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FISCAL • NOTES

A BUDGET UPDATE FROM THE ALASKA STATE CHAMBER • ISSUE #11 • June 21, 1995

Long Range Financial Planning Commission: Plotting Alaska's Fiscal Future

Last February the Legislature created the Long Range Financial Planning Commission. The commission's task is to recommend a long term strategy to bridge the ever increasing gap between the state's recurring revenues and the amount spent each year to fund state services. *(The gap for the fiscal year that starts this July 1 is nearly \$700 million. It is being filled by nearly \$500 million from the Constitutional Budget Reserve Fund which consists of one-time funds from settlement of disputed oil and gas taxes. The balance is from "dividends" paid to the state's General Fund by two state corporations, AHFC and AIDEA, and user fees.)*

Chamber Priority

Closing the fiscal gap continues to be the State Chamber's top priority. It actively supported the commission's creation

as a mechanism to develop solutions that will ensure Alaska's future includes economic stability.

Work Underway

The commission's 15 members were

appointed by the Governor, and Legislative leadership and include legislators, governor's staff, and public members. Brian Rogers, former legislator and past University of Alaska Finance Vice President, is chairing the commission. *(Members and contact numbers are listed on page 2.)*

The commission has an extremely short time frame to complete its assignments. With its first meeting only held in mid-May, its final report is due to the Governor and Legislature by October 1, 1995. In addition to developing a sustainable long-range financial plan for the next three, five, and ten years, the commission is also directed to:

- Review and evaluate previous fiscal policy recommendations other organizations have made.

- Evaluate all current state income sources, prioritize systemic changes to stabilize the state's revenues, and identify and prioritize new revenue sources.

- Identify and prioritize major reductions in state expenditures.

- Evaluate forward funding of the budget and other budget process changes.

- Evaluate the impact of a long-range plan on state and local government responsibilities.

Work Plan

The commission has meetings scheduled throughout the summer and early Fall *(the summer's meeting schedule is on page 2)*.

Much of the committee's work is being done by the following subcommittees which will make recommendations to the full commission: Expenditures, Public Outreach, Revenue Sources, Budget Process and

Reserves, Intergovernmental, and Report Style and Drafting. Public hearings on its draft report (to be completed by late August) will be held the week of September 11 throughout the state.

Editor's Note: "Fiscal Notes" will continue publication during the Summer and Fall to cover the work of the Long Range Financial Planning Commission. Plans for late 1995 and 1996 are to continue coverage of budget work by the Governor and Legislature. Comments, suggestions, and questions about issues of interest to you continue to be welcomed. Please contact the Anchorage office of ASCC at 278-2722.

The Nuts and Bolts of the Commission's Process: Members, Schedule, and Subcommittees

Commission Members

Chair:			• Annalee McConnell	Juneau	465-4660
• Brian Rogers	Fairbanks	452-2463	• Hugh Motley	Cooper Landing	595-1430
Vice Chair:			• Rep. Mike Navarre	Kenai	283-7223
• Judy Brady	Anchorage	272-1481	• Mary Nordale	Fairbanks	452-1666
Members:			• Mike O'Conner	Anchorage	561-3200
• Lee Gorsuch	Anchorage	786-1437	• Rep. Sean Parnell	Anchorage	258-8194
• Sen. Georgianna Lincoln	Rampart	465-3732	• Pat Pourchot	Juneau	465-4021
• Robert Loescher	Juneau	586-9231	• Sen. Steve Rieger	Anchorage	258-8188
• Bruce Ludwig	Juneau	586-2334	• Marie Westfall	Ketchikan	225-3561

Commission Office: 716 W. Fourth Avenue, Anchorage, 99501 • 258-8165 • 258-9869 (fax)
LRFPCLegis@state.ak.us (Internet) • Staff: Melissa Aber Fouse and Bob Walsh

Meeting Schedule

Next Meeting

Friday, June 30
by Video Conference
9 a.m. to 4 p.m.

Fairbanks: UAF-212 B Butrovich
Anchorage: UAA University Lake Building
Juneau: UAS Library

Agenda:

- Potential Federal Budget Impacts
 - Subcommittee Reports
 - Principles for State Expenditures
- Long Range Revenue/Expenditures Base Case

July Meetings

Friday, July 14 • 10 a.m. to 5 p.m.
Saturday, July 15 • 8:30 to 4:30 p.m.
Anchorage Legislative Information Office
Second Floor Conference Room

Thursday, July 27
Afternoon and Evening
by Video Conference
Fairbanks, Anchorage, Juneau Sites

Subcommittee Assignments

Expenditures • Judy Brady, Chair

Charge: Examine budget expenditures and recommend methods or principles by which to reduce or increase expenditures.

Revenue Sources • Mary Nordale, Chair

Charge: Identify potential sources of state revenue, estimate their impacts, and examine earnings of the permanent fund.

Budget Process and Reserves • Annalee McConnell, Chair

Charge: Examine the method by which state government builds and presents its budget; examine reserves and their possible uses.

Intergovernmental • Bob Loescher, Chair

Charge: Examine intergovernmental impact of federal and state budget actions. Work with municipalities and school organizations on fiscal impacts and public outreach about the commission's recommendations through municipal meetings.

Public Outreach • Bruce Ludwig, Chair

Charge: Identify methods and costs of informing the public about commission work including ways to receive public comment.

"Fiscal Notes" is a project of the Alaska State Chamber of Commerce. Information is compiled and written for the State Chamber by Cheryl Frasca. It is distributed to organizations, who fax it to their members. If you get more than one copy or no longer want to receive "Fiscal Notes", contact the organizations of which you are a member. For other comments, suggestions, contact the Chamber's Anchorage office at 278-2722; fax 278-6643. Please copy and distribute "Fiscal Notes" to others interested.