

# Alaska State Legislature

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## REPRESENTATIVE MIKE CHENAULT SPEAKER OF THE ALASKA STATE HOUSE

### SPONSOR STATEMENT HB 30

In 1977 the Alaska State Legislature found there was a need for an effective and regular system of scrutinizing the programs and activities of all State agencies, boards and commissions. The legislature further found that the establishment of a system for periodic review by the public, the executive and legislative branches of certain state agencies, boards and commissions would help the governor and the legislature determine the need for the continued existence of each. Under AS 44.66, this review has continued since 1977 for boards and commissions. The dates to review programs and agencies of the state ended in 1983 and were never reenacted.

Low oil revenues contained budget growth from the early Eighties through to 2004. State revenues grew dramatically when the price of oil rose in 2004, and the budget grew accordingly. The current legislative budget process mainly looks at increments and without a regular system of scrutiny, annual budgets continue to grow. Other states have incorporated performance reviews that have resulted in significant budgetary savings.

This legislation will renew the effective and regular system of scrutiny of our departments by authorizing performance reviews. The legislation has been crafted to model some of the aspects of the Texas Sunset Commission reviews, but utilizes minimal staff and outsourced independent contract work to complete the process under the auspices of the Legislative Audit Division.

The information provided by these reviews will include authority, accountability, effectiveness, efficiency and necessity of departments and their programs. The report, along with draft legislation to fix issues, will provide the House and Senate finance committees with in-depth information needed to fund state budgets appropriately.

The ultimate benefit of these reviews will be for Alaskans. It will ensure Alaska government is working for Alaskans in an effective and efficient manner.