

CS FOR SENATE BILL NO. 171(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 4/7/16

Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the duties of the Department of Administration; relating to payment
2 of judgments against the state; relating to use of negotiated state contracts to make
3 arrangements for persons traveling on official business; relating to pre-audit of claims;
4 relating to the establishment and maintenance of an Internet website providing public
5 finance information and identifying the information to be available on the Internet
6 website; relating to travel costs and travel outside the state; repealing the authority of
7 the Department of Administration to make advances to the University of Alaska;
8 repealing the United States savings bond purchase plan; and providing for an effective
9 date."

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

11 * **Section 1.** AS 09.50.270 is amended to read:

12 **Sec. 09.50.270. Payment of judgment against the state.** An attachment or

1 execution may not issue against the state. When a final judgment is rendered against
 2 the state in an action, the clerk of the court shall immediately transmit a certified copy
 3 of the judgment to the Department of Law, [ADMINISTRATION] which shall either
 4 seek approval for [APPROVE] payment of the judgment against the state if a
 5 sufficient appropriation exists for payment, or audit the amount and transmit a copy to
 6 the legislature with the recommendation that an appropriation be made for its
 7 payment.

8 * **Sec. 2.** AS 14.40 is amended by adding a new section to read:

9 **Sec. 14.40.335. Use of negotiated state contracts.** The University of Alaska
 10 shall use state contracts negotiated by the Department of Administration to make
 11 arrangements for a person traveling on official business.

12 * **Sec. 3.** AS 37.05.190 is repealed and reenacted to read:

13 **Sec. 37.05.190. Pre-audit of claims.** The Department of Administration shall
 14 establish a financial system. The system must provide segregation of duties for
 15 certification of user input and authorization of financial transactions and sufficient
 16 budgetary controls to avoid spending beyond the approved legal authority. To access
 17 the system, a user shall certify an agreement that clearly identifies the user's
 18 responsibility to ensure the claim is in accordance with law.

19 * **Sec. 4.** AS 37.05.210(a) is amended to read:

20 (a) The Department of Administration shall

21 (1) file with the governor and with the legislative auditor before
 22 December 16 a report of the financial transactions of the preceding fiscal year and of
 23 the financial condition of the state as of the end of that year, prepared in accordance
 24 with generally accepted accounting principles and audited by the legislative auditor in
 25 accordance with generally accepted audit standards, with comments and
 26 supplementary data that the Department of Administration considers necessary; this
 27 report shall be printed for the information of the legislature and the public and shall
 28 be available electronically for use in the public finance Internet website under
 29 AS 37.05.215;

30 (2) compile statistics necessary for the budget and other statistics
 31 required by the governor;

1 (3) file a travel and compensation report with the legislature by
 2 January 31 of each year containing detailed information for the previous calendar year
 3 of the salaries, per diem, travel expenses, relocation expenses, and any additional
 4 allowances for

5 (A) the governor, the lieutenant governor, and the chiefs of
 6 staff of the governor and lieutenant governor;

7 (B) the president and vice-president of the University of Alaska
 8 and the chancellors of the individual campuses of the university;

9 (C) the commissioners or other executive heads of the principal
 10 departments in the executive branch of state government, and the deputy
 11 commissioners and division directors in those departments; and

12 (D) the executive heads of public corporations created by law,
 13 including the Alaska Railroad Corporation.

14 * **Sec. 5.** AS 37.05 is amended by adding a new section to article 2 to read:

15 **Sec. 37.05.215. Public finance Internet website.** (a) The Department of
 16 Administration shall develop, operate, and maintain a searchable Internet website that
 17 is accessible to the public at no cost and that provides financial information available
 18 from the central accounting system or the annual financial report prepared and filed
 19 under AS 37.05.210(a)(1) describing

20 (1) state revenue for the preceding month, including

21 (A) a receipt or deposit by a state agency into a fund or account
 22 established within the state treasury;

23 (B) proceeds from taxes received, including a compulsory
 24 contribution imposed by the state for the purpose of financing services;

25 (C) agency earnings, including amounts collected for sales or
 26 services, licenses or permits issued, or otherwise received by an agency under
 27 the agency's regulations;

28 (D) revenue received for the use of state money or property,
 29 including interest and lease payments;

30 (E) gifts, donations, and federal receipts; and

31 (F) other revenue;

- 1 (2) expenditures for the preceding month, including
- 2 (A) the name and location of any person to whom payment was
- 3 made;
- 4 (B) the amount of the expenditure disbursed;
- 5 (C) the appropriation and allocation that is the source of
- 6 funding for the expenditure;
- 7 (D) the type of transaction, by account code, including the
- 8 purpose of the expenditure;
- 9 (E) other information specified by the department;
- 10 (3) state revenue and expenditures, summarized for the preceding
- 11 fiscal year, as follows:
- 12 (A) general fund revenue sources;
- 13 (B) general fund expenditures categorized by function;
- 14 (C) general fund expenditures categorized by department;
- 15 (D) general fund expenditures categorized by account; and
- 16 (E) total general fund revenue versus expenditures;
- 17 (4) total assets versus liabilities at the end of the fiscal year;
- 18 (5) the fiscal year-end balance for each state fund; and
- 19 (6) for the preceding 10 years, by fiscal year, the following:
- 20 (A) the number of full-time employees employed by the state;
- 21 (B) the total long-term debt owed by the state;
- 22 (C) total general fund expenditures; and
- 23 (D) total general fund payroll.
- 24 (b) The Department of Administration shall update the information described
- 25 in (a)(1) and (2) of this section on the Internet website on a monthly basis and the
- 26 information described in (a)(3) - (6) of this section on an annual basis.
- 27 (c) The Department of Revenue and other state agencies that use the central
- 28 accounting system shall provide information to the Department of Administration that
- 29 is necessary to comply with the requirements of this section.
- 30 (d) Nothing in this section requires disclosure of information that is
- 31 confidential under state or federal law. However, the Department of Administration

1 shall provide aggregated or summarized information describing confidential revenue
 2 and expenditures if the aggregated or summarized information continues to protect
 3 confidentiality.

4 (e) In this section,

5 (1) "expenditure" means a payment from the state treasury that is made
 6 as a grant, subgrant, contract, subcontract, loan, lease, cooperative agreement,
 7 purchase order, task order, delivery order, or other form of financial transaction;
 8 however, "expenditure" does not include the transfer of money between state agencies,
 9 individual payments to state employees or retirees, or payment of state or federal
 10 assistance to an individual;

11 (2) "searchable Internet website" means an Internet website that allows
 12 searching, extracting, compiling, and aggregating information from the data available
 13 on the website.

14 * **Sec. 6.** AS 39.20.140(b) is amended to read:

15 (b) The Department of Administration may not reimburse an official or
 16 employee or pay for more than the lowest [TOURIST CLASS] fare for the most direct
 17 route **to accomplish the business purpose of the travel** unless

18 [(1) TOURIST CLASS ACCOMMODATION IS NOT AVAILABLE;

19 (2) WAITING FOR TOURIST CLASS ACCOMMODATION
 20 WOULD OCCASION A DELAY HARMFUL TO THE STATE; OR

21 (3)] the Department of Administration finds that travel **at the lowest**
 22 **fare** [BY TOURIST CLASS ACCOMMODATION] is not in the best interest of the
 23 state, and authorizes other accommodation.

24 * **Sec. 7.** AS 39.20.140(c) is repealed and reenacted to read:

25 (c) When the Department of Administration authorizes a fare other than the
 26 lowest fare under (b) of this section, the department shall file the approval with the
 27 travel authorization.

28 * **Sec. 8.** AS 37.10.088; AS 39.40.010 and 39.40.020 are repealed.

29 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
 30 read:

31 DELAYED AVAILABILITY. The Internet website established under AS 37.05.215,

1 added by sec. 5 of this Act, shall be available to the public on or before January 1, 2017.

2 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 **TRANSITIONAL PROVISIONS.** The Internet website established under
5 AS 37.05.215, added by sec. 5 of this Act, notwithstanding the requirements of
6 AS 37.05.215(a), must implement and expand a public data portal as follows:

7 (1) software for expenditure transactions, by July 1, 2017;

8 (2) employee payroll transactions, by January 1, 2019;

9 (3) revenue transactions, by January 1, 2020.

10 * **Sec. 11.** This Act takes effect July 1, 2016.