

SENATE CS FOR CS FOR HOUSE CONCURRENT RESOLUTION NO. 1(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/8/95

Referred: Finance

Sponsor(s): REPRESENTATIVES Phillips, B.Davis, Green, Rokeberg, Navarre, James, Williams, Bunde, Kohring

A RESOLUTION

1 Creating the Long Range Financial Planning Commission.

2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 WHEREAS state spending has exceeded recurring revenue to the state; and

4 WHEREAS the state must eliminate the fiscal gap; and

5 WHEREAS the state is currently forced to deal with an unpredictable and declining
6 revenue stream; and

7 WHEREAS the state must find a means of stabilizing revenue and expenditures at a
8 sustainable level; and

9 WHEREAS the state's system of budgeting and spending must be analyzed and
10 reevaluated by the legislature; and

11 WHEREAS the citizens of the state should have an opportunity to consider these
12 topics, offer comments, and participate in developing a long-range financial plan for the state;
13 and

14 WHEREAS it would be beneficial to the state and its citizens to implement a long-
15 range financial plan to promote economic stability by diversifying the state's economy and
16 lessening dependence on oil revenue;

1 **BE IT RESOLVED** that the Alaska State Legislature establishes the Long Range
2 Financial Planning Commission in order to develop and recommend to the governor and the
3 legislature a long-range financial plan for the state; and be it

4 **FURTHER RESOLVED** that the commission shall consist of the following voting
5 members:

6 (1) nine members of the public, not to include members of the legislative,
7 executive, or judicial branches; the Speaker of the House of Representatives, the President of
8 the Senate, and the Governor shall each appoint three of these members;

9 (2) two members of the House of Representatives appointed by the Speaker
10 of the House; one member shall be a member of the majority and one a member of the
11 minority;

12 (3) two members of the Senate appointed by the President of the Senate; one
13 member shall be a member of the majority and one a member of the minority; and

14 (4) two members of the executive branch appointed by the Governor; and be
15 it

16 **FURTHER RESOLVED** that the commission shall select a chair and vice-chair from
17 among the public members of the commission, shall meet as frequently as the commission
18 determines necessary to perform its work, may meet during the interim, and may meet and
19 vote by teleconference; and be it

20 **FURTHER RESOLVED** that the public members of the commission shall serve
21 without compensation but are entitled to travel expenses and per diem as authorized under
22 AS 39.20.180 for boards and commissions; and be it

23 **FURTHER RESOLVED** that the commission may hire staff to carry out its duties;
24 and be it

25 **FURTHER RESOLVED** that the commission shall

26 (1) review and evaluate state fiscal policy and strategy recommendations and
27 assumptions from reports and publications from similar efforts in the past made by the
28 executive branch, the legislative branch, the University of Alaska, nonprofit organizations, and
29 private individuals and organizations;

- 1 (2) identify and evaluate all current state income sources and assets, including
2 recurring revenue, reserves, physical resources, and investments;
- 3 (3) identify and prioritize systemic changes to stabilize the state's revenue
4 stream;
- 5 (4) identify and prioritize major reductions in state expenditures, to include
6 formula and nonformula programs, and to include proposed consolidation, transfer, or
7 elimination of governmental services or programs; the reductions identified and prioritized
8 under this paragraph must at least equal the current fiscal gap between recurring revenue and
9 recurring expenditures;
- 10 (5) evaluate forward funding of the budget;
- 11 (6) identify and prioritize new sources of revenue;
- 12 (7) project a sustainable long-range financial plan for the next three years, five
13 years, and 10 years, based on a stable revenue stream;
- 14 (8) evaluate constitutional, statutory, and regulatory language relating to the
15 budget process and recommend changes;
- 16 (9) consider the division of responsibility for providing services and raising
17 revenue between the state and local governments and evaluate the effect of the long-range
18 financial plan on local governments;
- 19 (10) submit a preliminary report to the Governor and the Legislature by
20 July 15, 1995;
- 21 (11) disseminate information and solicit public comment;
- 22 (12) submit a final report to the Governor and the Legislature by October 1,
23 1995, recommending a long-range financial plan for the state, including specific actions and
24 legislation needed to implement and monitor the plan; and be it

25 **FURTHER RESOLVED** that the commission is authorized to begin work immediately
26 upon the appointment of its full membership or March 15, 1995, whichever date is earlier, and
27 is terminated upon the convening of the Second Regular Session of the Nineteenth Alaska
28 State Legislature.