

LEG. FINANCE - BILLS 1977 - 1978 9/7/78

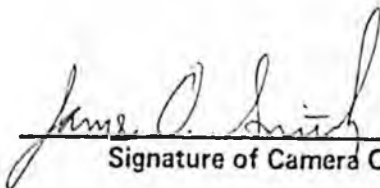
SSSB 487 thru SB 510



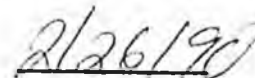
RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.



Signature of Camera Operator



Date

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Sponsor Substitute for SB 487
 Title Minimum Retirement Benefits Under The TRS
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits
 Program Category Affected Retirement and Benefits (TRS)
 Budget Request Unit(s) Affected 02-96-8-01-01-02

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 TRS MATCH		9.4	9.4	9.4	9.4	9.4
100 BENFFITS		2.2	2.2	2.2	2.2	2.2
TOTAL	-0-	11.6	11.6	11.6	11.6	11.6

FUNDING (Thousands of Dollars)

GENERAL FUND		11.6	11.6	11.6	11.6	11.6
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

- Approximately 25 individuals will be affected by this bill.
- The present value of the extra benefits provided by this bill has been calculated to be \$300.0. This bill will be funded with level payments of \$18.8 per year for the next 40 years, resulting in a total system cash outlay of \$752.0.
- The State's share in this funding is \$11.6 per year for the next 40 years, or \$464.0.

IV. DATE 5/26/78 PREPARED BY Paul B. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Senator Croft
 Office of the Governor (Keith Specking)

ATTACHMENT

Bill/Resolution No. SS SB 487ASSUMPTIONS:

1. Estimated FY79 Payroll (Total System)	=	\$214,000,000
2. State Contribution Rate to Fund Bill	=	.0044 %
3. State TRS Matching Rate to Fund Bill	=	.0044 %
4. School District Rate to Fund Bill	=	.0044 %

COST ANALYSIS:

<u>Employer</u>	<u>Payroll</u>		<u>Rate</u>	<u>Cost</u>	<u>Appropriation</u>
1. Department of Education	\$ 5,800,000	X	.0044 %	\$ 255	To Their Budget
2. University of Alaska	\$ 43,500,000	X	.0044 %	\$ 1,914	To Their Budget
				<u>\$ 2,169</u>	
3. State TRS Matching	\$214,000,000	X	.0044 %	\$ 9,416	To TRS Match
4. State TRS Regular Budget:					
Personal Services				\$ -0-	To Personal Services
Travel				\$ -0-	To Travel
Contractual				\$ -0-	To Contractual
Commodities				\$ -0-	To Commodities
Equipment				<u>\$ -0-</u>	To Equipment
				<u>\$11,585</u>	
5. All School Districts	\$164,700,000	X	.0044 %	\$ 7,247	
				<u>\$18,832</u>	

April 6, 1978

Legislative Board of Retirement Benefits analysis and recommendations
on:

Senate Bill No. 487

The board believes that there would be no fiscal impact as a result of SB 487 as the bill currently reads, since no one has been identified who could qualify for additional benefits.

SUMMARY OF SENATE BILL NO. 487

Retirement system affected: TRS

Provides retirement benefits for territorial teachers who are not covered under TRS or another retirement system and who had five years of membership service occurring before January 1, 1945.

Introduced: 5/22/78
Referred: Finance

1 IN THE SENATE BY CROFT, BRADLEY AND HUBER
2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 487
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing minimum retirement benefits under
7 the teachers' retirement system and the retirement
8 system of 1945; and providing for an effective date."

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

10 * Section 1. AS 14.25.120(h) is repealed and re-enacted to read:

11 (h) A member who is eligible for a service retirement salary under
12 this chapter or the retirement system of 1945 is entitled to a benefit
13 of at least \$20 per month for each year of creditable service, not
14 including adjustments made under secs. 142 or 143 of this chapter. If,
15 on the date the member originally applied for the retirement salary,
16 the member elected option two under (c)(2)(B) of this section as payment
17 of his indebtedness or a reduced benefit under (c)(4) of this section,
18 the amount of the dollar reduction shall remain in effect.

19 * Sec. 2. AS 14.25.120(g) is repealed.

20 * Sec. 3. The increase in retirement benefits resulting from enactment
21 of AS 14.25.120(h) contained in sec. 1 of this Act is applicable to members
22 retired before July 1, 1978.

23 * Sec. 4. This Act takes effect July 1, 1978.
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STATE OF ALASKA

SB487

JAY S. HAMMOND, Governor

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

POUCH CR

JUNEAU, ALASKA 99811

May 16, 1978

*\$1,000 per year
retiree per year
19,000 per year*

The Honorable Chancey Croft
Pouch V
Juneau, Alaska 99811

Dear Senator Croft:

I am responding to your legislative assistant's inquiry regarding an amendment to SB 487 to provide for a minimum benefit for all teachers under the Teachers' Retirement System.

I suggest that AS 14.25.120(g) be repealed and 120(h) be amended to read as follows:

(h) The monthly retirement benefit for a member who retired under this retirement fund or the retirement system of 1945 will be a minimum of \$20.00 a year for each year of credited service [A TEACHER WHO RETIRES BEFORE JULY 1, 1972, SHALL RECEIVE A SERVICE RETIREMENT SALARY COMPUTED EITHER UNDER (c) (1) OF THIS SECTION,] not including adjustments made under secs. 142 or 143 of this chapter [OR UNDER (9) OF THIS SECTION, WHICHEVER COMPUTATION WOULD PROVIDE THE TEACHER WITH THE GREATER AMOUNT OF SERVICE RETIREMENT SALARY]. If on the date the teacher originally applied for retirement salary, the teacher elected option two under (c) (2) (B) of this section as payment of his indebtedness or a reduced benefit under (c) (4) of this section, the amount of the dollar reduction shall remain in effect.

The above amendment is written to provide at least \$20.00 for each year of service to anyone retiring under the current system,

Mr. Croft

(2)

May 16, 1978

established on July 1, 1955, or the Retirement System of 1945. I anticipate that this proposed amendment will affect about 25 persons.

If I may offer further explanation to this revision, please let me know.

Sincerely,



Paul B. Arnoldt
Director

PBA/AGW/dm

cc: Jane Stewart

Judy Crondahl ✓

COMMITTEE REPORT

HOUSE

6/1/78

FURTHER ~~FINANCE~~ _____

Date: _____

Mr. Speaker:

The Committee on ~~HESS~~ FINANCE has had SSSB 487
"An Act establishing minimum retirement benefits under the teachers'
retirement system and the retirement system of 1945; eff. date."

under consideration and (a majority of the committee) (the committee reports it back as follows)

recommends it do pass recommends it do not pass

recommends it do pass with attached amendment(s)

recommends it be replaced with CS for _____

and _____ new title same title

AND attaches a Letter of Intent New Fiscal Note

reports it back without recommendation

and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Introduced: 5/22/78
Referred: Finance

1 IN THE SENATE

BY CROFT, BRADLEY AND HUBER

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 487

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing minimum retirement benefits under
7 the teachers' retirement system and the retirement
8 system of 1945; and providing for an effective date."

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12 this chapter or the retirement system of 1945 is entitled to a benefit
13 of at least \$20 per month for each year of creditable service, not
14 including adjustments made under secs. 142 or 143 of this chapter. If,
15 on the date the member originally applied for the retirement salary,
16 the member elected option two under (c)(2)(B) of this section as payment
17 of his indebtedness or a reduced benefit under (c)(4) of this section,
18 the amount of the dollar reduction shall remain in effect.

19 * Sec. 2. AS 14.25.120(g) is repealed.

20 * Sec. 3. The increase in retirement benefits resulting from enactment
21 of AS 14.25.120(h) contained in sec. 1 of this Act is applicable to members
22 retired before July 1, 1978.

23 * Sec. 4. This Act takes effect July 1, 1978.

ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

SENATE BILL NO. 487

By CROFT, BRADLEY AND RUBER

"An Act providing retirement benefits under the teachers' retirement system for teaching service performed before statehood; and providing for an effective date."

teachers' retirement system

Introduced in the Senate 2/10/78, 1978

HISTORY IN THE SENATE

1978

2 10 Read first time and referred to Committee on Health, Education & Social Services and Finance *5/22*

5 22 Reported back with recommendation that *5/22* *to Finance*

5 31 Read second time and *advanced*

5 31 Read third time and

5 31 PASSED Effective Date
Yeas 20 Yeas
Nays - Nays *passed*
Absent - Absent
Excused - Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

5 31 Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

1978

June 1 Read first time and referred to Committee on *House Finance*

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

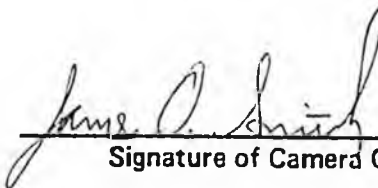
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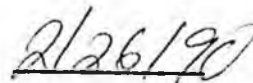
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Signature of Camera Operator



Date

Introduced: 2/14/78
Referred: State Affairs and
Finance

1 IN THE SENATE

BY TILLION, HUBER AND KERTTULA

2 SENATE BILL NO. 493

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska longevity bonus."

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

8 * Section 1. AS 47.45.010(a) is amended to read:

9 (a) A person who is 65 years of age or over, who was domiciled in
10 the territory on or before January 3, 1959 and who has maintained a
11 continuous domicile in the territory or state for 25 years may apply to
12 the commissioner of administration for qualification to receive a
13 monthly bonus of \$200 [\$125].
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THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 493
 Title An Act providing for an increase in the Alaska Longevity Bonus
 Requested by _____ Date 2/15/78

II. FISCAL DETAIL
 Agency Affected Department of Administration
 Program Category Affected Social Services
 Budget Request Unit(s) Affected Longevity Bonus

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		6,255.0	6,723.9	7,192.8	7,661.7	8,130.6
TOTAL						

FUNDING (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
GENERAL FUND		6,255.0	6,723.9	7,192.8	7,661.7	8,130.6
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
FULL TIME						
PART TIME						
TEMPORARY						

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

Assume effective date to be 1 July, 1978.

Year	Program Recipients	Annual Inc.	(1,000) Change \$
FY 79	6,950	\$ 900.00	6,255.0
FY 80	7,471	\$ 900.00	6,723.9
FY 81	7,992	\$ 900.00	7,192.8
FY 82	8,513	\$ 900.00	7,661.7
FY 83	9,034	\$ 900.00	8,130.6

IV. DATE 2/16/78 PREPARED BY R. Clark *E. Russell Clark*
 AGENCY Department of Administration
 PHONE 465-2293 *OK RdH*
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Tillion
 Governor's Office - Keith Specking
 33-001 (Rev. 12/77) Div. of Pioneer Benefits - Vern Perry

COMMITTEE REPORT
SENATE

3/2/78

FURTHER: _____

Date: _____

Mr. President:

The Committee on FINANCE _____ has had SB 493
Alaska longevity bonus _____

under consideration and (a majority of the committee) (the committee reports it back as follows)

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

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

COMMITTEE REPORT
SENATE

2/14/78

FURTHER: FINANCE

Date: March 1, 1978

Mr. President:

The Committee on STATE AFFAIRS has had SB 493
Alaska longevity bonus

under consideration and (a majority of the committee) (the committee
reports it back as follows)

recommends it do pass () recommends it do not pass

() recommends it do pass with attached amendment(s)

() recommends it be replaced with CS for _____

and _____ () new title () same title

() AND attaches a Letter of Intent () New Fiscal Note

() reports it back without recommendation

() and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

J. Kuttel
D. Willis
Brad Bradley
John Foster
Dick Ray

J. Kuttel
Chairman

A M E N D M E N T

OFFERED IN THE ~~HOUSE~~ ^{SENATE} HOUSE:

BY: Huber

To: _____ HOUSE BILL No. _____

SENATE BILL No. 493

PAGE: 1

LINE: 15 & 16 & 17

Add the following:

*Sec. 2. This Act is retroactive to January 1, 1978.

*Sec. 3. This Act takes effect immediately in accordance with AS 01.10.070(c).

493.

Introduced: 2/14/78
Referred: State Affairs and
Finance

1 IN THE SENATE BY TILLION, HUBER AND KERTTULA

2 SENATE BILL NO. 493

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska longevity bonus."

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

8 * Section 1. AS 47.45.010(a) is amended to read:

9 (a) A person who is 65 years of age or over, who was domiciled in
10 the territory on or before January 3, 1959 and who has maintained a
11 continuous domicile in the territory or state for 25 years may apply to
12 the commissioner of administration for qualification to receive a
13 monthly bonus of \$200 [\$125].

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ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

SENATE BILL NO. 493

By TILLION, HUBER AND KERTTULA

"An Act relating to the Alaska longevity bonus."

Alas. longevity bonus

Introduced in the Senate 2/16/75, 1975

HISTORY IN THE SENATE

19 78
2 14 Read first time and referred to Committee on State Affairs and Finance

3 2 Reported back with recommendation that *S.A. 5 do pass w/ a res. to Finance*

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

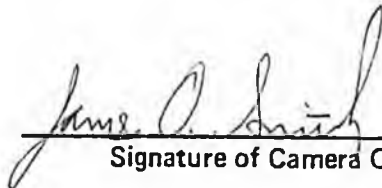
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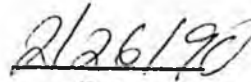


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Signature of Camera Operator


Date

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 510
 Title An Act relating to the Statebudget and to State Bonding
 Requested by Special Committee on the Alaska Permanent Fund Date February 14, 1978

II. FISCAL DETAIL

Agency Affected Combined - See attached Fiscal Notes
 Program Category Affected _____
 Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		802.2	852.6	659.6	676.9	712.5
200 TRAVEL		38.0	28.4	20.1	18.2	18.9
300 CONTRACTUAL		2,082.8	1,958.6	790.2	97.4	105.2
400 COMMODITIES		6.5	6.8	6.2	5.7	6.0
500 EQUIPMENT		12.9	1.6	.9	.9	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		2,942.4	2,848.0	1,477.0	799.1	843.6

FUNDING (Thousands of Dollars)

GENERAL FUND	2,942.4	2,848.0	1,477.0	799.1	843.6
FEDERAL FUNDS					
OTHER (Specify)					

POSITIONS

FULL TIME	24	24	18	17	17
PART TIME					
TEMPORARY					

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

Combined Fiscal Notes from four Departments (See Attached).

SB 533 is a committee substitute for SB 510. Costs for the Department of Transportation and Public Facilities which were included in SB 510 are now incorporated in SB 533. (See attached fiscal note.)

IV. DATE May 4, 1978

PREPARED BY Peter A. Bushre
 AGENCY Revenue
 PHC JE 465-2350

Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

Introduced: 2/14/78
Referred: Finance

1 IN THE SENATE

BY THE SPECIAL COMMITTEE ON THE
ALASKA PERMANENT FUND

2 SENATE BILL NO. 510

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the state budget and to state
7 bonding."

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

9 * Section 1. AS 37.07.020 is repealed and re-enacted to read:

10 Sec. 37.07.020. RESPONSIBILITIES OF THE GOVERNOR. (a) The gover-
11 nor shall prepare and submit to the legislature before the fourth legis-
12 lative day a budget for the succeeding fiscal year which shall cover all
13 estimated receipts, including all grants, loans, and money received from
14 the federal government, and all proposed expenditures of the state
15 government. The budget shall be accompanied by a general appropriation
16 bill to authorize the proposed expenditures, and a bill or bills cover-
17 ing recommendations in the budget for new or additional revenues.

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

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

25 * Sec. 2. 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 improve-

1 ments programs [PROGRAM] and financial plans [PLAN] recommended by the
2 governor;

3 (3) adopt legislation to authorize implementation of the
4 governor's comprehensive operating and capital improvements programs
5 [PROGRAM] and financial plans [PLAN] or appropriate alternatives to
6 those plans [THAT PLAN];

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

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

13 (6) adopt, revise, or initiate revenue measures in order to
14 balance the succeeding fiscal year's budget and the capital improvements
15 section of the budget for the succeeding six years.

16 * Sec. 3. AS 37.07.060 is repealed and re-enacted to read:

17 Sec. 37.07.060. GOVERNOR'S RECOMMENDATION. (a) The governor
18 shall formulate the operating and capital improvements programs and
19 financial plans required to be recommended to the legislature by sec. 20
20 of this chapter after considering the state agency proposed program and
21 financial plans, and other programs and alternatives that he considers
22 appropriate. The plans shall include his recommended goals and poli-
23 cies, recommended plans to implement the goals and policies, recommended
24 operating program for the succeeding fiscal year, recommended capital
25 improvements program for the succeeding six fiscal years, and recom-
26 mended revenue measures to support the programs.

27 (b) The governor shall present the proposed comprehensive opera-
28 ting and capital improvements programs and financial plans in a message
29 to a joint session of the legislature before the fourth legislative day

1 following the convening of the legislature in regular session. The
2 message shall be accompanied by an explanatory report which summarizes
3 recommended goals, plans, and appropriations. The report shall contain

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

7 (2) his operating program and budget recommendations for the
8 succeeding fiscal year;

9 (3) his capital improvements program and budget recommenda-
10 tions for the succeeding fiscal year and capital improvements program
11 for the succeeding six fiscal years which shall include

12 (A) a description of each project, its estimated cost
13 for the year construction is to start, and the source of financing;

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

16 (C) a summary, listed by agency, of all previously pro-
17 posed projects which have been deferred beyond the six years
18 covered by the plan and the year in which construction has been re-
19 scheduled to begin;

20 (D) a forecast of the debt structure of the state and
21 the various debt ratios over the life of the state's bonds out-
22 standing, bonds authorized and to be issued, and bond authoriza-
23 tions recommended in the plan;

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

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

29 (G) projections of population of the state and its

1 regions and communities;

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

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

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

10 (6) any additional information which will facilitate under-
11 standing of the governor's proposed programs and financial plans by the
12 legislature and the public.

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

14 Sec. 37.07.062. CAPITAL BUDGET. (a) The general appropriation
15 bill required to be submitted to the legislature in sec. 20(a) of this
16 chapter shall contain a separate section for capital outlays which is
17 divided into subsections for each of the capital projects funds (AS
18 44.42.080) which lists, for each project, the (1) project identification
19 number; (2) project title; (3) source of funding; (4) amount expended on
20 the project during the preceding fiscal year, the amount authorized for
21 the current fiscal year, and the amount proposed to be expended during
22 the succeeding fiscal year; (5) estimated start for construction; (6)
23 schedule of bond elections pertaining to the appropriation, including
24 elections previously held. The total appropriation to each capital
25 projects fund shall be reflected in the balance sheet of each fund as of
26 June 30 of each fiscal year.

27 (b) Upon the effective date of the general appropriation bill, the
28 amounts appropriated by the bill for capital outlay shall be paid into
29 the appropriate capital project funds established under AS 44.42.080.

1 (c) The balance sheet of each capital projects fund (AS 44.42.080)
2 shall, at the end of each fiscal year contain the following items so as
3 to reflect the status of each fund and that the appropriations to each
4 fund are not based upon a fiscal year:

5 (1) cash with treasury--shows a normal debit balance;

6 (2) bonds authorized and unissued--shows a normal debit
7 balance; these are assets of each fund and shall be sold in accordance
8 with the election date of each authorization; the proceeds are expended
9 on a first-in, first-out basis;

10 (3) bonds to be authorized--shows a normal debit balance;
11 these shall be reflected in general obligation bond or revenue bond Act
12 proposals accompanying each year's capital improvements program revision;
13 the general obligation bond Act proposals are to provide funding for the
14 three fiscal years following the general election date;

15 (4) general fund; reserve for capital outlay--shows a normal
16 debit balance; this is the amount required by AS 37.05.157 to be included
17 in the general appropriation bill as the reserve for capital outlay to
18 cover the succeeding six-year planning period;

19 (5) general fund; other--shows a normal debit balance; addi-
20 tional appropriations from the general fund above those required by law
21 for capital outlay;

22 (6) other funds--shows a normal debit balance; appropriations
23 from other state funds for capital outlay;

24 (7) federal aid--shows a normal debit balance; includes funds
25 expected to be received from federal sources for capital projects;

26 (8) expenditures, prior fiscal year--shows a normal credit
27 balance;

28 (9) encumbrances--shows a normal debit balance;

29 (10) reserve for encumbrances--shows a normal credit balance;

1 (11) fund balance--shows a normal zero balance.

2 (d) The appropriations to the capital projects funds may be ex-
3 pended upon authorization of the bonds intended to fund a project and
4 before the sale of those bonds or receipt of revenues from other sources.
5 Any deficit created in the general fund shall be considered, for ac-
6 counting purposes, as an advance from the general fund in lieu of
7 revenue or bond anticipation borrowing.

8 (e) The annual financial report of the state shall contain the
9 following statements for each capital projects fund:

- 10 (1) balance sheet;
- 11 (2) analysis of changes in bonds authorized and unissued;
- 12 (3) analysis of changes in bonds to be authorized;
- 13 (4) analysis of changes in funds to be provided by others;
- 14 (5) statement of expenditures and encumbrances compared to
15 appropriations.

16 * Sec. 5. AS 37.07.070 is amended to read:

17 Sec. 37.07.070. LEGISLATIVE REVIEW. The legislature shall consi-
18 der the governor's proposed comprehensive operating and capital improve-
19 ments programs [PROGRAM] and financial plans [PLAN], evaluate alterna-
20 tives to the plans [PLAN], make program selections among the various
21 alternatives and determine, subject to available revenues, the level of
22 funding required to support authorized state services. During each
23 regular session of the legislature, legislative review of the plans
24 [PLAN] shall be accomplished according to the following schedule:

25 (1) By the 45th legislative day, the legislature shall have
26 established by concurrent resolution the total amount of state general
27 funds that shall be available for appropriation for the budget year and
28 the tentative allocation of the funds among program categories in both
29 the operating and capital budgets. The resolution shall be introduced

1 by the finance committee of the house in which the general appropria-
2 tions bill was introduced.

3 (2) By the 90th legislative day, the house in which the
4 general appropriations bill was introduced by the governor shall have
5 calendared for second reading a version of the general appropriations
6 bill. The bill shall be supported with documentation to explain the
7 proposed appropriations and related statements of intent. In addition,
8 a list of other appropriations or measures with fiscal implications
9 pending before the legislature shall be included with the documentation
10 for the calendared bill.

11 * Sec. 6. AS 37.05 is amended by adding a new section to read:

12 Sec. 37.05.157. GENERAL FUND; "RESERVE FOR CAPITAL OUTLAY" AC-
13 COUNT. (a) There is created within the general fund the "reserve for
14 capital outlay" account.

15 (b) Thirty per cent of the annual receipts paid the state from
16 mineral lease bonuses and rentals for state land and royalties derived
17 from minerals produced on state land shall be allocated to the reserve
18 for capital outlay account.

19 (c) The proceeds of the reserve for capital outlay account are
20 subject to annual appropriation by the general appropriation Act.

21 * Sec. 7. AS 37.15 is amended by adding a new section to read:

22 Sec. 37.15.215. OFFICIAL STATEMENTS. To the extent practicable
23 the official statements and other documentation issued in connection
24 with an offering of state or local government securities shall comply
25 with the guidelines of the Municipal Finance Officers Association or
26 other nationally recognized guidelines.

27 * Sec. 8. AS 44.42.020(a) is amended by adding new paragraphs to read:

28 (13) maintain a current inventory of all state facilities,
29 including a projection of the serviceability of the facilities and pro-

1 jections of replacements and additions to facilities needed to provide
2 the level of services programmed by the various user agencies;

3 (14) perform the duties required in (13) of this subsection
4 for municipalities with populations of less than 12,000 and perform
5 those duties on a cooperative basis with larger municipalities;

6 (15) recommend to the governor

7 (A) projects in the following categories:

8 (i) sewage transmission and treatment systems in
9 communities without a central system;

10 (ii) water transmission and treatment systems in
11 communities without a central system;

12 (iii) electrical generation and distribution systems;

13 (iv) health care facilities in communities without
14 such facilities, unless those facilities can be provided in
15 conjunction with school facilities;

16 (v) school facilities which will provide adequate
17 recreational, physical fitness, public library, health care,
18 and other related activities;

19 (vi) transportation facilities which will provide
20 all-weather access for supplies and transportation to employ-
21 ment centers on a reliable and consistent basis;

22 (vii) community development projects which will pro-
23 vide local employment opportunities;

24 (viii) public safety and justice facilities;

25 (B) priorities for the projects recommended in (A) of
26 this paragraph based upon the following criteria:

27 (i) date of incorporation of the municipality bene-
28 fited by the project;

29 (ii) absence of basic facilities in the community;

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(iii) projected needs of community to meet anticipated growth.

* Sec. 9. AS 44.42 is amended by adding new sections to read:

Sec. 44.42.080. CAPITAL PROJECTS FUNDS. There is created within the department the following capital projects funds:

- (1) educational, cultural, and related facilities;
- (2) transportation and related facilities;
- (3) public institutions and related facilities;
- (4) public safety, justice, and related facilities;
- (5) health, and related facilities;
- (6) natural resource development facilities;
- (7) new capital site and related facilities;
- (8) general purpose facilities.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 510
 Title An Act relating to the State budget and to State Bonding
 Requested by Special Committee on the Alaska Permanent Fund Date February 14, 1978

II. FISCAL DETAIL

Agency Affected Revenue
 Program Category Affected General Government
 Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		41.9	45.2	48.8	52.7	56.9
200 TRAVEL		1.0	1.0	1.1	1.2	1.3
300 CONTRACTUAL		25.0	27.0	29.1	31.4	33.9
400 COMMODITIES		1.0	1.0	1.1	1.2	1.3
500 EQUIPMENT		1.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		69.9	74.2	80.1	86.5	93.4

FUNDING (Thousands of Dollars)

GENERAL FUND		69.9	74.2	80.1	86.5	93.4
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		1	1	1	1	1
PART TIME						
TEMPORARY						

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

Funding for one position (Economist) and all attendant costs to build a computer model to project revenues on a continuing basis for the next six years.

Assumption - 8% per year inflation factor.

IV. DATE May 4, 1978

PREPARED BY
 AGENCY
 PHONE

Peter A. Bushre

Peter A. Bushre, Acting Deputy Commissioner
 Revenue
 465-2350

Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

STATE
of ALASKA

MEMORANDUM

TO: [Peter Bushre, Comptroller
Treasury Division
Department of Revenue

DATE April 10, 1978

FILE NO.

TELEPHONE NO.

FROM: William C. Mullin, Director *Bill*
Division of Finance
Department of Administration

SUBJECT SB 510

The reporting requirements in Section 4 are in too much detail for proposed legislation. To the extent needed, these requirements should be spelled-out in regulations or procedures.

Additionally, by subsections (c) (3) and (c) (4) the balance sheet includes as assets funds expected to be provided from bonds not yet authorized and appropriations from the general fund for the succeeding six-year planning period. These are, at best, contingent assets and undoubtedly are fully reserved. It would be preferable to include these items in a planning document rather than in an official financial statement.

The analysis of changes in bonds to be authorized and the analysis of changes in funds to be provided by others would be difficult to prepare and, once prepared, difficult to verify. They are the products of subjective determinations. Here again, these are matters more appropriate for a planning document rather than for the annual financial report.

Finally, it is difficult to understand why prior fiscal year expenditures, Section 37.07.062 (b) (8), should be included as a balance sheet item. The section also points out that this item normally has a credit balance. As a general rule, expenditure accounts have debit balances and they are not balance sheet items.

If this legislation is enacted into law the Department of Administration may need some consulting assistance to prepare the annual financial report for the fiscal year ending June 30, 1979. This assistance should not cost more than \$10,000. Professional assistance should not be needed in succeeding years.

cc: Robert S. Gates
Deputy Commissioner
Department of Administration

10

The Honorable John Sackett
Chairman, Senate Finance Committee
Alaska State Senate

DATE April 3, 1978

FILE NO.

TELEPHONE NO.

FROM:

[Signature]
Ronald Lind, Director
Division of Budget and Management
Office of the Governor

SUBJECT Fiscal Note for SB 510

Attached please find a Fiscal Note for SB 510. A comprehensive and consolidated Fiscal Note will be coming from the Department of Revenue.

cc: Jim Edenso - Revenue
Frank Spargo - Budg. & Manage.

Pete
You review & take
necessary action in preparing
the fiscal note - my signature
Follow up w/ Dept. of Revenue 5 P.M.
[Signature]

II. FISCAL DETAIL

Agency Affected Governor's Office
 Program Category Affected General Government
 Budget Request Unit(s) Affected Division of Budget and Management

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		302.7	326.9	353.1	381.3	411.8
200 TRAVEL		15.0	5.0	6.0	7.0	7.6
300 CONTRACTUAL		102.8	56.6	61.1	66.0	71.3
400 COMMODITIES		2.5	2.7	2.9	3.1	3.3
500 EQUIPMENT		4.5	.8	.9	.9	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		427.5	392.0	424.0	458.3	495.0

FUNDING (Thousands of Dollars)

GENERAL FUND		427.5	392.0	424.0	458.3	495.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		10	10	10	10	10
PART TIME						
TEMPORARY						

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

1. Assumption - 8%/year inflation. Same as used by the Capital Site Planning Commission.
2. See Attachment #1 for detailed analysis.
3. See Attachment #2 for Summary of Personal Services and Contractual calculations.
4. See Attachment #3 for comments.
5. The Population Research Center would be contained within the Division of Budget and Management. See Sections AS 37.07.020 (b), AS 37.07.060 (G), (H), AS 42.42.020 (15).

IV. DATE April 3, 1978 PREPARED BY Frank Spargo
 AGENCY Budget and Management
 PHONE 465-4242
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

JAY S. HAMMOND, GOVERNOR

May 8, 1978

*Kathy
Cash com.*

The Honorable John C. Sackett
Chairman
Senate Finance Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska

Re: Senate Bill No. 510

Dear Senator Sackett:

Senate Bill No. 510, an Act relating to the state budget and to state bonding, was introduced in the Senate on February 14, 1978 and was referred to the Senate Finance Committee.

For the consideration of the Senate Finance Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. Peter Bushre, Acting Deputy Commissioner, Department of Revenue and other related Fiscal Notes prepared by other State agencies concerning the proposed legislation.

If you or any members of the Senate Finance Committee have any questions on the material submitted, please contact Mr. Peter Bushre, Department of Revenue at 465-2350 for further information.

Very truly yours,



R. D. Stevenson
Special Assistant

Enclosures

cc: Sterling Gallagher
Commissioner of Revenue
Secretary, State Bond Committee

John Messenger
Deputy Commissioner
Department of Revenue

Peter Bushre
Acting Deputy Commissioner
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 510
 Title An Act relating to the Statebudget and to State Bonding
 Requested by Special Committee on the Alaska Permanent Fund Date February 14, 1978

II. FISCAL DETAIL

Agency Affected Combined - See attached Fiscal Notes
 Program Category Affected _____
 Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		802.2	852.6	659.6	676.9	712.5
200 TRAVEL		38.0	28.4	20.1	18.2	18.9
300 CONTRACTUAL		2,082.8	1,958.6	790.2	97.4	105.2
400 COMMODITIES		6.5	6.8	6.2	5.7	6.0
500 EQUIPMENT		12.9	1.6	.9	.9	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		2,942.4	2,848.0	1,477.0	799.1	843.6

FUNDING (Thousands of Dollars)

GENERAL FUND	2,942.4	2,848.0	1,477.0	799.1	843.6
FEDERAL FUNDS					
OTHER (Specify)					

POSITIONS

FULL TIME		24	24	18	17	17
PART TIME						
TEMPORARY						

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

Combined Fiscal Notes from four Departments (See Attached).

SB 533 is a committee substitute for SB 510. Costs for the Department of Transportation and Public Facilities which were included in SB 510 are now incorporated in SB 533. (See attached fiscal note.)

IV. DATE May 4, 1978 PREPARED BY Peter A. Bushre, Acting Deputy Commissioner
 AGENCY Revenue
 PHONE 465-2350

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 510
 Title An Act relating to the State budget and to State Bonding
 Requested by Special Committee on the Alaska Permanent Fund Date February 14, 1978

II. FISCAL DETAIL

Agency Affected Revenue
 Program Category Affected General Government
 Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		41.9	45.2	48.8	52.7	56.9
200 TRAVEL		1.0	1.0	1.1	1.2	1.3
300 CONTRACTUAL		25.0	27.0	29.1	31.4	33.9
400 COMMODITIES		1.0	1.0	1.1	1.2	1.3
500 EQUIPMENT		1.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		69.9	74.2	80.1	86.5	93.4

FUNDING (Thousands of Dollars)

GENERAL FUND		69.9	74.2	80.1	86.5	93.4
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		1	1	1	1	1
PART TIME						
TEMPORARY						

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

Funding for one position (Economist) and all attendant costs to build a computer model to project revenues on a continuing basis for the next six years.

Assumption - 8% per year inflation factor.

IV. DATE May 4, 1978 PREPARED BY Peter A. Bushre, Acting Deputy Commissioner
 AGENCY Revenue
 PHONE 465-2350

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE
of ALASKA

MEMORANDUM

TO: [Peter Bushre, Comptroller
Treasury Division
Department of Revenue

DATE: April 10, 1978

FILE NO:

TELEPHONE NO:

FROM: William C. Mullin, Director *Bill*
Division of Finance
Department of Administration

SUBJECT: SB 510

The reporting requirements in Section 4 are in too much detail for proposed legislation. To the extent needed, these requirements should be spelled-out in regulations or procedures.

Additionally, by subsections (c) (3) and (c) (4) the balance sheet includes as assets funds expected to be provided from bonds not yet authorized and appropriations from the general fund for the succeeding six-year planning period. These are, at best, contingent assets and undoubtedly are fully reserved. It would be preferable to include these items in a planning document rather than in an official financial statement.

The analysis of changes in bonds to be authorized and the analysis of changes in funds to be provided by others would be difficult to prepare and, once prepared, difficult to verify. They are the products of subjective determinations. Here again, these are matters more appropriate for a planning document rather than for the annual financial report.

Finally, it is difficult to understand why prior fiscal year expenditures, Section 37.07.062 (b) (8), should be included as a balance sheet item. The section also points out that this item normally has a credit balance. As a general rule, expenditure accounts have debit balances and they are not balance sheet items.

If this legislation is enacted into law the Department of Administration may need some consulting assistance to prepare the annual financial report for the fiscal year ending June 30, 1979. This assistance should not cost more than \$10,000. Professional assistance should not be needed in succeeding years.


cc: Robert S. Gates
Deputy Commissioner
Department of Administration

TO: The Honorable John Sackett
Chairman, Senate Finance Committee
Alaska State Senate

DATE: April 3, 1978

FILE NO.

TELEPHONE NO.


FROM: 
Ronald Lind, Director
Division of Budget and Management
Office of the Governor

SUBJECT: Fiscal Note for SB 510

Attached please find a Fiscal Note for SB 510. A comprehensive and consolidated Fiscal Note will be coming from the Department of Revenue.

cc: Jim Edenso - Revenue
Frank Spargo - Budg. & Manage.

Pete
You review & take
necessary action in preparing
the final note - my suggestions
Follow up w/ Dept. of Revenue 5 P.M.



II. FISCAL DETAIL

Agency Affected Governor's Office
 Program Category Affected General Government
 Budget Request Unit(s) Affected Division of Budget and Management

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		302.7	326.9	353.1	381.3	411.8
200 TRAVEL		15.0	5.0	6.0	7.0	7.6
300 CONTRACTUAL		102.8	56.6	61.1	66.0	71.3
400 COMMODITIES		2.5	2.7	2.9	3.1	3.3
500 EQUIPMENT		4.5	.8	.9	.9	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		427.5	392.0	424.0	458.3	495.0

FUNDING (Thousands of Dollars)

GENERAL FUND		427.5	392.0	424.0	458.3	495.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		10	10	10	10	10
PART TIME						
TEMPORARY						

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

1. Assumption - 8%/year inflation. Same as used by the Capital Site Planning Commission.
2. See Attachment #1 for detailed analysis.
3. See Attachment #2 for Summary of Personal Services and Contractual calculations.
4. See Attachment #3 for comments.
5. The Population Research Center would be contained within the Division of Budget and Management. See Sections AS 37.07.020 (b), AS 37.07.060 (G), (H), AS 44.42.020 (15).

IV. DATE April 3, 1978 PREPARED BY Frank Spargo
 AGENCY Budget and Management
 PHONE 465-4242
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

AMENDED FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 533
 Title An Act Relating to Planning for Public Facilities of Municipalities
 Requested by Joseph Orsini, Chairman, Community & Regional Date April 11, 1978
Affairs Committee

II. FISCAL DETAIL

Agency Affected Dep. of Trans. & Public Facilities/Dept. Comm & Regional Affairs
 Program Category Affected Facility Planning & Research/Community Planning
 Budget Request Unit(s) Affected Facility Procurement Policy (Life Cycle Cost)

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			457.6	480.5	257.7	242.9
200 TRAVEL			22.0	22.4	13.0	10.0
300 CONTRACTUAL			1,945.0	1,875.0	700.0	0
400 COMMODITIES			3.0	3.1	2.2	1.4
500 EQUIPMENT			7.4	.8	0	0
600 LAND & STRUCTURES			0	0	0	0
700 GRANTS, CLAIMS, ETC.			0	0	0	0
TOTAL			2,435.0	2,381.8	972.9	254.3

FUNDING (Thousands of Dollars)

GENERAL FUND			2,435.0	2,381.8	972.9	254.3
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME			6 G.F. 6 CIP	6 G.F. 6 CIP	6 G.F.	5. G.F.
PART TIME						
TEMPORARY						

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

- See attachment for breakdown of personal services and contractual amounts.
- It is recommended that the funds budgeted for contractual services be appropriated to the Public Facility Planning Fund.

IV. DATE April 11, 1978 PREPARED BY W.K. Gerken
 AGENCY Facility Procurement Policy
 Original: Legislative Finance PHONE 465-4671
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

ATTACHMENT #1

Analysis - See Fiscal Note Preparation, Section III.

Due to length of SB 510, the analysis is by subsection:

Section AS 37.07.020(a)

No fiscal impact.

Section AS 37.07.020(b)

1. Assumption -(line 19) ". . . financial plan . . ." includes both a financial plan for the capital improvements program and an operating budget for each of the six years.
2. Assumption - an increased staff is required for capital budget analysis and review. This includes four (4) Analysts, a Section Chief - Budget, and two (2) Clerk Typists.
3. Long range detailed planning requires extensive demographic data. Creation of a Population Research Center is needed to supply this data (3 positions). The Center will be included in Budget and Management. Ref. Sections AS 37.07.060 (G), & (H), AS 44.42.020 (15)
4. Elevating the capital improvements program from an "Agency request" to "Governor's Recommendation" (Section 37.07.060) requires better analysis and another level of review in the Governor's Office. Hence the need for (possibly) reorganizing the Division of Budget and Management and adding a Section Chief-Budget (see 2 above).
5. Assumption - additional staffing requires more office costs.

19	current employees
10	additional employees
<u>52%</u>	increase in office costs
6. Position recap:

1	Demographer	(Population Research Center)
2	Assistant Demographers	(Population Research Center)
4	Capital Analysts	(Budget and Management)
1	Section Chief-Budget	(Budget and Management)
2	Clerk Typists	(Budget and Management)

- 7. Agencies will absorb the additional workload with current staffing, with the exception of Revenue and Transportation. These agencies have separate Fiscal Notes.
- 8. Data processing modifications and additions will have to be made. Estimated at \$50,000, primarily for Capital Projects.

Section AS 37.07.020 (c)

No fiscal impact.

Section AS 37.07.030 - A11

Cost estimates assumed to be prepared by the legislature.

Note - page 2, lines 10-15, SB 510. The Governor's office cannot determine fiscal impact on Executive Branch Agencies until the details regarding the information required is known.

Section AS 37.07.060 (a)

No additional fiscal impact, covered by AS 37.07.020 (b)

Section AS 37.07.060 (b)

- (1) no fiscal impact
- (2) no fiscal impact
- (3) (A) no additional fiscal impact covered by 27.07.020 (b)
- (B) no additional fiscal impact " " " "
- (C) no additional fiscal impact " " " "
- (D) Fiscal Note being prepared by the Department of Revenue -
- (E) Fiscal Note being prepared by the Department of Revenue -
- (F) Fiscal Note being prepared by the Department of Revenue -
- (G) Requires a Population Research Center. Fiscal costs are included under Sec AS 37.07.020 (b). Increases the clerical load.
- (H) Requires a Population Research Center. Fiscal costs are included under Sec AS 37.07.020 (b). Increases the clerical load.
- (4) No fiscal impact
- (5) No fiscal impact
- (6) No fiscal impact

Section AS 37.07.062 (a)

- 1. Some contractual services for modification to computer programs required, covered by AS 27.07.020 (b)
- 2. Departments of Law and Revenue will have comments on this.

. Section AS 37.07.062 (b) - (e)

Fiscal Note being prepared by the Department of Revenue

Section 37.07.070 - All Cost estimates assumed to be prepared by the Legislature.

Section AS 37.05.157 - AS 44.42.020

No fiscal impact on Budget and Management.

Section AS 44.42.020 All

1. Department of Transportation is preparing the Fiscal Note
2. The Governor's office must review all the projects since the Governor will be recommending the plans

See AS 37.07.020 (b) for fiscal impact.

Section AS 44.42.080

- . No fiscal impact on Budget and Management

ATTACHMENT - SB 533

PERSONAL SERVICES SUMMARY

<u>POSITION</u>	<u>YEARS REQ'D</u>	<u>QUANTITY</u>	<u>GRADE</u>	<u>TOTAL ANNUAL COST</u>
A - DOT/PF				
Physical Planning Coordinator	79	4	21	161,800
C.I.P. Coordinator	79 & 80	6	20	<u>232,878</u>
			SUBTOTAL	394,678
B - DC&RA				
Senior Planner	79	1	19	33,780
Assoc. Planner	79 & 80	1	17	<u>29,125</u>
			SUBTOTAL	62,905
			TOTAL	457,583

CONTRACTUAL SUMMARY

	<u>FY 79</u>	<u>FY 80</u>	<u>FY 81</u>
A. DOT&PF			
1. Inventory & Condition Surveys @ 220 Locations @ \$8,000/ea.	880,000	880,000	
2. Location Index for Cost Estimating	20,000		
3. Development of Maintenance & Operations Program Planning System	125,000	75,000	
4. Inventory & Condition Surveys with Municipalities Greater than 12,000 population	120,000	120,000	
5. Public Hearings on Facility Plans	<u>50,000</u>	<u>50,000</u>	
	SUBTOTAL	1,195,000	1,125,000
B. DC&RA			
1. Community Profiles for 220 locations @ \$9,900/ea	750,000	750,000	700,000
	TOTAL	1,945,000	1,875,000
			700,000

Attachment #2

PERSONAL SERVICES SUMMARY

<u>Position</u>	<u>Quantity</u>	<u>Grade</u>	<u>Total Salary</u>	<u>Total Benefits</u>	<u>Total Cost</u>
Demographer	1	22	31932	7637	39569
Ass't Demographer	2	18	47592	12467	60059
Capital Analyst III	2	18	47592	12467	60059
Clerk/Typists	2	8	24120	7592	31712
Section Chief - Budget	1	23	34404	8064	42468
Capital Analyst IV	2	20	55104	13763	68867
	<u>10</u>		<u>240744</u>	<u>61990</u>	<u>302734</u>

CONTRACTUAL SUMMARY

	FY 79	FY 80
Data Processing Changes	50.0	0.0
Space expense (10 emp) x (150 sq ft/emp) x (\$1.10/sq ft)/month	19.8	21.4
Printing	25.0	27.0
Miscellaneous	8.0	8.2
	<u>102.8</u>	<u>56.6</u>

Attachment 3

Comments

1. ref. AS 37.07.020 (b), line 19, page 1

". . . financial plan . . ."

This phrase needs to be defined. Does it mean 6 year operating budget and a 6 year capital improvements program?

2. Insert language which defines a capital budget cycle at a different time than the operating budget cycle.

eg. "The capital improvement plans, recommended by the Governor, shall be introduced to the Legislature on the 90th day of the Legislative session." Insert similar language as a separate section within AS 37.07.060.

3. ref. AS 37.07.060, p 2, lines 22-26

Need an additional subsection such as "CIP is to be amended on an annual basis"

Current wording could make the 6 year plans difficult to amend.

4. ref. AS 37.07.062

The wording in this section should be validated by the Department of Law to minimize legal conflicts.

5. ref. AS 37.07.020 (c)

The wording ". . . passed and proposed." should be clarified and defined.

Introduced: 2/14/78
Referred: Finance

BY THE SPECIAL COMMITTEE ON THE
ALASKA PERMANENT FUND

1 IN THE SENATE

2 SENATE BILL NO. 510

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the state budget and to state
7 bonding."

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

9 * Section 1. AS 37.07.020 is repealed and re-enacted to read:

10 Sec. 37.07.020. RESPONSIBILITIES OF THE GOVERNOR. (a) The gover-
11 nor shall prepare and submit to the legislature before the fourth legis-
12 lative day a budget for the succeeding fiscal year which shall cover all
13 estimated receipts, including all grants, loans, and money received from
14 the federal government, and all proposed expenditures of the state
15 government. The budget shall be accompanied by a general appropriation
16 bill to authorize the proposed expenditures, and a bill or bills cover-
17 ing recommendations in the budget for new or additional revenues.

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

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

25 * Sec. 2. AS 37.07.030 is amended to read:

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27 lature shall

28 (1) provide for a budget review function,

29 (2) analyze the comprehensive operating and capital improve-

1 ments programs [PROGRAM] and financial plans [PLAN] recommended by the
2 governor;

3 (3) adopt legislation to authorize implementation of the
4 governor's comprehensive operating and capital improvements programs
5 [PROGRAM] and financial plans [PLAN] or appropriate alternatives to
6 those plans [THAT PLAN];

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

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

13 (6) adopt, revise, or initiate revenue measures in order to
14 balance the succeeding fiscal year's budget and the capital improvements
15 section of the budget for the succeeding six years.

16 * Sec. 3. AS 37.07.060 is repealed and re-enacted to read:

17 Sec. 37.07.060. GOVERNOR'S RECOMMENDATION. (a) The governor
18 shall formulate the operating and capital improvements programs and
19 financial plans required to be recommended to the legislature by sec. 20
20 of this chapter after considering the state agency proposed program and
21 financial plans, and other programs and alternatives that he considers
22 appropriate. The plans shall include his recommended goals and poli-
23 cies, recommended plans to implement the goals and policies, recommended
24 operating program for the succeeding fiscal year, recommended capital
25 improvements program for the succeeding six fiscal years, and recom-
26 mended revenue measures to support the programs.

27 (b) The governor shall present the proposed comprehensive opera-
28 ting and capital improvements programs and financial plans in a message
29 to a joint session of the legislature before the fourth legislative day

1 following the convening of the legislature in regular session. The
2 message shall be accompanied by an explanatory report which summarizes
3 recommended goals, plans, and appropriations. The report shall contain

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

7 (2) his operating program and budget recommendations for the
8 succeeding fiscal year;

9 (3) his capital improvements program and budget recommenda-
10 tions for the succeeding fiscal year and capital improvements program
11 for the succeeding six fiscal years which shall include

12 (A) a description of each project, its estimated cost
13 for the year construction is to start, and the source of financing;

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

16 (C) a summary, listed by agency, of all previously pro-
17 posed projects which have been deferred beyond the six years
18 covered by the plan and the year in which construction has been re-
19 scheduled to begin;

20 (D) a forecast of the debt structure of the state and
21 the various debt ratios over the life of the state's bonds out-
22 standing, bonds authorized and to be issued, and bond authoriza-
23 tions recommended in the plan;

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

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

29 (G) projections of population of the state and its

1 regions and communities;

2 (ii) economic data and projections necessary for the
3 evaluation of the plan;

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

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

10 (6) any additional information which will facilitate under-
11 standing of the governor's proposed programs and financial plans by the
12 legislature and the public.

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

14 Sec. 37.07.062. CAPITAL BUDGET. (a) The general appropriation
15 bill required to be submitted to the legislature in sec. 20(a) of this
16 chapter shall contain a separate section for capital outlays which is
17 divided into subsections for each of the capital projects funds (AS
18 44.42.080) which lists, for each project, the (1) project identification
19 number; (2) project title; (3) source of funding; (4) amount expended on
20 the project during the preceding fiscal year, the amount authorized for
21 the current fiscal year, and the amount proposed to be expended during
22 the succeeding fiscal year; (5) estimated start for construction; (6)
23 schedule of bond elections pertaining to the appropriation, including
24 elections previously held. The total appropriation to each capital
25 projects fund shall be reflected in the balance sheet of each fund as of
26 June 30 of each fiscal year.

27 (b) Upon the effective date of the general appropriation bill, the
28 amounts appropriated by the bill for capital outlay shall be paid into
29 the appropriate capital project funds established under AS 44.42.080.

1 (c) The balance sheet of each capital projects fund (AS 44.42.080)
2 shall, at the end of each fiscal year, contain the following items so as
3 to reflect the status of each fund and that the appropriations to each
4 fund are not based upon a fiscal year:

5 (1) cash with treasury--shows a normal debit balance;

6 (2) bonds authorized and unissued--shows a normal debit
7 balance; these are assets of each fund and shall be sold in accordance
8 with the election date of each authorization; the proceeds are expended
9 on a first-in, first-out basis;

10 (3) bonds to be authorized--shows a normal debit balance;
11 these shall be reflected in general obligation bond or revenue bond Act
12 proposals accompanying each year's capital improvements program revision;
13 the general obligation bond Act proposals are to provide funding for the
14 three fiscal years following the general election date;

15 (4) general fund; reserve for capital outlay--shows a normal
16 debit balance; this is the amount required by AS 37.05.157 to be included
17 in the general appropriation bill as the reserve for capital outlay to
18 cover the succeeding six-year planning period;

19 (5) general fund; other--shows a normal debit balance; addi-
20 tional appropriations from the general fund above those required by law
21 for capital outlay;

22 (6) other funds--shows a normal debit balance; appropriations
23 from other state funds for capital outlay;

24 (7) federal aid--shows a normal debit balance; includes funds
25 expected to be received from federal sources for capital projects;

26 (8) expenditures, prior fiscal year--shows a normal credit
27 balance;

28 (9) encumbrances--shows a normal debit balance;

29 (10) reserve for encumbrances--shows a normal credit balance;

1 (11) fund balance--shows a normal zero balance.

2 (d) The appropriations to the capital projects funds may be ex-
3 pended upon authorization of the bonds intended to fund a project and
4 before the sale of those bonds or receipt of revenues from other sources.
5 Any deficit created in the general fund shall be considered, for ac-
6 counting purposes, as an advance from the general fund in lieu of
7 revenue or bond anticipation borrowing.

8 (e) The annual financial report of the state shall contain the
9 following statements for each capital projects fund:

- 10 (1) balance sheet;
11 (2) analysis of changes in bonds authorized and unissued;
12 (3) analysis of changes in bonds to be authorized;
13 (4) analysis of changes in funds to be provided by others;
14 (5) statement of expenditures and encumbrances compared to
15 appropriations.

16 * Sec. 5. AS 37.07.070 is amended to read:

17 Sec. 37.07.070. LEGISLATIVE REVIEW. The legislature shall consi-
18 der the governor's proposed comprehensive operating and capital improve-
19 ments programs [PROGRAM] and financial plans [PLAN], evaluate alterna-
20 tives to the plans [PLAN], make program selections among the various
21 alternatives and determine, subject to available revenues, the level of
22 funding required to support authorized state services. During each
23 regular session of the legislature, legislative review of the plans
24 [PLAN] shall be accomplished according to the following schedule:

25 (1) By the 45th legislative day, the legislature shall have
26 established by concurrent resolution the total amount of state general
27 funds that shall be available for appropriation for the budget year and
28 the tentative allocation of the funds among program categories in both
29 the operating and capital budgets. The resolution shall be introduced

1 by the finance committee of the house in which the general appropria-
2 tions bill was introduced.

3 (2) By the 90th legislative day, the house in which the
4 general appropriations bill was introduced by the governor shall have
5 calendared for second reading a version of the general appropriations
6 bill. The bill shall be supported with documentation to explain the
7 proposed appropriations and related statements of intent. In addition,
8 a list of other appropriations or measures with fiscal implications
9 pending before the legislature shall be included with the documentation
10 for the calendared bill.

11 * Sec. 6. AS 37.05 is amended by adding a new section to read:

12 Sec. 37.05.157. GENERAL FUND; "RESERVE FOR CAPITAL OUTLAY" AC-
13 COUNT. (a) There is created within the general fund the "reserve for
14 capital outlay" account.

15 (l) Thirty per cent of the annual receipts paid the state from
16 mineral lease bonuses and rentals for state land and royalties derived
17 from minerals produced on state land shall be allocated to the reserve
18 for capital outlay account.

19 (c) The proceeds of the reserve for capital outlay account are
20 subject to annual appropriation by the general appropriation Act.

21 * Sec. 7. AS 37.15 is amended by adding a new section to read:

22 Sec. 37.15.215. OFFICIAL STATEMENTS. To the extent practicable
23 the official statements and other documentation issued in connection
24 with an offering of state or local government securities shall comply
25 with the guidelines of the Municipal Finance Officers Association or
26 other nationally recognized guidelines.

27 * Sec. 8. AS 44.42.020(a) is amended by adding new paragraphs to read:

28 (13) maintain a current inventory of all state facilities,
29 including a projection of the serviceability of the facilities and pro-

1 jections of replacements and additions to facilities needed to provide
2 the level of services programmed by the various user agencies;

3 (14) perform the duties required in (13) of this subsection
4 for municipalities with populations of less than 12,000 and perform
5 those duties on a cooperative basis with larger municipalities;

6 (15) recommend to the governor

7 (A) projects in the following categories:

8 (i) sewage transmission and treatment systems in
9 communities without a central system;

10 (ii) water transmission and treatment systems in
11 communities without a central system;

12 (iii) electrical generation and distribution systems;

13 (iv) health care facilities in communities without
14 such facilities, unless those facilities can be provided in
15 conjunction with school facilities;

16 (v) school facilities which will provide adequate
17 recreational, physical fitness, public library, health care,
18 and other related activities;

19 (vi) transportation facilities which will provide
20 all-weather access for supplies and transportation to employ-
21 ment centers on a reliable and consistent basis;

22 (vii) community development projects which will pro-
23 vide local employment opportunities;

24 (viii) public safety and justice facilities;

25 (B) priorities for the projects recommended in (A) of
26 this paragraph based upon the following criteria:

27 (i) date of incorporation of the municipality bene-
28 fited by the project;

29 (ii) absence of basic facilities in the community;

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(iii) projected needs of community to meet anticipated growth.

* Sec. 9. AS 44.42 is amended by adding new sections to read:

Sec. 44.42.080. CAPITAL PROJECTS FUNDS. There is created within the department the following capital projects funds:

- (1) educational, cultural, and related facilities;
- (2) transportation and related facilities;
- (3) public institutions and related facilities;
- (4) public safety, justice, and related facilities;
- (5) health, and related facilities;
- (6) natural resource development facilities;
- (7) new capital site and related facilities;
- (8) general purpose facilities.

#

STATE
of ALASKA


MEMORANDUM

TO: The Honorable John Sackett
Chairman, Senate Finance Committee
Alaska State Senate

DATE April 3, 1978

FILE NO.

TELEPHONE NO.

FROM: 
Ronald Lind, Director
Division of Budget and Management
Office of the Governor

SUBJECT Fiscal Note for SB 510

Attached please find a Fiscal Note for SB 510. A comprehensive and consolidated Fiscal Note will be coming from the Department of Revenue.

cc: Jim Edenso - Revenue
Frank Spargo - Budg. & Manage.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 510
 Title An Act relating to the State budget and to State bonding
 Requested by Senate Finance Committee Date _____

II. FISCAL DETAIL

Agency Affected Governor's Office
 Program Category Affected General Government
 Budget Request Unit(s) Affected Division of Budget and Management

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		302.7	326.9	353.1	381.3	411.8
200 TRAVEL		15.0	5.0	6.0	7.0	7.6
300 CONTRACTUAL		102.8	56.6	61.1	66.0	71.3
400 COMMODITIES		2.5	2.7	2.9	3.1	3.3
500 EQUIPMENT		4.5	.8	.9	.9	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		427.5	392.0	424.0	458.3	495.0

FUNDING (Thousands of Dollars)

GENERAL FUND		427.5	392.0	424.0	458.3	495.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		10	10	10	10	10
PART TIME						
TEMPORARY						

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

1. Assumption - 8%/year inflation. Same as used by the Capital Site Planning Commission.
2. See Attachment #1 for detailed analysis.
3. See Attachment #2 for Summary of Personal Services and Contractual calculations.
4. See Attachment #3 for comments.
5. The Population Research Center would be contained within the Division of Budget and Management. See Sections AS 37.07.020 (b), AS 37.07.060 (G), (H), AS 44.42.020 (15).

IV. DATE April 3, 1978 PREPARED BY Frank Spargo
 AGENCY Budget and Management
 PHONE 465-4242
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

ATTACHMENT #1

Analysis - See Fiscal Note Preparation, Section III.

Due to length of SB 510, the analysis is by subsection:

Section AS 37.07.020(a)

No fiscal impact.

Section AS 37.07.020(b)

1. Assumption -(line 19) ". . . financial plan . . ." includes both a financial plan for the capital improvements program and an operating budget for each of the six years.
2. Assumption - an increased staff is required for capital budget analysis and review. This includes four (4) Analysts, a Section Chief - Budget, and two (2) Clerk Typists.
3. Long range detailed planning requires extensive demographic data. Creation of a Population Research Center is needed to supply this data (3 positions). The Center will be included in Budget and Management. Ref. Sections AS 37.07.060 (G), & (H), AS 44.42.020 (15)
4. Elevating the capital improvements program from an "Agency request" to "Governor's Recommendation" (Section 37.07.060) requires better analysis and another level of review in the Governor's Office. Hence the need for (possibly) reorganizing the Division of Budget and Management and adding a Section Chief-Budget (see 2 above).
5. Assumption - additional staffing requires more office costs.

19	current employees
<u>10</u>	additional employees
52%	increase in office costs
6. Position recap:

1	Demographer	(Population Research Center)
2	Assistant Demographers	(Population Research Center)
4	Capital Analysts	(Budget and Management)
1	Section Chief-Budget	(Budget and Management)
2	Clerk Typists	(Budget and Management)

7. Agencies will absorb the additional workload with current staffing, with the exception of Revenue and Transportation. These agencies have separate Fiscal Notes.

8. Data processing modifications and additions will have to be made. Estimated at \$50,000, primarily for Capital Projects.

Section AS 37.07.020 (c)

No fiscal impact.

Section AS 37.07.030 - All

Cost estimates assumed to be prepared by the legislature.

Note - page 2, lines 10-15, SB 510. The Governor's office cannot determine fiscal impact on Executive Branch Agencies until the details regarding the information required is known.

Section AS 37.07.060 (a)

No additional fiscal impact, covered by AS 37.07.020 (b)

Section AS 37.07.060 (b)

- (1) no fiscal impact
- (2) no fiscal impact
- (3) (A) no additional fiscal impact covered by 27.07.020 (b)
- (B) no additional fiscal impact " " " "
- (C) no additional fiscal impact " " " "
- (D) Fiscal Note being prepared by the Department of Revenue
- (E) Fiscal Note being prepared by the Department of Revenue
- (F) Fiscal Note being prepared by the Department of Revenue
- (G) Requires a Population Research Center. Fiscal costs are included under Sec AS 37.07.020 (b). Increases the clerical load.
- (H) Requires a Population Research Center. Fiscal costs are included under Sec AS 37.07.020 (b). Increases the clerical load.
- (4) No fiscal impact
- (5) No fiscal impact
- (6) No fiscal impact

Section AS 37.07.062 (a)

- 1. Some contractual services for modification to computer programs required, covered by AS 27.07.020 (b)
- 2. Departments of Law and Revenue will have comments on this.

Section AS 37.07.062 (b) - (e)

Fiscal Note being prepared by the Department of Revenue

Section 37.07.070 - All Cost estimates assumed to be prepared by the Legislature.

Section AS 37.05.157 - AS 44.42.020

No fiscal impact on Budget and Management.

Section AS 44.42.020 All

1. Department of Transportation is preparing the Fiscal Note
2. The Governor's office must review all the projects since the Governor will be recommending the plans

See AS 37.07.020 (b) for fiscal impact.

Section AS 44.42.080

No fiscal impact on Budget and Management

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1. ref. AS 37.07.020 (b), line 19, page 1

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This phrase needs to be defined. Does it mean 6 year operating budget and a 6 year capital improvements program?

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	102.8	56.6

COMMITTEE REPORT
SENATE

FURTHER: _____

2/15/78

Date: _____

Mr. President:

The Committee on FINANCE has had SB 510
state budget and to state bonding

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____

and _____ new title same title

- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

510
Introduced: 2/14/78
Referred: Finance

BY THE SPECIAL COMMITTEE ON THE
ALASKA PERMANENT FUND

1 IN THE SENATE

2 SENATE BILL NO. 510

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

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24 operating program for the succeeding fiscal year, recommended capital
25 improvements program for the succeeding six fiscal years, and recom-
26 mended revenue measures to support the programs.

27 (b) The governor shall present the proposed comprehensive opera-
28 ting and capital improvements programs and financial plans in a message
29 to a joint session of the legislature before the fourth legislative day

1 following the convening of the legislature in regular session. The
2 message shall be accompanied by an explanatory report which summarizes
3 recommended goals, plans, and appropriations. The report shall contain

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

7 (2) his operating program and budget recommendations for the
8 succeeding fiscal year;

9 (3) his capital improvements program and budget recommenda-
10 tions for the succeeding fiscal year and capital improvements program
11 for the succeeding six fiscal years which shall include

12 (A) a description of each project, its estimated cost
13 for the year construction is to start, and the source of financing;

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

16 (C) a summary, listed by agency, of all previously pro-
17 posed projects which have been deferred beyond the six years
18 covered by the plan and the year in which construction has been re-
19 scheduled to begin;

20 (D) a forecast of the debt structure of the state and
21 the various debt ratios over the life of the state's bonds out-
22 standing, bonds authorized and to be issued, and bond authoriza-
23 tions recommended in the plan;

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

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

29 (G) projections of population of the state and its

1 regions and communities;

2 (II) economic data and projections necessary for the
3 evaluation of the plan;

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

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

10 (6) any additional information which will facilitate under-
11 standing of the governor's proposed programs and financial plans by the
12 legislature and the public.

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

14 Sec. 37.07.062. CAPITAL BUDGET. (a) The general appropriation
15 bill required to be submitted to the legislature in sec. 20(a) of this
16 chapter shall contain a separate section for capital outlays which is
17 divided into subsections for each of the capital projects funds (AS
18 44.42.080) which lists, for each project, the (1) project identification
19 number; (2) project title; (3) source of funding; (4) amount expended on
20 the project during the preceding fiscal year, the amount authorized for
21 the current fiscal year, and the amount proposed to be expended during
22 the succeeding fiscal year; (5) estimated start for construction; (6)
23 schedule of bond elections pertaining to the appropriation, including
24 elections previously held. The total appropriation to each capital
25 projects fund shall be reflected in the balance sheet of each fund as of
26 June 30 of each fiscal year.

27 (b) Upon the effective date of the general appropriation bill, the
28 amounts appropriated by the bill for capital outlay shall be paid into
29 the appropriate capital project funds established under AS 44.42.080.

1 (c) The balance sheet of each capital projects fund (AS 44.42.080)
2 shall, at the end of each fiscal year, contain the following items so as
3 to reflect the status of each fund and that the appropriations to each
4 fund are not based upon a fiscal year:

5 (1) cash with treasury--shows a normal debit balance;

6 (2) bonds authorized and unissued--shows a normal debit
7 balance; these are assets of each fund and shall be sold in accordance
8 with the election date of each authorization; the proceeds are expended
9 on a first-in, first-out basis;

10 (3) bonds to be authorized--shows a normal debit balance;
11 these shall be reflected in general obligation bond or revenue bond Act
12 proposals accompanying each year's capital improvements program revision;
13 the general obligation bond Act proposals are to provide funding for the
14 three fiscal years following the general election date;

15 (4) general fund; reserve for capital outlay--shows a normal
16 debit balance; this is the amount required by AS 37.05.157 to be included
17 in the general appropriation bill as the reserve for capital outlay to
18 cover the succeeding six-year planning period;

19 (5) general fund; other--shows a normal debit balance; addi-
20 tional appropriations from the general fund above those required by law
21 for capital outlay;

22 (6) other funds--shows a normal debit balance; appropriations
23 from other state funds for capital outlay;

24 (7) federal aid--shows a normal debit balance; includes funds
25 expected to be received from federal sources for capital projects;

26 (8) expenditures, prior fiscal year--shows a normal credit
27 balance;

28 (9) encumbrances--shows a normal debit balance;

29 (10) reserve for encumbrance--shows a normal credit balance;

1 (11) fund balance--shows a normal zero balance.

2 (d) The appropriations to the capital projects funds may be ex-
3 pended upon authorization of the bonds intended to fund a project and
4 before the sale of those bonds or receipt of revenues from other sources.
5 Any deficit created in the general fund shall be considered, for ac-
6 counting purposes, as an advance from the general fund in lieu of
7 revenue or bond anticipation borrowing.

8 (e) The annual financial report of the state shall contain the
9 following statements for each capital projects fund:

- 10 (1) balance sheet;
11 (2) analysis of changes in bonds authorized and unissued;
12 (3) analysis of changes in bonds to be authorized;
13 (4) analysis of changes in funds to be provided by others;
14 (5) statement of expenditures and encumbrances compared to
15 appropriations.

16 * Sec. 5. AS 37.07.070 is amended to read:

17 Sec. 37.07.070. LEGISLATIVE REVIEW. The legislature shall consi-
18 der the governor's proposed comprehensive operating and capital improve-
19 ments programs [PROGRAM] and financial plans [PLAN], evaluate alterna-
20 tives to the plans [PLAN], make program selections among the various
21 alternatives and determine, subject to available revenues, the level of
22 funding required to support authorized state services. During each
23 regular session of the legislature, legislative review of the plans
24 [PLAN] shall be accomplished according to the following schedule:

25 (1) By the 45th legislative day, the legislature shall have
26 established by concurrent resolution the total amount of state general
27 funds that shall be available for appropriation for the budget year and
28 the tentative allocation of the funds among program categories in both
29 the operating and capital budgets. The resolution shall be introduced

1 by the finance committee of the house in which the general appropria-
2 tions bill was introduced.

3 (2) By the 90th legislative day, the house in which the
4 general appropriations bill was introduced by the governor shall have
5 calendared for second reading a version of the general appropriations
6 bill. The bill shall be supported with documentation to explain the
7 proposed appropriations and related statements of intent. In addition,
8 a list of other appropriations or measures with fiscal implications
9 pending before the legislature shall be included with the documentation
10 for the calendared bill.

11 * Sec. 6. AS 37.05 is amended by adding a new section to read:

12 Sec. 37.05.157. GENERAL FUND; "RESERVE FOR CAPITAL OUTLAY" AC-
13 COUNT. (a) There is created within the general fund the "reserve for
14 capital outlay" account.

15 (b) Thirty per cent of the annual receipts paid the state from
16 mineral lease bonuses and rentals for state land and royalties derived
17 from minerals produced on state land shall be allocated to the reserve
18 for capital outlay account.

19 (c) The proceeds of the reserve for capital outlay account are
20 subject to annual appropriation by the general appropriation Act.

21 * Sec. 7. AS 37.15 is amended by adding a new section to read:

22 Sec. 37.15.215. OFFICIAL STATEMENTS. To the extent practicable
23 the official statements and other documentation issued in connection
24 with an offering of state or local government securities shall comply
25 with the guidelines of the Municipal Finance Officers Association or
26 other nationally recognized guidelines.

27 * Sec. 8. AS 44.42.020(a) is amended by adding new paragraphs to read:

28 (13) maintain a current inventory of all state facilities,
29 including a projection of the serviceability of the facilities and pro-

1 jectons of replacements and additions to facilities needed to provide
2 the level of services programmed by the various user agencies;

3 (14) perform the duties required in (13) of this subsection
4 for municipalities with populations of less than 12,000 and perform
5 those duties on a cooperative basis with larger municipalities;

6 (15) recommend to the governor

7 (A) projects in the following categories:

8 (i) sewage transmission and treatment systems in
9 communities without a central system;

10 (ii) water transmission and treatment systems in
11 communities without a central system;

12 (iii) electrical generation and distribution systems;

13 (iv) health care facilities in communities without
14 such facilities, unless those facilities can be provided in
15 conjunction with school facilities;

16 (v) school facilities which will provide adequate
17 recreational, physical fitness, public library, health care,
18 and other related activities;

19 (vi) transportation facilities which will provide
20 all-weather access for supplies and transportation to employ-
21 ment centers on a reliable and consistent basis;

22 (vii) community development projects which will pro-
23 vide local employment opportunities;

24 (viii) public safety and justice facilities;

25 (B) priorities for the projects recommended in (A) of
26 this paragraph based upon the following criteria:

27 (1) date of incorporation of the municipality bene-
28 fited by the project;

29 (ii) absence of basic facilities in the community;

1 (iii) projected needs of community to meet antici-
2 pated growth.

3 * Sec. 9. AS 44.42 is amended by adding new sections to read:

4 Sec. 44.42.080. CAPITAL PROJECTS FUNDS. There is created within
5 the department the following capital projects funds:

- 6 (1) educational, cultural, and related facilities;
7 (2) transportation and related facilities;
8 (3) public institutions and related facilities;
9 (4) public safety, justice, and related facilities;
10 (5) health, and related facilities;
11 (6) natural resource development facilities;
12 (7) new capital site and related facilities;
13 (8) general purpose facilities.

#4597 - Rosenstein

ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

SENATE BILL NO. 510

BY THE SPECIAL COMMITTEE ON THE ALASKA PERMANENT FUND

"An Act relating to the state budget and to state bonding."

Introduced in the Senate 2/14/1970

HISTORY IN THE SENATE

19 70 Read first time and referred to Committee on (Read) Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused

Reconsideration

PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused

Reported correctly engrossed Signed by President Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused

Reconsideration

PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused

Reported correctly engrossed Signed by Speaker Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 Received from House

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.