

COMMITTEE REPORT
SENATE

2/25/83

FURTHER:

Date: 3/4/83

Mr. President:

The Committee on Finance has had SB 152

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 eff. date.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 152 (Finance) same title
 new title
- and recommends DO PASS
- 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:

Bob M... ..

[Signature]

CHAIRMAN

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~~ ^{delete} 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 ity with the requirements of this section and submit it to the commit-
22 tee 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

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

(2) prepare for submission to the governor an annually updated six-year capital improvements program and the proposed capital improvements budget for the coming fiscal year, the latter to include individual project justification with documentation of estimated project cost;

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

(4) assist state agencies in their statement of goals and objectives, preparation of plans, budget requests, and reporting of program performance; all documents forwarded by the office [DIVISION] to a state agency containing instructions for the preparation of program plans and budget requests and the reporting of program performance are public information after the date they are forwarded;

(5) administer its responsibilities under the program execution provisions of this chapter so that the policy decisions and budget determinations of the governor and the legislature are implemented;

(6) provide the legislative finance division with the budget information it may request;

(7) provide the legislative finance division with an advance copy of the governor's budget workbooks by the first Monday in 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 *Joseph* *sim* *bring* (8) ~~prepare the proposed capital improvements budget for~~
5 *approved* ~~the coming fiscal year evaluating both state and local requests based~~
6 *see* ~~on recognition that need for a project that cannot feasibly be pro-~~
7 *back* ~~vided by a local government unit. *Fischer* *ultimately* *priority* ~~Atakes priority over considerations~~
8 *bill* ~~such as population, local financial match, federal funds being used~~
9 ~~for local match, or maintenance and operations cost of a facility if a~~
10 ~~municipality or unincorporated community accepts the facility and all~~
11 ~~associated costs of the facility;~~~~

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

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

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

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

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

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

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

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

2 (c) The office [DIVISION] shall

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

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

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

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

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

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

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

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

26 Sec. 37.07.100. PROPOSED SUPPLEMENTAL OR SPECIAL [DEFICIENCY]
27 APPROPRIATIONS. The governor from time to time may transmit to the
28 legislature proposed supplemental or special [DEFICIENCY] appropria-
29 tions in accordance with AS 37.07.070 which in the governor's [HIS]

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

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

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

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. TRANSITION. All litigation, hearings, investigations and
27 other proceedings pending under a law amended or repealed by this Act, or
28 in connection with functions transferred by this Act, continue in effect
29 and may be continued and completed notwithstanding a transfer or amendment

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

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

21 * Sec. 28. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).
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Introduced: 2/25/83
Referred: Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

SENATE BILL NO. 152

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act merging the division of budget and manage-
7 ment, the division of policy development and plan-
8 ning, and the latter's office of coastal management
9 into one office; and providing for an effective
10 date."

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

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

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

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

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

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

26 Sec. 24.30.035. FISCAL NOTES ON BILLS. Before a bill, except an
27 appropriation bill, is reported from the committee of first referral,
28 there shall be attached to the bill a fiscal note containing an esti-
29 mate of the amount of the appropriation increase or decrease which

1 would result from enactment of the bill for the ensuing fiscal year
2 and at least five [TWO] succeeding fiscal years or, if the bill has no
3 fiscal impact, a statement to that effect shall be attached. The
4 fiscal note or statement shall be prepared by the office of management
5 and budget in conformity with the format adopted by the legislature
6 [DEPARTMENT OR DEPARTMENTS AFFECTED]. If the bill is presented by the
7 governor for introduction in accordance with AS 24.30.060(b) and the
8 uniform rules of the legislature, the fiscal note or statement shall
9 be attached to the bill before the bill is introduced. An amendment
10 or a substitute bill proposed by a committee of referral that changes
11 the fiscal impact of a bill shall be explained in a revised fiscal
12 note or statement attached to the bill. A fiscal note prepared by a
13 department or agency is considered to be approved by the office of
14 management and budget if not objected to by the office of management
15 and budget within five days after it is submitted to the committee of
16 first referral.

17 * Sec. 4. AS 37.07.040 is amended to read:

18 Sec. 37.07.040. OFFICE OF MANAGEMENT AND BUDGET [DIVISION OF
19 BUDGET AND MANAGEMENT]. The Alaska office of management and budget
20 [BUDGET AND MANAGEMENT DIVISION] shall

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

25 (2) prepare for submission to the governor an annually up-
26 dated six-year capital improvements program and the proposed capital
27 improvements budget for the coming fiscal year, the latter to include
28 individual project justification with documentation of estimated proj-
29 ect cost;

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

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

12 (5) administer its responsibilities under the program exe-
13 cution provisions of this chapter so that the policy decisions and
14 budget determinations of the governor and the legislature are imple-
15 mented;

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

18 (7) provide the legislative finance division with an ad-
19 vance copy of the governor's budget workbooks by the first Monday in
20 January of each year, except that following a gubernatorial election
21 year the advance copy shall be provided by the second Monday in Janu-
22 ary.

23 * Sec. 5. 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. 6. 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. 7. 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
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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. 9. AS 37.07.120 is amended by adding a new paragraph to read:

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

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

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

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2 OF POLICY DEVELOPMENT AND PLANNING]. There is in the Office of the
3 Governor the Alaska office of management and budget [DIVISION OF
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5 * Sec. 11. AS 44.19.142 is amended to read:

6 Sec. 44.19.142. DIRECTOR. The office of management and budget
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8 rector who is appointed by, and serves at the pleasure of, the gover-
9 nor.

10 * Sec. 12. AS 44.19.143 is amended to read:

11 Sec. 44.19.143. PERSONNEL. The director shall employ such per-
12 sonnel as may be necessary to carry out the provisions of AS 44.19.-
13 141 - 44.19.152 and the relevant provisions of AS 37.07.

14 * Sec. 13. AS 44.19.144(a) is amended to read:

15 (a) The director shall

16 (1) supervise and administer the activities of the office
17 [DIVISION];

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

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

22 * Sec. 14. AS 44.19.144(b)(3) is amended to read:

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

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2 legislature in identifying long range goals and objectives for the
3 state and its political subdivisions;

4 (2) prepare and maintain a state comprehensive development
5 plan;

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

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

11 (5) Repealed.

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

16 (7) Repealed.

17 (8) encourage educational and research programs that fur-
18 ther state planning and development, and provide administrative and
19 technical services for them;

20 (9) publish such statistical information or other documen-
21 tary material as will further the provisions and intent of AS 44.19.-
22 141 - 44.19.152;

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

27 (11) serve as a clearinghouse for information, data, and
28 other materials which may be helpful or necessary to federal, state or
29 local governmental agencies in discharging their respective respon-

1 sibilities or in obtaining federal or state financial or technical as-
2 sistance;

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

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

10 (b) The office [DIVISION] shall, in carrying out its functions,
11 consult with local, regional, state and federal officials, private
12 groups and individuals, and with officials[,] of other countries,
13 provinces and states, and may hold public hearings to obtain informa-
14 tion for the purpose of carrying out the provisions of AS 44.19.141 -
15 44.19.152.

16 (c) The governor may establish coordinating or advisory planning
17 groups.

18 (d) The office [DIVISION] shall

19 (1) coordinate its services and activities with those of
20 other state departments and agencies to the fullest extent possible to
21 avoid duplication;

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

25 (3) cooperate with the University of Alaska and other ap-
26 propriate public and private institutions in research and investiga-
27 tions.

28 * Sec. 16. AS 44.19.152 is amended to read:

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

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

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

5 (3) "office" means the Alaska office of management and bud-
6 get.

7 * Sec. 17. AS 44.19.155(a)(2)(A) is amended to read:

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

10 * Sec. 18. AS 44.19.155(d) is amended to read:

11 (d) Each member of the council shall select one person to serve
12 as a permanent alternate at meetings of the council. If a member of
13 the council is unable to attend, the member [HE] shall advise the
14 alternate who may attend and act in the place of the member. The
15 alternate for a public member appointed after July 9, 1978 under
16 (a)(1) of this section shall, at the time of the attendant's [HIS]
17 designation and throughout the period of [HIS] service as a permanent
18 alternate, be the mayor or member of the assembly or council of a
19 municipality within the region from which the permanent member is
20 appointed. The alternate for the director of the office of management
21 and budget, serving under (a)(2)(A) of this section, shall be the
22 director's designee within that office. The alternate for a designat-
23 ed member serving under (a)(2)(B) - (G) of this section shall be a
24 deputy commissioner of the department or the director of a division in
25 the department. The names of alternates shall be filed with the
26 council.

27 * Sec. 19. AS 44.19.162 is amended to read:

28 Sec. 44.19.162. COUNCIL STAFF. The council shall use [UTILIZE]
29 the staff of the office of coastal management within the office of

1 management and budget [DIVISION OF POLICY DEVELOPMENT AND PLANNING] in
2 discharging its powers and duties. The coordinator of the office of
3 coastal management, under the direction of the council co-chair who is
4 selected from among the members designated in AS 44.19.155(a)(2) [,
5 WITH THE CONCURRENCE OF THE COUNCIL], may contract with or employ per-
6 sonnel or consultants the coordinator [HE] considers necessary to car-
7 ry out the powers and duties of the council.

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

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

13 * Sec. 21. TRANSITION. All litigation, hearings, investigations and
14 other proceedings pending under a law amended or repealed by this Act, or
15 in connection with functions transferred by this Act, continue in effect
16 and may be continued and completed notwithstanding a transfer or amendment
17 or repeal provided for in this Act. Certificates, orders, and regulations
18 issued or adopted under authority of a law amended or repealed by this Act
19 remain in effect for the term issued, or until revoked, vacated, or other-
20 wise modified under the provisions of this Act. All contracts, rights,
21 liabilities, and obligations created by or under a law amended or repealed
22 by this Act, and in effect on the effective date of this Act, remain in
23 effect notwithstanding this Act's taking effect. Records, equipment, and
24 other property of agencies of the state whose functions are transferred
25 under this Act shall be transferred commensurate with the provisions of
26 this Act.

27 * Sec. 22. NAME CHANGE. To be consistent with the changes made by this
28 Act, wherever in the Alaska Statutes and in regulations adopted under those
29 statutes "division of budget and management" and "division of policy devel-

1 opment and planning," and other terms identifying those divisions, are
2 used, they must be read as referring to the office of management and bud-
3 get. Similarly, references to the directors of those divisions must be
4 read as references to the director of the office of management and budget.
5 Under AS 01.05.031, the revisor of statutes shall implement this section in
6 the statutes, and, under AS 44.62.125(b)(6), the regulations attorney shall
7 implement this section in the administrative regulations.

8 * Sec. 23. This Act takes effect immediately in accordance with AS 01.-
9 10.070(c).

Original sponsor: Finance Committee

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IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 152 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the preparation of fiscal notes for bills and resolutions 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."

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

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

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

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

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

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

Sec. 24.30.035. FISCAL NOTES ON BILLS. (a) Before a bill or resolution, except an appropriation bill, is reported from the committee 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 [TWC] 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]. If
8 the bill is presented by the governor for introduction in accordance
9 with AS 24.30.060(b) and the uniform rules of the legislature, the
10 fiscal note or statement shall be attached to the bill before the bill
11 is introduced. An amendment or a substitute bill proposed by a com-
12 mittee of referral that changes the fiscal impact of a bill shall be
13 explained in a revised fiscal note or statement attached to the bill.

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

15 (b) In addition to the fiscal note required by this section, the
16 sponsor of a bill or resolution may prepare a fiscal note in conform-
17 ity with the requirements of this section and submit it to the commit-
18 tee of first referral or the finance committee. A committee may
19 prepare an additional fiscal note in conformity with the requirements
20 of this section.

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

- 23 (1) the fiscal impact on existing programs;
24 (2) the fiscal impact of new programs or activities;
25 (3) a line item detail of the fiscal impact;
26 (4) the source of funds expected to be utilized by general
27 fund source, federal fund source, or other identified source;
28 (5) the number of new positions which may be required,
29 identified as full-time, part-time, or temporary;

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

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

5 (8) a fiscal impact projection for the first year in which
6 expenditures will be required and for the succeeding five fiscal
7 years; and

8 (9) formal information consisting of

9 (A) the bill or resolution number,

10 (B) the name of the prime sponsors,

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

12 (D) the name of the committee requesting the fiscal
13 note,

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

16 (F) the budget request unit, program, or subprogram
17 affected.

18 (d) The original of a fiscal note must be submitted to the
19 Division of Legislative Finance and copies must be sent to the prime
20 sponsor, the committee requesting the fiscal note, and the office of
21 management and budget.

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

23 Sec. 37.07.040. OFFICE OF MANAGEMENT AND BUDGET [DIVISION OF
24 BUDGET AND MANAGEMENT]. The Alaska office of management and budget
25 [BUDGET AND MANAGEMENT DIVISION] shall

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

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

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

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

17 (5) administer its responsibilities under the program exe-
18 cution provisions of this chapter so that the policy decisions and
19 budget determinations of the governor and the legislature are imple-
20 mented;

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

23 (7) provide the legislative finance division with an ad-
24 vance copy of the governor's budget workbooks by the first Monday in
25 January of each year, except that following a gubernatorial election
26 year the advance copy shall be provided by the second Monday in Janu-
27 ary.

28 * Sec. 6. AS 37.07.080(b) is amended to read:

29 (b) Each state agency shall prepare an annual plan for the

1 operation of each of its assigned programs except for programs that
2 are exempted from this requirement by the office [DIVISION]. The
3 operations plan shall be prepared in the form and content and be
4 transmitted on the date prescribed by the office [DIVISION].

5 * Sec. 7. AS 37.07.080(c) is amended to read:

6 (c) The office [DIVISION] shall

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

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

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

18 * Sec. 8. AS 37.07.080(e) is amended to read:

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

24 * Sec. 9. AS 37.07.080(f) is amended to read:

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

29 * Sec. 10. AS 37.07.120 is amended by adding a new paragraph to read:

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

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

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

6 Sec. 44.19.141. ALASKA OFFICE OF MANAGEMENT AND BUDGET [DIVISION
7 OF POLICY DEVELOPMENT AND PLANNING]. There is in the Office of the
8 Governor the Alaska office of management and budget [DIVISION OF
9 POLICY DEVELOPMENT AND PLANNING].

10 * Sec. 12. AS 44.19.142 is amended to read:

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

15 * Sec. 13. AS 44.19.143 is amended to read:

16 Sec. 44.19.143. PERSONNEL. The director shall employ such per-
17 sonnel as may be necessary to carry out the provisions of AS 44.19.-
18 141 - 44.19.152 and the relevant provisions of AS 37.07.

19 * Sec. 14. AS 44.19.144(a) is amended to read:

20 (a) The director shall

21 (1) supervise and administer the activities of the office
22 [DIVISION];

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

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

27 * Sec. 15. AS 44.19.144(b)(3) is amended to read:

28 (3) on behalf of the state, accept and expend any gifts or
29 grants made to the state with the approval of the governor where such

1 gifts or grants were made for the purposes of furthering the objec-
2 tives of the office [DIVISION].

3 * Sec. 16. AS 44.19.145 is amended to read:

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

5 (a) The office [DIVISION] shall

6 (1) provide technical assistance to the governor and the
7 legislature in identifying long range goals and objectives for the
8 state and its political subdivisions;

9 (2) prepare and maintain a state comprehensive development
10 plan;

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

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

16 (5) Repealed.

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

21 (7) Repealed.

22 (8) encourage educational and research programs that fur-
23 ther state planning and development, and provide administrative and
24 technical services for them;

25 (9) publish such statistical information or other documen-
26 tary material as will further the provisions and intent of AS 44.19.-
27 141 - 44.19.152;

28 (10) assist the governor and the Department of Community and
29 Regional Affairs in coordinating the activities of state agencies

1 which have an impact on the solution of local and regional development
2 problems;

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

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

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

15 (b) The office [DIVISION] shall, in carrying out its functions,
16 consult with local, regional, state and federal officials, private
17 groups and individuals, and with officials[,] of other countries,
18 provinces and states, and may hold public hearings to obtain informa-
19 tion for the purpose of carrying out the provisions of AS 44.19.141 -
20 44.19.152.

21 (c) The governor may establish coordinating or advisory planning
22 groups.

23 (d) The office [DIVISION] shall

24 (1) coordinate its services and activities with those of
25 other state departments and agencies to the fullest extent possible to
26 avoid duplication;

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

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

4 * Sec. 17. AS 44.19.152 is amended to read:

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

6 (1) ["DIVISION" MEANS THE DIVISION OF POLICY DEVELOPMENT
7 AND PLANNING;]

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

10 (3) "office" means the Alaska office of management and bud-
11 get.

12 * Sec. 18. AS 44.19.155(a)(2)(A) is amended to read:

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

15 * Sec. 19. AS 44.19.155(d) is amended to read:

16 (d) Each member of the council shall select one person to serve
17 as a permanent alternate at meetings of the council. If a member of
18 the council is unable to attend, the member [HE] shall advise the
19 alternate who may attend and act in the place of the member. The
20 alternate for a public member appointed after July 9, 1978 under
21 (a)(1) of this section shall, at the time of the attendant's [HIS]
22 designation and throughout the period of [HIS] service as a permanent
23 alternate, be the mayor or member of the assembly or council of a
24 municipality within the region from which the permanent member is
25 appointed. The alternate for the director of the office of management
26 and budget, serving under (a)(2)(A) of this section, shall be the
27 director's designee within that office. The alternate for a designat-
28 ed member serving under (a)(2)(B) - (G) of this section shall be a
29 deputy commissioner of the department or the director of a division in

1 the department. The names of alternates shall be filed with the
2 council.

3 * Sec. 20. AS 44.19.162 is amended to read:

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

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

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

18 * Sec. 22. TRANSITION. All litigation, hearings, investigations and
19 other proceedings pending under a law amended or repealed by this Act, or
20 in connection with functions transferred by this Act, continue in effect
21 and may be continued and completed notwithstanding a transfer or amendment
22 or repeal provided for in this Act. Certificates, orders, and regulations
23 issued or adopted under authority of a law amended or repealed by this Act
24 remain in effect for the term issued, or until revoked, vacated, or other-
25 wise modified under the provisions of this Act. All contracts, rights,
26 liabilities, and obligations created by or under a law amended or repealed
27 by this Act, and in effect on the effective date of this Act, remain in
28 effect notwithstanding this Act's taking effect. Records, equipment, and
29 other property of agencies of the state whose functions are transferred

1 under this Act shall be transferred commensurate with the provisions of
2 this Act.

3 * Sec. 23. NAME CHANGE. To be consistent with the changes made by this
4 Act, wherever in the Alaska Statutes and in regulations adopted under those
5 statutes "division of budget and management" and "division of policy devel-
6 opment and planning," and other terms identifying those divisions, are
7 used, they must be read as referring to the office of management and bud-
8 get. Similarly, references to the directors of those divisions must be
9 read as references to the director of the office of management and budget.
10 Under AS 01.05.031, the revisor of statutes shall implement this section in
11 the statutes, and, under AS 44.62.125(b)(6), the regulations attorney shall
12 implement this section in the administrative regulations.

13 * Sec. 24. This Act takes effect immediately in accordance with AS 01.-
14 10.070(c).
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by the federal government for participation in federal programs. (§ 2 ch 4 SLA 1982)

Effective dates. — Section 3, ch. 4, SLA 1982, provides that this section take effect January 16, 1982, in accordance with AS 01.10.07(c).

Editor's notes. — The provisions of this section were formerly contained in AS 37.05.315(g), which was deleted by the 1982 amendment.

Sec. 37.05.319. Definitions. In AS 37.05.315 — 37.05.317, "appropriation" and "allocation" have the meanings set out in AS 37.07.120(4) and (5). (§ 2 ch 4 SLA 1982)

Effective dates. — Section 3, ch. 4, SLA 1982, provides that this section take effect

January 16, 1982, in accordance with AS 01.10.07(c).

Chapter 07. Executive Budget Act.

Section

- 10. Statement of policy
- 20. Responsibilities of the governor
- 40. Division of budget and management

Section

- 60. Governor's recommendation
- 70. Legislative review
- 80. Program execution

NOTES TO DECISIONS

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. 37.07.010. Statement of policy. It is the purpose of this chapter to establish a comprehensive system for state program and financial management which furthers the capacity of the governor and legislature to plan and finance the services which they determine the state will provide for its citizens. The system shall include procedures for

(1) the orderly establishment, continuing review, and periodic revision of the program goals and policies of state agencies and financial goals and policies of the state;

(2) the development, coordination and review of long-range program and financial plans that will implement established state goals and policies;

(3) the preparation, coordination, analysis, and enactment of a budget which is organized to focus on the services provided by state agencies and on the cost of those services and which provides for implementation of policies and plans in the succeeding budget period;

(4) the evaluation of alternatives to existing policies, plans and procedures that offer potential for more efficient state services;

(5) the regular appraisal and reporting of program performance;

(6) public participation in the development of the annual budget, including opportunity for the public to review and comment upon the plans and programs of the Office of the Governor and all state agencies in the executive branch, the legislature, the judicial system, the University of Alaska and the public corporations of the state. (§ 1 ch 188 SLA 1970; am § 2 ch 168 SLA 1978; am §§ 1, 2 ch 2 SLA 1982)

Effect of amendments. — The 1982 amendment, effective January 16, 1982, inserted "goals and policies of state agencies" in paragraph (1); and in paragraph (3), deleted "and" preceding "anal-

ysis," inserted "which is," and substituted "the services provided by state agencies and on the cost of those services and which provides for" for "state services and their costs, that authorizes the."

Sec. 37.07.020. Responsibilities of the governor. (a) The governor shall prepare and submit to the legislature before the fourth legislative day a budget for the succeeding fiscal year which shall cover all estimated receipts, including all grants, loans, and money received from the federal government, and all proposed expenditures of the state government. The budget submitted by the governor shall be organized so that the proposed expenditures for each agency are presented separately. The budget shall be accompanied by a general appropriation bill to authorize the proposed expenditures, and a bill or bills covering recommendations in the budget for new or additional revenues.

(b) In addition to the budget and general appropriation bill, the governor shall submit a capital improvements program and financial plan covering the succeeding six fiscal years.

(c) Proposed expenditures may not exceed estimated revenues for the succeeding fiscal year. The expenditures proposed in the six-year capital improvements program and financial plan shall not exceed the estimated revenues and bond authorizations passed and proposed.

(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. § 1 ch 188 SLA 1970; am § 3 ch 168 SLA 1978; am § 4 ch 18 SLA 1980; am § 3 ch 2 SLA 1982)

Effect of amendments. — The 1980 amendment added subsection (d). The 1982 amendment, effective January

16, 1982, added the present second sentence of subsection (a).

Sec. 37.07.040 budget and r

(1) assist t proposed con coordination and budget r

(2) prepare six-year cap: improvement individual pr cost;

(3) develop tive policy de dissemination requests to be review and c

(4) assist s preparation c formance; all containing ir budget requ: information a

(5) adminis visions of thi minations of

(6) Provide tion it may re

(7) provide the governor's each year, ex advance copy ch 188 SLA 19 § 1 ch 16 SLA

Cross referen: islative finance d division of budg establishing a co state budgeti management as s AS 24.20.231(4). Effect of ame

Sec. 37.07.0 shall formulat financial plan 37.07.020 afte financial plan:

Sec. 37.07.040. Division of budget and management. The budget and management division shall

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

(2) prepare for submission to the governor an annually updated six-year capital improvements program and the proposed capital improvements budget for the coming fiscal year, the latter to include individual project justification with documentation of estimated project cost;

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

(4) assist state agencies in their statement of goals and objectives, preparation of plans, budget requests, and reporting of program performance; all documents forwarded by the division to a state agency containing instructions for the preparation of program plans and budget requests and the reporting of program performance are public information after the date they are forwarded;

(5) administer its responsibilities under the program execution provisions of this chapter so that the policy decisions and budget determinations of the governor and the legislature are implemented;

(6) Provide the legislative finance division with the budget information it may request;

(7) provide the legislative finance division with an advance copy of the governor's budget workbooks by the first Monday in January of each year, except that following a gubernatorial election year the advance copy shall be provided by the second Monday in January. (§ 1 ch 188 SLA 1970; am § 3 ch 95 SLA 1971; am § 1 ch 60 SLA 1972; am § 1 ch 16 SLA 1976; am § 5 ch 168 SLA 1978; am § 4 ch 2 SLA 1982)

Cross references. — As to duty of legislative finance division to cooperate with division of budget and management in establishing a comprehensive system for state budgeting and financial management as set out in this chapter, see AS 24.20.231(4).

Effect of amendments. — The 1982

amendment, effective January 16, 1982, deleted "program" preceding "goals," "plans," and "budget requests" in paragraph (1), preceding "budget requests" in paragraph (3), preceding "plans" and "budget requests" near the beginning of paragraph (4), and preceding "budget requests" near the end of paragraph (4).

Sec. 37.07.060. Governor's recommendation. (a) The governor shall formulate the operating and capital improvements programs and financial plans required to be recommended to the legislature by AS 37.07.020 after considering the state agency proposed program and financial plans, and other programs and alternatives that he considers

appropriate. The plans shall include his recommended goals and policies, recommended plans to implement the goals and policies, recommended operating program for the succeeding fiscal year, recommended capital improvements program for the succeeding six fiscal years, and recommended revenue measures to support the programs.

(b) The governor shall present the proposed comprehensive operating and capital improvements programs and financial plans in a message to a joint session of the legislature before the fourth legislative day following the convening of the legislature in regular session. The message shall be accompanied by an explanatory report which summarizes recommended goals, plans, and appropriations. The report shall contain

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

(2) the governor's operating program and budget recommendations for the succeeding fiscal year organized by agency as required by AS 37.07.020(a);

(3) the governor's capital improvements program and budget recommendations for the succeeding fiscal year and capital improvements program for the succeeding six fiscal years which shall include

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

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

(C) a summary, listed by agency, of all previously proposed projects which have been deferred beyond the six years covered by the plan and the year in which construction has been rescheduled to begin;

(D) a forecast of the debt structure of the state and the various debt ratios over the life of the state's bonds outstanding, bonds authorized and to be issued, and bond authorizations recommended in the plan;

(E) a description of additional revenue measures needed to finance the plan in lieu of debt;

(F) bond election bills to authorize the bonds required to fund the projects scheduled for the first three years of the plan;

(G) projections of population of the state and its regions and communities;

(H) economic data and projections necessary for the evaluation of the plan;

(4) a summary estimate for the fiscal year;

(5) a summary authorized for the succeeding fiscal year;

(6) any other of the governor's message and the statute, AS 37.07.060.

Effect of amendment reworded paragraph (3) of section 37.07.070. The 1982 amendment, AS 16, 1982, in subsection (3) authorized by agency.

Sec. 37.07.070. The governor's message shall include the following: (1) the governor's operating program and budget recommendations for the succeeding fiscal year organized by agency as required by AS 37.07.020(a); (2) the governor's capital improvements program and budget recommendations for the succeeding fiscal year and capital improvements program for the succeeding six fiscal years which shall include (A) a description of each project, its estimated cost for the year construction is to start and the estimated cost of the project adjusted for inflation over the estimated period of construction, and the source of financing for the project; the project description for a new building or a new facility or for a major addition to a building or facility should include a site plan, preliminary drawings, and architect's or engineer's total cost estimate for the project; (B) a summary of projects previously authorized and not yet completed; (C) a summary, listed by agency, of all previously proposed projects which have been deferred beyond the six years covered by the plan and the year in which construction has been rescheduled to begin; (D) a forecast of the debt structure of the state and the various debt ratios over the life of the state's bonds outstanding, bonds authorized and to be issued, and bond authorizations recommended in the plan; (E) a description of additional revenue measures needed to finance the plan in lieu of debt; (F) bond election bills to authorize the bonds required to fund the projects scheduled for the first three years of the plan; (G) projections of population of the state and its regions and communities; (H) economic data and projections necessary for the evaluation of the plan.

(1) Request for information from a state agency or department produced by the agency.

(2) Request for information from the finance committee. The 1970 amendment, AS 2 SLA 1982.

Effective of amendment, effective date of the section.

Sec. 37.07.070. The governor's message shall include the following: (1) the governor's operating program and budget recommendations for the succeeding fiscal year organized by agency as required by AS 37.07.020(a); (2) the governor's capital improvements program and budget recommendations for the succeeding fiscal year and capital improvements program for the succeeding six fiscal years which shall include (A) a description of each project, its estimated cost for the year construction is to start and the estimated cost of the project adjusted for inflation over the estimated period of construction, and the source of financing for the project; the project description for a new building or a new facility or for a major addition to a building or facility should include a site plan, preliminary drawings, and architect's or engineer's total cost estimate for the project; (B) a summary of projects previously authorized and not yet completed; (C) a summary, listed by agency, of all previously proposed projects which have been deferred beyond the six years covered by the plan and the year in which construction has been rescheduled to begin; (D) a forecast of the debt structure of the state and the various debt ratios over the life of the state's bonds outstanding, bonds authorized and to be issued, and bond authorizations recommended in the plan; (E) a description of additional revenue measures needed to finance the plan in lieu of debt; (F) bond election bills to authorize the bonds required to fund the projects scheduled for the first three years of the plan; (G) projections of population of the state and its regions and communities; (H) economic data and projections necessary for the evaluation of the plan.

(b) Each state agency shall submit a summary of each of its activities to the governor's message.

(4) a summary of state receipts in the last fiscal year, a revised estimate for the current fiscal year, and an estimate for the succeeding fiscal year;

(5) a summary of expenditures during the last fiscal year, those authorized for the current fiscal year, and an estimate for the succeeding fiscal year;

(6) any additional information which will facilitate understanding of the governor's proposed programs and financial plans by the legislature and the public. (§ 1 ch 188 SLA 1970; am § 7 ch 168 SLA 1978; am § 1 ch 96 SLA 1980; am § 5 ch 2 SLA 1982)

Effect of amendments. — The 1980 amendment rewrote subparagraph (A) of paragraph (3) of subsection (b).

The 1982 amendment, effective January 16, 1982, in subsection (b), added "organized by agency as required by AS

37.07.020(a)" to the end of paragraph (2).

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 37.07.070. Legislative review. The legislature shall consider the governor's proposed comprehensive operating and capital improvements programs and financial plans, evaluate alternatives to the plans, make program selections among the various alternatives and determine, subject to available revenues, the level of funding required to support authorized state services. The operating and capital budgets of each agency shall be separately reviewed. During each regular session of the legislature, legislative review of the governor's supplemental appropriation bills and the governor's budget amendments shall be governed by the following time limits:

(1) Requests by the governor for supplemental appropriations for state agency operating budgets for the current fiscal year may be introduced by the rules committee only through the 45th legislative day.

(2) Requests by the governor for budget amendments to state agency budgets for the budget fiscal year may be received and reviewed by the finance committees only through the 75th legislative day. (§ 1 ch 188 SLA 1970; am § 1 ch 66 SLA 1977; am § 9 ch 168 SLA 1978; am § 6 ch 2 SLA 1982)

Effective of amendments. — The 1982 amendment, effective January 16, 1982, rewrote the section.

Sec. 37.07.080. Program execution. (a) Except as limited by policy decisions of the governor, appropriations by the legislature, and other provisions of law, the several state agencies have full authority for administering their program service assignments and are responsible for their proper management.

(b) Each state agency shall prepare an annual plan for the operation of each of its assigned programs except for programs that are exempted

from this requirement by the division. The operations plan shall be prepared in the form and content and be transmitted on the date prescribed by the division.

(c) The division shall

(1) review each operations plan to determine that it is consistent with the policy decisions of the governor and appropriations by the legislature, that it reflects proper planning and efficient management methods, that appropriations have been made for the planned purpose and will not be exhausted before the end of the fiscal year;

(2) approve the operations plan if satisfied that it meets the requirements under (1) of this subsection; otherwise, the division shall require revision of the operations plan in whole or in part;

(3) Repealed by § 1 ch 26 SLA 1976.

(d) No state agency may increase the salaries of its employees, employ additional employees, or expend money or incur obligations except in accordance with law and properly approved operations plan.

(e) Transfers or changes between objects of expenditures or between allocations may be made by the head of a state agency upon approval of the division. No transfers may be made between appropriations except as provided in an act making the transfers between appropriations.

(f) The division shall report quarterly to the governor and the legislature on the operations of each state agency, relating actual accomplishments to those planned and modifying, if necessary, the operations plan of any agency for the balance of the fiscal year.

(g) The governor may direct the withholding or reduction of appropriations to a state agency at any time during the fiscal year only if he determines that

(1) the planned expenditures can no longer be made due to factors outside the control of the state which make the expenditure factually impossible; or

(2) estimated receipts and surpluses will be insufficient to provide for appropriations.

(h) The increase of an appropriation item based on additional federal or other program receipts not specifically appropriated by the full legislature may be expended in accordance with the following procedures:

(1) the governor shall submit a revised program to the Legislative Budget and Audit Committee for review;

(2) 45 days shall elapse before commencement of expenditures under the revised program unless the Legislative Budget and Audit Committee earlier recommends that the state take part in the federally or otherwise funded activity;

(3) should the Legislative Budget and Audit Committee recommend within the 45-day period that the state not initiate the additional activity, the governor shall again review the revised program and if he determines to authorize the expenditure, he shall provide the Legi-

tive Budget a before commer ch 188 SLA 19 1977; am §§ 4

Effect of ame amendment subst the transfers betw "(h) of this section" sentence of subsec section (h).

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Article

Section 65. [Repealed] 70. Investment of

Sec. 37.10.0

Repealed by

Revisor's note been repealed by permanent fund to Fund Corporation

Sec. 37.10.0

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