

SENATE BILL NO. 373  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 3/31/94  
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a comprehensive state financial plan and to the Solving  
2 Alaska's Fiscal Emergency (S.A.F.E.) Commission; and providing for an effective  
3 date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 \* Section 1. SOLVING ALASKA'S FISCAL EMERGENCY COMMISSION. (a) There  
6 is created in the legislative branch the Solving Alaska's Fiscal Emergency (S.A.F.E.)  
7 Commission to develop and update a comprehensive four-year financial plan for the state.  
8 The commission consists of the governor or the governor's designee, two public members  
9 appointed by the governor, the president of the senate or the president's designee, two public  
10 members appointed by the president of the senate, the speaker of the house of representatives  
11 or the speaker's designee, and two public members appointed by the speaker of the house of  
12 representatives. The public members may not be elected officials of the state. The public  
13 members serve at the pleasure of the appointing authority. The members of the commission  
14 shall elect public members to serve as chair and vice-chair of the commission.

- 1 (b) The commission shall
- 2 (1) review and identify anticipated state expenditures, recurring revenue,
- 3 reserves, and potential revenue sources;
- 4 (2) review and identify fiscal assumptions concerning state finances that have
- 5 been made by planners and financial managers in government and the private sector;
- 6 (3) recommend strategies for generating sustainable sources of future state
- 7 revenue and legislation to implement the recommendations;
- 8 (4) if new taxes are recommended, investigate specific tax structures and
- 9 revenue consequences and submit draft legislation to implement the recommendations;
- 10 (5) disseminate information and solicit public input from the various regions
- 11 of the state in the development and review of the proposed financial plan and tax proposals;
- 12 (6) review state programs, especially formula-driven programs, and recommend
- 13 deductions in state expenditures to reach a sustainable level;
- 14 (7) recommend structural changes to the way the state budget is prepared to
- 15 ensure that the governor and the legislature have information on which to base decisions.
- 16 (c) The commission may
- 17 (1) hire staff;
- 18 (2) hold public hearings; and
- 19 (3) adopt rules for the conduct of its business.
- 20 (d) Public members of the commission are entitled to per diem and travel expenses
- 21 authorized under AS 39.20.180.
- 22 (e) The commission shall submit a final report to the legislature on or before
- 23 February 1, 1995. The report must contain a comprehensive state financial plan for fiscal
- 24 years 1996 - 1999, together with recommended legislation to implement the plan. The
- 25 commission is terminated February 1, 1996.
- 26 \* Sec. 2. LEGISLATIVE ACTION. Unless the legislature by April 1, 1996, adopts a
- 27 resolution rejecting the state financial plan submitted by the S.A.F.E. commission, the plan
- 28 goes into effect and it is binding upon the legislature to implement it in accordance with its
- 29 terms. The legislature may not reject a portion of the plan or otherwise alter it in any way.
- 30 \* Sec. 3. This Act takes effect immediately under AS 01.10.070(c).