

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

March 23, 2015

8:01 a.m.

MEMBERS PRESENT

Representative Wes Keller, Chair
Representative Liz Vazquez, Vice Chair
Representative Jim Colver
Representative Paul Seaton
Representative David Talerico
Representative Harriet Drummond
Representative Jonathan Kreiss-Tomkins

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 52

"An Act establishing a museum construction grant program in the Department of Commerce, Community, and Economic Development."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 52

SHORT TITLE: MUSEUM CONSTRUCTION GRANT PROGRAM

SPONSOR(S): REPRESENTATIVE(S) HERRON

01/21/15	(H)	PREFILE RELEASED 1/16/15
01/21/15	(H)	READ THE FIRST TIME - REFERRALS
01/21/15	(H)	EDC, FIN
03/23/15	(H)	EDC AT 8:00 AM CAPITOL 106

WITNESS REGISTER

REPRESENTATIVE BOB HERRON

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Presented HB 52, as sponsor.

SUSAN PHILLIPS, Staff

Representative Bob Herron

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Responded to questions, during the hearing of HB 52, on behalf of Representative Herron, sponsor.

KATHERINE ELDEMAR, Director

Division of Community and Regional Affairs (CRA)

Department of Commerce, Community & Economic Development (DCCED)

Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 52.

LAWRENCE BLOOD, Government Specialist

Division of Community and Regional Affairs (CRA)

Department of Commerce, Community & Economic Development (DCCED)

Juneau, Alaska

POSITION STATEMENT: Responded to questions, during the hearing on HB 52.

MICHELE MILLER, Member

Pratt Museum Board of Directors

Homer, Alaska

POSITION STATEMENT: Testified in support of HB 52.

BETHANY BUCKINGHAM-FOLLETT, Curator

Dorothy G. Page Museum

Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 52.

EVA MALVICH, Director/Curator

Yupiit Piciryarait Museum

Bethel, Alaska

POSITION STATEMENT: Testified in support of HB 52.

REBECCA POULSON, President

Alaska Historical Society

Sitka, Alaska

POSITION STATEMENT: Testified in support of HB 52.

PATRICIA RELAY, Executive Director

Valdez Museum and Historical Archive

Valdez, Alaska

POSITION STATEMENT: Testified in support of HB 52.

ACTION NARRATIVE

[8:01:55 AM](#)

CHAIR WES KELLER called the House Education Standing Committee meeting to order at 8:01 a.m. Representatives Keller, Seaton, Talerico, Kreiss-Tomkins, and Vazquez were present at the call to order. Representatives Colver and Drummond arrived as the meeting was in progress.

HB 52-MUSEUM CONSTRUCTION GRANT PROGRAM

8:02:09 AM

CHAIR KELLER announced that the only order of business would be HOUSE BILL NO. 52, "An Act establishing a museum construction grant program in the Department of Commerce, Community, and Economic Development."

8:02:51 AM

REPRESENTATIVE BOB HERRON, Alaska State Legislature, presented HB 52, paraphrasing from the Sponsor Statement, which read as follows:

House Bill 52 establishes a matching grant program, in the Department of Commerce, Community and Economic Development, for eligible museum construction, expansion, and major renovation projects.

This mirrors an existing program for libraries in the state. Under the provisions of House Bill 52, a person in charge of construction, expansion, or major renovation of an eligible museum could apply to the department for matching funds under regulations adopted by the department.

The department, subject to appropriation, would award not more than 50 percent of the total proposed grant project costs to an eligible applicant.

Museums are eligible for this program if they are located in Alaska, eligible to receive state grant funds, and provide matching funds from other sources of at least 50 percent of the cost of the project.

Alaska is home to more than 60 museums and cultural centers, found in more than 30 communities across the state, from Barrow to Ketchikan, Unalaska to Eagle. They anchor Alaska communities of every size. They connect our past to our future through stewardship of

local material culture and history, and educate Alaskans and visitors of all ages. Many also serve as focal points for community life, providing a place for neighbors to connect, collaborate, and strengthen their sense of self and environment.

More than half of these known museums anticipate undertaking major capital improvement projects in the next five years. Through the enabling legislation of House Bill 52 and any accompanying legislative appropriations, we can help them continue their vital work in Alaska.

[8:04:16 AM](#)

REPRESENTATIVE SEATON questioned what successes or complications have been associated with the existing libraries program that this legislation is mirroring.

REPRESENTATIVE HERRON responded that the museum officials identified the libraries program as a viable model and deferred further comment.

[8:05:06 AM](#)

REPRESENTATIVE VAZQUEZ directed attention to HB 52, page 2 line 6, AS 14.57.300, to establish that it represents a new section.

SUSAN PHILLIPS, Staff, Representative Bob Herron, Alaska State Legislature, concurred.

REPRESENTATIVE VAZQUEZ asked how the model works for libraries.

MS. PHILLIPS said libraries submit an application to the department for a score that is then presented to the legislature for prioritization and allocation.

[8:07:43 AM](#)

REPRESENTATIVE SEATON recalled that the library policy is to have issues and priorities identified and established locally by the library community, and then directives provided to the legislature for consideration.

[8:10:36 AM](#)

KATHERINE ELDEMAR, Director, Division of Community and Regional Affairs (CRA), Department of Commerce, Community & Economic Development (DCCED), testified with official support for HB 52, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

DCRA administers over \$2 billion dollars in federal, legislative, and state grants. DCRA grant administrators are located in Juneau, Anchorage, and Fairbanks and each grant administrator is responsible for approximately 250 grants.

Should HB 52 become law, DCRA will be responsible for the Museum Grant Program. It might appear that HB 52 would not have a fiscal impact on DCRA because currently there is no grant funding attached to the bill, but that presumption would be inaccurate.

Assuming HB 52 becomes law, DCRA foresees the impacts to the Division will be similar to those experienced when the Library Grant Program was created because the two programs are statutorily similar. For instance, DCRA will be required to create regulations for the Museum Construction Grant Program. The creation of regulations requires a number of procedural steps, which includes public notice, and typically takes about a year to complete.

Additionally, communities submitted grant applications for their projects to DCRA for consideration despite the lack of available funding. There is an effect in that communities want to secure their place in the queue for when funding does become available. DCRA processed the applications and also rated the applications. The applicants were then notified of DCRA's rating of their application. However, since there were no funds to award, DCRA was placed in the unusual position of having completed its duties, but despite all the efforts, no grant awards. It's anticipated HB52 for museums would likely result in similar impacts to DCRA as was experienced with libraries.

This red binder I am showing you is an actual library grant request. As you can see the paperwork is significant. This does not represent an award and subsequent monitoring, which may take additional years to complete. The work DCRA grant administrators must complete is real. The grant application costs to review, oversee, and store grant applications are real - the impacts to DCRA are real.

DCRA has thus submitted its fiscal note to HB 52 to help you, the decision makers, make the tough calls as to where state money will be spent during these challenging budget times. If HB 52 becomes law we ask the legislature to fund DCRA sufficiently so we can professionally assist our Alaskan communities with their museum endeavors. The ability to absorb additional programs has been curtailed by the reductions in positions that are ongoing.

The expansion of the definition of museum under HB 52 is exciting. This expansion of the definition of museum opens the door for many which were previously closed, to showcase their wonderful and unique communities. But, as with most things, it does take funding. DCRA asks that if the legislature passes this bill that it provide the staffing necessary for DCRA to be successful in its administration.

[8:13:17 AM](#)

MS. ELDEMAR stressed the amount of work required in the application process, and, to illustrate the point, held-up a brimming, four inch, three ring binder containing the documentation that requires review and response for a single grant of this type [labeled "Library Construction and Major Expansion Matching Grant Program, FY2016 Application, Wasilla Public Library], stating that HB 52 expands the definition of museums.

[8:15:37 AM](#)

REPRESENTATIVE COLVER asked for the number of staff required to administer the library grant program.

LAWRENCE BLOOD, Government Specialist, Division of Community and Regional Affairs (CRA), Department of Commerce, Community & Economic Development (DCCED), responded that nine grant administrators are on staff, with two assistants.

REPRESENTATIVE COLVER clarified that two administrators tend the library grants and the remainder of the grant administrators help with the evaluation.

MR. BLOOD confirmed the member's understanding and added that no grants have been funded under the library expansion fund. The applications have been scored and submitted to the legislature. In return, funding has occurred under the legislative grants to municipalities program, which is governed under a different statute; not under the matching grant program.

REPRESENTATIVE COLVER asked how many grant administrators were reduced in the current budget.

MS. ELDEMAR responded, "One."

REPRESENTATIVE COLVER commented that as a pilot program, a multi-tasking approach would be appropriate and the existing staff could incorporate the duties.

[8:18:04 AM](#)

REPRESENTATIVE SEATON noted that the model is the same as the library program, but the administration is handled significantly different and asked why it would not be administered the same.

MS. ELDEMAR explained that at the highest level, a number of grant administrators gather in the various communities to address the state and federal applications; some of which can be quite extensive. The four inch binder represents the effort put into a single grant application. She said that all nine of the staff may have a case load, which is 250 grants each to be administered in one 365 day year. In that time, the administrator must assess, monitor, ensure progress, and supervise, as stewards of the grant funds. The question for taking a multi-task approach is not possible, due to the lack of

space on anyone's plate. She stressed that the operations are full at this time, especially with the loss of the staff member that the fiscal note [attached to HB 52] proposes to re-include.

MR. BLOOD assured the committee that multi-tasking is currently being practiced within the division. The work regarding public notification, solicitations, scoring, and other administrative details, is occurring; however, the funding has not been handled under the library matching grant program, but through the legislative grants to municipalities program. He pointed out that this would add a twelfth grant to those already being administered under that program and handled by the grant staff.

[8:23:23 AM](#)

REPRESENTATIVE VAZQUEZ asked for a list of the twelve programs.

MR. BLOOD named the twelve programs, which include: Alaska Climate Change Impact Mitigation Program, Community Coastal Impact Assistance Program, Community Development Block Grants, Community Mapping Projects, Community Service Block Grants, Chinook Salmon Hatchery Enhancement, Chinook Salmon Mitigation Impact, Designated Legislative, General Obligation Bond Grants, Nutritional Alaska Foods in Schools, National Petroleum Reserves-Alaska, and, if approved, the Museum Construction and Expansion Grant Program.

REPRESENTATIVE VAZQUEZ queried whether a statutory provision applies to the administration of these grants.

MR. BLOOD stated his understanding that a relative statutory provision exists, and he offered to provide further information.

REPRESENTATIVE VAZQUEZ questioned the auditing requirements for the state grants.

MR. BLOOD answered that the state single audit provision requires that grants under \$500,000 will be subject to annual audit.

REPRESENTATIVE VAZQUEZ followed-up to ask how many grants fall below the \$500,000 limit.

MR. BLOOD explained that the statute applies in the accumulative, where state funding is received. Thus, all of the programs fall into this category and are audited; the \$500,000 does not apply to individualized programs. He agreed to provide further information citing the applicable statutes and the regulations that come under those statutes.

[8:28:53 AM](#)

REPRESENTATIVE COLVER referred to the list of the 12 named grants and observed that the term periods vary, which may provide flexibility to do more work without additional staff. He asked for timelines regarding the grants to understand the need for staffing. He underscored the need for focusing attention on identifying efficiencies, given the fiscal climate.

CHAIR KELLER opened public testimony.

[8:31:57 AM](#)

MICHELE MILLER, Member, Pratt Museum Board of Directors, testified in support of HB 52, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

The Pratt Museum is an anchor institution on the Kenai Peninsula:

- educating children and adults
- contributing to our community's sense of place and identity through history, art, and culture.

Like museums all over Alaska, the Pratt contributes to the state's economy through employment and cultural tourism.

Thank you, Rep. Herron for sponsorship of HB 52:

- provides structure for establishing a system for prioritizing museum capital project funding requests in Alaska,
- follows the state's model for library construction projects

This system is a mechanism to provide equitable access to funding through a competitive grant program and statewide ranking of projects.

Even without immediate appropriations into the fund, the mechanism created by HB 52 can provide:

- a solid ranking of capital projects
- aid in legislative decision-making during the capital budget process

This is currently the case with the library program (AS 14.56.355-56):

- has helped build 14 new libraries through \$50 million of awards.

This legislation will allow museums to plan to protect valuable collections well into the future.

With the passage of this legislation into law, construction projects will be:

- funded by the merits of their projects and
- prioritized by their ability to match state funding, and where they are
- in the construction process

Again, I thank Representative Herron for his sponsorship of House Bill 52.

Thank you to committee members for your favorable vote to pass the bill out of the Education Committee.

HOW THE LIBRARY PROCESS WORKED: AKLA developed the matrix that vetted a construction project for shovel-readiness. The matrix was/is held by AKLA. The libraries were in consensus on which project(s) would be put forward for funding. The matrix required appropriate pre-development planning, including going through CAPSIS. AKLA had the candidates ready to advance when the grant opportunity came forward. DCCED could then review the grant and match it to AKLAs matrix. Because the libraries worked together as they prepared for their shovel-ready project, legislators, funders, & the DCCED knew that the projects were ready and would be successful – and excellent credibility was developed.

[8:33:53 AM](#)

BETHANY BUCKINGHAM-FOLLETT, Curator, Dorothy G. Page Museum, testified in support of HB 52, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

The Mat-Su is the fastest growing area in the state. Economic development and a healthy community are on the minds of all in our area. The current museum building was built in 1931 as Wasilla's Community Hall. We honor that history and heritage by continuing to offer community programs including Wednesday Nights at the Museum, traveling exhibits, and providing a space for visitors to learn about Alaska. Through our programs and exhibits, we infuse history and culture into a learning experience our visitors take with them throughout their lives.

Children who come on school tours bring their families and friends to enjoy the museum. Watching the connection from classroom learning to real world application at the museum, you see the students become the teachers; sharing what they have learned and what they know with their families and friends. Visitors come and learn about Dog Mushing, Gold Mining and Homesteading, not only of the Mat-Su but all of Alaska. As we strive to meet the growing needs of our audience, we find we have the opportunity to expand not only our programs, but our space to host those programs. For a Community Hall built for a town of about 100, we find we are bursting at the seams hosting events for visitors numbering 500 or more. We are in need of more space and updated technology. HB 52 is critical to our museum buildings and programming as we move towards celebrating 150 years of Alaskan history and the future of our communities. We currently host 700 third grade students each year and are projected to be serving close to 2100 students in three years.

House Bill 52 is important to our museum and all museums around the state. This is an opportunity for Alaskan museums to create a healthy environment for patrons to learn about the community and the world around them. This would be completed through renovation and restoration of our current buildings.

HB 52 provides the framework for Alaskans to support Museums and preserve our heritage.

[8:36:14 AM](#)

EVA MALVICH, Director/Curator, Yupiit Piciryarait Museum, testified in support of HB 52, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

I am the Director/Curator for the Yupiit Piciryarait Museum, a tribally owned and operated museum owned by the Association of Village Council Presidents.

Quyana for allowing me to speak to you this morning. My message to you, just like last year when HB 333 was introduced, is that our museum provides a valuable service to the hub community of Bethel, as well as the Yukon-Kuskokwim Delta region in southwestern Alaska.

House Bill 52 is enabling legislation, which will better allow us to maintain our collection of animal hide, gut skin, wood and ivory objects that are in danger of permanent damage from the lack of humidity control in our museum. Unfortunately, we've already seen damage to our wood, ivory and gut skin objects. A shaman's doll, uncovered from an excavation in Hooper Bay, is cracked. This is the only object of its kind in our collection. Our HVAC was shut down over 13 years ago by our landlord, the Kuskokwim Campus. This lack of humidity control is hurting our collection. We need a means to fix this problem before it is too late.

As the only museum in the Yukon-Kuskokwim Delta region, our collection of Yup'ik dolls, masks, grass baskets, hunting implements, clothing and tools are world-class objects that are easily accessible to the people of this region. Our elders wanted a museum to teach our future elders about our Yup'ik culture, and we feel by providing objects close to home, our kids can learn about who they are, how the object was made, and how it was used to help us live in this part of the state for a millennia.

I'll use myself as an example. I am the last of a large family of 9. My parents had me in their 40's,

and by that time, my grandparents were already gone. I had nobody really to teach me how to speak Cup'ig. I lost out on so many conversations among our elders who were fluent in Cup'ig. Oral stories at that time were lost to me. In addition, the Swedish Covenant Church prohibited Cup'ig dancing, and stopped our men and boys from living in a qasgi, thereby stopping our traditional teaching of young men. I was taught English with DICK AND JANE books by non-Natives until I moved to Bethel in 1979. For the first time at the age of 10, I entered Yup'ik class. I felt like an outsider and was ashamed about who I was and where I grew up. Now, I am catching up. I am teaching myself Yup'ik, and studying our oral stories. It is not too late. Museums can help people like me. I'm a full blooded, middle aged Cup'ig and Yup'ik mom and wife who is taking back my heritage through studying our objects in our collection.

Just recently, we've offered a seal gut sewing skin class to the community with Mary Tunuchuk of Chefnak. Next week, we are hosting a fish skin class with Karen McIntyre of Bethel, free to the public. In addition we are planning a Yupik doll making class this winter. Our museum is vital to continuing the traditional means for making clothing and art. We do not need to travel to the Smithsonian down states to study our objects. We do not need to hire a master artist to teach us how to be Yupik; we have the knowledge and means to sustain our Yupik culture.

Quyana for your time. It is important to keep our Yup'ik and Cup'ig artifacts in our region, not in Fairbanks or Juneau, they are too far away. We need them closer to home so that we can continue to learn about our rich Yup'ik and Cup'ig culture through studying our artifacts. HB 52 will help me immensely by giving our organization a means for securing funds for construction and renovation of museums and cultural centers.

[8:40:18 AM](#)

REBECCA POULSON, President, Alaska Historical Society, testified in support of HB 52, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

I don't have to tell this committee that history is important. Education is important. Accurate history, and teaching our students to become curious, critical thinkers who value accuracy, respect culture, and can appreciate the lessons of history.

The Alaska Historical Society is working to get Alaskans thinking about the upcoming 150th or sesquicentennial of the Alaska Purchase in 2017.

50 years ago, we marked the 1967 Centennial with projects like Sitka's Centennial building, still a vital public center, and now getting an upgrade to serve another 50.

How can this generation leave a legacy to mark this anniversary?

Today's museums are hugely important in our communities as centers for history and heritage, education and visitors.

Museums are grassroots - they do the work of history, culture, and education better than outside groups could ever do. As Eva said, we know our history best. This bill allows the legislature to leverage the local support, expertise and fundraising that museums do to catalyze lasting projects.

[8:42:51 AM](#)

PATRICIA RELAY, Executive Director, Valdez Museum and Historical Archive, testified in support of HB 52, paraphrasing from a prepared statement, which read as follows [original punctuation provided]:

With nearly 20,000 visitors to the Valdez Museum each year, the Museum is grounded in a strong sense of responsibility to contributing to the regions educational and economic development. We:

- provide opportunities for education and learning.
- contribute to the development of our community.
- build human capital through building social networks.
- attract tourist to the area, stimulating the economy and creating employment.

Determining the economic impact includes a number of categories: including the Museum's annual operating budget, Visitors and Tourist Spending combined with Tax Revenue and Local Jobs equals the total economic impact. Applying this formula, the Valdez Museum's economic impact on the local community \$1,180,900. The educational impact is equally impressive. Last year our education and public programs served 3,750 people, which includes public and private schools, outreach to remote areas, and adult learners. We have become known as a classroom for private and homeschool groups.

The Valdez Museum has accomplished a lot within the past few years: incorporating a successful expanded range of programming, increasing its visitation, and raising its standards of collection management. Despite these achievements, the institution is now at a point in which its progress is being hampered by limitations of space.

As a matter of fact, our educational programs have become so successful that we no longer have space to conduct classes and workshops. Last summer we used a tent on the front lawn.

The Valdez Museum functions as a place of ideas and education. It is a natural gathering place that helps build and strengthen inter-connections within the family units and within the community at large.

I urge you to support HB52, establishing a museum construction grant program, so that museums throughout the state of Alaska may continue to serve their communities. Help us make this bill a reality!

CHAIR KELLER closed public testimony.

[8:47:25 AM](#)

REPRESENTATIVE SEATON requested a response from the department regarding a delayed effective date for the bill, and queried if that might prove helpful should other grants be phasing out and freeing up staff. Also, if the grants could be required to have the administrative funds tied to the grants, it would change how

the fiscal notes are handled. He said this information could assist in gaining the benefit of establishing a system without fiscal drain.

[8:49:42 AM](#)

REPRESENTATIVE VAZQUEZ referred to AS 14.56.355, Section (d) and read:

(d) The department shall establish regulations to implement this section and the eligibility standards under AS 14.56.356. The regulations must include consideration for and establishment of an eligibility priority for an application that is submitted by a community that does not have a public library described in AS 14.56.356(a)(2).

REPRESENTATIVE VAZQUEZ asked why there is not a similar provision in the bill, if this is the model being used.

MS. PHILLIPS explained that community prioritization language for libraries is held in regulation, and may be handled in a similar manner for the museums, versus creating new statute. She said it could be included in HB 52.

REPRESENTATIVE HERRON added that amendments to HB 52 will be welcomed.

[8:52:32 AM](#)

CHAIR KELLER announced HB 52 as held, then reviewed the agenda for the upcoming meeting.

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 8:52 a.m.