

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2

HOUSE RESOLUTION NO. 5

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the effect of budget re-

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ductions on local governments.

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BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

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WHEREAS the state and each of its communities are engaged in a cooper-

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ative effort to provide basic services to the residents of the state in the

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most effective manner; and

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WHEREAS during the recently ended period of high oil revenue the state

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shared its wealth with local communities on an unprecedented scale and thus

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helped ease the fiscal problems that faced local governments at that time;

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and

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WHEREAS local governments were encouraged by the state's revenue

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sharing policies and capital expenditures to expand levels of public ser-

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vice; and

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WHEREAS the years of capital expenditures have created dependence in

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our communities on amenities such as roads, water systems and sewers, power

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plants, fire halls, clinics, schools, and community buildings that require

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public funds for their maintenance; and

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WHEREAS state operating budget expenditures have also created vul-

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nerability in those segments of our society that have been most dependent

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on federal, state, and municipal services, most notably AFDC households and

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senior citizens; and

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WHEREAS the state and local governments have already experienced the

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termination of federal revenue sharing and a marked reduction in federal

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domestic assistance; and

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WHEREAS many traditional support mechanisms are no longer in place and

1 local service delivery systems are having difficulty meeting the additional  
2 service requirements; and

3 WHEREAS the budget proposed by the Governor reflects a shift by state  
4 agencies of program and service responsibilities to other levels of govern-  
5 ment without a proper consideration of the cumulative effect of that shift  
6 on local governments and communities; and

7 WHEREAS state agency budget reductions relative to the reduction in  
8 associated "flow-through" funding are not being proposed in an equal or  
9 equitable manner; and

10 WHEREAS principles of self-determination as well as the Alaska Consti-  
11 tution require the legislature to provide for the performance of services  
12 with maximum local participation and responsibility; and

13 WHEREAS the proposed reduction in the operating budget of the state  
14 will result in a direct reduction of local government services and an  
15 increase in local taxation; and

16 WHEREAS local governments of the state understand that the current  
17 contraction of the economy will cause a reduction in the operating budget  
18 of the state, the local governments should not be expected to assume a  
19 larger share of the burden than state agencies;

20 BE IT RESOLVED that the House of Representatives respectfully requests  
21 the Governor to prepare a comprehensive fiscal analysis of the cumulative  
22 effect of agency program and pass-through budget reductions on the local  
23 communities in the state; and be it

24 FURTHER RESOLVED that the Governor is respectfully requested to pre-  
25 pare and deliver this analysis to the House of Representatives by April 16,  
26 1987.