

Section 16. States that OMB director serves at the pleasure of the Governor.

Section 17. States that the OMB director can hire personnel necessary to carry out OMB functions.

Section 18. Transfers duties of the director of the Division of Policy Development & Planning (DPDP) to the director of OMB.

Section 19. Substitutes OMB for DPDP in section enumerating powers and duties of the director.

Section 20. Transfers functions and duties of DPDP to OMB. Also adds as a duty that OMB will review and comment on federal consistency determinations and certifications authorized by federal and state coastal management programs.

Section 21. Makes appropriate changes to definition section for statutes relative to transfer of DPDP functions to OMB.

Section 22. Puts OMB director on the Alaska Coastal Policy Council in place of the director of DPDP.

Section 23. States that the OMB director's alternate for the Alaska Coastal Policy Council is his designee.

Section 24. States that the Coastal Policy Council shall use the staff of the office of coastal management to perform its duties. Further states that the coordinator of the office of coastal management shall perform his duties under the direction of the Council Co-chair selected from among Council members who are commissioners of state agencies.

Section 25. States that the OMB director, or his designee, is a member of the Alaska Power Authority in

lieu of the director of the division of budget and management.

Section 26. Language stating that litigation and other matters continue in effect until termination despite any changes made by this Act in order to transfer the functions of DPDP and the division of budget and management to OMB. Also states that records and other property are transferred to OMB.

Section 27. States that all statutory references to DPDP and the division of budget and management shall be read as referring to OMB after the passage of the Act.

Section 28. Provides an immediate effective date.

STATE OF ALASKA
THE LEGISLATURE

POUCH STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-2800


LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

March 18, 1983

SUBJECT: Creation of a Department of Corrections
(CSHB 103 (Judiciary))

TO: Representative Charlie Bussell
Chairman, House Judiciary Committee

FROM:  Linn H. Asper
Legislative Counsel

You have requested a sectional analysis of CSHB 103 (Judiciary) concerning the transfer of corrections function from the Department of Health and Social Services to a new Department of Corrections.

Section 1 establishes the new Department of Corrections and summarizes its duties.

Section 2 makes a change in the state drug laws to substitute the new Department of Corrections for the Department of Health and Social Services to supervise certain rehabilitative treatment.

Sections 3 through 5 make changes relating to criminal sentencing and probation procedure to transfer Department of Health and Social Services functions to the new Department of Corrections.

Sections 6 and 7 make changes in the Uniform Criminal Extradition Act (AS 12.70) to transfer supervision of extradition matters to the new Department of Corrections.

Section 8 transfers supervision of probation functions to the new Department of Corrections.

Sections 9 through 11 transfer supervision of state prisons and prisoners to the new Department of Corrections.

Sections 15 through 25 transfer supervision of the correctional industries program to the new Department of Corrections.

Sections 26 through 29 transfer supervision of the Interstate Agreement on Detainers to the new Department of Corrections.

Sections 30 and 31 transfer supervision of the Interstate Corrections Compact to the new Department of Corrections.

Section 32 makes a change in a voluntary prisoner work program under the Department of Natural Resources to transfer supervision of the prisoners in the program from the Department of Health and Social Services to the new Department of Corrections.

Section 33 adds the Department of Corrections to the list of departments in the executive branch of state government.

Section 34 deletes management of correctional institutions from a list of the functions of the Department of Health and Social Services.

Section 35 makes a technical change in the catastrophic illness assistance program to reflect the transfer of corrections functions from the Department of Health and Social Services to the new Department of Corrections.

Sections 36 through 64 make numerous changes in AS 47.10 (DELINQUENT MINORS AND CHILDREN IN NEED OF AID) to divide functions pertaining to minors between the Department of Health and Social Services and the new Department of Corrections. The distinction that is drawn in dividing these functions is between delinquent minors and children in need of aid, as determined by state courts under the provisions of AS 47.10. Functions pertaining to the care, supervision, or custody of delinquent minors have been transferred to the new Department of Corrections. Functions pertaining to minors found to be children in need of aid are retained by the Department of Health and Social Services. The basic change is found in AS 47.10.080(b) and (c) [secs. 39 and 40 of the bill] in which the duties of the two departments are detailed depending on whether the minor is determined to be a delinquent or a child in need of aid.

Representative Charlie Bussell

Page 3

March 18, 1983

Sections 65 through 68 each change the former "division of corrections" designation to "Department of Corrections" in different chapters as a technical amendment reflecting the creation of the new department.

Section 69 repeals two paragraphs that are no longer needed in the statutes on establishment of the Department of Corrections.

Section 70 provides that on the effective date of the section the Department of Health and Social Services will transfer facilities and other assets relating to adult corrections functions to the new Department of Corrections. Sec. 72 makes this section effective immediately.

Section 71, when read with sec. 73, provides a July 1, 1983, date for the transfer of juvenile corrections facilities and other assets pertaining to juvenile corrections from the Department of Health and Social Services to the new Department of Corrections.

Section 72 provides an immediate effective date for those bill sections that have to do with adult corrections.

Section 73 provides a July 1, 1983, effective date for those bill sections having to do with juvenile corrections.

LHA:ljb

10/020

AMENDMENT

OFFERED IN THE HOUSE FINANCE CMTE. BY: Rep. John Lindauer

TO: Rep. Al Adams HOUSE BILL No. _____

SENATE BILL No. CSSB 152

PAGE: 1

LINE: _____

On Line 9 of the title add:

planning, The Institute of Social and Economic Research, and the latter's ...

On Line 16 add:

coastal management, the Institute of Social and Economic Research, includ-

AMENDMENT #1

OFFERED IN THE HOUSE FINANCE CMTE: By: ADAMS
~~REYNOLDS~~

To: CS HOUSE BILL No. _____

SENATE BILL No. 152 (Finance)

PAGE: 2

LINE: 6 and 7

Line 6: Delete "office of management and budget". Reinsert "department or departments affected".

The sentence would then read: "The fiscal note or statement shall be prepared by the department or departments affected in conformity with the requirements of this section."

Line 7: After the period at the end of the line, insert a new sentence: "Fiscal notes or statements may be reviewed by the office of management and budget."

21

AMENDMENT

OFFERED IN THE HOUSE:

BY: Martin

TO: CS HOUSE BILL No. _____

SENATE BILL No. 152 (Finance)

PAGE: 7

LINE: _____

Page 7, Delete existing Section 14 and replace with the following:

Section 14. AS 37.07.120 is amended to read:

Sec. 37.07.120. Definitions. In this chapter

(1) "agency" means a department, officer, institution, board, commission, bureau, division or other administrative unit forming the state government and includes the Alaska Pioneers' Home and the University of Alaska, but does not include the legislature or the judiciary;

(2) ("division" means the division of budget and management, Office of the Governor;) "office" means the Alaska Office of Management and Budget established in the Office of the Governor by AS 44.19.141;

(3) "fiscal year" means a year beginning on July 1 of one calendar year and ending on June 30 of the following calendar year;

(4) "appropriation" means a maximum amount available for expenditure by a state agency for a stated purpose set out in an appropriation act;

(5) "allocation" means an amount set out as a legislative guideline for expenditure by a state agency for a stated purpose within the total amount of an appropriation;

(6) "object of expenditure" means a line item of expenditure within an allocation or an appropriation;

(7) "capital projects and improvements" means any allocation or appropriation item for land acquisition, construction, or structural improvement and includes engineering and design for a single project. Equipment and major maintenance costs that exceed \$50,000 shall also be classified as capital projects or improvements.

#5

FLOOD

Amendment to CSSB 152 (Finance):

para (2)

Delete Section 6 on page 5.

#3 ~~H4~~

AMENDMENT

OFFERED IN THE HOUSE:

BY: Grussendorf

To: CS HOUSE BILL No. _____

SENATE BILL No. 152 Finance

PAGE: 12

LINE: _____

Page 12, Delete existing Section 28 and replace with the following:

* Sec. 28. Sections 1 through 14 (6) and Sections 15 through 27 take effect immediately in accordance with AS 01.10.070 (c).

Page 12, Add a new Section to read as follows:

* Sec. 29. Section 14 (7) takes effect January 1, 1984.

REPERTO
AMEND #2

[Handwritten initials]

Levy

A M E N D M E N T

Offered in the HOUSE

By Lindauer

TO: CSSB 152 (Finance)

Page 1, line 20, following "departments,":

Insert "as well as the Institute of Social and Economic Research of the University of Alaska,"

Page 1, line 16 Following "coastal management,":

insert "The Institute of Social and Economic Research,"

Mr. Chairman, I must go to the loan committee as I have a bill up. This amendment will give the governor a chance to leave it in or out as he wants. Please hand this out and ask for its consideration if CSSB 152 is taken up. (we may then need a new title).
[Signature]

3/24/83

Levy✓

A M E N D M E N T

Offered in the HOUSE

By Lindauer

TO: CSSB 152 (Finance)

Page 1, line 20, following "departments,":

Insert "as well as the Institute of Social and Economic Research of the University of Alaska,"

Page 1, line 16 Following "coastal management,":

Insert "The Institute of Social and Economic Research,"

FREE CONFERENCE CS FOR SENATE JOINT RESOLUTION NO. 4
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE - FIRST SPECIAL SESSION

RELATING TO

PROPOSING AMENDMENTS TO THE CONSTITUTION
OF THE STATE OF ALASKA RELATING TO
LIMITING INCREASES IN APPROPRIATIONS.

TEXT BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* SECTION 1. ARTICLE IX, CONSTITUTION OF THE STATE OF ALASKA, IS AMENDED BY ADDING A NEW SECTION TO READ:

SECTION 16. APPROPRIATION LIMIT. EXCEPT FOR APPROPRIATIONS FOR ALASKA PERMANENT FUND DIVIDENDS, APPROPRIATIONS OF REVENUE BOND PROCEEDS, APPROPRIATIONS REQUIRED TO PAY THE PRINCIPAL AND

SJR0004.G

DOCUMENT= 1 OF 1 PAGE = 2 OF 4
INTEREST ON GENERAL OBLIGATION BONDS, AND APPROPRIATIONS OF MONEY RECEIVED FROM A NON-STATE SOURCE IN TRUST FOR A SPECIFIC PURPOSE, INCLUDING REVENUES OF A PUBLIC ENTERPRISE OR PUBLIC CORPORATION OF THE STATE THAT ISSUES REVENUE BONDS, APPROPRIATIONS FROM THE TREASURY MADE FOR A FISCAL YEAR SHALL NOT EXCEED \$2,500,000,000 BY MORE THAN THE CUMULATIVE CHANGE, DERIVED FROM FEDERAL INDICES AS PRESCRIBED BY LAW, IN POPULATION AND INFLATION SINCE JULY 1, 1981. WITHIN THIS LIMIT, AT LEAST ONE-THIRD SHALL BE RESERVED FOR CAPITAL PROJECTS AND LOAN APPROPRIATIONS. THE LEGISLATURE MAY EXCEED THIS LIMIT IN BILLS FOR APPROPRIATIONS TO THE ALASKA PERMANENT FUND AND IN BILLS FOR APPROPRIATIONS FOR CAPITAL PROJECTS, WHETHER OF BOND PROCEEDS OR OTHERWISE, IF EACH BILL IS APPROVED BY THE GOVERNOR, OR PASSED BY AFFIRMATIVE VOTE OF THREE-FOURTHS OF THE MEMBERSHIP OF THE LEGISLATURE OVER A VETO OR ITEM VETO, OR BECOMES LAW WITHOUT SIGNATURE, AND IS ALSO APPROVED BY THE VOTERS AS PRESCRIBED BY LAW. EACH BILL FOR APPROPRIATIONS FOR CAPITAL PROJECTS IN EXCESS OF THE LIMIT SHALL BE CONFINED TO CAPITAL PROJECTS OF THE SAME TYPE, AND THE VOTERS SHALL, AS PROVIDED BY LAW, BE INFORMED OF THE COST OF OPERATIONS AND MAINTENANCE OF THE CAPITAL PROJECTS. NO OTHER APPROPRIATION IN

SJR0004.G

DOCUMENT= 1 OF 1 PAGE = 3 OF 4
EXCESS OF THIS LIMIT MAY BE MADE EXCEPT TO MEET A STATE OF DISASTER DECLARED BY THE GOVERNOR AS PRESCRIBED BY LAW. THE GOVERNOR SHALL CAUSE ANY UNEXPENDED AND UNAPPROPRIATED BALANCE TO BE INVESTED SO AS TO YIELD COMPETITIVE MARKET RATES TO THE TREASURY.

* SEC. 2. ARTICLE XV, CONSTITUTION OF THE STATE OF ALASKA, IS AMENDED BY ADDING NEW SECTIONS TO READ:

SECTION 26. APPROPRIATIONS FOR RELOCATION OF THE CAPITAL. IF A MAJORITY OF THOSE VOTING ON THE QUESTION AT THE GENERAL ELECTION IN 1982 APPROVE THE BALLOT PROPOSITION FOR THE TOTAL COST TO THE STATE OF PROVIDING FOR RELOCATION OF THE CAPITAL, NO ADDITIONAL VOTER APPROVAL OF APPROPRIATIONS FOR THAT PURPOSE WITHIN THE COST APPROVED BY THE VOTERS IS REQUIRED UNDER THE 1982 AMENDMENT LIMITING INCREASES IN APPROPRIATIONS (ART. IX, SEC. 16).

SECTION 27. RECONSIDERATION OF AMENDMENT LIMITING INCREASES IN APPROPRIATIONS. IF THE 1982 AMENDMENT LIMITING APPROPRIATION INCREASES (ART. IX, SEC. 16) IS ADOPTED, THE LIEUTENANT GOVERNOR SHALL CAUSE THE BALLOT TITLE AND PROPOSITION FOR THE AMENDMENT TO BE PLACED ON THE BALLOT AGAIN AT THE GENERAL ELECTION IN 1986.

SJR0004.G

DOCUMENT= 1 OF 1 PAGE = 4 OF 4
IF THE MAJORITY OF THOSE VOTING ON THE PROPOSITION IN 1986 REJECTS THE AMENDMENT, IT SHALL BE REPEALED.

SECTION 28. APPLICATION OF AMENDMENT. THE 1982 AMENDMENT LIMITING APPROPRIATION INCREASES (ART. IX, SEC. 16) APPLIES TO APPROPRIATIONS MADE FOR FISCAL YEAR 1984 AND THEREAFTER.

* SECTION 3. THE AMENDMENTS PROPOSED BY THIS RESOLUTION SHALL BE PLACED BEFORE THE VOTERS OF THE STATE AT THE NEXT GENERAL ELECTION IN CONFORMITY WITH ART. XIII, SEC. 1, CONSTITUTION OF THE STATE OF ALASKA, AND THE ELECTION LAWS OF THE STATE.

STATE OF ALASKA

AUDIT DIVISION
POUCH W—ALASKA OFFICE BUILDING

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

JUNEAU, ALASKA 99811

November 20, 1981

Members of the
Legislative Budget and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

A PERFORMANCE REVIEW OF THE
OFFICE OF THE GOVERNOR
DIVISION OF BUDGET AND MANAGEMENT

November 20, 1981



Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

In order to provide more timely management information, the Division has contracted for the development of a new automated budget system. The new system should be able to report:

1. Agencies' current and prior years' performances compared to planned accomplishments.
2. Changes in budget objectives and reasons for the changes.
3. Effects of the programs on the State economy.

Recommendation No. 2

The Division of Budget and Management should:

1. Better prepare the executive six-year capital project plan.
2. Include only capital projects within the capital budget.

A well-prepared six-year capital project plan describes the projects and estimated project costs to be included in future capital budgets. The plan is needed to help the Governor and the Legislature prepare and design State services implementing their goals and policies.

The Division prepared the State's first six-year capital project plan in FY'81. Although this plan provided some useful information about future projects, variances between the FY'81 and FY'82 six-year capital project plan demonstrate that future plans need to be better prepared.

In the FY'81 plan, expenditures for FY'82 projects were planned to total \$25.6 million. In the FY'82 plan, capital expenditures for FY'82 increased to \$288 million, excluding loan programs. For FY'82 in 5 different programs, the FY'81 plan proposed that 34 projects be funded. In the FY'82 plan, only 5 of the 34 projects were again proposed. However, 116 new projects were added to the list to increase the number of projects for FY'82 to 121.

We reviewed 340 capital project descriptions in the FY'82 plan and found that 100 were not capital projects but were operating programs. The operating programs accounted for \$74 million or 11% of the \$688 million in the capital budget. Examples include:

1. The Department of Fish and Game requested \$1 million for funding a variety of fish studies to investigate the physical and biological conditions necessary to sustain fish stocks.
2. The Department of Natural Resources requested over \$7 million to identify land characteristics and optimal land-use strategies.
3. The Department of Administration requested \$200,000 for a professional services contract to obtain a statewide data processing needs assessment.

The Municipal Finance Officers Association has defined capital programs as a plan for capital expenditures. They further define capital expenditures as "expenditures which result in the acquisition of or addition to fixed assets." Fixed assets are defined as "assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment." Any programs not complying with these definitions should be considered operating.

The capital project budget is important due to a State legislative resolution which places before the voters a constitutional amendment limiting increases in State appropriations. The amendment makes a significant distinction between the amount allowed to be appropriated for operating programs and capital projects. Unless the Division includes only capital projects in the capital budget, the amount allowed to be appropriated for capital programs may include normal operating activities.

Recommendation No. 3

The Office of the Governor should give more direction to the agencies in preparing and revising the executive budget.

In the executive budget process, the Governor transmits his policy goals to the agencies for them to follow in their budget preparation. The agencies complete their budgets and send them to the program budget analysts in the Division of Budget and Management. The Division of Budget and Management reviews the budget and makes recommendations to the Budget Review Committee (BRC). The BRC may or may not follow the Division's advice when making its recommendation to the Governor. Budget amendments and supplementals prepared by the agencies are handled in the same manner. Therefore, the Governor and the BRC are ultimately responsible for the executive budget and revisions such as budget amendments and supplementals.

SB0659.C DOCUMENT= 2 OF 2 PAGE = 1 OF 2
BILLS = SB0659CS(FIN)AM
BILL NUMBER

SB0659CS(FIN)AM
SPECIAL INFO

ORIGINAL SPONSOR: DANKWORTH

OFFERED: 2/10/82
REFERRED: RULES

SPONSOR IN THE SENATE
BILL HEADING

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 659 (FINANCE) AM
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE - SECOND SESSION
A BILL

RELATING TO

FOR AN ACT ENTITLED: "AN ACT DEFINING 'CAPITAL PROJECTS AND IMPROVEMENTS' AS THAT TERM IS USED IN THE EXECUTIVE BUDGET ACT; AND PROVIDING FOR AN EFFECTIVE DATE."

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

* SECTION 1. AS 37.07.120 IS AMENDED BY ADDING A NEW PARAGRAPH TO READ:

(7) "CAPITAL PROJECTS AND IMPROVEMENTS" MEANS ANY ALLOCATION OR APPROPRIATION ITEM FOR LAND ACQUISITION, CONSTRUCTION, OR STRUCTURAL IMPROVEMENT AND INCLUDES ENGINEERING AND DESIGN FOR A SINGLE PROJECT. EQUIPMENT AND REPAIR COSTS THAT EXCEED \$50,000 SHALL ALSO BE CLASSIFIED AS CAPITAL PROJECTS OR IMPROVEMENTS.

EFFECTIVE DATE

* SEC. 2. THIS ACT TAKES EFFECT IMMEDIATELY IN ACCORDANCE

SB0659.C DOCUMENT= 2 OF 2 PAGE = 2 OF 2

WITH AS 01.10.070(C).

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

07/29/82

SJS-100-104

HISTORY OF LEGISLATION

R01-33F-3040

PAGE 0872

SB 659 AN ACT DEFINING 'CAPITAL OUTLAY' AS THAT TERM IS USED IN THE EXECUTIVE BUDGET ACT;
AND PROVIDING FOR AN EFFECTIVE DATE

AMENDED TITLE: CS*(FIN)AM

PRIME SPONSORS: DANWORTH

<u>DATE</u>	<u>SEQ.</u> <u>NO.</u>	<u>JOURNAL</u> <u>PAGE</u>	<u>SENATE ACTION</u>	<u>DATE</u>	<u>SEQ.</u> <u>NO.</u>	<u>JOURNAL</u> <u>PAGE</u>	<u>HOUSE ACTION</u>
01/14/82	01	0048	FIRST READING -- COMMITTEE REPORTS	MM 02/17/82	11	0540	FIRST READING -- COMMITTEE REPORTS
02/10/82	02	0250	FIN -- CS07				FINANCE
02/16/82	03	0292	RLS -- FIN CS03, OTHER03 TAKEN UP IMMEDIATELY				RULES
02/16/82	04	0306	SECOND READING				
02/16/82	05	0306	FIN CS ADOPTED BY UNAN CONSENT				
02/16/82	06	0306	AM01 ADOPTED BY UNAN CONSENT				
02/16/82	07	0306	ADVANCED TO 3RD READING BY UNAN CONSENT				
02/16/82	08	0306	THIRD READING				
02/16/82	09	0306	PASSED BY DIV 16-00-03				
02/16/82	10	0307	EFFECTIVE DATE VOTE SAME AS PASSAGE				

SB 660 AN ACT MAKING A SPECIAL APPROPRIATION TO THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES
FOR THE JORDAN CREEK BIRTH CENTER; AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSORS: RAY

<u>DATE</u>	<u>SEQ.</u> <u>NO.</u>	<u>JOURNAL</u> <u>PAGE</u>	<u>SENATE ACTION</u>	<u>DATE</u>	<u>SEQ.</u> <u>NO.</u>	<u>JOURNAL</u> <u>PAGE</u>	<u>HOUSE ACTION</u>
01/15/82	01	0056	FIRST READING -- COMMITTEE REPORTS				
MM 02/04/82	02	0197	HES -- DP03 FINANCE RULES				

STATE OF ALASKA

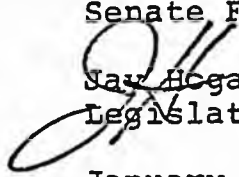
THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

MEMORANDUM

TO: Senator Ed Dankworth
Co-chairman
Senate Finance Committee

FROM:  Jay Hogan, Director
Legislative Finance

DATE: January 27, 1982

Page 2 of the Executive Budget, Book 2, Capital Budget
for Fiscal Year 1983, contains the following definition:

In this publication, the 'FY 83 Capital Budget' is defined as the list of projects recommended by the Governor for funding in fiscal year 1983 and in some instances 1984. Construction, major maintenance and purchase of expensive equipment are commonly considered Capital projects by most State governments. The State of Alaska also includes in the definition of a Capital Project such items as studies which may lead to physical Capital projects, acquisition or development of computer software, and certain grant and loan programs. As a general rule, a Capital project is usually of a multi-year nature, with benefits accruing over time . . .

For the purposes of this report, we have used the definition of capital projects accepted by most state governments, namely: construction, major maintenance, and purchase of expensive equipment, \$25,000 or more. With this definition applied to the Governor's FY 83 list of capital projects, be they regular appropriations or via voter approval, we find that of the recommended \$1,156,197,500 in general fund projects, \$664,456,200 are truly capital projects, and \$532,050,300 fall into the category of "other."

MEMORANDUM
January 27, 1982
Page 2

"Other" projects include \$314.5 million for various business and housing loan programs and \$26.1 million for hydroproject feasibility studies.

The list of the FY 83 projects--capital and other--and the various funding totals follow.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

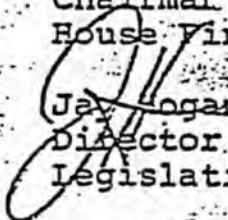
AUDIT DIVISION
POUCH # — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH # — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM:  Jay Logan
Director
Legislative Finance

DATE: March 1, 1982

SUBJECT: Other States and CS for SB 659 (Finance)

Several weeks ago we requested the legal definition of capital projects from each of the 11 western states. To date, we have received a response from 8 states and their definitions are set out as follows:

Arizona

"We have by custom referred to capital projects as Land, Buildings and Improvements."

California

"In California we distinguish between ongoing capital requirements (maintenance and repairs) and one-time capital improvements (capital outlay). Moreover, capital outlay is divided into two categories--major and minor projects. Attached (page 5) is a copy of the broad definitions of these various capital programs.

Major capital projects generally require more than one year to design and construct. Consequently, the following descriptions are used to define various phases of major capital outlay:

Preliminary Plans. A site plan, architectural floor plans, elevations, outline specifications and a cost estimate. For utility, site development, conversion and remodeling

projects, the drawings should be sufficiently descriptive to convey accurately the location, scope, cost and the nature of the improvement being proposed.

Working Drawings. A complete set of plans and specifications showing and describing all phases of the project—architectural, structural, mechanical, electrical, civil engineering, and landscape systems—to the degree necessary to assure accurate bidding by contractors and for the use of artisans in constructing the projects. All necessary professional fees and administrative service costs are included in the preparation of such drawings.

Construction. All costs related to construction such as fixtures, installed (fixed) equipment and auxiliary facilities."

Colorado

Capital construction and controlled maintenance are funded in the capital construction fund budget:

"(1) 'Capital construction' means:

(a) Purchase of land, regardless of the value thereof;

(b) Purchase, construction, or demolition of buildings or other physical facilities, including utilities or remodeling or renovation of existing buildings or other physical facilities, including utilities, to make physical changes necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance where the cost will be fifteen thousand dollars or more, including the value of materials and labor, either state-supplied or supplied by contracts:

(c) Site improvement or development where the cost will be five thousand dollars or more, including the value of materials and labor either state-supplied

MEMORANDUM

March 7, 1982

Page 3

or supplied by contract, but not including the value of inmate labor;

(d) Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;

(e) Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise the construction or execution of such capital construction projects;

(f) Any item of instructional or scientific equipment, if the cost will exceed fifty thousand dollars.

(2) 'Controlled maintenance' means work required to preserve or restore to their original condition, or to a condition such that they can be effectively used for their designated purposes, those existing state-owned buildings and other physical facilities funded from the general fund, including utilities, site improvements, and the like, which are suitable for retention and use for at least five years, and replacement and repair of the fixed equipment necessary for the operation of such facilities, when such work is not funded in the operating budget of a state agency and is to be accomplished by the agency's physical plant staff."

Hawaii

Hawaii Revised Statutes

"'Capital investment costs' means costs, beyond the research and development phase, associated with capital improvements, including the acquisition and development of land, the design and construction of

new facilities, and the making of renovations or additions to existing facilities."

Idaho

A definition in use is: "building of needed structures, renovations, repairs to and remodeling of existing structures . . ."

Montana

Every regular session the state legislature passes a long range building bill. The latest long range building bill defined capital project as: ". . . acquisition of land or improvements, planning, capital construction, renovation, furnishing, or major repair projects authorized in this act."

Some excerpts from state codes which speak to capital projects: "Long-range building program" means and includes all buildings, structures, and facilities to be constructed, repaired, used, equipped, or furnished and land to be acquired therefor with the consent of the legislature . . ."

Nevada

"The state Administrative Manual requires that state agencies submit all requests for new building construction or repairs or remodeling of existing buildings which are estimated to cost more than \$5,000 to the State Public Works Board."

Oregon

The following are used for budget purposes:

Capital Improvement - Expenditures related to construction or remodeling costs of physical facilities with a project cost of more than \$2,500, but less than \$100,000.

Capital Construction - Expenditures limited to construction or remodeling of physical facilities with a project cost of \$100,000 or more."

(Continued)
 GENERAL GUIDELINES (Revised 8/81)

6103

DISTINCTION BETWEEN TYPES OF STATE OPERATIONS AND CAPITAL OUTLAY

DESCRIPTION OF PROJECT	STATE OPERATIONS	CAPITAL OUTLAY	
	OPERATING EXPENSES AND EQUIPMENT	MINOR PROJECTS	MAJOR PROJECTS
Construction Projects: New construction, alteration, extension or betterment of existing structure, estimated to cost.		\$150,000 or less	In excess of \$150,000
Repair Projects: Repair and maintenance projects continue the usability of a facility at its designed level of service. (See Note 1 below.)	Irrespective of amount		
Equipment Projects: a. Irrespective of time of purchase or estimated cost of equipment if related to a specific construction project estimated to cost.		\$150,000 or less	In excess of \$150,000
b. New equipment to meet program needs and not related to a construction project, and replacement of existing equipment even though the new equipment is to be used in a new facility.	Irrespective of amount		
Purchase of Land: Including related cost such as condemnation and court costs, legal fees, and title reports, etc.			Irrespective of amount

NOTE 1: Special repairs or maintenance projects are budgeted as part of State Operations. Special repairs have been defined as major repair items which occur less frequently than annually. The cost of such projects are large enough to warrant a special line item in the State Operations budget. Examples are: painting the exterior of a building; replacing a roof; or a major overhaul of an air conditioning system. Alterations and improvements which are to change the use of or modernize a building should be included under capital outlay.

Offered: 3/9/83
Referred: Rules

Original sponsor: Finance Committee

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 152 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act relating to the budget of the state and bills
7 related to the budget and merging the division of
8 budget and management, the division of policy devel-
9 opment and planning, and the latter's office of
10 coastal management into one office; and providing for
11 an effective date."

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

13 * Section 1. PURPOSE AND INTENT. (a) It is the purpose of this Act,
14 in the best interests of efficient administration and state planning, to
15 merge the division of budget and management, the division of policy devel-
16 opment and planning, and the latter's office of coastal management, includ-
17 ing both capital and operating expenditures, into one office.

18 (b) It is the intent of the legislature that the powers conferred by
19 this Act be exercised by the executive branch and its agencies, divisions,
20 and departments, in cooperation with the legislature and its committees.

21 * Sec. 2. AS 24.20.231(4) is amended to read:

22 (4) cooperate with the office of management and budget
23 [DIVISION OF BUDGET AND MANAGEMENT] in establishing a comprehensive
24 system for state budgeting and financial management as set out in the
25 Executive Budget Act (AS 37.07);

26 * Sec. 3. AS 24.30.035 is amended to read:

27 Sec. 24.30.035. FISCAL NOTES ON BILLS. (a) Before a bill or
28 resolution, except an appropriation bill, is reported from the commit-
29 tee of first referral, there shall be attached to the bill a fiscal

1 note containing an estimate of the amount of the appropriation in-
2 crease or decrease which would result from enactment of the bill for
3 the current [ENSUING] fiscal year and [AT LEAST] five [TWO] succeeding
4 fiscal years or, if the bill has no fiscal impact, a statement to that
5 effect shall be attached. The fiscal note or statement shall be
6 prepared by the office of management and budget in conformity with the
7 requirements of this section [DEPARTMENT OR DEPARTMENTS AFFECTED].
8 The fiscal note or statement shall be delivered to the committee
9 requesting it within five days of the request or within two days if
10 the request is made after the 90th day of a regular session, or during
11 a special session of the legislature. If the bill is presented by the
12 governor for introduction in accordance with AS 24.30.060(b) and the
13 uniform rules of the legislature, the fiscal note or statement shall
14 be attached to the bill before the bill is introduced. An amendment
15 or a substitute bill proposed by a committee of referral that changes
16 the fiscal impact of a bill shall be explained in a revised fiscal
17 note or statement attached to the bill.

18 * Sec. 4. AS 24.30.035 is amended by adding new subsections to read:

19 (b) In addition to the fiscal note required by this section, the
20 sponsor of a bill or resolution may prepare a fiscal note in conform-
21 y with the requirements of this section and submit it to the commit-
22 ee of first referral or the finance committee. A committee may
23 prepare an additional fiscal note in conformity with the requirements
24 of this section.

25 (c) A fiscal note for a bill or resolution must contain the
26 following information:

- 27 (1) the fiscal impact on existing programs;
28 (2) the fiscal impact of new programs or activities;
29 (3) a line item detail of the fiscal impact;

1 (4) the source of funds expected to be utilized by general
2 fund source, federal fund source, or other identified source;

3 (5) the number of new positions which may be required,
4 identified as full-time, part-time, or temporary;

5 (6) an analysis of how the figures in the fiscal note were
6 derived;

7 (7) additional information necessary to explain the fiscal
8 note;

9 (8) a fiscal impact projection for the first year in which
10 expenditures will be required and for the succeeding five fiscal
11 years; and

12 (9) formal information consisting of

13 (A) the bill or resolution number,

14 (B) the name of the prime sponsors,

15 (C) the date the fiscal note was prepared,

16 (D) the name of the committee requesting the fiscal
17 note,

18 (E) the name and phone number of the person who pre-
19 pared the fiscal note, and

20 (F) the budget request unit, program, or subprogram
21 affected.

22 (d) The original of a fiscal note shall be submitted to the
23 Division of Legislative Finance and copies shall be sent to the prime
24 sponsor, the committee requesting the fiscal note, and the office of
25 management and budget.

26 * Sec. 5. AS 37.07.040 is amended to read:

27 Sec. 37.07.040. OFFICE OF MANAGEMENT AND BUDGET [DIVISION OF
28 BUDGET AND MANAGEMENT]. The Alaska office of management and budget
29 [BUDGET AND MANAGEMENT DIVISION] shall

1 (1) assist the governor in the preparation and explanation
2 of the proposed comprehensive program and financial plan, including
3 the coordination and analysis of state agency goals and objectives,
4 plans, and budget requests;

5 (2) prepare for submission to the governor an annually up-
6 dated six-year capital improvements program and the proposed capital
7 improvements budget for the coming fiscal year, the latter to include
8 individual project justification with documentation of estimated proj-
9 ect cost;

10 (3) develop procedures to produce the information needed
11 for effective policy decision making, including procedures to provide
12 for the dissemination of information about plans, programs, and budget
13 requests to be included in the annual budget and opportunity for pub-
14 lic review and comment during the period of budget preparation;

15 (4) assist state agencies in their statement of goals and
16 objectives, preparation of plans, budget requests, and reporting of
17 program performance; all documents forwarded by the office [DIVISION]
18 to a state agency containing instructions for the preparation of pro-
19 gram plans and budget requests and the reporting of program perfor-
20 mance are public information after the date they are forwarded;

21 (5) administer its responsibilities under the program exe-
22 cution provisions of this chapter so that the policy decisions and
23 budget determinations of the governor and the legislature are imple-
24 mented;

25 (6) provide the legislative finance division with the bud-
26 get information it may request;

27 (7) provide the legislative finance division with an ad-
28 vance copy of the governor's budget workbooks by the first Monday in
29 January of each year, except that following a gubernatorial election

1 year the advance copy shall be provided by the second Monday in
2 January.

3 * Sec. 6. AS 37.07.040 is amended by adding new paragraphs to read:

4 (8) prepare the proposed capital improvements budget for
5 the coming fiscal year evaluating both state and local requests from
6 the standpoint of need for a project and giving priority on the basis
7 of need, if, where applicable, a municipality or unincorporated commu-
8 nity accepts the facility and all associated costs of the facility,
9 notwithstanding considerations such as population, local financial
10 match, or federal funds being used for local match;

11 (9) promulgate regulations consistent with this section in
12 accordance with AS 44.62 no later than August 1, 1983.

13 * Sec. 7. AS 37.07.070(1) is amended to read:

14 (1) Requests by the governor for supplemental appropria-
15 tions for state agency operating and capital budgets for the current
16 fiscal year may be introduced by the rules committee only through the
17 30th [45TH] legislative day.

18 * Sec. 8. AS 37.07.070(2) is amended to read:

19 (2) Requests by the governor for budget amendments to state
20 agency budgets for the budget fiscal year may be received and reviewed
21 by the finance committees only through the 60th [75TH] legislative
22 day.

23 * Sec. 9. AS 37.07.080(b) is amended to read:

24 (b) Each state agency shall prepare an annual plan for the
25 operation of each of its assigned programs except for programs that
26 are exempted from this requirement by the office [DIVISION]. The
27 operations plan shall be prepared in the form and content and be
28 transmitted on the date prescribed by the office [DIVISION].

29 * Sec. 10. AS 37.07.080(c) is amended to read:

1 (c) The office [DIVISION] shall

2 (1) review each operations plan to determine that it is
3 consistent with the policy decisions of the governor and appropria-
4 tions by the legislature, that it reflects proper planning and effi-
5 cient management methods, that appropriations have been made for the
6 planned purpose and will not be exhausted before the end of the fiscal
7 year;

8 (2) approve the operations plan if satisfied that it meets
9 the requirements under (1) of this subsection; otherwise, the office
10 [DIVISION] shall require revision of the operations plan in whole or
11 in part;

12 (3) Repealed by sec. 1 ch 26 SLA 1976.

13 * Sec. 11. AS 37.07.080(e) is amended to read:

14 (e) Transfers or changes between objects of expenditures or be-
15 tween allocations may be made by the head of a state agency upon ap-
16 proval of the office [DIVISION]. No transfers may be made between ap-
17 propriations except as provided in an act making the transfers between
18 appropriations.

19 * Sec. 12. AS 37.07.080(f) is amended to read:

20 (f) The office [DIVISION] shall report quarterly to the governor
21 and the legislature on the operations of each state agency, relating
22 actual accomplishments to those planned and modifying, if necessary,
23 the operations plan of any agency for the balance of the fiscal year.

24 * Sec. 13. AS 37.07.100 is amended to read:

25 Sec. 37.07.100. PROPOSED SUPPLEMENTAL OR SPECIAL [DEFICIENCY]
26 APPROPRIATIONS. The governor from time to time may transmit to the
27 legislature proposed supplemental or special [DEFICIENCY] appropria-
28 tions in accordance with AS 37.07.070 which in the governor's [HIS]
29 judgment are necessary [ON ACCOUNT OF LAWS ENACTED AFTER THE

1 TRANSMISSION OF THE BUDGET, OR ARE OTHERWISE IN THE PUBLIC INTEREST].
2 However, if the governor finds that an emergency situation necessi-
3 tates the proposal of supplemental or special appropriations, the
4 governor may transmit them to the legislature at any time. The gover-
5 nor [HE] shall accompany each proposal with a statement of the reasons
6 for it, including the reasons for its omission from the budget.

7 * Sec. 14. AS 37.07.120 is amended by adding a new paragraph to read:

8 (6) "office" means the Alaska office of management and
9 budget established in the Office of the Governor by AS 44.19.141.

10 * Sec. 15. AS 44.19.141 is amended to read:

11 ARTICLE 12. OFFICE OF MANAGEMENT AND BUDGET [DIVISION
12 OF POLICY DEVELOPMENT AND PLANNING].

13 Sec. 44.19.141. ALASKA OFFICE OF MANAGEMENT AND BUDGET [DIVISION
14 OF POLICY DEVELOPMENT AND PLANNING]. There is in the Office of the
15 Governor the Alaska office of management and budget [DIVISION OF
16 POLICY DEVELOPMENT AND PLANNING].

17 * Sec. 16. AS 44.19.142 is amended to read:

18 Sec. 44.19.142. DIRECTOR. The office of management and budget
19 [DIVISION OF POLICY DEVELOPMENT AND PLANNING] is administered by a di-
20 rector who is appointed by, and serves at the pleasure of, the gover-
21 nor.

22 * Sec. 17. AS 44.19.143 is amended to read:

23 Sec. 44.19.143. PERSONNEL. The director shall employ such per-
24 sonnel as may be necessary to carry out the provisions of AS 44.19.-
25 141 - 44.19.152 and the relevant provisions of AS 37.07.

26 * Sec. 18. AS 44.19.144(a) is amended to read:

27 (a) The director shall

28 (1) supervise and administer the activities of the office
29 [DIVISION];

1 (2) advise the governor on matters of comprehensive state
2 planning;

3 (3) make an annual report to the governor of the activities
4 of the office [DIVISION].

5 * Sec. 19. AS 44.19.144(b)(3) is amended to read:

6 (3) on behalf of the state, accept and expend any gifts or
7 grants made to the state with the approval of the governor where such
8 gifts or grants were made for the purposes of furthering the objec-
9 tives of the office [DIVISION].

10 * Sec. 20. AS 44.19.145 is amended to read:

11 Sec. 44.19.145. FUNCTIONS AND DUTIES OF THE OFFICE [DIVISION].

12 (a) The office [DIVISION] shall

13 (1) provide technical assistance to the governor and the
14 legislature in identifying long range goals and objectives for the
15 state and its political subdivisions;

16 (2) prepare and maintain a state comprehensive development
17 plan;

18 (3) provide information and assistance to state agencies to
19 aid in governmental coordination and unity in the preparation of agen-
20 cy plans and programs;

21 (4) review planning within state government as may be nec-
22 essary for receipt of federal, state or other funds;

23 (5) Repealed.

24 (6) participate with other countries, provinces, states or
25 subdivisions of them [THEREOF] in international or interstate plan-
26 ning, and assist Alaska's local governments, governmental conferences
27 and councils, in planning and coordinating their activities;

28 (7) Repealed.

29 (8) encourage educational and research programs that

1 further state planning and development, and provide administrative and
2 technical services for them;

3 (9) publish such statistical information or other documen-
4 tary material as will further the provisions and intent of AS 44.19.-
5 141 - 44.19.152;

6 (10) assist the governor and the Department of Community and
7 Regional Affairs in coordinating the activities of state agencies
8 which have an impact on the solution of local and regional development
9 problems;

10 (11) serve as a clearinghouse for information, data, and
11 other materials which may be helpful or necessary to federal, state or
12 local governmental agencies in discharging their respective responsi-
13 bilities or in obtaining federal or state financial or technical as-
14 sistance;

15 (12) review all proposals for the location of capital im-
16 provements by any state agency and advise and make recommendations
17 concerning location of these capital improvements;

18 (13) review and comment on federal consistency determina-
19 tions and certifications authorized by sec. 307 of the Coastal Zone
20 Management Act of 1972, as amended, 16 U.S.C. sec. 1456, and the state
21 coastal management program.

22 (b) The office [DIVISION] shall, in carrying out its functions,
23 consult with local, regional, state and federal officials, private
24 groups and individuals, and with officials[,] of other countries,
25 provinces and states, and may hold public hearings to obtain informa-
26 tion for the purpose of carrying out the provisions of AS 44.19.141 -
27 44.19.152.

28 (c) The governor may establish coordinating or advisory planning
29 groups.

1 (d) The office [DIVISION] shall

2 (1) coordinate its services and activities with those of
3 other state departments and agencies to the fullest extent possible to
4 avoid duplication;

5 (2) prepare an integrated annual report on the long-range
6 development program of the state and submit it to the governor for in-
7 corporation into the governor's [HIS] report to the legislature;

8 (3) cooperate with the University of Alaska and other ap-
9 propriate public and private institutions in research and investiga-
10 tions.

11 * Sec. 21. AS 44.19.152 is amended to read:

12 Sec. 44.19.152. DEFINITIONS. In AS 44.19.141 - 44.19.152,

13 (1) ["DIVISION" MEANS THE DIVISION OF POLICY DEVELOPMENT
14 AND PLANNING;]

15 (2) "director" means the director of the office of manage-
16 ment and budget; [DIVISION OF POLICY DEVELOPMENT AND PLANNING.]

17 (3) "office" means the Alaska office of management and bud-
18 get.

19 * Sec. 22. AS 44.19.155(a)(2)(A) is amended to read:

20 (A) the director of the office of management and bud-
21 get [DIVISION OF POLICY DEVELOPMENT AND PLANNING];

22 * Sec. 23. AS 44.19.155(d) is amended to read:

23 (d) Each member of the council shall select one person to serve
24 as a permanent alternate at meetings of the council. If a member of
25 the council is unable to attend, the member [HE] shall advise the
26 alternate who may attend and act in the place of the member. The
27 alternate for a public member appointed after July 9, 1978 under
28 (a)(1) of this section shall, at the time of the attendant's [HIS]
29 designation and throughout the period of [HIS] service as a permanent

1 alternate, be the mayor or member of the assembly or council of a
2 municipality within the region from which the permanent member is
3 appointed. The alternate for the director of the office of management
4 and budget, serving under (a)(2)(A) of this section, shall be the
5 director's designee within that office. The alternate for a designat-
6 ed member serving under: (a)(2)(B) - (G) of this section shall be a
7 deputy commissioner of the department or the director of a division in
8 the department. The names of alternates shall be filed with the
9 council.

10 * Sec. 24. AS 44.19.162 is amended to read:

11 Sec. 44.19.162. COUNCIL STAFF. The council shall use [UTILIZE]
12 the staff of the office of coastal management within the office of
13 management and budget [DIVISION OF POLICY DEVELOPMENT AND PLANNING] in
14 discharging its powers and duties. The coordinator of the office of
15 coastal management, under the direction of the council co-chair who is
16 selected from among the members designated in AS 44.19.155(a)(2) [,
17 WITH THE CONCURRENCE OF THE COUNCIL], may contract with or employ per-
18 sonnel or consultants the coordinator [HE] considers necessary to
19 carry out the powers and duties of the council.

20 * Sec. 25. AS 44.83.030(2) is amended to read:

21 (2) the director of the office of [DIVISION OF BUDGET AND]
22 management and budget, or the director's designee within that office,
23 and three commissioners of principal executive departments appointed
24 by the governor.

25 * Sec. 26. TRANSITION. All litigation, hearings, investigations and
26 other proceedings pending under a law amended or repealed by this Act, or
27 in connection with functions transferred by this Act, continue in effect
28 and may be continued and completed notwithstanding a transfer or amendment
29 or repeal provided for in this Act. Certificates, orders, and regulations

1 issued or adopted under authority of a law amended or repealed by this Act
2 remain in effect for the term issued, or until revoked, vacated, or other-
3 wise modified under the provisions of this Act. All contracts, rights,
4 liabilities, and obligations created by or under a law amended or repealed
5 by this Act, and in effect on the effective date of this Act, remain in
6 effect notwithstanding this Act's taking effect. Records, equipment, and
7 other property of agencies of the state whose functions are transferred
8 under this Act shall be transferred commensurate with the provisions of
9 this Act.

10 * Sec. 27. NAME CHANGE. To be consistent with the changes made by this
11 Act, wherever in the Alaska Statutes and in regulations adopted under those
12 statutes "division of budget and management" and "division of policy devel-
13 opment and planning," and other terms identifying those divisions, are
14 used, they must be read as referring to the office of management and bud-
15 get. Similarly, references to the directors of those divisions must be
16 read as references to the director of the office of management and budget.
17 Under AS 01.05.031, the revisor of statutes shall implement this section in
18 the statutes, and, under AS 44.62.125(b)(6), the regulations attorney shall
19 implement this section in the administrative regulations.

20 * Sec. 28. This Act takes effect immediately in accordance with AS 01.-
21 10.070(c).

22