

1 SB78
2 115845-1
3 By Senator Bedford
4 RFD: Finance and Taxation General Fund
5 First Read: 12-JAN-10
6 PFD: 01/05/2010

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8 SYNOPSIS: Under existing law, each state agency,
9 department, board, and bureau must prepare an
10 annual plan for its operations, submit it to the
11 Department of Finance for approval, and may expend
12 legislative appropriations only pursuant to that
13 plan.

14 This bill would authorize the Judicial
15 Branch to spend its legislative appropriations
16 without obtaining prior approval from the
17 Department of Finance.

18
19 A BILL
20 TO BE ENTITLED
21 AN ACT

22
23 To amend the budget management act; to amend Section
24 41-19-10, Code of Alabama 1975, to exempt the Judicial Branch
25 from certain provisions of the Budget Management Act and to
26 authorize the Judicial Branch of government to expend its

1 legislative appropriations without prior approval of the
2 Department of Finance.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. The Legislature finds that after the
5 Legislature enacts yearly appropriations for the Judicial
6 Branch, the Judicial Branch should be authorized to allot and
7 expend the funds appropriated to it during the fiscal year
8 without being required to obtain the approval of the Finance
9 Director, the Governor, or any member of the Executive Branch
10 for any such allotments or expenditures.

11 Section 2. (a) As used in this act, agencies of the
12 Judicial Branch include the Supreme Court, the Court of
13 Criminal Appeals, the Court of Civil Appeals, the
14 Administrative Office of Courts, the Supreme Court Law
15 Library, and the Judicial Inquiry Commission.

16 (b) After enactment by the Legislature of an
17 appropriation to an agency of the Judicial Branch, the agency
18 shall determine how to allot the spending of the appropriated
19 funds and, independent of the control or approval of the
20 Department of Finance, the Governor, or any other member of
21 the Executive Branch of government, shall be authorized to
22 order and direct the disbursement of its appropriated funds.

23 (c) Not later than 30 days prior to the start of
24 each fiscal year, each agency of the Judicial Branch shall
25 deliver to the Department of Finance a nonbinding operations
26 plan estimating the amount of appropriated funds that are
27 anticipated to be disbursed or paid out of its appropriated

1 funds in each of the fiscal year's four quarters. The plan
2 shall be for information purposes only and shall not restrict
3 or limit the authority of the agency to allot, order, or
4 direct expenditures of its appropriated funds in any manner,
5 at any time, or in any amount subsequently deemed necessary or
6 advisable by the agency.

7 Section 3. An agency of the Judicial Branch, at any
8 time during a fiscal year, may amend or revise its operations
9 plan for that fiscal year when, in its sole discretion, it
10 deems it necessary or advisable to do so. Such revisions, upon
11 the approval and consent of the head of the agency involved,
12 may include transfers of appropriated funds from one agency of
13 the Judicial Branch to another. In the event of any amendment
14 or revision to an operations plan, the affected agency of the
15 Judicial Branch shall promptly advise the Department of
16 Finance of the amendment or revision.

17 Section 4. Assuming that the constitutional mandate
18 of adequate and reasonable financing for the Unified Judicial
19 System contained in Section 6.10 of Amendment 328 to the
20 Constitution of Alabama of 1901, now appearing as Section 149
21 of the Official Recompilation of the Constitution of Alabama
22 of 1901, as amended, is not violated thereby, this act does
23 not affect the Governor's authority in circumstances specified
24 in Section 41-4-90 of the Code of Alabama 1975, to declare
25 proration for all parts of state government receiving
26 legislative appropriations, including agencies of the Judicial
27 Branch.

1 Section 5. Section 41-19-10, Code of Alabama 1975,
2 is amended to read as follows:

3 "§41-19-10.

4 "(a) Except as limited by policy decisions of the
5 Governor, appropriations by the Legislature and other
6 provisions of law, the several state agencies/departments
7 shall have full authority for administering their program
8 assignments and appropriations and shall be responsible for
9 their proper management.

10 "(b) Each state agency/department shall prepare an
11 annual plan for the operation of each of its assigned
12 programs. The operations plan shall be prepared in the form
13 and content and be transmitted on the date prescribed to the
14 Department of Finance.

15 "(c) The Department of Finance shall:

16 "(1) Review each operations plan to determine that
17 it is consistent with the policy decisions of the Governor and
18 appropriations by the Legislature, that it reflects proper
19 planning and efficient management methods and that
20 appropriations have been made for the planned purpose and will
21 not be exhausted before the end of the fiscal year;

22 "(2) Approve the operations plan if satisfied that
23 it meets the requirements under subdivision (1) of this
24 subsection; otherwise, the Department of Finance shall require
25 revision of the operations plan in whole or in part; and

26 "(3) Modify or withhold the planned expenditures at
27 any time during the appropriation period if the Department of

1 Finance finds that such expenditures are greater than those
2 necessary to execute the programs at the level authorized by
3 the Governor and the Legislature or that the revenues and
4 resources will be insufficient to meet the authorized
5 expenditure levels.

6 "(d) No state agency/department may increase
7 salaries of its employees, employ additional employees or
8 expend money or incur any obligations except in accordance
9 with law and with a properly approved operations plan by the
10 Director of Finance.

11 "(e) Appropriation transfers or changes as between
12 objects of expenditures within a program may be made only by
13 the Director of Finance. Appropriation transfers or changes
14 between programs within an agency/department may be made only
15 by the Governor and shall be reported to the Legislature
16 quarterly. No transfers shall be made between
17 agencies/departments except pursuant to interagency agreements
18 executed for purposes of accomplishing objectives for which
19 the funds involved were appropriated.

20 "(f) The Department of Finance shall report
21 quarterly to the Governor and the Legislature on the
22 operations of each state agency/department, relating actual
23 accomplishments to those planned and modifying, if necessary,
24 the operations plan of any agency/department for the balance
25 of the fiscal year.

1 "(g) Subsections (b), (c), (d), and (e) do not apply
2 to an agency of the Judicial Branch or to appropriations for
3 support of an agency of the Judicial Branch."

4 Section 6. Any laws or parts of laws which conflict
5 with this act are hereby repealed and the provisions of
6 Section 41-19-10, Code of Alabama 1975, is hereby amended to
7 exempt the Supreme Court, the Court of Criminal Appeals, the
8 Court of Civil Appeals, the Administrative Office of Courts,
9 the Supreme Court Law Library, and the Judicial Inquiry
10 Commission and their respective appropriations from their
11 application.

12 Section 7. This act shall become effective
13 immediately following its passage and approval by the
14 Governor, or its otherwise becoming law.