



REPRESENTATIVE STEVE THOMPSON

House Majority Leader

Serving House District 2 • Fairbanks and North Pole

Sponsor Statement

House Bill 121

"An Act relating to performance reviews and audits of state agencies, the University of Alaska, and the Alaska Court System; and providing for an effective date."

In 2013, the Alaska State Legislature passed HB 30, an "Act relating to performance reviews and audits of our state government." With this legislation, the legislature hoped to create a system to provide legislators with information that would result in meaningful insight into the authority, accountability, effectiveness, efficiency and necessity of departments and their programs. This information was intended to provide legislators with tools to identify specific ways in which our government could better serve all Alaskans and be better stewards of our state's resources.

After more than 5 years and four completed audits, Departments of Correction, Health and Social Services, and Education, the state has failed to realize the anticipated benefits of performance review audits. This is due in no small part to the fact that the audits have been completed by out of state entities whose recommendations frequently demonstrate a lack of understanding of the challenges we face, or the factors that make Alaska such a unique state.

House Bill 121 repeals the statutory obligation for performance review audits. The creation of agency performance reviews was a well-intentioned attempt, but all indications suggest that they have not resulted in better governance. In FY18, FY19, and FY20 the Legislative Auditor submitted an increment for over one million dollars to continue these performance audits. These requests were denied as the performance audits have been placed on hold due to our fiscal situation.

Currently, there are 15 agencies that are awaiting audits stretching out to 2023. By repealing the statutory obligation for performance review audits, the legislature will further demonstrate that we are serious about eliminating wasteful spending from our budget.

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