

1992 BILL 36

Fourth Session, 22nd Legislature, 41 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 36

SPENDING CONTROL ACT

THE PROVINCIAL TREASURER

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 36

1992

SPENDING CONTROL ACT

(Assented to _____, 1992)

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HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

Definitions

1 In this Act,

- (a) “controlled fiscal year” means a fiscal year referred to in section 2;
- (b) “forecast base” means the forecast of program spending in the previous fiscal year included in the budget address for a controlled fiscal year;
- (c) “forecast program spending” means the aggregate of
 - (i) the authorized voted program spending minus the projected lapse of authorized voted program spending, and
 - (ii) the projected net statutory program spending;

- (d) “program spending” for a fiscal year means the total budgetary expenditure of the General Revenue Fund but does not include the following:
 - (i) debt servicing costs for the fiscal year;
 - (ii) valuation and similar adjustments and obligations of the Crown in right of Alberta under guarantees and indemnities for the fiscal year;
 - (iii) special expenditures made pursuant to a statute that is not an Act for general supply for the fiscal year;
- (e) “tax expenditure” means a reduction in money otherwise payable to the Crown in right of Alberta that funds, in whole or in part, a program, service or benefit.

Limitations on
GRF spending

2(1) No expenditure from the General Revenue Fund shall be authorized during the fiscal year beginning April 1, 1992 and ending March 31, 1993 without the prior consent of the Legislative Assembly if authorizing the expenditure of the amount of money estimated to be required would result in the forecast program spending for the year exceeding the forecast base for the year by more than 2.5% of the forecast base.

(2) No expenditure from the General Revenue Fund shall be authorized during the fiscal year beginning April 1, 1993 and ending March 31, 1994 without the prior consent of the Legislative Assembly if authorizing the expenditure of the amount of money estimated to be required would result in the forecast program spending for the year exceeding the forecast base for the year by more than 2.25% of the forecast base.

(3) No expenditure from the General Revenue Fund shall be authorized during the fiscal year beginning April 1, 1994 and ending March 31, 1995 without the prior consent of the Legislative Assembly if authorizing the expenditure of the amount of money estimated to be required would result in the forecast program spending for the year exceeding the forecast base for the year by more than 2% of the forecast base.

Adjustments to
forecast base

3(1) If at any time an expenditure that is included in the program spending for a fiscal year is transferred to a fund other than the General Revenue Fund or dealt with in such a way that the expenditure is made from a fund other than the General Revenue Fund, the Provincial Treasurer shall decrease the forecast base so that it reflects the change for the purposes of section 2.

(2) If at any time an expenditure that is not included in the program spending for a fiscal year is transferred from a fund other than the General Revenue Fund to the General Revenue Fund or is dealt with in such a way that the expenditure is made from the General Revenue Fund, the Provincial Treasurer shall increase the forecast base so that it reflects the change for the purposes of section 2.

(3) If a program, service or benefit that is funded by an expenditure from the General Revenue Fund that is included in the program spending for a fiscal year is changed so that it becomes a tax expenditure, the Provincial Treasurer shall decrease the forecast base so that it reflects the change for the purposes of section 2.

(4) If a tax expenditure is changed so that the method of funding a program, service or benefit becomes part of the program spending for a fiscal year, the Provincial Treasurer shall increase the forecast base so that it reflects the change for the purposes of section 2.

(5) If a statute enacted after this Act comes into force provides for a tax expenditure, the amount by which the forecast program spending may be increased under section 2 shall be reduced by an amount equal to the projected amount by which the money otherwise payable to the Crown in right of Alberta is reduced by the tax expenditure.

Special
warrants

4(1) If the Provincial Treasurer recommends to the Lieutenant Governor in Council that a special warrant be signed by the Lieutenant Governor authorizing an expenditure from the General Revenue Fund for a controlled fiscal year, the Provincial Treasurer shall issue a report showing that authorizing the expenditure will not contravene section 2.

(2) The Provincial Treasurer may take into account any estimated lapses of the authorized expenditures for a controlled fiscal year in a report under subsection (1).

Transfer from
vote to vote

5(1) A member of the Executive Council, with the consent of the Treasury Board, may transfer during a controlled fiscal year all or part of the amount authorized by a vote in an Act for general supply for the controlled fiscal year that is administered by the member to another vote that is administered by the member.

(2) An amount transferred under subsection (1)

- (a) is deemed not to be included in the vote from which the amount is transferred, and
- (b) is added to and deemed to be part of the vote to which it is transferred.

Report of
Provincial
Treasurer

6 The Provincial Treasurer shall prepare a report on the compliance of the Government with this Act for a controlled fiscal year and shall lay a copy of the report before the Legislative Assembly within 30 days of the budget address for the next fiscal year if the Legislative Assembly is sitting then or, if it is not sitting then, within 30 days after the commencement of the next ensuing sitting.

Application of
Act

7 This Act applies notwithstanding the *Financial Administration Act* and any other Act unless the contrary is expressly declared in the *Financial Administration Act* or that other Act.