

Alaska State Legislature

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Session: Capitol Room 24
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House Ways and Means

Sponsor Statement – HB 190—Alaska Sunset Commission

Alaska spends twice as much as other states on government. There is not enough time or information available to utilize the annual budget process to ensure efficient spending, effective service delivery and continual process improvement in state agencies.

The Executive Budget Act requires the Governor and his agencies to use performance and financial data in its budgeting process and to provide such information to the legislature for its budget deliberations. Nonetheless, the Executive Budget Act is not being followed by the executive or the legislature as it should. Data provided by executive departments is insufficient for program evaluation, planning and budgeting.

In addition, for the past ten years, the State Auditor has produced performance review audits of state agencies. Again, these resources are not being utilized by state agencies or the legislature, and the statute is sunseting.

HB 190 aims to both provide usable data and impose recourse into the review process. Adding an extensive third-party review, and the real risk that an entity of government will be eliminated by law, may be the external disruption necessary to lead to leaner government.

HB 190 “The Alaska Sunset Commission Act” will help ensure adherence to performance requirements and process improvement in the operation of our state government. The bill establishes the Alaska Sunset Commission under the Lieutenant Governor as an independent and objective group charged with reviewing each department by division in the state on a rotating schedule.

The Commission will be comprised of seven individuals from the private sector with financial, budget analysis, accounting, operations management, and other areas of expertise who will be appointed by the governor (3), speaker of the house (2) and president of the senate (2). Commissioners will have staggered terms of five years, choose a chair, and will serve without

compensation but commissioners will be entitled to per diem and travel expenses authorized for boards and commissions. The Commission may employ staff and hire consultants as it determines necessary to perform its duties.

Duties of the commission will be to determine whether there is a public need for the continuation of the entity and to make a recommendation to the legislature to continue, discontinue, restructure, or transfer the duties and programs of the entity to another entity.

The Commission will review the entities of one department each year that will include adherence to financial and performance requirements under the Executive Budget Act, utilization of process improvement, efficiency of operations, overlap with other state entities, and the extent to which the entity is making it difficult to do business in Alaska.

The Commission will submit a report to the Governor and Legislature within the first 10 days of legislative session that includes a recommendation to continue, discontinue, restructure, or transfer duties to another entity.

Along with the submission of the report to the legislature, the Commission will provide any recommended statutory changes necessary to accomplish the recommendations in the report to the Rules Committees with requests to introduce the legislation.

If the legislature does not act on the Commission's report, the entity subject of the report will be sunset at the conclusion of the following fiscal year.