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HOUSE COMMITTEE REPORT

File

(11)

Date Referred: April 2, 1990

FURTHER REFERRALS:

Date of Committee Action: 4/17/90 a.m.

The FINANCE Committee considered:

HB 518

HOUSE BILL NO. 518

BUDGET PROCESS & APPROPRIATION LIMITS

"An Act relating to balancing the budget and ensuring compliance with appropriation limits in the budget process."

RECOMMENDATIONS:

- be replaced with CS HB 518 (FIN) the same title
- have attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:
(Date/Dept)

- fiscal impact _____
- zero fiscal note ^{OMB} Leg Aff. Agcy
- zero with analysis _____
- fiscal note(s) _____
- zero fiscal note(s) _____
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:
(Check approp. column)

Ronald J. Larson Larson
James Brown Brown
Harjo Koponen Koponen

	Do Not Pass	No Rec	Amend
<u>Ronald Hoffman</u> Hoffman	X		
<u>Charles Swackhammer</u> Swackhammer	X		
<u>Ulmer</u> ULMER	X		
<u>Barnes</u> Barnes	X		
<u>Dick Shultz</u> Shultz	X		
<u>Steve Riegel</u> Riegel	✓		
<u>Walus</u> WALUS	✓		

Ronald J. Larson Hoffman
Co Chairman's Signature Larson

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Office of the Governor
 Title: An Act relating to balancing the budget and ensuring compliance... BRU: Office of Management & Budget
 Sponsor: House Judiciary Components: _____
 Requestor: House Judiciary

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Alison M. Elgee, Director Phone: 465-3568
 Division: Budget Review Date: 4/11/90

Approved by Commissioner: Alison M. Elgee Date: 4/11/90
 Agency: OMB

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Adopted

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: *An Act relating to balancing the budget and ensuring compliance with ...
Sponsor: H. Judiciary
Requestor: H. Judiciary

Affected Agency: Legislative Affairs Agency
BRU: Legislative Council BRU
Components Legal Services
Session Expenses

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY91	FY92	FY93	FY94	FY95	FY96
Personal Services	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Contractual	0	0	0	0	0	0
Supplies	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

No fiscal impact.

Prepared By: Pamela Stoops, Director
Division: Administrative Services

Pamela Stoops

Phone: 465-3850
Date: 3/27/90

Approved By: Warren Endicott, Executive Director
Agency: Legislative Affairs Agency

Warren Endicott

Date: 3/27/90

DISTRIBUTION (BY PREPARER)
LEGISLATIVE FINANCE
LEGISLATIVE SPONSOR

REQUESTOR
OFFICE OF MANAGEMENT & BUDGET
AGENCY (IES)

Adopted

Original sponsor(s): REP. GRUENBERG, Koponen

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 518 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

10 * Section 1. AS 37.07.020(b) is amended to read:

11 (b) In addition to the budget and general appropriation bill,
12 the governor shall submit

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

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

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

19 (c) Proposed expenditures may not exceed estimated revenue for
20 the succeeding fiscal year and must comply with the appropriation
21 limits in the Constitution of the State of Alaska and AS 37.05.540(b).

22 The expenditures proposed in the six-year capital improvements program
23 and financial plan may not exceed the estimated revenue and bond
24 authorizations passed and proposed.

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

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

28 (1) provide for a budget review function;

29 (2) analyze the comprehensive operating and capital

1 improvements programs and financial plans recommended by the governor;

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

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

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

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

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

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

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

April 17, 1990

SUBJECT: Balancing the Budget (CSHB 518(Fin))

TO: Representative Lyman Hoffman, Co-Chair
Representative Ron Larson, Co-Chair
House Finance Committee

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Here is the final requested of CSHB 518(Finance) incorporating changes adopted by the committee. One change requires the governor to call a special session during a fiscal emergency. The governor is authorized to call a special session under Article II, section 9 and under Article III, section 17 of the state constitution. In addition, the legislature may call itself into special session under Article II, section 9. I think the court may find that these provisions are exclusive as to the method by which a special session may be called and that the legislature may not, by law, compel the governor to call a special session and limit the subjects to be considered.

TBC:gc
G14/007

Enclosure