

LEG. FINANCE - BILLS 1979 - 1980 1168

HB 719 thru HB 734 1169



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.

James O. Smith
Signature of Camera Operator

3/20/90
Date

Introduced: 2/12/80
Referred: Finance

1 IN THE HOUSE

BY MALONE BY REQUEST

2 HOUSE BILL NO. 719

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the definition of municipal bonds
7 under the Alaska Municipal Bond Bank Authority Act; and
8 providing for an effective date."

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

10 * Section 1. AS 44.58.410(3) is amended by adding a new subparagraph to
11 read:

12 (D) a bond of a borough issued as a general obligation
13 of a service area under AS 29.58.340.

14 * Sec. 2. AS 44.58.410(3)(B) is amended to read:

15 (B) a revenue bond, except a revenue bond for electrical
16 generation purposes other than diesel powered generation, issued by
17 a municipality which pledges [IS A PLEDGE OF] the revenue of a
18 revenue-producing capital improvement and which is payable solely
19 from the revenue of the revenue-producing capital improvement
20 [UNPLEDGED REVENUE OF THE PUBLIC FACILITY FOR WHICH THE OBLIGATIONS
21 ARE ISSUED]; or

22 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
23 070(c).

7700
Vassar

Introduced: 2/12/80
Referred: Finance

1 IN THE HOUSE BY MALONE BY REQUEST

2 HOUSE BILL NO. 719

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

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16 generation purposes other than diesel powered generation, issued by
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18 revenue-producing capital improvement and which is payable solely
19 from the revenue of the revenue-producing capital improvement
20 [UNPLEDGED REVENUE OF THE PUBLIC FACILITY FOR WHICH THE OBLIGATIONS
21 ARE ISSUED]; or

22 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
23 070(c).

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND. Session

HOUSE ... BILL NO. 719

By BY MALONE BY REQUEST ...

'An Act relating to the definition of municipal bonds under the Alaska Municipal Bond Bank Authority Act; and providing for an effective date.'

municipal bonds

Introduced in the House .2/12/..., 19.80

HISTORY IN THE HOUSE

19 80

Feb. 12

Read first time and referred to Committee on 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
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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 President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

3/20/90
Date

Introduced: 2/12/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY BRANSON, ANDERSON, BETTISWORTH
AND ROGERS

2 HOUSE BILL NO. 724

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the division of power and energy
7 development, Department of Commerce and Economic
8 Development, to contract for the construction of a
9 photovoltaic demonstration project and establishing
10 requirements for the bid specifications to be used in
11 selecting a contractor for the project; and providing
12 for an effective date."

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

14 * Section 1. The division of energy and power development, Department of
15 Commerce and Economic Development, is authorized to contract for the construc-
16 tion of a photovoltaic demonstration project to provide electric power in a
17 remote area of the state.

18 * Sec. 2. In formulating bid specifications for a photovoltaic demonstra-
19 tion project to provide electric power in a remote area of the state, the
20 division of energy and power development shall require that

21 (1) the project design take into account the specific climactic
22 conditions of the area in which the project will be located;

23 (2) a public education program concerning the availability, in-
24 stallation, and maintenance of photovoltaic generating systems be combined
25 with the project; and

26 (3) the project be integrated with vocational education programs
27 in the state (including the program provided by the Seward Skill Center) to
28 enable the people who will ultimately be responsible for the operation of the
29 project to receive early training.

1 * Sec. 3. The requirements established in sec. 2 of this Act are in
2 addition to any other requirements provided by law relating to bid specifi-
3 cations.

4 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
5 070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 724-725.

Title An Act Authorizing the Div. of Energy & Power Dev. to Contract for the Constructi

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development.

Program Category Affected Development.

BRU, Program, or Subprogram(s) Affected Division of Energy & Power Development.

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

EXPENDITURES (Thousands of Dollars).

	3 mo.					
	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	2.4	10.5				
200 TRAVEL	1.0	2.5				
300 CONTRACTUAL	2.0	8.5				
400 COMMODITIES	-0-	.4				
500 EQUIPMENT	-0-	.3				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	5.4	22.2				

FUNDING (Thousands of Dollars)

GENERAL FUND		22.2				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Design, construction, installation, maintenance and training associated with the project will be carried out on a contractual basis. Overall project management will be the responsibility of the division's energy project's manager.

Travel needs relate to project site visits, technology transfer, and public education activities.

Contractual costs will cover division's administrative costs and funding to assist in the incorporation of the project in existing vocational programs, community training, and public education efforts.

IV. DATE March 1, 1980

PREPARED BY _____

AGENCY Division of Energy & Power Development

PHONE 276-0512

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

CATEGORY: DEVELOPMENT

AGENCY: COMMERCE AND ECONOMIC DEVELOPMENT

PROGRAM: ECONOMIC DEVELOPMENT

BRU (s): ENERGY AND POWER DEVELOPMENT

The goal of the Energy and Power Development BRU is to assure Alaskan residents and businesses of an adequate supply of energy at a reasonable cost with minimum impact on the environment. Emphasis is placed on using the State's vast quantity of primary energy resources to increase the supply provided by in-state sources. Energy conservation and alternative energies are also given considerable attention. The Components include Energy Administration; Energy Conservation Program; Energy Extension Service; and Weatherization, which are all in the Division of Energy and Power Development. The Division's key activities include:

Energy Planning: The Division assesses Alaska's energy supply and demand in order to provide a sound data base for decision making. Potential sources of energy are inventoried and criteria for development determined. Knowledge of energy demand by user end-use allows optimal matching between supply and demand. The FY 81 operating budget includes an increase of \$70,000 and the capital budget \$100,000 for assessments of energy supply and demand.

Rural Energy: Rural villages are more vulnerable to disrupted energy supplies and usually experience higher costs than urban areas of Alaska. Provision of bulk fuel storage tanks can alleviate some of the problems associated with fuel oils. The Division monitors rural energy problems, identifies solutions, and implements these solutions (i.e., locating surplus bulk fuel storage tanks) when possible. The FY 81 budget includes an increase of \$128,000 to coordinate the rural energy program.

Alternative Energy: Alternative energy technologies offer significant potential for small and dispersed energy users. However, these technologies must demonstrate cost-effective operation under Alaskan conditions. The Division receives federal and state funding (\$550,000 of G.F. in FY 81 capital budget) for the demonstration of existing hardware relative to Alaskan conditions. Once proven, the Division will depend on the private sector for market development. The Division does not attempt to undertake basic research efforts.

Energy Conservation: The Energy Extension Service, State Energy Conservation Program and Weatherization Program are federally funded programs which provide public information and assistance to reduce energy consumption in residential and commercial buildings. The FY 81 capital budget includes \$1,770,000 federal funds and \$885,000 state match for energy conservation projects. The Weatherization Program was in the Social Services category with the Department of Community and Regional Affairs in FY 80.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
ENERGY ADMINISTRATION	356.9	383.2	373.7	299.2		132.2	513.7
ENERGY CONS	385.9	476.8	408.2	330.0			468.7
ENERGY EXTENSION SERVICE		15.0		296.7		225.2	419.6
WEATHERIZATION						138.4	2488.0
** TOTAL	742.8	875.0	781.9	925.9		495.8	3890.0
** CHANGE VERSUS 80 AUTH							80.6%
OBJECT DESCRIPTION							
PERS. SERV.	425.2	504.9	492.9	515.9		132.2	791.0
TRAVEL	49.8	52.0	28.0	38.4		5.8	103.9
CONTRACTUAL	252.1	304.4	252.1	344.5		235.7	702.2
COMMODITIES	6.5	7.7	6.9	6.3		6.6	21.0
EQUIPMENT	9.2	6.0	2.0	2.8		25.1	12.4
GRANTS, CLMS	-0-	-0-	-0-	-0-		29.4	2259.5
MISC.				18.0			
FUNDING SOURCE							
FED. RECEIPT	-0-	15.0	-0-	626.7		495.8	3250.5
G.F. MATCH							125.8
GENERAL FUND	742.8	860.0	781.9	299.2			513.7
** GENERAL FUND CHANGE VS. 80 AUTH							113.7%
POSITIONS							
FULL-TIME	14.0	14.0	14.0	17.0		2.0	29.7
PART-TIME							2.0
STAFF MONTHS	168.0	168.0	168.0	204.0		27.0	344.0

7933
Rosenstein

Introduced: 2/12/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY BRANSON, ANDERSON, BETTISWORTH
AND ROGERS

2 HOUSE BILL NO. 724

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the division of power and energy
7 development, Department of Commerce and Economic
8 Development, to contract for the construction of a
9 photovoltaic demonstration project and establishing
10 requirements for the bid specifications to be used in
11 selecting a contractor for the project; and providing
12 for an effective date."

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

14 * Section 1. The division of energy and power development, Department of
15 Commerce and Economic Development, is authorized to contract for the construc-
16 tion of a photovoltaic demonstration project to provide electric power in a
17 remote area of the state.

18 * Sec. 2. In formulating bid specifications for a photovoltaic demonstra-
19 tion project to provide electric power in a remote area of the state, the
20 division of energy and power development shall require that

21 (1) the project design take into account the specific climactic
22 conditions of the area in which the project will be located;

23 (2) a public education program concerning the availability, in-
24 stallation, and maintenance of photovoltaic generating systems be combined
25 with the project; and

26 (3) the project be integrated with vocational education programs
27 in the state (including the program provided by the Seward Skill Center) to
28 enable the people who will ultimately be responsible for the operation of the
29 project to receive early training.

Introduced: 2/12/80
Referred: Resources and
Finance

7933
Rosenstein

1 IN THE HOUSE

BY BRANSON, ANDERSON, BETTISWORTH
AND ROGERS

2 HOUSE BILL NO. 724

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

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2 addition to any other requirements provided by law relating to bid specifi-
3 cations.

4 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
5 070(c).
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ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSEBILL..... NO. ..724..

By .. BRANSON, ANDERSON,
BETTISWORTH and ROGERS

"An Act authorizing the division of power and energy development, Department of Commerce and Economic Development, to contract for the construction of a photovoltaic demonstration project and establishing requirements for the bid specifications to be used in selecting a contractor for the project; and providing for an effective date."

Authorizing photovoltaic demonstration

Introduced in the House . 2/12....., 19..\$0

HISTORY IN THE HOUSE

19 80

FEB. 12

Read first time and referred to Committee on
Resources and 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

Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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 President

Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.

Funding Information
General Fund \$250,000
Other Funds -0-
\$250,000

Introduced: 2/12/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY BRANSON, ANDERSON, BETTISWORTH
AND ROGERS

2 HOUSE BILL NO. 725

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the division
7 of energy and power development, Department of Commerce
8 and Economic Development for the construction of a
9 photovoltaic demonstration project; and providing for
10 an effective date."

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

12 * Section 1. The sum of \$250,000 is appropriated from the general fund to
13 the division of energy and power development, Department of Commerce and
14 Economic Development for construction of a photovoltaic demonstration project
15 to provide electric power in a remote area of the state.

16 * Sec. 2. This Act takes effect on the effective date of a version of an
17 Act entitled "An Act authorizing the division of power and energy develop-
18 ment, Department of Commerce and Economic Development, to contract for the
19 construction of a photovoltaic demonstration project and establishing re-
20 quirements for the bid specifications to be used in selecting a contractor
21 for the project; and providing for an effective date."

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COMMITTEE REPORT

HOUSE

5/2/80

FURTHER:

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 725

"An Act making a special appropriation to the division of energy and power development, Department of Commerce and Economic Development for the construction of a photovoltaic demonstration project; and providing for an effective date."

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

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT

5/2

(9)

HOUSE

2/12/80

FURTHER: FINANCE

Date: 5/1/80

Mr. Speaker:

The Committee on RESOURCES has had HB 725

"An Act making a special appropriation to the division of energy and power development, Department of Commerce and Economic Development for the construction of a photovoltaic demonstration project; and providing for an effective date."

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

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

MEMBERS SIGNING
DO PASS

B. Brule
John Osterbach
Robert [unclear]
Fatima [unclear]
Jim [unclear]
Frank [unclear]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

See [unclear] no rec

B. Brule
 CHAIRMAN

7934
Rosenstein

Funding Information
General Fund \$250,000
Other Funds -0-
\$250,000

Introduced: 2/12/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY BRANSON, ANDERSON, BETTISWORTH
AND ROGERS

2 HOUSE BILL NO. 725

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the division
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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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14 Economic Development for construction of a photovoltaic demonstration project
15 to provide electric power in a remote area of the state.

16 * Sec. 2. This Act takes effect on the effective date of a version of an
17 Act entitled "An Act authorizing the division of power and energy develop-
18 ment, Department of Commerce and Economic Development, to contract for the
19 construction of a photovoltaic demonstration project and establishing re-
20 quirements for the bid specifications to be used in selecting a contractor
21 for the project; and providing for an effective date."

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ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND.. Session

HOUSE BILL..... NO. 725...

By ..BRANSON, ANDERSON,.....
BETTISWORTH and ROGERS

"An Act making a special appropriation to the division of energy and power development for the construction of a photovoltaic demonstration project; and providing for an effective date."

Sp appro, construction of a photovoltaic demonstration project

Introduced in the House ..2/12/., 19.80

HISTORY IN THE HOUSE

19 80

Feb. 12

Read first time and referred to Committee on Resources and Finance

Reported back with recommendation that

Read .econd 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
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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 President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

3/20/90
Date

Funding Information
General Fund \$38,000
Other Funds - 0 -
\$38,000

Introduced: 2/12/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BRANSON AND MOSS

2

HOUSE BILL NO. 727

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act making a special appropriation to the Department of Community and Regional Affairs for use as a contingency fund for the construction of a water well at Kenny Lake; and providing for an effective date."

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

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* Section 1. The sum of \$38,000 is appropriated from the general fund to the Department of Community and Regional Affairs for use as a contingency fund for the construction of a water well at Kenny Lake. This appropriation may be used only if the grant made under AS 44.47.130(4) for construction of a well at Kenny Lake is insufficient for successful completion of the well.

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* Sec. 2. The unexpended and unobligated portion of the appropriation made by this Act lapses into the general fund upon successful completion, as determined by the Department of Community and Regional Affairs, of a water well at Kenny Lake.

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* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-070(c).

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FISCAL NOTE

I. REQUEST

Bill/Resolution No. H. B. 727 Kenny Lake
 Title Special appropriation...for contingency fund for construction of water well at
 Requested by Representatives Branson and Moss Date 2-25-80

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0		

FUNDING (Thousands of Dollars)

GENERAL FUND		0	0	0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		0	0	0		
PART TIME						
TEMPORARY						

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

This single appropriation will not create the workload to warrant any funds to administer the project. The Department is concerned that the cumulative effects of this bill and other special appropriation will create a need for additional administrative personnel to handle the projects.

IV. DATE 2-25-80 PREPARED BY Doug Griffin
 AGENCY Community & Regional Affairs
 PHONE 465-4736
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. H. B. 727 Kenny Lake
 Title Special appropriation...for contingency fund for construction of water well at
 Requested by Representatives Branson and Moss Date 2-25-80

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0		

FUNDING (Thousands of Dollars)

GENERAL FUND		0	0	0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		0	0	0		
PART TIME						
TEMPORARY						

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

This single appropriation will not create the workload to warrant any funds to administer the project. The Department is concerned that the cumulative effects of this bill and other special appropriation will create a need for additional administrative personnel to handle the projects.

IV. DATE 2-25-80 PREPARED BY Doug Griffin
 AGENCY Community & Regional Affairs
 PHONE 465-4736
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Name)

7965
Roumelis

Funding Information	
General Fund	\$38,000
Other Funds	- 0 -
	<u>\$38,000</u>

Introduced: 2/12/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BRANSON AND MOSS

2 HOUSE BILL NO. 727

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Community and Regional Affairs for use as a
8 contingency fund for the construction of a water well
9 at Kenny Lake; and providing for an effective date."

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

11 * Section 1. The sum of \$38,000 is appropriated from the general fund to
12 the Department of Community and Regional Affairs for use as a contingency
13 fund for the construction of a water well at Kenny Lake. This appropriation
14 may be used only if the grant made under AS 44.47.130(4) for construction of
15 a well at Kenny Lake is insufficient for successful completion of the well.

16 * Sec. 2. The unexpended and unobligated portion of the appropriation
17 made by this Act lapses into the general fund upon successful completion, as
18 determined by the Department of Community and Regional Affairs, of a water
19 well at Kenny Lake.

20 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. H. B. 727 Kenny Lake
 Title Special appropriation...for contingency fund for construction of water well at
 Requested by Representatives Branson and Moss Date 2-25-80

II. FISCAL DETAIL
 Agency Affected Community & Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0		

FUNDING (Thousands of Dollars)

GENERAL FUND		0	0	0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		0	0	0		
PART TIME						
TEMPORARY						

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

This single appropriation will not create the workload to warrant any funds to administer the project. The Department is concerned that the cumulative effects of this bill and other special appropriation will create a need for additional administrative personnel to handle the projects.

IV. DATE 2-25-80 PREPARED BY Doug Griffin
 AGENCY Community & Regional Affairs
 Original: Legislative Finance PHONE 465-4736
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CATEGORY: DEVELOPMENT

AGENCY: COMMUNITY & REGIONAL AFFAIRS

PROGRAM: COMMUNITY DEVELOPMENT

BRU (s): LOCAL GOVERNMENT ASSISTANCE - GRANTS

The Local Government Assistance - Grants BRU include the following component: Municipal Revenue Sharing, National Forest Receipts, Agriculture Land Exemption, Rural Development Assistance, and Organizational Grants.

Municipal Revenue Sharing provides local governments with financial resources, distributed from current state tax revenues, to help complement and deliver basic municipal service without substantially increasing local taxes. For FY 81, the amount requested for Municipal Revenue Sharing grants is \$26,565.0. This will allow an estimated 100% of community entitlements.

National Forest Receipts are distributed to organized boroughs and unified municipalities which have National Forest land within their boundaries. A borough's share of income from a National Forest is proportional to the area of the National Forest located within the community's boundaries. This income, according to law, must be expended for public schools or community roads. The total National Forest income received by the State in a given fiscal year is 25% of the total annual collection fees received by the U.S. Forest Service during the previous year. During FY 80, total National Forest income received by the State will be \$2,907,500 of which \$916,486 will be distributed to municipalities in the Tongass Chugach National Forests.

Agricultural Lands Exemptions provides owners of agricultural land who derive at least 10% of their annual gross income from use of the land, a deferral taxation. Municipalities establish and maintain records of assessment at full value and at farm use value, provide verification of qualification data, in some cases verify income requirements, compute the tax deferred and submit the applications as a reimbursement request to the State Assessor's office. Funding for this program for FY 81 will be \$189,600 or \$60,000 less than the current fiscal year.

Rural Development Assistance grants are designed to provide financial aid assistance to rural communities so that they may build a more diversified community and economic base. The RDA program was appropriated \$841,900 in grant funds in the FY 80 budget. The FY81 request for RDA grant funding was increased to \$900,800. In FY 80, this program was part of the Community & Rural Development BRU.

The Organizational Grant component is designed to provide funding to assist newly incorporated municipalities transitioning to a functioning local government unit. Funding for this program was \$25,000 in FY 80 and a request of that amount is made for FY 81.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
MUNICIPAL REVENUE SHARING	18688.0	18795.6	18772.4	20236.0			26565.0
AGRICULTURAL LAND EXEMPTION	215.2	215.2	139.1	249.6			189.6
NATIONAL FOREST RECEIPTS	900.0	929.7	929.7	1200.0			1200.0
RURAL DEVELOP GRANTS	842.1	842.1	842.0	841.9			900.8
ORGANIZATIONAL GRANTS	100.0	100.0	87.1	25.0			25.0
COMMUNITY LEGAL ASST GRANTS	20.0	97.6	11.5				
** TOTAL	20765.3	20980.2	20781.8	22552.5			28880.4
** CHANGE VERSUS 80 AUTH							28.0%
OBJECT DESCRIPTION							
TRAVEL		15.0	9.3				
CONTRACTUAL		60.0	52.8				
GRANTS, CLMS	20765.3	20905.2	20719.7	22552.5			28880.4
FUNDING SOURCE							
FED. RECEIPT		929.7	929.7	1200.0			1200.0
GENERAL FUND	20765.3	20050.5	19852.1	21352.5			27680.4
** GENERAL FUND CHANGE VS. 80 AUTH							29.6%

7965
Roumelin

Funding Information
General Fund \$38,000
Other Funds - 0 -
\$38,000

Introduced: 2/12/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BRANSON AND MOSS

2 HOUSE BILL NO. 727

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Community and Regional Affairs for use as a
8 contingency fund for the construction of a water well
9 at Kenny Lake; and providing for an effective date."

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

11 * Section 1. The sum of \$38,000 is appropriated from the general fund to
12 the Department of Community and Regional Affairs for use as a contingency
13 fund for the construction of a water well at Kenny Lake. This appropriation
14 may be used only if the grant made under AS 44.47.130(4) for construction of
15 a well at Kenny Lake is insufficient for successful completion of the well.

16 * Sec. 2. The unexpended and unobligated portion of the appropriation
17 made by this Act lapses into the general fund upon successful completion, as
18 determined by the Department of Community and Regional Affairs, of a water
19 well at Kenny Lake.

20 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSEBILL..... NO. 727..

By BRANSON AND MOSS.....

"An Act making a special appropriation to the Department of Community and Regional Affairs for use as a contingency fund for the construction of a water well at Kenny Lake; and providing for an effective date."

Sp appro, water well at Kenny Lake

Introduced in the House .2/12/..., 19...80

HISTORY IN THE HOUSE

19 80

Feb. 12

Read first time and referred to Committee on

State Affairs and 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
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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 President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.

(11)

COMMITTEE REPORT

HOUSE

3/6/80

FURTHER:

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 727

"An Act making a special appropriation to the Department of Community and Regional Affairs for use as a contingency fund for the construction of a water well at Kenny Lake; and providing for an effective date."

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

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

(7)

COMMITTEE REPORT

HOUSE

2/12/80

3/6

FURTHER: FINANCE

Date: 3-5-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 727

"An Act making a special appropriation to the Department of Community and Regional Affairs for use as a contingency fund for the construction of a water well at Kenny Lake; and providing for an effective date."

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

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

**MEMBERS SIGNING
DO PASS**

Mr. Kelly
John Smith
Terry Gardner
Terry Martin
Bill Brown
Bill Paul

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

No rec. Ray Petralfo

Mr. Kelly
 CHAIRMAN



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

3/20/90
Date

COMMITTEE REPORT
SENATE

FURTHER: None

4/25/80

Date: June 4, 1980

Mr. President:

The Committee on FINANCE has had HB 729 am
works of art in public facilities

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^SCS for HB 729 (State Affairs) same title new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back ^{with} without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

John ...

Bill ... NO REC

...

Gene ... NO REC

...

John C. Lockett
CHAIRMAN
Do Pass

Original sponsor: State Affairs Committee

Offered: 4/25/80
Referred: Finance

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 729

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to works of art in state buildings and
7 facilities; and providing for an effective date."

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

9 * Section 1. AS 35.27.020(a) is repealed and re-enacted to read:

10 (a) A building or facility constructed after June 30, 1975, or
11 remodeled or renovated after June 30, 1975, shall include works of art,
12 including but not limited to sculptures, paintings, murals or objects
13 relating to Native art.

14 * Sec. 2. AS 35.27.020(b) is amended to read:

15 (b) The department, before preparing plans and specifications for
16 buildings [PUBLIC WORKS] and facilities, shall consult with the Alaska
17 State Council on the Arts regarding the desirability of inclusion of
18 works of art.

19 * Sec. 3. AS 35.27.020(c) is amended to read:

20 (c) At least one percent or, in the case of a rural school facil-
21 ity, at least one-half of one percent of the construction cost of a
22 building or facility approved for construction by the legislature after
23 September 1, 1977, [THE ENACTMENT DATE OF THIS CHAPTER] will be reserved
24 for the following purposes: the design, construction, mounting and
25 administration of works of art in a school, office building, court build-
26 ing, vessel of the marine highway system, or other [THE PUBLIC] building
27 or [PUBLIC] facility which is subject to substantial public use.

28 * Sec. 4. AS 35.27.020(d) is repealed and re-enacted to read:

29 (d) A building or facility with an estimated construction cost of

1 less than \$250,000 is exempt from the requirements of this chapter
2 unless inclusion of works of art in the design and construction of the
3 building or facility is specifically authorized by the department.

4 * Sec. 5. AS 35.27.030(2) is repealed and re-enacted to read:

5 (2) "building" or "facility" means a permanent improvement
6 constructed by the department; the term

7 (A) includes, but is not limited to,

8 (i) schools, office buildings, and court buildings;

9 (ii) other buildings which the commissioner deter-
10 mines are designed for substantial public use;

11 (iii) boats and vessels of the marine highway system;

12 (iv) transportation facilities which accommodate
13 traveling passengers;

14 (B) excludes other transportation facilities.

15 * Sec. 6. AS 35.27.030 is amended by adding a new paragraph to read:

16 (4) "commissioner" means the commissioner of transportation
17 and public facilities;

18 * Sec. 7. AS 44.19.930 is amended by adding a new paragraph to read:

19 (6) to manage the art in public places fund.

20 * Sec. 8. AS 44.19 is amended by adding a new section to read:

21 Sec. 44.19.942. ART IN PUBLIC PLACES FUND. (a) The art in public
22 places fund is established. The council shall manage the fund.

23 (b) The commissioner of a department responsible for the design
24 and construction of a building or facility shall deposit into the art in
25 public places fund one percent of the construction cost of a building or
26 facility which is exempt from the requirements of AS 35.27 and the
27 exemption is because

28 (1) the estimated construction cost of the building or facil-
29 ity is less than \$250,000; or

1 (2) the building or facility is not designed for substantial
2 public use.

3 (c) The council may use the money in the art in public places fund

4 (1) to commission or purchase a work of art which is to be
5 made a permanent part of, or placed on loan in, a building or facility
6 owned or leased by the state which has substantial public use; and

7 (2) to meet expenses for a commissioned work of art for a
8 building or facility which has substantial public use if the cost of the
9 work of art exceeds the amount reserved under AS 35.27.020(c).

10 (d) In this section, "building" or "facility" means

11 (1) a building or facility of the state, as defined by AS 35.-
12 27.030(2), which is designed for and which is subject to substantial
13 public use; and

14 (2) a building or facility which is leased by the state and
15 subject to substantial public use.

16 * Sec. 9. This Act takes effect July 1, 1980.

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Introduced: 2/12/80
Referred: State Affairs

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE BILL NO. 729 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to works of art in public facilities;
7 and providing for an effective date."

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

9 * Section 1. AS 44.19.930 is amended by adding a new paragraph to read:

10 (6) to administer the art in public places fund.

11 * Sec. 2. AS 44.19 is amended by adding a new section to read:

12 Sec. 44.19.942. ART IN PUBLIC PLACES FUND. (a) The art in public
13 places fund is established. The council shall manage the fund.

14 (b) The commissioner of a department having responsibility for the
15 design and construction of a public facility shall deposit into the art
16 in public places fund one percent of the construction cost of a public
17 facility which is exempt from the requirements of AS 35.27 and the
18 exemption is because

19 (1) the estimated construction cost of the public facility is
20 less than \$250,000; or

21 (2) the public facility is not designed for substantial
22 public use.

23 (c) The council may use the money in the fund

24 (1) to commission or purchase a work of art which is to be
25 made a permanent part of, or placed on loan in, a public facility
26 operated by the department which made the deposit to the fund under (b)
27 of this section; and

28 (2) to meet expenses for commissioned works of art for a
29 public facility operated by the department which made the deposit to the

1 fund under (b) of this section if the cost of the work of art exceeds
2 the amount reserved under AS 35.27.020(c).

3 (d) In this section, "public facility" includes public facilities
4 of the state, as defined by AS 35.27.030(2).

5 * Sec. 3. This Act takes effect July 1, 1980.
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Introduced: 2/12/80
Referred: State Affairs

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE BILL NO. 729

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to works of art in public facilities;
7 and providing for an effective date."

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

9 * Section 1. AS 44.19.930 is amended by adding a new paragraph to read:

10 (6) to administer the art in public places fund.

11 * Sec. 2. AS 44.19 is amended by adding a new section to read:

12 Sec. 44.19.942. ART IN PUBLIC PLACES FUND. (a) The art in public
13 places fund is established. The council shall manage the fund.

14 (b) The commissioner of a department having responsibility for the
15 design and construction of a public facility shall deposit into the art
16 in public places fund one percent of the construction cost of a public
17 facility which is exempt from the requirements of AS 35.27 and the
18 exemption is because

19 (1) the estimated construction cost of the public facility is
20 less than \$250,000; or

21 (2) the public facility is not designed for substantial
22 public use.

23 (c) The council may use money in the fund

24 (1) to commission or purchase works of art which are to be
25 made a permanent part of, or placed on loan in, public facilities;

26 (2) to commission works of art and their placement on state-
27 owned land or in other areas owned by the public; and

28 (3) to meet expenses for commissioned works of art which
29 exceed the amounts reserved under AS 35.27.020(c).

1 (d) In this section, "public facility" includes public facilities
2 of the state, as defined by AS 35.27.030(2).

3 * Sec. 3. This Act takes effect July 1, 1980.
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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.

James O. Smith
Signature of Camera Operator

3/20/90
Date

Introduced: 2/14/80
Referred: Finance

BY MEEKINS, DUNCAN, MUNSON,
ROGERS AND GARDINER

1 IN THE HOUSE

2 HOUSE BILL NO. 733

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a reserve for operating expenses
7 of state government for use only in a specified emer-
8 gency; and providing for an effective date."

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

10 * Section 1. AS 37.05 is amended by adding a new section to read:

11 Sec. 37-05.159. RESERVE FOR EMERGENCY OPERATING EXPENSES ACCOUNT.

12 (a) There is established in the general fund the reserve for emergency
13 operating expenses account. The account consists of money appropriated
14 for the purposes of the account. The unencumbered and unexpended
15 balance of the account lapses into the general fund at the end of each
16 fiscal year.

17 (b) Money in the reserve for emergency operating expenses account
18 is available for expenditure or encumbrance only if

19 (1) the governor by proclamation determines that there is an
20 impairment of the flow of state revenues which will result in imminent
21 danger that the state will be unable to meet its operating budget obli-
22 gations and the governor orders that money from the account be used for
23 the operating expenses of state government to the extent set out in the
24 proclamation; and

25 (2) the governor calls a special session of the legislature
26 to consider all subjects relating to the impairment of the flow of state
27 revenues.

28 (c) A call for a special session under this section may be can-
29 celled by the unanimous agreement of the presiding officers of each

1 house, the chairman of the finance committee of each house, and the
2 governor before the special session convenes.

3 * Sec. 2. This Act takes effect July 1, 1980.
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innovations

Michigan's Budget And Economic Stabilization Fund

In Brief

In 1977, Michigan in a major executive and legislative bipartisan effort, enacted legislation to reduce the severity of peaks and valleys in state revenues and to provide the capability for the state to take countercyclical action during periods of high unemployment. The budget and Economic Stabilization Act (PA 76, 1977) authorizes a "rainy day fund" in which revenues can be stored during prosperous years for use in leaner economic years.

Statutory formulas regulate inputs to and withdrawals from the fund. If the annual growth rate in personal income (adjusted for inflation and stripped of transfer payments) exceeds 2 percent, deposits are made into the fund by legislative appropriation. If the rate is between 0 percent and 2 percent, no inputs or withdrawals are made. If there is a negative growth rate, below 0 percent, the legislature may make withdrawals from the fund to maintain services and balance the budget.

The economic stabilization aspect of the fund is triggered when the state's unemployment rate exceeds 8 percent. When the rate for any calendar quarter is between 8 percent and 11.9 percent, the legislature may appropriate up to 2.5 percent of the fund for state jobs programs. When the rate is 12 percent or more, up to 5 percent of the fund may be so used.

Estimates indicate the total assets of the budget and economic stabilization fund will reach approximately \$235 million at the end of fiscal year 1979. However, there is a likelihood of some draw down of the fund for economic stabilization. The unemployment rate in Michigan slightly exceeded 8 percent for the first quarter of calendar year 1979 and the governor has proposed that the approximately \$5.6 million triggered from the fund be appropriated for construction projects at the state's prisons. If the legislature concurs, this will be the first time since its establishment that the fund has been tapped and the first test of the stabilization concept.

Background

Michigan's economy is heavily dependent upon automobile manufacturing and other durable goods. Michigan's dependence upon the durable goods industry periodically subjects the state to high levels of unemployment, severely declining tax revenues, and during the same periods, to increased demands for certain government services. Conversely, in periods of economic health, income levels and tax revenues rise and the demand for services eases. The state budgetary process is greatly complicated by the fluctuations.

The Council of State Governments



This paper was prepared by Tom Bryan and Dick Howard, Innovations Program, Council of State Governments, who wish to thank numerous Michigan officials for their time and generous assistance in providing information. In particular, appreciation is expressed to Douglas Drake, House Democratic Research Staff; Theodore Ferris, Senate Fiscal Agency; Robert Kleine and Douglas Roberts, of the Department of Management and Budget, for their courtesy and extensive assistance. For further information on the program, please contact Mr. Drake (517) 373-8615, Mr. Roberts (517) 373-1999, or Mr. Howard, CSG, (607) 252-2291, P.O. Box 11910, Lexington, Ky., 40578.

Note: This report was prepared under a grant from the National Science Foundation (Grant No. ISR7521176). The contents do not necessarily reflect the views of the National Science Foundation.

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Additionally, the state budget operates under several constitutional constraints. The Michigan Constitution of 1963 prohibits the legislature from making continuing appropriations for future years and requires the state to adhere to an annually balanced budget. The governor is directed to submit to the legislature a budget that details the estimated revenues and the proposed expenditures for the ensuing fiscal period. Proposed expenditures cannot exceed estimated revenues. Should there be any actual surplus from the preceding fiscal year, it must be entered as an item in the new budget. The legislature is similarly restricted by the constitution. Its total appropriations must be limited to the total of the estimated revenues. Thus, during periods of economic downturn, when revenue estimates fall, the state is faced with the alternatives of reducing service levels or raising tax rates. Neither is palatable during periods of recession.

The state's cyclical economy poses a different problem during periods of prosperity. When revenues increase, political leaders are pressured to reduce taxes or to spend the more plentiful revenues in expanding programs or providing new services. Tax reductions or the expansion of programs during good years exacerbates the state's problems during the next period of economic stagnation.

The cyclical economic impacts on state operations have been recognized in Michigan for many years but the oil crisis and recession of 1974 imposed very severe restraints on the preparation of a budget for FY 1975-76. During the period from December 1974 to May 1976, the governor, as required by law, issued three executive orders which received legislative approval. These orders reduced expenditure authorizations for state agencies by more than \$230 million. The disruptive effects of these repeated mid-year cuts on the plans and programs of the agencies concerned can be envisioned.

The state also acted to adjust the accrual date of sales, use and withholding tax receipts. These receipts for the month of June normally are picked up on July 15 of each year. The due date for the payment of the taxes on transactions occurring in June was accelerated to June 30 in order to accrue such receipts to the fiscal year ending June 30, 1975.

The state also resorted to borrowing from the Veteran's Fund and the Uninsured Motorist Fund to meet a portion of its deficit and in 1975, partially in response to the situation, extended its fiscal year to end on September 30. The three-month extension resulted in a cash flow adjustment of \$207 million.

In the fall of 1974, the governor revived an earlier concept—the Michigan single business tax (SBT)—as a replacement for the more traditional types of business taxes, income, corporate franchise and others, then being levied. Part of the motivation for the revival of interest in the SBT was the need to cover the impending deficit in the FY 1974-75 budget. The governor presented the proposal to the legislature in

January 1975. The passage of the SBT in August 1975, generated a gain of about \$210 million in cash flow during the critical budget period. This windfall resulted from the fact that the corporate franchise tax, which was one of the taxes to be replaced, was paid on an annual basis while the SBT was paid on a quarterly basis, thus the taxes overlapped.

In summary, the state employed several available means to meet the crisis engendered by the drastic shortfall of revenues and to comply with the constitutional requirement for a balanced budget. In all, net adjustments of \$758,600,000 were made, about one-fourth of the annual budget. On paper, the books were balanced with a surplus of \$28 million, but a negative cash flow in general purpose revenues approached \$400 million in some critical months of FY 1975-76.

Political Considerations

So great were the difficulties in balancing Michigan's spending and revenues during fiscal year 1975-76 that politicians were willing to consider a measure that would prevent them from spending all of the state's revenues each year. Both the Republican governor and the Democratic legislature developed legislation in pursuit of the notion that the state should "tuck away" funds for the rainy days that come to Michigan about every four years.

In his budget message to the legislature for FY 1977-78, Governor William Milliken proposed the creation of two funds—a budget stabilization fund and a cash balance restoration fund. The former was designed to maintain services during periods of recession and the latter fund was to deal with cash flow problems and thereby protect the credit rating of the state.

Other proposals called for a fund that would be tied to unemployment rates in Michigan. In this strong labor union oriented state, unemployment rates are carefully watched as a guide to the state's economy. Late in the 1976 session, a bill sponsored by Senator Kerry Kammer was introduced to establish a single fund, but it died. In the 1977 session, with the full support of the Democratic leadership in both houses, Senate Bill 42 (Kammer) was passed by the legislature and signed by the governor. It created one fund but two triggering mechanisms by which funds could be expended. Funds could be withdrawn if there was negative growth in the adjusted Michigan Personal Income Index or if unemployment reached 8 percent or more in any calendar quarter.

The rainy day fund as it came to be called was the subject of much legislative debate, public discussion and newspaper commentary. Representatives of the legislature met with various groups around the state to explain the budget stabilization concept and the formulas being developed. Initially, various special interest groups, especially teachers, advocates of mental health programs, corrections, and social

services programs, contended that the state should first catch up with the significant unmet needs caused by the recent recession. However, it was difficult to oppose the rainy day concept and most interest groups concluded that over time they would get essentially the same amount of financial support, but without the periodic severe cutbacks. Most public opinion favored creation of the fund, however, and by the time of the vote in the legislature only some elements of organized labor continued to oppose the bill. The United Auto Workers (UAW) supported the concept.

Passage of the legislation was additionally aided by the support of a blue ribbon commission called the Michigan Economic Advisory Council which had been created to look at Michigan's economy and make recommendations. The bipartisan commission representing both houses of the legislature and the executive branch was chaired by Michael Blumenthal, who later became secretary of the U.S. Treasury. Among its recommendations were the creation of a budget stabilization fund and development of some procedure that could quickly put money into the Michigan economy in support of jobs when the economy started turning down.

Actual implementation of the fund's first year was made easier by the facts that: (1) the 1977 revenue was quite high allowing significant increases for most budget programs, and (2) the triggering threshold was set at 4 percent of revenue surplus for the first year rather than the 2 percent statutorily set for subsequent years.

Public Act 76, 1977:
Budget and Economic Stabilization

As enacted, the countercyclical budget and economic stabilization fund is designed to attack the two problems of cyclically low revenues and high unemployment. The law establishes formulas by which money is deposited in the fund and by which withdrawals can be made. (A copy of PA 76, 1977, is included at the end of this report.) Major provisions of the law are as follows:

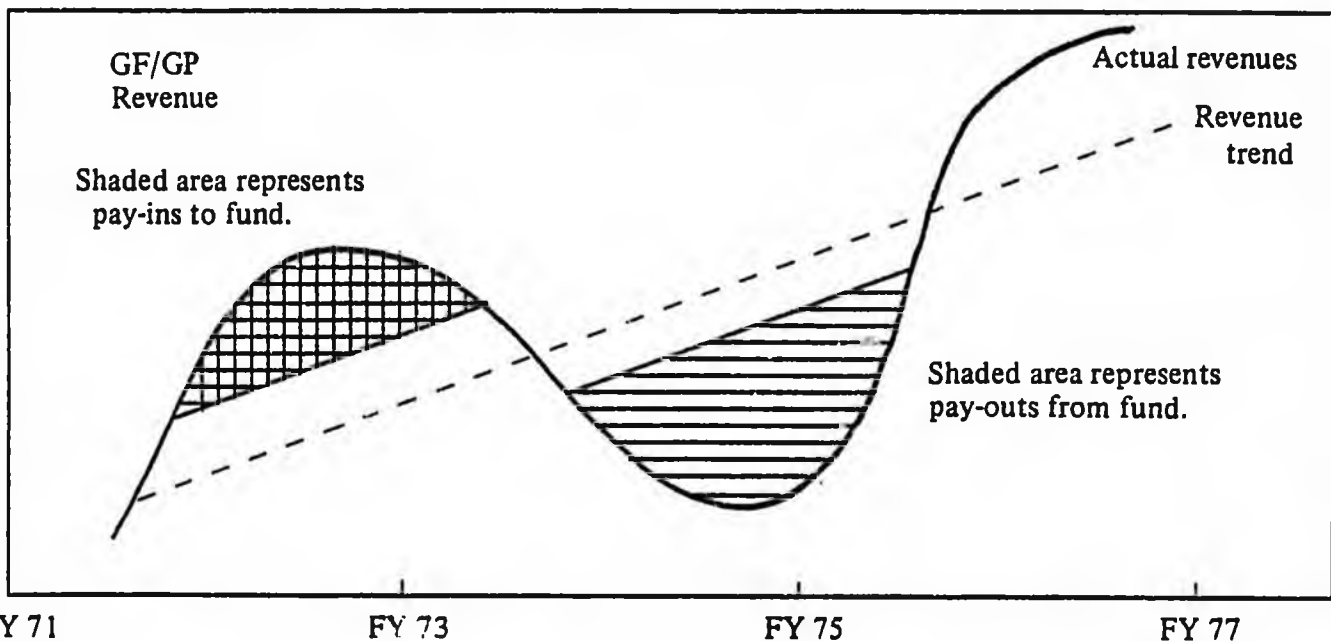
Budget Stabilization

1. All transfers into or out of the fund will be based upon the annual growth of adjusted Michigan personal income (MPI) in the current calendar year.

2. Adjusted Michigan personal income is defined to mean total state personal income minus transfer payments (nontaxable income received from the government) deflated by the Detroit Consumer Price Index so as to remove any inflationary bias. Transfer payments are deducted so that the full impact of the cycle is identified.

3. When the adjusted MPI grows by more than the *pay-in* trigger level of 2 percent, the percentage excess will be multiplied by the total general fund/general purpose revenue accruing to the current fiscal year to determine the amount to be transferred from the general fund to the stabilization fund in the *coming* fiscal year.

Chart 1
Illustration of the Budget Stabilization Concept



4. When the annual change in adjusted MPI is less than the *pay-out* trigger level of 0 percent, the percentage deficiency will be multiplied by the total general fund/general purpose revenue accruing to the current fiscal year to determine the amount to be transferred from the stabilization fund to the general fund in the *current* fiscal year.

Examples: If GF/GP revenue is assumed to be \$3 billion and the adjusted MPI change from the prior year is assumed to be: Case 1: + 7 percent; Case 2: + 1.5 percent; Case 3: -4 percent, application of the formulas would be:

Case 1: $.07 - .02 = .05 \times \$3 \text{ billion} =$
\$150 million pay-in to fund next FY,

Case 2: .015 is between .000 and .02
= no pay-in or withdrawal.

Case 3: $-.04 \times \$3 \text{ billion} =$ \$120 million withdrawal during current FY.

It was not intended that the budget stabilization fund would entirely eliminate the problems posed by revenue fluctuations. Its purpose is to ameliorate the problem by reducing the extreme peaks and valleys, as indicated in Chart 1, preceding.

Economic Stabilization

1. In any quarter following a quarter when unemployment averages 8 percent or more, the act provides that an amount may be appropriated from the fund for countercyclical policy as shown below:

<u>Percent Unemployed in Most Recent Quarter</u>	<u>Percent of Fund Available for Economic Stabilization During the Following Quarter</u>
8.0 - 11.9 percent	2.5 percent
12.0 percent and over	5.0 percent

Example: If the stabilization fund balance is assumed to be \$200 million and the rate of unemployment is 9 percent for the quarter ending March 31, 1979, the fund could be used as follows in the April-June quarter: $.025 \times \$200 \text{ million} =$ \$5 million for countercyclical programs.

2. The funds appropriated for economic stabilization may be used for capital outlay, public works and public service jobs, refundable investment or employment tax credits against state business taxes for new outlays and hiring in Michigan, or any other purpose the legislature may designate by law which provides employment opportunities counter to the state's economic cycle. Obviously, the latter purpose is subject to very broad interpretation.

In brief, the law states that payments will be made into the fund when the adjusted MPI annual growth rate exceeds 2 percent, and, withdrawals from the fund may be made in four situations: (1) the real MPI decreases, (2) quarterly unemployment exceeds 8 percent, (3) revenue falls short of statutory estimate (without change in the tax rate or base), and (4) in an emergency upon two-thirds vote by each house.

During the course of deliberations on the bill and at the request of a legislator, the state attorney general reviewed the proposed law for compliance with the Michigan Constitution. The opinion (No. 5204, issued June 15, 1977) held that the fund did serve a valid public purpose as determined by the legislature but that all inputs to and withdrawals from the stabilization fund must be accomplished by specific legislative appropriations. Surplus funds at the end of a fiscal year could not be automatically deposited in the stabilization fund. The opinion also pointed out that it was against the policy of the state to levy taxes to accumulate funds for future use; continuing appropriations were not permitted; any surplus or deficit at the end of a fiscal year must be included in the budget of the following year, and that if a "disproportionate share of the state's income is appropriated for the purpose of countercyclical activity, it could be viewed as a device to accumulate funds for future use" and, therefore, be invalid.

There have been no withdrawals from the fund to date. By the end of the current fiscal year the balance in the fund from appropriations and interest earned will exceed \$235 million. It is estimated that if the economy continues on its present course there will be no payment into the stabilization fund in FY 1979-80. There may be a withdrawal from the fund for budget stabilization if the rate of inflation accelerates or if personal income growth in Michigan is lower than predicted. It seems probable that withdrawals from the fund for economic stabilization purposes will occur in FY 1979-80. The unemployment rate in the state averaged slightly above 8 percent for the first quarter of CY 1979. At the current fund level, approximately \$5.6 million could be appropriated for countercyclical economic stabilization. Some proposals have been made to provide jobs in capital construction and other projects designed to meet the needs of the state correctional system.

Results

An accurate evaluation of the budget and economic stabilization fund cannot be made until the fund is put to the test of a recessionary period and withdrawals are made. Several interim results of the fund, however, are worthy of note:

1. Deposits into the stabilization fund have, to some degree, limited the temptation to expand programs or inaugurate new programs that would be difficult to maintain in periods of reduced revenue.

(Table 1 shows the transfers into the stabilization fund in accordance with the formula.)

2. The comingling of more than \$200 million of stabilization funds with the common cash funds of the state has helped Michigan's cash flow. Although the extent of this contribution is not clear since it depends in large part on the liquidity of investments. Many state officials have cited this benefit. The state treasurer's office, charged with custody and investment responsibilities, recently borrowed \$450 million to meet cash flow needs of the state and does not consider the fund as being of primary assistance in the solution of the problem.

3. Interest earnings of the fund through December 31, 1978, were \$11 million and the fund is earning at an annualized rate of 9.488 percent.

4. The budget stabilization concept has been widely accepted and has spread beyond state government in Michigan. Public Act No. 30, 1978, sponsored by Representative Lewis Dodak, permits a village, city or township to establish a local budget stabilization fund by an ordinance adopted by a two-thirds vote of its governing body. (A copy of the act appears at the end of this report.) The city of Saginaw has already taken advantage of the law to establish its own stabilization fund which now contains more than \$2 million.

Transferability

While there might be legal impediments to the creation of a budget stabilization fund and questions about the most appropriate formulas, the chief obstacles to initiating and maintaining such funds are political. There are enormous pressures on elected officials to spend all available state revenues. The political pressures are especially strong in a large industrial state where many citizens, represented by well-organized lobbying groups, have substantial need for direct services. It seems likely that the only countervailing force to these pressures is a very cyclical economy that directly impacts the state's revenues and expenditures. Predictability of these cycles is important to the maintenance of the fund since predictability reduces the temptation to rationalize that the funds may not be needed for many years or, perhaps, not at all. Passage of a rainy day fund is most likely

to occur when the difficulties of balancing a budget during a recession are still strongly etched in the memories of the legislators.

Michigan's dependence upon the durable goods industry and the boom and bust nature of its revenue collections have been discussed. Over the past 25 years the annual growth rates of adjusted personal income have fluctuated from a negative 6.5 percent to a plus 10.8 percent. Annual unemployment rates have ranged from a low of 3.5 percent to a high of 13.8 percent. These wide and periodic fluctuations emphasize the problems faced by Michigan and by other states with revenue sources that are largely based on a single industry or group of industries that are extremely sensitive to general economic conditions. Table 2 gives some indication of the cyclical nature of the economies of other states by comparing the average year-to-year deviations of their rates of unemployment and per capita incomes. The greater the year-to-year fluctuations in these indicators, the lower the rank number in the table (i.e., Michigan has the greatest average year-to-year fluctuations in its unemployment rates and ranks No. 1, among the states on this factor). Michigan's rate of unemployment, as a percentage of the total labor force, varies an average of more than 2 percentage points per year, which means the actual number of people unemployed changes on an average of 80,000 from year to year. Table 2 is indicative of the cyclical nature of other states' economies, but it can also be misleading. For example, changes in per capita income are highest in Alaska, but all of the movement is upward, hence the applicability of a budget stabilization fund is nil. The assumption is made that state officials using the table will know the nature of their state's economy and can decide whether the two measures shown are appropriate, and, secondly, whether the year-to-year deviation in per capita income is entirely in one direction—upwards. The table also points up the need for state officials to consider carefully what indices are most appropriate for their purposes.

Legal Impediments. Michigan's constitutional provisions prohibiting continuing appropriations, or accumulation of funds for future use, limiting fund transfers except as accomplished by legislative appropriations, and requiring an annually balanced budget

Table 1
Stabilization Fund Transfers
(in millions)

<i>CY</i>	<i>Adjusted MPI</i>	<i>Change from Prior Year</i>	<i>Excess over 2 percent</i>	<i>GF/GP Revenue</i>	<i>Pay-in to Fund</i>	<i>FY Affected</i>
1977	\$36,295	7.2 percent	3.2 percent*	\$3,397	\$108.7	1977-78
1978	38,263	4.7 percent	2.7 percent	3,857	104.1	1978-79

*Excess over 4 percent for 1977 only.

Table 2
STATE UNEMPLOYMENT AND PER CAPITA INCOME DATA

STATE	RATES OF UNEMPLOYMENT (1)				PER CAPITA INCOME (2)	
	Range in %		Average Year-To-Year Deviation (%)	Rank Among States (Deviation)	Average Year-To-Year Deviation (\$)	Rank Among States (Deviation)
	Low	High				
Alabama	4.0	8.1	.685	33	\$213.10	46
Alaska	6.7	10.8	.867	21	427.20	1
Arizona	2.9	12.1	1.043	8	235.90	32
Arkansas	4.1	9.5	.871	20	16.25	44
California	4.2	9.9	.848	23	71.00	11
Colorado	2.7	6.9	.514	45	257.15	19
Connecticut	3.2	9.5	1.128	5	272.95	10
Delaware	2.9	9.8	.905	18	258.85	18
District of Columbia	2.2	9.9	.505	46	317.75	2
Florida	2.4	10.7	1.000	12	205.10	50
Georgia	3.0	8.6	.678	35	226.65	38
Hawaii	2.7	9.8	.667**	37**	288.00	4
Idaho	4.0	6.4	.548	43	213.90	45
Illinois	2.8	7.1	.786	27	278.45	6
Indiana	2.6	8.6	1.200	4	251.40	22
Iowa	2.0	4.2	.486	48	250.90	***23
Kansas	2.7	5.5	.633	39	262.95	14
Kentucky	3.6	8.1	.917	17	226.20	39
Louisiana	4.3	8.3	.589	41	216.30	43
Maine	3.9	10.3	1.095	6	205.90	49
Maryland	3.0	6.9	.681	34	270.55	12
Massachusetts	3.9	11.2	.919*	15*	250.75	25
Michigan	3.5	13.8	2.038	1	278.65	5
Minnesota	2.9	7.0	.676	36	262.20	15
Mississippi	3.6	8.2	.850	22	199.95	51
Missouri	3.3	6.9	.700	31	236.95	31
Montana	4.4	7.6	.667**	37**	220.45	40
Nebraska	2.3	3.9	.329	50	240.15	29
* Nevada	4.4	9.7	.929	14	278.40	7
New Hampshire	1.8	9.1	.976	13	232.55	14
New Jersey	4.4	10.4	.838	25	278.15	8
New Mexico	3.2	10.0	.714	30	209.00	47
New York	3.5	10.3	.756	28	252.80	21
North Carolina	3.0	8.6	.817	26	227.35	37
North Dakota	2.5	6.8	.610	40	295.75	3
Ohio	2.8	9.1	1.276	3	253.85	20
Oklahoma	3.0	7.2	.695	32	231.40	35
Oregon	4.2	10.6	.919*	15*	250.90	***23
Pennsylvania	2.8	10.5	1.014	11	245.10	27
Rhode Island	3.6	11.4	1.281	2	238.85	30
South Carolina	4.1	8.7	.843	24	220.15	41
South Dakota	2.7	3.9	.315	51	260.50	16
Tennessee	3.2	9.4	1.024	10	219.10	42
Texas	2.7	6.0	.557	42	250.30	26
Utah	3.6	6.8	.519	44	207.45	48
Vermont	3.2	9.4	.025	9	232.70	33
Virginia	2.7	6.4	.490	47	259.45	17
Washington	4.1	10.1	1.057	7	269.60	13
West Virginia	5.6	13.5	.889	19	227.90	36
Wisconsin	3.0	6.9	.733	29	243.65	28
Wyoming	3.4	6.5	.433	49	273.30	9

(1) Basic Sources: Statistical Abstracts of the U.S. and U.S. Department of Labor, Statistical Report, 1975. Unemployment rates are shown as a percentage of the total labor force. Period covered is 1957-1977, inclusive, except where data were not available.

(2) Basic Source: Bureau of Economic Analysis, Regional Economics Division, April 1979. "Per Capita Personal Income, By States and Regions," Selected Years (1957-1977).

*Tie 15th

**Tie 37th

***Tie 23rd

are common to many states. In Michigan, an opinion of the attorney general states that creation of a trust fund and legislative appropriations to the fund for a valid public purpose meet the constitutional requirements.

Taxation and spending limitations, such as those more recently added to some state constitutions, may also affect the establishment or operation of a budget and economic stabilization fund. The Headlee Amendment in Michigan limiting the collection of state revenues, directing that excess collections be rebated to the taxpayers, and requiring that the costs of all state-mandated programs on local governments be borne by the state, was approved by the voters in 1978. It is too early to assess its effect on the stabilization fund but it is expected to slow the growth of the fund appreciably even in prosperous years. Similar taxation or spending limitations in other states will affect both the scope and purposes of stabilization fund proposals.

Appropriate Indices and Triggers. The use of income and unemployment data as criteria for determining when and how much to transfer into or out of a stabilization fund should be appropriate in many states. These data are readily available and are compiled periodically in accordance with recognized standards. Statistical analyses revealed that a very close correlation exists between adjusted Michigan personal income and state revenues. One might expect similarly strong correlations in other states that place a heavy reliance on the income tax and sales tax. In computing annual changes in income, Michigan has chosen to use the Detroit CPI to deflate its data on personal income (less transfer payments) so as to better determine actual growth rates. In states where there is no large metropolitan area with separate data, or when it is considered more appropriate, the state CPI may be used.

Development of triggering mechanisms in the formula requires thoughtful analyses. Michigan began by determining what the average rate of growth in adjusted Michigan personal income had been over the past two decades. The state found that from 1957 to 1976 the annual rate of increase had been 3 percent. Three percent was deemed too high a pay-in trigger because the economic stabilization component of the fund had to be covered. Thus, 2 percent was selected as the pay-in threshold. Other states might also find that the average annual rate of growth is a good starting point for determining "excessive" or "surplus" revenues.

Equal consideration and analysis should be given to the pay-out side of the rainy day fund equation. The Michigan trigger for the budget stabilization fund payout (below 0 percent annual adjusted growth rate) has generated some discussion and there are advocates, especially in light of the coming tight budget year, to lower the pay-out trigger. Changing the trigger to .5 percent or 1 percent, thereby allowing disbursements to be made sooner, would be a possibility.

Again, recognizing the political pressures to expend the funds at the earliest possible moment, it is necessary to engage in a thorough economic analysis of potential flows into and out of the fund based on assumptions representative of past economic phenomena. Because of the importance of the formula, it should be included in the statute.

Obviously, another index for accumulating funds is unemployment. However, movement of this index is so frequent and often quite dramatic (i.e., unstable), Michigan decided not to use it as the key to stabilize its state budget. Nevertheless, because of the importance of the unemployment rate in the thinking of many Michigan labor leaders, officials, and legislators, a disbursement mechanism was devised to use unemployment as a criterion for countercyclical employment programs. Unemployment adjusted for seasonal changes probably would give a more accurate picture of economic conditions than the unadjusted unemployment figures used in Michigan. Persons in jobs that have regular and expected periods of inactivity are not usually considered out of work. Their annualized income normally takes such periods into consideration.

Another aspect of the statutory formula is the ceiling placed on the amount of money that can be accumulated in the fund. The 25 percent of the total budget limitation used in Michigan is generally considered too high. This limit will permit a fund level that approaches \$1 billion in Michigan. The limit was originally included in the law to provide assurances to those who feared the fund would get too large at the expense of present program needs and unnecessarily tax the citizens. Perhaps a better ceiling is 10 or 15 percent.

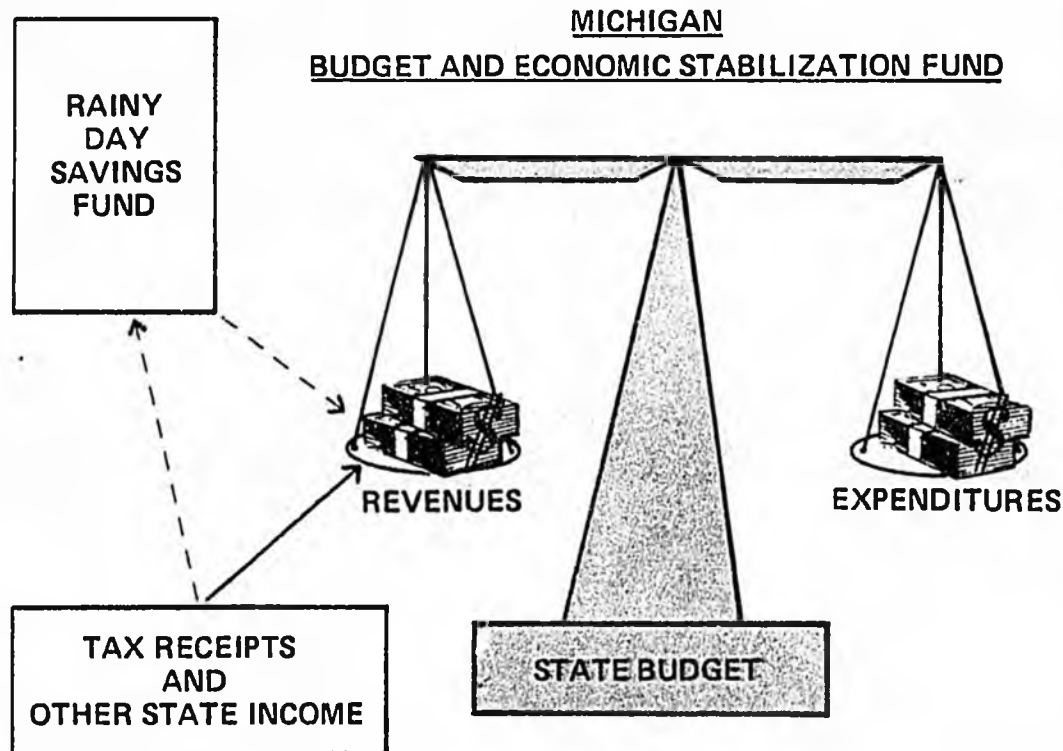
The Value of the Economic Stabilization Provision. The purpose of the Michigan stabilization fund was originally conceived to be budget stabilization. During legislative debates, the concept of "economic stabilization" was added. How much actual impact expenditures from the fund could have are open to question. As finally passed, the bill included provisions for the release of funds to support various types of jobs programs by the state to assist in countering high levels of unemployment. At the present fund level, and in accordance with the formulas, the following dollar amounts from the fund would be authorized for appropriation for jobs programs: unemployment rate 8-11.9 percent = \$5.6 million; 12 percent or over = \$11.2 million. The number of jobs that could be created varies with where the money is spent. A recent press release announcing the governor's proposed expenditure of \$5.6 million on corrections facilities mentioned the creation of 200 jobs. Or, hypothetically, at a minimum income level of \$600 per month, these authorized amounts would support approximately 3,300 and 6,600 public service jobs, respectively, during the succeeding quarter only. When the total Michigan workforce of more than four million persons is considered, the limited

significance of the economic stabilization effort is made even clearer. An 8 percent unemployment rate equates to more than 320,000 persons out of work and 12 percent equates to more than 480,000 people unemployed.

If the funds are applied to subsidize private employers for new job creation efforts, directly or through tax incentives, more jobs might result. The countercyclical effect of every new job is important during a recession; however, the maximum authorized

use of stabilization funds would have a limited impact on the total problem.

In summary, the public attitude on fiscal responsibility in state government may ultimately be the determining factor in the decision to establish a stabilization fund and to maintain it. The concept of saving for a rainy day is popular in Michigan and probably would be in most states. The political leadership in Michigan has found widespread support among the general public for its efforts to reduce the broad swings in state government spending.



PUBLIC ACT NO. 76
ENROLLED SENATE BILL NO. 42

AN ACT to create a counter-cyclical budget and economic stabilization fund; to provide for transfers into and out of the fund; to provide for the maintenance and administration of the fund; to relate the operation of the fund to the budget process of this state; and to prescribe the powers and duties of certain state officers.

The People of the State of Michigan enact:

Sec. 1. As used in this act:

(a) "Adjusted personal income" means the total personal income of this state, less transfer payments, adjusted for inflation. The adjustment for inflation shall be determined by reducing the total personal income of this state less transfer payments for a given calendar year by the average of the Detroit consumer price index for the 12 months ending 6 months before the given calendar year ends.

(b) "Annual growth rate" means the percentage change in adjusted personal income for the current calendar year as compared to adjusted personal income for the calendar year immediately preceding the current calendar year. The annual growth rate shall be rounded off to the nearest 0.1%.

(c) "Current calendar year" means the year that ends on December 31 in which the determination of the transfer into or out of the fund is being made.

(d) "Detroit consumer price index" means the most comprehensive index of consumer prices available for the Detroit area from the bureau of labor statistics of the United States department of labor.

(e) "Fund" means the counter-cyclical budget and economic stabilization fund created by this act.

(f) "General fund revenue" means all general purpose tax revenue and other unrestricted general purpose revenue of the state that is credited to the general fund and from which appropriations may be made.

(g) "Personal income" is as defined by the bureau of economic analysis, U.S. department of commerce.

(h) "Transfer payments" are as defined by the bureau of economic analysis, U.S. department of commerce.

Sec. 2. A counter-cyclical budget and economic stabilization fund is created and shall be administered by the state treasurer to assist in stabilizing revenue and employment during periods of economic recession and high unemployment.

Sec. 3. (1) When the annual growth rate is more than 2% except as provided in section 12, the percentage excess over 2% shall be multiplied by the total general fund revenue for the fiscal year ending in the current calendar year to determine the amount to be transferred to the fund from the general fund in the fiscal year beginning in the current calendar year.

(2) When the annual growth rate is less than zero, the percentage deficiency under zero shall be multiplied by the total general fund revenue for the fiscal year ending in the current calendar year to determine the eligible amount to be transferred to the general fund from the fund in the current fiscal year. When the formula calls for a larger transfer from the fund than is necessary to balance the current fiscal year general fund-general purpose budget, the excess shall remain in the fund.

Sec. 4. (1) In a calendar quarter following a calendar quarter in which the state unemployment rate as certified by the director of the Michigan employment security commission is 8% or more, an amount may be appropriated from the fund by the legislature for the purposes listed in this section in accordance with the following table: [see bottom of page]

(2) The legislature may appropriate by law money from the fund in the amounts as provided in this section to assist in the following counter-cyclical economic stabilization purposes:

(a) Capital outlay.

(b) Public works and public service jobs.

(c) Refundable investment or employment tax credits against state business taxes for new outlays and hiring in this state.

(d) Any other purpose the legislature may provide by law which provides employment opportunities counter to the state's economic cycle.

Sec. 5. The executive budget for each fiscal year beginning after September 30, 1978, shall contain an estimate of the transfer into or out of the fund required by section 3 of this act.

Sec. 6. The legislature shall include a final estimate of the transfer into or out of the fund required by section 3 of this act in the general appropriations bill which contains the revenue estimate required by section 31 of article 4 of the state constitution of 1963.

Sec. 7. (1) The transfer into or out of the fund as provided in section 3 of this act, for each fiscal year beginning after September 30, 1978, shall be adjusted in light of revision in the annual growth rate for the calendar year upon which that transfer was made. The adjustment shall be directly proportional to an increase or decrease in the annual growth rate, but the adjustment shall not be in excess of 1% multiplied by the total general fund revenue of the fiscal year upon which the transfer was based. The basis for an adjustment shall be a change in the personal income level for that calendar year as determined by the bureau of economic analysis of the United States department of commerce in the last report it makes prior to April 30 of the fiscal year in which that calendar year ended.

(2) An appropriation from the fund as provided in section 4 shall be adjusted for a change in the unemployment rate statistics for the 4 quarters immediately preceding the quarter in which the appropriation is to be made, as long as an adjustment has not already been made in an appropriation from the fund because of a prior change in the unemployment rate statistics for one or more of those four quarters. A change in the unemployment rate statistics also shall not be made until that change is certified by the director of the Michigan employment security commission.

(3) An adjustment made pursuant to subsection (2) shall not be made unless the change in the unemployment rate statistics would have provided for a difference percent of the fund to be appropriated under section 4. If the adjustment creates a general fund liability, that liability shall be offset

Percent of unemployment in the calendar quarter preceding the calendar quarter in which an amount may be appropriated

8.0 - 11.9%
12.0% and over

Percent of fund available for economic stabilization during the calendar quarter following a calendar quarter of high unemployment

2.5% of fund balance as of first day of calendar quarter.
5.0% of fund balance as of first day of calendar quarter.

against future appropriations which would have been made under section 4.

Sec. 8. If the balance in the fund at the end of a fiscal year exceeds 25% of the actual state general fund revenue for that fiscal year, the excess shall be rebated on the individual income tax returns filed following the close of that fiscal year according to a schedule to be established by law.

Sec. 9 In each fiscal year in which a transfer to the fund takes place, if the general fund revenue falls short of the level upon which a balanced general fund budget was adopted for that year and the shortfall cannot be attributed to a change by public act in the tax rate, the tax base, fee schedules, or any other change in the revenue sources by which the general fund estimate was made, an amount not to exceed the amount deposited into the fund for that fiscal year, may, by majority vote of the members elected to and serving in each house, be appropriated from the fund to raise general fund revenue to the level originally anticipated.

Sec. 10. (1) The legislature may make an emergency appropriation subject to all of the following conditions:

(a) The maximum appropriation from the fund for budget stabilization as provided in section 3 (2) has already been made for the current fiscal year.

(b) The legislature has approved the emergency appropriations bill by a majority vote of the members elected to and serving in each house.

(c) The emergency appropriations bill becomes law.

(2) The additional transfer from the fund may be made only for the current fiscal year.

Sec. 11. Amounts in the fund may be combined by the state treasurer with other amounts in the state treasury for purposes of cash management. The earnings from investment of the fund shall accrue to the fund. The fund shall be accounted for separately from other funds of the state. A transfer to the fund shall be credited toward the fund balance at the start of the fiscal year in which the transfer takes place subject to later revision according to section 7 in the same fiscal year.

Sec. 12. For the fiscal year beginning October 1, 1977, a transfer shall be made only when the annual growth rate is more than 4%. The percentage excess over 4% shall be multiplied by the total general fund revenue for the fiscal year beginning October 1, 1976, to determine the amount to be transferred to the fund from the general fund.

This act is ordered to take immediate effect.

**PUBLIC ACT NO. 30
ENROLLED HOUSE BILL NO. 5176**

AN ACT to provide for the creation and use of budget stabilization funds by cities, villages, and townships.

The People of the State of Michigan enact:

Sec. 1. As used in this act:

- (a) "Fund" means a budget stabilization fund.
- (b) "Municipality" means a city, village, or township.

Sec. 2. The governing body of a municipality by an ordinance adopted by a two-thirds vote of the members elected and serving may create a budget stabilization fund.

Sec. 3. (1) Each fiscal year following the fiscal year in which a fund is created, the governing body of the municipality which created the fund may appropriate by an ordinance or resolution adopted by a two-thirds vote of the members elected and serving, all or part of a surplus in the general fund resulting from an excess of revenue in comparison to expenses, to the fund.

(2) A municipality shall not impose additional taxes producing revenue in excess of that needed for its estimated budget in order to provide for money to be appropriated to the fund.

(3) The amount money in the fund shall not exceed either 15% of the municipality's most recent general fund budget, as originally adopted, or 15% of the average of the municipality's 5 most recent general fund budgets, as amended, whichever is less.

(4) The money in the fund may be invested as provided by law with the earnings of the fund to be returned to the municipality's general fund.

(5) If the money in the fund exceeds that permitted in subsection (3), the excess money shall be appropriated in the

municipality's next general fund budget, but shall not be appropriated to the fund.

Sec. 4. (1) Money in the budget stabilization fund may be appropriated by an ordinance or resolution adopted by a two-thirds vote of the members elected and serving of the governing body of the municipality which created the fund for the following purposes:

(a) To cover a general fund deficit, when the municipality's annual audit reveals such a deficit.

(b) To prevent a reduction in the level of public services or in the number of employees at any time in a fiscal year when the municipality's budgeted revenue is not being collected in an amount sufficient to cover budgeted expenses.

(c) To prevent a reduction in the level of public services or in the number of employees when in preparing the budget for the next fiscal year the municipality's estimated revenue does not appear sufficient to cover estimated expenses.

(d) To cover expenses arising because of a natural disaster, including a flood, fire, or tornado. However, if federal or state funds are received to offset the appropriations from the fund, that money shall be returned to the fund.

(2) In determining whether a municipality's revenue is not sufficient to cover its expenses, a reduction in the amount of money received for the fiscal year from any source in comparison to the amount of money received for the previous fiscal year, including a reduction in the allocation of state tax money, shall be considered.

Sec. 5. Money in the budget stabilization fund shall not be appropriated for the acquisition, construction, or alteration of a facility as part of a general capital improvements program.

This act is ordered to take immediate effect.

INNOVATIONS REPORTS

- Railroad Rehabilitation: A Program to Upgrade Selected Branch Lines in Iowa, January 1976, 23 pp. (BPF, \$3)*
- * *Health Cost Containment: The Connecticut, Maryland, and New Jersey Responses, March 1976, 44 pp. (BPX, \$3)*
 - * *State Energy Management: The California Energy Resources Conservation and Development Commission, May 1976, 32 pp. (RM 580, \$3)*
- Periodic Reappraisal of Real Property: The Utah Approach, July 1976, 35 pp. (RM 581, \$3)*
- Investing State Funds: The Wisconsin Investment Board, August 1976, 31 pp. RM 583, \$3)*
- * *Retirement System Consolidation: The South Dakota Experience, December 1976, 46 pp. (RM 588, \$3)*
- Centralizing State Information Services: Kentucky's Approach, November 1976, 6 pp. (BYL, \$2)*
- * *The Bond Bank Innovation: Maine's Experience, February 1977, 60 pp. (RM 604, \$3)*
 - * *Random Moment Sampling: Georgia's Indirect Cost Allocation Experiment, February 1977, 8 pp. (BAA, \$2)*
- A State-Supported Local Corrections System: The Minnesota Experience, February 1977, 29 pp. (RM 603, \$3)*
- Managing Natural Resource Data: Minnesota Land Management Information System, May 1977, 48 pp. (RM 616, \$3)*
- The Management Audit: A New Experiment in State Regulation of Utilities, July 1977, 6 pp. (BCP 77, \$2)*
- Developing Primary Health Care for Rural Areas in North Carolina, June 1977, 40 pp. (RM 620, \$3)*
- Merging Producer and Consumer Interests: Domestic Agricultural Marketing in New York and Pennsylvania, September 1977, 29 pp. (RM 623, \$3)*
- Health Cost Containment Revisited, July 1977, 8 pp. (BDC 77, \$2)*
- Systematic Use of Volunteers: A Florida Case Study, November 1977, 8 pp. (BEP 77, \$2)*
- Incentives and Performance: Minnesota's Management Plan, April 1978, 12 pp. (BHO 78, \$2)*
- Health Manpower Licensing: California's Demonstration Projects, April 1978, 24 pp. (RM 631, \$3)*
- Assessing Management Potential in State Government, April 1978 (RM 634, \$2)*
- Georgia's Residential Restitution Centers, May 1978 (RM 636, \$3)*
- Untangling the Permit Web: Washington's Environmental Coordination Procedures Act, June 1978, 45 pp. (RM 627, \$3)*
- Restoring Municipal Credit: The New Jersey Qualified Bond Program, June 1978, 10 pp. (RM 643, \$2)*
- Bail Bond Reform in Kentucky and Oregon, August 1978, 31 pp. (RM 645, \$3)*
- Permanent Part-Time Employment: A Staffing Option for State Government, August 1978, 10 pp. (RM 648, \$2)*
- New Mexico's Centralized Risk Management, May 1979 (BOV:79, \$3)*
- Vermont's New Signs of the Times, June 1979 (RM 666, \$2)*
- Financing Family Farms in Minnesota, May 1979, 6 pp. (RM 662, \$2)*

* Published version is out of print, but photocopied versions are available.

(11)

COMMITTEE REPORT

HOUSE

2/14/80

FURTHER:

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 733

"An Act establishing a reserve for operating expenses of state government for use only in a specified emergency; and providing for an effective date."

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

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 733

Title "An Act establishing a reserve for operating expenses of state government for use only in a specified emergency; and providing for an effective date." Date February 14, 1980

Requested by House Finance Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Treasury Management

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact. Reserve account set up in this Bill. Related Bill, HB 734, contains appropriation.

Anselm C. Staack

IV. DATE February 22, 1980 PREPARED BY Anselm C. Staack, Treasury Comptroller
 AGENCY Department of Revenue, Treasury Division
 PHONE 465-2351
 Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

7994
Bernier

Introduced: 2/14/80
Referred: Finance

1 IN THE HOUSE

BY MEEKINS, DUNCAN, MUNSON,
ROGERS AND GARDINER

2 HOUSE BILL NO. 733

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a reserve for operating expenses
7 of state government for use only in a specified emer-
8 gency; and providing for an effective date."

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

10 * Section 1. AS 37.05 is amended by adding a new section to read:

11 Sec. 37.05.159. RESERVE FOR EMERGENCY OPERATING EXPENSES ACCOUNT.

12 (a) There is established in the general fund the reserve for emergency
13 operating expenses account. The account consists of money appropriated
14 for the purposes of the account. The unencumbered and unexpended
15 balance of the account lapses into the general fund at the end of each
16 fiscal year.

17 (b) Money in the reserve for emergency operating expenses account
18 is available for expenditure or encumbrance only if

19 (1) the governor by proclamation determines that there is an
20 impairment of the flow of state revenues which will result in imminent
21 danger that the state will be unable to meet its operating budget obli-
22 gations and the governor orders that money from the account be used for
23 the operating expenses of state government to the extent set out in the
24 proclamation; and

25 (2) the governor calls a special session of the legislature
26 to consider all subjects relating to the impairment of the flow of state
27 revenues.

28 (c) A call for a special session under this section may be can-
29 celled by the unanimous agreement of the presiding officers of each

1 house, the chairman of the finance committee of each house, and the
2 governor before the special session convenes.

3 * Sec. 2. This Act takes effect July 1, 1980.
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ALASKA STATE LEGISLATURE

1980 Legislature SECOND Session

HOUSE BILL NO. 733

By MEEKINS, DUNCAN, MUNSON, ...
ROGERS AND GARDINER

"An Act establishing a reserve for operating expenses of state government for use only in a specified emergency; and providing for an effective date."

Operating expenses of state government, reserve

Introduced in the House ...2/14..., 19...80

HISTORY IN THE HOUSE

19 80	Read first time and referred to Committee on												
Feb. 14	Finance												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
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Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												
	CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
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Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by President												
	Returned to House												
	SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Lt. Governor
	Chapter No.



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.

James O. Smith
Signature of Camera Operator

3/20/90
Date

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 733
 Title "An Act establishing a reserve for operating expenses of state government for use ~~only~~ only in a specified emergency; and providing for Date February 14, 1980 an effective date."
 Requested by House Finance Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Collection and Management
 BRU, Program, or Subprogram(s) Affected Treasury Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact. Reserve account set up in this Bill. Related Bill, HB 734, contains appropriation.

Anselm C. Staack

IV. DATE February 22, 1980 PREPARED BY Anselm C. Staack, Treasury Comptroller
 AGENCY Department of Revenue, Treasury Division
 PHONE 465-2351
 Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 733

Title "An Act establishing a reserve for operating expenses of state government for use
~~expended~~ only in a specified emergency; and providing for Date February 14, 1980
an effective date."

Requested by House Finance Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Treasury Management

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EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

<u>GENERAL FUND</u>						
<u>FEDERAL FUNDS</u>						
<u>OTHER (Specify Fund Source)</u>						

POSITIONS

<u>FULL TIME</u>						
<u>PART TIME</u>						
<u>TEMPORARY</u>						

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

No fiscal impact. Reserve account set up in this Bill. Related Bill, HB 734, contains appropriation.

Anselm C. Staack

IV. DATE February 22, 1980 PREPARED BY Anselm C. Staack, Treasury Comptroller
AGENCY Department of Revenue, Treasury Division
PHONE 465-2351

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

Introduced: 2/14/80
Referred: Finance

1 IN THE HOUSE

BY MEEKINS, DUNCAN, MUNSON,
ROGERS AND GARDINER

2 HOUSE BILL NO. 733

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a reserve for operating expenses
7 of state government for use only in a specified emer-
8 gency; and providing for an effective date."

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

10 * Section 1. AS 37.05 is amended by adding a new section to read:

11 Sec. 37.05.159. RESERVE FOR EMERGENCY OPERATING EXPENSES ACCOUNT.

12 (a) There is established in the general fund the reserve for emergency
13 operating expenses account. The account consists of money appropriated
14 for the purposes of the account. The unencumbered and unexpended
15 balance of the account lapses into the general fund at the end of each
16 fiscal year.

17 (b) Money in the reserve for emergency operating expenses account
18 is available for expenditure or encumbrance only if

19 (1) the governor by proclamation determines that there is an
20 impairment of the flow of state revenues which will result in imminent
21 danger that the state will be unable to meet its operating budget obli-
22 gations and the governor orders that money from the account be used for
23 the operating expenses of state government to the extent set out in the
24 proclamation; and

25 (2) the governor calls a special session of the legislature
26 to consider all subjects relating to the impairment of the flow of state
27 revenues.

28 (c) A call for a special session under this section may be can-
29 celled by the unanimous agreement of the presiding officers of each

1 house, the chairman of the finance committee of each house, and the
2 governor before the special session convenes.

3 * Sec. 2. This Act takes effect July 1, 1980.
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THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST HOUSE BILL NO. 734
 Bill/Resolution No. HOUSE BILL NO. 734
 Title "An Act making a special appropriation to the Department of Revenue for the
XXXXXXXXXX reserve for emergency operating expenses account; Date February 14, 1980
and providing for an effective date."
 Requested by House Finance Committee

II. FISCAL DETAIL
 Agency Affected Department of Revenue
 Program Category Affected Revenue Collection and Management
 BRU; Program, or Subprogram(s) Affected Treasury Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	-0-	650,000.0	-0-	-0-	-0-	-0-
TOTAL	-0-	650,000.0	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	650,000.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Monies would be placed in special account designated "reserve for emergency operating expenses." Monies would be available if required by circumstances as set out in related Bill, HB 733.

Anselm C. Staack

IV. DATE February 22, 1980 PREPARED BY Anselm C. Staack, Treasury Comptroller
 AGENCY Department of Revenue, Treasury Division
 Original: Legislative Finance PHONE 465-2351
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

Funding Information
General Fund \$650,000,000
Other Funds -0-
\$650,000,000

Introduced: 2/14/80
Referred: Finance

BY MEEKINS, DUNCAN, MUNSON,
ROGERS AND GARDINER

1 IN THE HOUSE

2 HOUSE BILL NO. 734

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Revenue for the reserve for emergency operating
8 expenses account; and providing for an effective date."

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

10 * Section 1. The sum of \$650,000,000 is appropriated from the general
11 fund to the Department of Revenue for the reserve for emergency operating
12 expenses account.

13 * Sec. 2. This Act takes effect on the effective date of a version of an
14 Act entitled "An Act establishing a reserve for operating expenses of state
15 government for use only in a specified emergency; and providing for an effec-
16 tive date."

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COMMITTEE REPORT

(11)

HOUSE

2/14/80

FURTHER:

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 734

"An Act making a special appropriation to the Department of Revenue for the reserve for emergency operating expenses account; and providing for an effective date."

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

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

7993
Bermer

Funding Information
General Fund \$650,000,000
Other Funds -0-
\$650,000,000

Introduced: 2/14/80
Referred: Finance

BY MEEKINS, DUNCAN, MUNSON,
ROGERS AND GARDINER

1 IN THE HOUSE

2 HOUSE BILL NO. 734

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Revenue for the reserve for emergency operating
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11 fund to the Department of Revenue for the reserve for emergency operating
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14 Act entitled "An Act establishing a reserve for operating expenses of state
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16 tive date."

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29 COMMITTEE COPY

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND... Session

HOUSE BILL NO. .734..

By MEEKINS, DUNCAN, MUNSON, ...
ROGERS AND GARDINER

"An Act making a special appropriation to the Department of Revenue for the reserve for emergency operating expenses account; and providing for an effective date."

Sp appro, reserve for emergency operating expenses

Introduced in the House ...2/14..., 19..80

HISTORY IN THE HOUSE

19 80	Read first time and referred to Committee on																						
Feb. 14	Finance																						
	Reported back with recommendation that																						
	Read second time and																						
	Read third time and																						
	<table border="0"> <tr> <td style="text-align: center;">PASS</td> <td style="text-align: center;">Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2" style="text-align: center;">Reconsideration</td> </tr> <tr> <td style="text-align: center;">PASS</td> <td style="text-align: center;">Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date																						
Yeas	Yeas																						
Nays	Nays																						
Absent	Absent																						
Excused	Excused																						
Reconsideration																							
PASS	Effective Date																						
Yeas	Yeas																						
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	Signed by Speaker																						
	Sent to Senate																						
CHIEF CLERK OF THE HOUSE																							

HISTORY IN THE SENATE

19	Read first time and referred to Committee on																						
	Reported back with recommendation that																						
	Read second time and																						
	Read third time and																						
	<table border="0"> <tr> <td style="text-align: center;">PASS</td> <td style="text-align: center;">Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2" style="text-align: center;">Reconsideration</td> </tr> <tr> <td style="text-align: center;">PASS</td> <td style="text-align: center;">Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
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																						
	Returned to House																						
SECRETARY OF THE SENATE																							

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Lt. Governor
	Chapter No.