

## MEMORANDUM

**Date:** February 2, 2018

**From:** Andrea Noble-Pelant, ASCA ED

**To:** House Finance Subcommittee

**Subject:** Alaska State Council on the Arts Restructure Summary

On July 1, 2017, HB137 was signed into law which shifted the statute of the Alaska State Council on the Arts (ASCA) from a State agency to a public corporation and governmental instrumentality of the state. This new legislation defines the powers and duties of ASCA and provides exemptions from the State Personnel Act, the State Procurement Code and a partial exemption from the State Public Records Act but for adoption of formal protocols and bylaws inherent to the Council.

ASCA sought to pursue this restructuring in part after a long-standing project to create an Alaskan Cultural Trust was paused, due to a precipitous fall in the price of oil, and a resulting fiscal crisis. In addition, in the past decade, ASCA has forged and expanded partnerships with several private foundation partners. This process of expansion revealed some structural impediments associated with statutory regulations, policies and requirements of State government. Once the process of identifying problems and devising solutions was underway, it became clear that if ASCA was going to pursue a legislative remedy to one problem, it made the best sense to try to address the situation holistically, which resulted in the overall restructuring plan.

ASCA is still fully a part of the government of the State of Alaska, but now exists in a manner that allows more flexibility in operations. The new legislation allows ASCA to develop a streamlined process to hire contractors and expedite payment processing between the Council and the number of independent individual artists, grantees and beneficiaries across the state. In turn, it provides ASCA the flexibility to better represent, support and advance the creative endeavors of individuals, organizations and agencies throughout Alaska.

ASCA has several public art programs which call for submission of art by artists, and in the past there have been requests for the release of comprehensive, detailed information about these submissions pursuant to the Public Records Act (similar to the federal Freedom of Information Act). Such an exemption was incorporated into the restructuring legislation, and it has already been put to use in ASCA's nascent Artistic License Plate program. The name of the artist whose design was finally chosen for the first iteration of the plates is public information, while those who participated at earlier phases of the contest remain confidential.

ASCA remains within the Department of Education and Early Development. Also unchanged is ASCA's EIN and operating budget processes under the Executive Budget Act, for openness and transparency. While seeking some exemptions, the Council affirmatively chose to remain under several key State laws, including the Executive Branch Ethics Act and the Executive Budget Act. The former ensures that ASCA employees and Council members must adhere to the highest standards of ethical behavior, proscribing conflicts of interest and ensuring the fair use of public resources. The latter allows for maximum transparency in the receipt and expenditure of public and private funds by ASCA, giving the Alaska Legislature oversight of and a connection to the work of the agency. ASCA's funding structure remains fully compliant with the provisions of the National Arts & Humanities Act requiring a dollar-for-dollar match for State Arts Agencies.