

HAR

5

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House C+RA 3-23-87 3:00p.m.



Alaska State Legislature

House of Representatives

Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

M E M O R A N D U M

To: Representative Niilo Koponen

From: Representative Henry Springer, Chairman
Community and Regional Affairs Committee *HS*

Subject: HR 5 - Local Effects of State Budget Cuts

Date: February 5, 1988

Following is information on HR 5, per your request, for your work on the Economic Recovery Committee.

HR 5, initiated by the House Community and Regional Affairs Committee on March 5, 1987, reflects the concern of the Committee about the financial situation in municipalities.

While the Administration is passing on reductions in services and financial assistance to communities, there is no process or method to assess the total impact of all those reductions on any given community. Many of the community residents do not have the ability to cope with the situation on such short notice.

This Resolution requests that the Governor "prepare a comprehensive fiscal analysis of the cumulative effect" of the reduction on total state expenditures on local communities to give an accurate and total picture of their financial situation relative to these programs.

Thank you for your interest and concern. Please do not hesitate to contact me for further information.

HR5.SPR

HOUSE COMMITTEE REPORT

(4) HR 5

(5)

Date referred: 3/18/87

FURTHER REFERRALS: Finance

DATE: 3/23/87

The Community and Regional Affairs Committee has considered HR 5

Relating to the effect of budget reductions on local governments.

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Bette Cato Cato

Jim Zawacki Zawacki

Adelbert Herrmann Herrmann

Heinrich Springer Springer

Springer *Heinrich Springer*
 Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION FISCAL NOTE

③
HR 5

Revision Date : _____

REQUEST

Bill/Resolution No. : _____
 Title : Relating to the Effect of Budget
 Reductions on Local Governments

 Sponsor : House Comm. & Res. Affairs Committee
 Requestor : Representative H. Springer
 Date of Request : _____

FISCAL DETAIL

Agency Affected : Office of the Governor
 BRU : Office of Management and Budget

 Components : Policy

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Because of staff workloads at the present time, a comprehensive fiscal analysis of the kind requested cannot be prepared by the Resolution's stated deadline of April 16, 1987. Certain summary information (e.g., comparing FY 86 actual, FY 87 revised and FY 88 Governor's revised levels of operating budget funding for agencies, and for formula programs by department) can be provided within this timeframe. A comprehensive analysis, however, will require the effort of approximately one full-time position for six months.

Prepared by : Jack Furumli Phone : 465-3568
 Division : Division of Policy, Office of the Governor Date : 3/26/87
 Approved by Commissioner : Mary Halloran CRK Date : 3/26/87
 Agency : Division of Policy, Office of the Governor

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

C R A

Would appreciate comments
by 4 PM today (Tues 3/17)
to Terry.

Yes.

① HR

Budget
Reductions

5-0891A

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 HOUSE RESOLUTION NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Relating to the effect of budget re-
6 ductions on local governments.

7 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

8 WHEREAS the state and each of its communities are engaged in a cooper-
9 ative effort to provide basic services to the residents of the state in the
10 most effective manner; and

11 WHEREAS during the recently ended period of high oil revenue the state
12 shared its wealth with local communities on an unprecedented scale and thus
13 helped ease the fiscal problems that faced local governments at that time;
14 and

15 WHEREAS local governments were encouraged by the state's revenue
16 sharing policies and capital expenditures to expand levels of public ser-
17 vice; and

18 WHEREAS the years of capital expenditures have created dependence in
19 our communities on amenities such as roads, water systems and sewers, power
20 plants, fire halls, clinics, schools, and community buildings that require
21 public funds for their maintenance; and

22 WHEREAS state operating budget expenditures have also created vul-
23 nerability in those segments of our society that have been most dependent
24 on federal, state, and municipal services, most notably AFDC households and
25 senior citizens; and

26 WHEREAS the state and local governments have already experienced the
27 termination of federal revenue sharing and a marked reduction in federal
28 domestic assistance; and

29 WHEREAS many traditional support mechanisms are no longer in

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.

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