

# ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH  
HOUSE DISTRICT 4



ALASKA  
STATE CAPITOL  
JUNEAU, ALASKA  
99801-1182

(907) 465-3744  
FAX (907) 465-2273

CS for HB 109 (FIN)

## **New Funding Procedures for Stale-Dated State Warrants & Misc. Claims**

### **Sponsor Statement**

This bill changes the period after which a state warrant may no longer be presented for payment. The changes made by the bill reconcile the existing inconsistency between the payment of warrants statute ([AS 37.05.180](#)) and the unclaimed property statute ([AS 34.45.230](#)). Unless excepted under existing [AS 37.05.180](#), a state warrant currently must be presented for payment within two years after the date of issuance. After two years, money held for the payee is released to the state treasury. If the payee subsequently presents the stale-dated warrant for payment, the issuing agency must obtain a new appropriation in order to pay for it.

Under the bill, a state warrant would be presumed abandoned after six months from the date it was issued. The money held to cover presentment of the warrant would be transmitted to the custody of the administrator of unclaimed property, in the Department of Revenue. A payee who subsequently presents a warrant after the six-month period could claim payment under the unclaimed property procedures in [AS 34.45](#). The advantage of this change is that the stale-dated warrant could be paid immediately from the standing appropriation for unclaimed property rather than awaiting enactment of another appropriation expressly made to validate the stale warrant. Pending a valid claim to recover the abandoned money, money held to pay the warrant would be available in the general fund for appropriation by the legislature for other public purposes.

The Finance Committee made similar modifications to how miscellaneous claims are handled. Currently when a claim is presented that is over two years old, the department must process it through the supplemental budget process. [HB 109](#) allows claims from earlier fiscal years to be paid from the department's current operating appropriation as long as the department has sufficient lapsed balance in the year of the original claim. However, if the miscellaneous claim cannot be accommodated in the current operating appropriation or is larger than the lapsed funds for the related earlier year, the department would still have to request funding in the supplemental budget request.

Last updated: April 14, 2003