

STATE OF ALASKA  
THE LEGISLATURE

1995

Source

SCS CSHCR 1(STA) am S

Legislative  
Resolve No.

6



Creating the Long Range Financial Planning Commission.

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

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

**WHEREAS** the state must eliminate the fiscal gap; and

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

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

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

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

**WHEREAS** it would be beneficial to the state and its citizens to implement a long-range financial plan to promote economic stability by diversifying the state's economy and lessening

dependence on oil revenue;

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

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

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

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

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

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

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

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

**FURTHER RESOLVED** that the commission shall

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

(2) identify and evaluate all current state income sources and assets, including recurring revenue, reserves, physical resources, and investments;

(3) identify and prioritize systemic changes to stabilize the state's revenue stream;

(4) identify and prioritize major reductions in state expenditures, to include formula

and nonformula programs, and to include proposed consolidation, transfer, or elimination of governmental services or programs; the reductions identified and prioritized under this paragraph must at least equal the current fiscal gap between recurring revenue and recurring expenditures;

(5) evaluate forward funding of the budget;

(6) identify and prioritize new sources of revenue;

(7) project a sustainable long-range financial plan for the next three years, five years, and 10 years, based on a stable revenue stream;

(8) evaluate constitutional, statutory, and regulatory language relating to the budget process and recommend changes;

(9) consider the division of responsibility for providing services and raising revenue between the state and local governments and evaluate the effect of the long-range financial plan on local governments;

(10) submit a preliminary report to the Governor and the Legislature by July 15, 1995;

(11) disseminate information and solicit public comment;

(12) submit a final report to the Governor and the Legislature by October 1, 1995, recommending a long-range financial plan for the state, including specific actions and legislation needed to implement and monitor the plan; and be it

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