

Sponsor Statement for SB 9

“An Act relating to state budget planning and priorities.”

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Several years ago the legislature enacted a budget prioritization statute that, if the various departments in the administration have complied with it, they have only paid it lip service. In most cases, the response to the legislation has at best merely listed the functions provided by the agencies, and at worst been a large waste of paper and manpower.

The original legislation was enacted at a time when we were wrestling with high costs and low revenues. It was intended to help legislators better understand the impact of their decisions with regard to fully funding or only partially funding the governor’s budget request. Ultimately, the intent is for the departments to tell legislators specifically how services would be impacted if the legislature did not fully fund the requests.

This listing of priorities is a part of the results-based government program set forth in AS 37.07.050. This program, housed under OMB and now referred to as “Performance,” requires each agency to establish strategic and tactical plans for accomplishing the mission and desired results set forth by the legislature. The statute also requires the agency to establish goals and objectives as part of those plans, and to establish a means of measuring progress to achieving such goals and objectives. As a management tool, the Performance program can be used by agency managers to evaluate the effectiveness of their strategies and tactics, and then to decide whether they are effective or if changes need to be made.. In like manner, results can be used to demonstrate to the legislature the benefits and effectiveness of various actions. Successful programs should be funded. Unsuccessful programs should be questioned.

Finally, by seeing the impact funding has on various activities and priorities of the agencies, the legislature can make more informed decisions regarding which programs to fund on an objective basis, rather than a subjective basis founded on biases and oratory of the presenters.