

Introduced: 4/27/78
Referred: Community &
Regional Affairs

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CONCURRENT RESOLUTION NO. 106

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the program of rural develop-
6 ment assistance in the Department of Com-
7 munity and Regional Affairs.

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

9 WHEREAS the rural development assistance program was established by
10 the legislature to assist rural communities in the diversification of their
11 economic bases, to improve the health, welfare and economic security of
12 residents of rural areas, and to assist communities in creating permanent
13 employment; and

14 WHEREAS the grant component of the rural development assistance program
15 represents a significant opportunity for residents of rural Alaska to
16 secure necessary capital improvements by matching state funds against sources
17 of federal funding for community development, economic development, energy
18 and power development, employment and manpower training, and other purposes;
19 and

20 WHEREAS, since July 1976, the Department of Community and Regional
21 Affairs, as administrator of the rural development assistance program, has,
22 without benefit of administrative regulations which are subject to legislative
23 review, adopted new policies bearing upon the application for and administra-
24 tion and distribution of rural development assistance grants which have the
25 effect of removing an element of flexibility in the use of grant proceeds; and

26 WHEREAS the policies established by the department -- imposition of
27 requirements that there be a community match of not less than 20 per cent of
28 the amount of the grant, that the community demonstrate that it has clear
29 title to land which is to be the project site, and that, if the project

1 involves facility construction, plans for the project have the review and
2 approval of an engineer or architect, as applicable -- reduce the capacity
3 of smaller rural communities to make maximum use of available state funds
4 provided through the rural development assistance grant program for the pur-
5 poses intended; and

6 WHEREAS the most recent annual report prepared by the department for the
7 rural development assistance grant program clearly indicates the resultant
8 effect of the new policies of the department in that the state grant expendi-
9 ture for that fiscal year falls substantially short of the amount appropri-
10 ated for grants during that fiscal year, the number of communities served is
11 substantially less than the number previously supported, and the bulk of
12 financial assistance provided was not directed to support projects in un-
13 organized areas where alternative means of initiating and completing projects
14 are otherwise not available;

15 BE IT RESOLVED by the Alaska State Legislature that it respectfully
16 requests the Governor to direct the Commissioner of the Department of
17 Community and Regional Affairs to review current requirements and policies
18 bearing upon the administration of the rural development assistance grant
19 program to

20 (1) remove those administrative requirements which reduce the
21 ability of residents of rural communities to secure financial assistance for
22 the completion of necessary capital improvements,

23 (2) reestablish flexibility in the disbursement of rural develop-
24 ment assistance grant funds,

25 (3) achieve full use of funds appropriated during the year in
26 which the funds are appropriated,

27 (4) institute a policy of making regional allocations to assure
28 that funds are distributed throughout rural Alaska, and

29 (5) adopt department policies bearing upon administration of the

1 program of rural development assistance as administrative regulations subject
2 to review by the persons served by the program and the members of the Alaska
3 State Legislature.

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