

REPRESENTATIVE
SHELLEY HUGHES

Transportation
Co-Chair
Labor and Commerce
Vice Chair

Unmanned Aircraft Systems Legislative Task Force
Co-Chair

Military & Veterans' Affairs Committee
Community & Regional Affairs Committee
Transportation Finance Subcommittee
Corrections Finance Subcommittee
Fish & Game Subcommittee

ALASKA STATE LEGISLATURE



HOUSE OF REPRESENTATIVES District 11 – Greater Palmer

Session:
State Capitol, Room 13
Juneau, Alaska 99801-1182
907-465-3743

Interim:
600 E. Railroad Ave.
Wasilla, AK 99654
907-376-3725
1-800-565-3743

Rep.Shelley.Hughes@akleg.gov
housemajority.org/members/ShelleyHughes
facebook.com/AKShelleyHughes

March 1, 2016

Sponsor Statement HB 386 version W

I am happy to introduce cost savings legislation aimed at providing the framework for long term cost reductions statewide. HB 368 eliminates statutory barriers that have prohibited the administration from making substantial cost-saving changes. Policy adjustments are necessary in areas that cannot be addressed through the operating budget process. The bill would implement the following changes:

- Establishes the framework for a Retirement Incentive Program (RIP) for employees that are within three years of their normal retirement date.
- Reduces the number of special assistants to the commissioner to better fit the upper level management needs of state agencies.
- Statutory requirement for employee contribution to the state's health care system will be increased to levels similar to most private sector medical plans.

This will not impact collective bargaining contracts but I hope it will set precedent that future negotiations will follow suit.

- Eliminates the paper production of reports by State Agencies to the Legislature and the public. This measure will save on paper, printing, and artwork.
- New initiatives to incentivize state employees who present the Governor's office with money saving efficiencies and ideas.

Who better than state employees to know the ins and outs of their departments and offer budget saving, innovative ideas? We want to encourage that.

- Furlough for state employees requiring ten days of unpaid leave annually
- Restriction on transfer or changes to the personal services object expenditures in an agency budget.

A restriction on transferring funds out of the personal services line will reduce an agency's ability to leave a position vacant and use the funds intended for salary and benefits to be used for other purposes.

Alaska is facing a fiscal shortfall of nearly four billion dollars. HB 368 provides the administration and the legislature with a variety of management tools that, when implemented, could save the state money. It's time to reduce costs every way possible.