

**ALASKA STATE LEGISLATURE**  
**SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

February 21, 2017

3:31 p.m.

**MEMBERS PRESENT**

Senator Click Bishop, Chair  
Senator Anna MacKinnon  
Senator Lyman Hoffman  
Senator Bert Stedman  
Senator Berta Gardner

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

**SENATE BILL NO. 7**

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

- HEARD & HELD

**HOUSE BILL NO. 78**

"An Act establishing the second Monday of October of each year as Indigenous Peoples Day."

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 7

SHORT TITLE: MUSEUM CONSTRUCTION GRANT PROGRAM

SPONSOR(S): SENATOR(S) STEVENS

01/09/17	(S)	PREFILE RELEASED 1/9/17
01/18/17	(S)	READ THE FIRST TIME - REFERRALS
01/18/17	(S)	CRA, FIN
02/21/17	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

SENATOR Gary STEVENS  
Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Sponsor of SB 7.

DOUG LETCH, staff

Senator Gary Stevens

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Answered questions related to SB 7.

TIFFANY BRONSON, Executive Director

Kodiak Historical Society and Baranof Museum

Kodiak, Alaska

**POSITION STATEMENT:** Supported SB 7.

PATRICIA RELAY, Executive Director

Museums Alaska

Valdez, Alaska

**POSITION STATEMENT:** Support SB 7.

ERIC JOHANSEN, Board Member

Pioneer Air Museum

Fairbanks, Alaska

**POSITION STATEMENT:** Supported SB 7.

PETE HAGGLAND, Curator

Pioneer Air Museum

Fairbanks, Alaska

**POSITION STATEMENT:** Supported SB 7.

STEVE HECKMAN, Board Member

Pioneer Air Museum

Fairbanks, Alaska

**POSITION STATEMENT:** Supported SB 7.

ANGELA LINN, Senior Collections Manager

Ethnology and History

University of Alaska Museum

Fairbanks, Alaska

**POSITION STATEMENT:** Supported SB 7.

EVA MALVICH, Director/Curator

Association of Village Council Presidents

Yupit Piciryarait Light Museum

Bethel, Alaska

**POSITION STATEMENT:** Supported SB 7.

KATHERINE ELDEMAR, Director

Division of Community and Regional Affairs (DCRA)  
Department of Commerce, Community and Economic Development  
Juneau, Alaska

**POSITION STATEMENT:** Commented on SB 7.

#### **ACTION NARRATIVE**

[3:31:35 PM](#)

**CHAIR CLICK BISHOP** called the Senate Community and Regional Affairs Standing Committee meeting to order at 3:31 p.m. Present at the call to order were Senators Stedman, Gardner, and Chair Bishop.

#### **SB 7-MUSEUM CONSTRUCTION GRANT PROGRAM**

[3:32:16 PM](#)

CHAIR BISHOP announced the consideration of SB 7.

SENATOR MACKINNON joined the committee.

[3:32:52 PM](#)

SENATOR STEVENS, Alaska State Legislature Juneau, Alaska, sponsor of SB 7, said that a lot of museums in Alaska need improvement and SB 7 establishes a framework for getting that done sometime in the future, because he knows there is no money for it now.

SENATOR HOFFMAN joined the committee.

[3:35:06 PM](#)

DOUG LETCH, staff to Senator Gary Stevens, Alaska State Legislature, Juneau, said the idea is to establish a program that could fund future museum projects, and the language is similar to the program for libraries. Under the provisions of SB 7, a person in charge of construction, expansion, or major renovation of an eligible museum could apply to the department for matching funds under regulations that would be adopted. The key point is that this bill is subject to appropriation down the line if there is money. The department would be able to award not more than 50 percent of the total proposed grant project cost to an eligible applicant.

Museums would be eligible for the program if they are located in Alaska and entitled to receive state grant funds if they can provide 50 percent of the project cost in matching funds. He said that Alaska is home to many museums and cultural centers

that are located in various communities around the state of various sizes and these facilities connect our past and future. The goal of this bill is to help them continue their good work.

MR. LETCH said quite a few museums have plans for major capital projects down the line and any assistance the state could provide would be greatly appreciated.

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SENATOR MACKINNON said she is working on a bill for energy efficiencies for construction development and asked if Senator Stevens intends to require best practices to make sure that the space is energy efficient. Sometimes the everyday operating costs for facilities throughout Alaska are extremely burdensome as they go forward. She has specifically seen in smaller communities some pretty spectacular looking buildings that have a lot of glass in them that are in high cost energy areas that preclude best practices for operating the actual building.

SENATOR STEVENS looked back at what happened with the libraries. The libraries in Homer in Kodiak and Seward were all done one after the other, but all were done energy efficiently. The library in Homer was awarded a LEED award for being innovative as was the one in Kodiak, and absolutely they want to do best practices.

SENATOR STEDMAN added that the original intent with the libraries was to help communities build a library at half the cost. But what they ended up doing was getting a lot of libraries were twice as big as well as being nice. Sometimes the community library planning at the local level was a little too robust. Now the Foraker Group works with them on sizing the facility for the individual community looking at the operating costs and particularly energy costs.

SENATOR STEDMAN said the idea was to modernize these libraries so that children could grow up in and around them and become more productive citizens as well as better informed voting citizens. This bill appears to have a lot of those same traits, and he wouldn't be surprised if groups like the Foraker Group do not work with the communities and the department to make sure that the museums are sized for the community so they are affordable.

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SENATOR STEVENS agreed that is the goal. He said the museums in his community include a Russian-American Museum, a Maritime

Museum, and a Native Museum. He emphasized how important these museums are to show what our culture and history is and that there is a need for them throughout the state. Lawmakers need to make sure these facilities are built to code using best practices, and that they are energy efficient.

CHAIR BISHOP opened public testimony on SB 7.

[3:41:46 PM](#)

TIFFANY BRONSON, Executive Director, Kodiak Historical Society and Baranof Museum, Kodiak, Alaska, supported SB 7. Collections are at risk with the increasing age of facilities and many of these aging buildings were not intended to be museums in the first place. For instance, the Baranof Museum in Kodiak is housed in the oldest building in Alaska.

[3:43:48 PM](#)

PATRICIA RELAY, Executive Director, Museums Alaska, Valdez, Alaska, said this is an organization of over 65 museums in the state that support SB 7. She said they will hear today how museums are facing critical infrastructure issues. Without the proper care and housing of public trust collections, robust education programs couldn't be offered. Governor Walker issued a proclamation designating 2017 as the year of history and heritage in recognition of Alaska's sesquicentennial, 150 years since Russia ceded its interest in Alaska to the United States.

MS. RELAY said they clearly recognize the fiscal challenges of our state and communities and advocate for the passage of SB 7 to establish an effective framework to support current and growing capital needs of Alaska museums as economies improve and funding becomes available. She stressed that they are not asking for any money at this time.

She reflected on Senator MacKinnon's comments about energy efficiencies and said now is the time to work towards planning appropriate programs. She also reflected on Senator Stedman's comments about working with the Foraker Group saying they have been working closely with them since the beginning. A 2014 McDowell Group survey demonstrates critical infrastructure needs for our cultural institutions. Of the 36 museums contacted, 75 percent identified significant capital improvements needed within the next five years: exhibition space, improvements to facilities, collection storage, expansions, security improvements, and bathrooms.

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ERIC JOHANSEN, Board Member, Pioneer Air Museum, Fairbanks, Alaska, supported SB 7. He said the museum is housed in a building that was never intended to be a museum, and it has a lot of needs.

[3:50:12 PM](#)

PETE HAGGLAND, Curator, Pioneer Air Museum, Fairbanks, Alaska, supported SB 7. A 2014 McDowell study indicated that 75 percent of the people they interviewed needed to dramatically expand and improve their facilities. His museum is one of those. As an example, restrooms have been requested since 1982 and nothing has been done until a recent asbestos report necessitated tearing down the old facilities. They are trying to move ahead and expand education programs and a place is needed to work on projects and archiving.

CHAIR BISHOP thanked him for his comments and for stepping up to the plate.

[3:53:04 PM](#)

STEVE HECKMAN, Board Member, Pioneer Air Museum, Fairbanks, Alaska, supported SB 7. He said the Pioneer Air Museum is a tremendous museum with tremendous exhibits, and it would be nice for it to have a bathroom. They have blueprints for things they would like to do, looking down the road, and SB 7 would go a long way to keep the momentum going.

[3:54:27 PM](#)

ANGELA LINN, Senior Collections Manager, Ethnology and History, University of Alaska Museum, Fairbanks, Alaska, supported SB 7. She said Alaska has over 80 museums and cultural centers. Many of them came into existence as a result of the Centennial funding appropriated by the state legislature in 1967.

She said the Museum of the North receives over 90,000 visitors from near and far, of all ages, annually. Nearly 12,000 of those are K-12 kids from the Fairbanks North Star Borough District and surrounding areas. It is a world class museum that was established in 1926 in the early days of the University as a home for Alaska-based research and it is one of 30 Alaska institutions that are actively planning for or in the midst of an expansion or a renovation project.

Every museum in the state is in urgent need of additional collection space to curate the 1.5 million objects and specimens in their care, Ms. Linn said. A primary responsibility of museums and cultural centers is to preserve collections and

protect them from age and deterioration. When objects are deposited into their permanent collections, it is their responsibility to care for them in perpetuity, but as these facilities become overcrowded or aged, this job becomes more difficult. Only through expansion or renovation can infrastructure be kept in place to safeguard these holdings, and SB 7 will establish a system that can help the museums obtain the funding needed to accomplish this task.

3:57:10 PM

EVA MALVICH, Director/Curator, Association of Village Council Presidents' Yupiit Piciryarait Light Museum, Bethel, Alaska, supported SB 7. Their long-term plan is to become the Yupiit knowledge center, and it will make a big impact on their organization. At this time there is no facility or service readily available to their tribes who want to preserve ancient artifacts that are being uncovered due to coastal erosion, like the community of Quinhagak where masks and other items dated 500 years old have washed up on the beach. Although they tried getting help from the state, they had to turn to help from outside. At least one other village is experiencing this problem. Having a facility with staff would provide a safe accessible space to work and learn.

3:59:18 PM

KATHERINE ELDEMAR, Director, Division of Community and Regional Affairs (DCRA), Department of Commerce, Community and Economic Development (DCCED), Juneau, Alaska, explained that DCRA administers \$1.25 million in federal, legislative, and state grants. These grants are administered throughout the state of Alaska and the Community Aid and Accountability Section at DCRA is responsible for the museum program grant as well as other grants like the Community Assistance Program (formerly the Community Revenue Sharing), Share Fisheries Business Tax, and PILT funds.

Should SB 7 become law, she explained that DCRA will be responsible for the museum program grant. At first glance, this seems to not have a fiscal impact because no grant funding is attached to it, but that is not accurate. DCRA foresees that it will have impacts similar to those experienced with the library grant program, which was created because the two programs are statutorily similar.

MS. ELDEMAR explained that what happened in the case of the library program grants, DCRA was required to draft regulations which takes time to produce and then there were procedural steps

including public notice that take about one year to complete. Additionally, communities actually submitted library grant applications for their projects, so DCRA had to accept, consider them for funding, and rate them. What was unique was that no grants were awarded after that entire process.

She brought in a big binder [maybe one foot thick] to show them an example of one grant application for a library and said that when different communities come forward and submit their application, the grant staff has to review and rate it, and then the applications must be stored until funding is provided.

[4:02:47 PM](#)

She said the SCRA administers many grants and is responsible for the oversight as well, and this costs money in light of the state's current budget challenges.

MS. ELDEMAR said the expansion of the definition of museum under SB 7 is quite exciting, as it opens the door for many which were previously closed to showcase their wonderful and unique communities. But it takes some funding, and if this bill is passed DCRA requests funding for sufficient staffing.

Last week DCRA submitted an indeterminant fiscal note as the administration was informed of a possible committee substitute. During the previous legislative session the committee substitute for HB 52 was introduced to address these concerns. The change provided that the department did not have to write regulations nor accept grant applications until funding was actually provided by the legislature. This reduced the fiscal note to zero. The ability of DCRA to absorb additional programs has been curtailed by the reduction of a number of employees, and in the event that SB 7 becomes law as currently presented, they would just request sufficient funding to make sure they can take care of the museum requests.

[4:04:31 PM](#)

SENATOR MACKINNON asked the reason the department is still going "old school" with paper products versus having electronic storage.

MS. ELDEMAR replied that they prefer electronic filings, actually, but a certain amount of paper work is still required.

[4:05:50 PM](#)

CHAIR BISHOP finding no further questions, closed public testimony. He notified the committee of an expected amendment next Thursday.

4:06:16 PM

SENATOR MACKINNON asked the sponsor if grant funds could be considered as the 50 percent matching fund requirement from other sources.

MR. LETCH replied that he would have to find out.

CHAIR BISHOP said a lot of antiquities have left Alaska because that was the thing for expeditions to do 100 years ago, and asked if there is any room in this bill to help repatriate totems or other indigenous artifacts to Alaska.

MR. LETCH said he would bring that up with Senator Stevens. He said it's interesting that Senator Bishop brought that up, because recently he was looking through material from his college, the University of Maine, and discovered that the Seattle Seahawks logo is based on a totem that wound up going from Orono, Maine, to what is now Washington State.

CHAIR BISHOP thanked Mr. Letch and held SB 7 in committee for future consideration.

4:08:50 PM

CHAIR BISHOP adjourned the Senate Community and Regional Affairs Committee meeting at 4:08 p.m.