

SJR

23

STATE OF ALASKA
THE LEGISLATURE

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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House Community ; Regional Affs:

May 6, 1987

HOUSE COMMITTEE REPORT (4) CSSJR 23(C&RA)

Date referred: 4/23/87

FURTHER REFERRALS: Labor & Commerce

DATE: 05/06/87

The Community and Regional Affairs Committee has considered CSSJR 23(C&RA)

Endorsing the application of the Department of Commerce and Economic Development for a rural development assistance demonstration grant.

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Heinrich Springer Springer

Bette Cato Cato

Virginia M. Collins Collins

Adelheid Herrmann Herrmann

SIGNING OTHER RECOMMENDATIONS:

Springer

Heinrich Springer
Chairman's signature

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



SJK-23
② SJR 23

P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

12 pg 5

Senate Community and Regional Affairs Committee

MEMORANDUM

March 17, 1987

TO: All Members
Community and Regional Affairs Committee

FROM: Staff *AS*
Community and Regional Affairs Committee

RE: SJR 23 "Endorsing the application of the Department of Commerce and Economic Development for a rural development assistance demonstration grant."

SJR 23 urges the U.S. Department of Commerce, Economic Development Administration to approve a \$1,000,000 Rural Economic Development Assistance Grant to the State of Alaska, Department of Commerce and Economic Development (DCED).

This grant would be used by the DCED to strengthen local and regional economic development strategies and to implement those strategies. Topics to be addressed on a regional basis would include export of Alaska products, tourism, infrastructure development, job opportunities, resource development and the enhancement of entrepreneurship at the local level.

The fiscal note is zero.

Enclosures: Fiscal Note
Grant Proposal
Letter from Governor Cowper

X

DEMONSTRATION GRANT PROPOSAL FOR THE
ECONOMIC DEVELOPMENT ADMINISTRATION

The State of Alaska now faces double digit unemployment, and some communities have 60 percent or more. There are 11,500 fewer jobs in Alaska today than there were one year ago, business incorporations are down by 24.5 percent, and the state has a net loss of population. Many of the problems facing the state are attributable to the decline of world oil prices, and reflects the overdependence of the state upon that single commodity.

Except for the Municipality of Anchorage, Alaska basically has a rural economy. The state has some 148 cities and boroughs and several hundred Native villages. Much of the state is not organized into boroughs or any other form of local government. Vast land areas, difficult transportation, climatic peculiarities, sparse population and heavy reliance on governmental and service sector jobs contribute to economic development impediments.

Native issues are paramount, with sovereignty, subsistence and land ownership and use are nearing a critical phase under implementation of the Alaska Native Claims Settlement Act. Among the numerous Native entities are villages comprised of Eskimos, Aleuts or Indians, with traditional or Indian Reorganization Act councils, or perhaps with both; village and regional corporations, incorporated under state law; regional nonprofit entities; plus a variety of statewide and local organizations. These complexities have in the past been obstacles in the state's efforts to assist economic development in the rural areas. One of the principal objectives of this demonstration project will be an effort to develop appropriate regional entities that can serve as vehicles for more efficient and equitable delivery of business and economic development assistance.

There is a new governor and a new state administration which is committed to making the economic climate for Alaska as warm and friendly as possible. There are significant opportunities for this resource-rich state in export development, mining extraction, fish, timber, tourism and expanded entrepreneurship. Alaska's proximity to the Pacific Rim countries and its position as an international transportation crossroads are major factors in such plans. Diversification, including increased value-added manufacturing and processing, rank high on the priority list of the state.

One of the most critical needs in the State of Alaska is the strengthening of its economic development processes. The state has made substantial progress under its 302(a) Planning Grant, but there is still an obvious need to strengthen the regional economic development planning, support, and implementation efforts. Alaska wants meaningful public-private sector economic development at the local level, which can then be channelled into coherent state economic development policy, plan and execution.

This proposal has basically three program components. First, there is the need to establish a regional economic development network to draw upon local resources and ideas, and then to effectively direct those contributions to the state economic development planning process. Second, for reasons described below, a revolving loan fund is essential for the development of a broadened economic base in the rural areas of the state. Third, closely related to the state economic development planning commitment is the need for several specific technical assistance elements to address discrete issues relating to the Alaskan economy.

The state believes that the establishment of regional economic development organizations is critical to the effective investment of limited state, federal and local funds in the rural areas. To facilitate the creation of such organizations, it is proposed that Economic Development Administration (EDA) assistance be provided to the Department of Commerce and Economic Development (DCED) to delineate economic development regions throughout the state. It is anticipated that these regions will evolve into Economic Development Districts (EDDs), meeting the criteria of mutual-benefit local institutions responsible to the regions they serve.

The focus of the economic development regions (EDRs) will include such interests as economic development planning, export, tourism, infrastructure development, increased job opportunities, entrepreneurship in villages, and resource development. It is anticipated that they will be multi-governmental, multi-purpose and multi-funded organizations. But they also serve additional functions. An EDR, when operational, will be able to speak as a single voice representing the needs and requirements of its constituents concerning economic development activities in its region. By presenting such an organized front, the EDR can greatly increase its influence with both the state and federal government in getting needed financial and other assistance required to further local economic development plans.

The formation of EDRs will also be of considerable benefit to the state. By organizing these regional focal points, the state can now work with a relatively small number of organizations instead of trying to serve 300 plus local governments and a multitude of other development interests. This will be of great assistance in the state's overall economic development planning program (supported by an EDA Sec. 302a Grant); it will allow for increased efficiency in providing needed assistance; and will provide a statewide network for the gathering and dissemination of data and information.

We anticipate perhaps 8 to 12 EDD regions can be established statewide, and these will reflect the concurrence of both the regions involved and the state. We anticipate that three to four EDDs can be established during the first year of operation.

State of Alaska Grant Request and Proposed Work Effort

EDA is requested to provide \$100,000 to aid the state in delineating the EDD boundaries and to assist in the initial establishment of the regions and their organizations, as well as to fully assist those entities ready to function as EDDs. Over approximately a 15 to 18 month period, in order to create additional private sector jobs, the department plans to: (1) develop an approach to issues surrounding labor/management relations, (2) to review and make substantive recommendations concerning the effectiveness of rural tourism throughout the state, (3) evaluate and subsequently enhance the "high tech" potential of the state, perhaps including such direct assistance approaches as incubators or other mechanisms deemed appropriately effective, (4) develop a state economic development policy, which includes Native entities, which will enhance economic development within the state, (5) prepare a plan for developing the state's import/export potential, and (6) take the initiative to coordinate and facilitate state government efforts to enhance private sector development. An additional \$260,000, in keeping with levels of support now provided to other EDDs, is further requested. Significant travel, meetings and other expenses will be involved to meet this overall objective. The state will provide matching funds as indicated in the attached Budget Proposal. Various state departments will provide direct staff assistance, and all the various public and private resources will be invited to participate in the process.

The EDRs will function as ongoing local economic development planners and implementers, and they will also provide meaningful support to the state's continuing economic development process and programs.

As part of the critical first steps of implementation, several technical assistance activities have been identified that will be closely tied to the 302(a) grant program. Over approximately a 15 to 18 month period, the department plans to: (1) develop an approach to issues surrounding local hire and export-import conflicts, (2) to review and make substantive recommendations concerning the effectiveness of rural tourism throughout the state, (3) evaluate and subsequently enhance the "high tech" potential of the state, perhaps including such direct assistance approaches as incubators or other mechanisms deemed appropriately effective, (4) develop a state economic development policy in conjunction with Native representation which will enhance their position within the state processes for meaningful economic development, and (5) participate in a statewide small business conference scheduled for the fall of 1988 which will examine the needs and requirements of small business in both the urban and rural areas.

For this five part technical assistance effort EDA will be asked to provide \$200,000 for two full-time staff persons plus contractual, travel and other expenses. This will be matched from state resources with at least \$75,000 in cash plus in-kind. These technical assistance efforts will be closely tied to current EDA grant activities in the University Center Program (University of Alaska, Juneau), the regional Native nonprofit corporations and several local community projects. Full coordination will occur with all of the state departments, other federal agencies and programs, the public and private sectors, cities, boroughs, chambers of commerce, Native villages and corporations.

Funding in rural areas of the state for both manufacturing and commercial enterprises is often severely lacking. The state, working with EDA, the Small Business Administration (SBA), the Minority Business Development Agency (MBDA), from its own resources, and with the private sector has helped to establish technical assistance networks to provide entrepreneurial assistance across the state.

To meet the specific need of a lack of capital in rural Alaska, however, it is requested that a Revolving Loan Fund be established. It is proposed that EDA contribute \$500,000, to be matched with \$300,000 in state funds. If EDA Title IX eligibility criteria are applied some 80 percent of the rural areas of the state will be served by this program.

Examples of the need and opportunity can be expressed by noting a couple of examples. There is not a single car-lift in the city of Kotzebue, a principal regional center in Northwestern Alaska. Both the Matanuska-Susitna Borough and the Kenai Peninsula Borough have significant small manufacturing and business activities. Small salmon smoking operations are located in many areas of rural Alaska, and these frequently involve Native interests. By utilizing this new source of capital to enhance the interest of the state's lending institutions in doing business in the more rural areas, meaningful, substantial and lasting development should be possible.

This new Revolving Loan Fund will be coordinated with the RLF funded by EDA three years ago for the Fairbanks Native Association, Inc., recent efforts in the state by the Bureau of Indian Affairs, and the grant and loan programs of the Minority Business Development Agency.

The individual elements described here are intimately related, and for optimum chance of success these elements should be coordinated in the closest way possible. Better priority setting should be established, coupled with wise investment of limited resources.

The Department of Commerce and Economic Development is looking forward to working together with EDA in bringing a more meaningful, broad-based and effective economic development process to the State of Alaska.

Demonstration Grant Components

I. Revolving Loan Fund	\$ 800,000
EDA \$500,000	
State \$300,000	
II. Technical Assistance Grants	\$ 275,000
EDA \$200,000	
State \$ 75,000	
III. Economic Development Districts (EDDs)	\$ 485,000
Technical Assistance	
EDA \$100,000	
State \$ 35,000	
*EDD Support	
EDA \$260,000	
State \$ 90,000	
	TOTAL
	<u>\$1,560,000</u>

Demonstration Grant Budget

Revolving Loan Funds	\$ 800,000
*Pass-Through Funds for EDRs	350,000
Personnel	90,000
Fringe Benefits	21,600
Travel	39,400
Equipment	3,500
Supplies	4,500
Contractual	246,500
Other	4,500
Total	<u>\$1,560,000</u>

*Pass-through funds directly to the EDRs.

Sources of State Funding for Project

This Demonstration Grant Program will require \$500,000 in state matching funds. Of that sum \$300,000 is already allocated out of this year's capital matching funds for the Revolving Loan Fund. An additional \$200,000 will be required from the department's capital budget. At this time, no consideration has been given to in-kind services, but this could amount to as much as \$25,000.

X
5
STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 4, 1987

Ms. Beverly L. Milkman
Deputy Director for Grant
Programs
Economic Development
Administration
US Department of Commerce
Washington, DC 20230

Dear Ms. Milkman:

The State of Alaska is experiencing a very severe downturn in its economy due to the precipitous drop in oil prices over the past two-year period. The people of this state are faced with rising unemployment, reduced services from state and local governments, a decrease in the level of business activity, and, in too many instances, the personal tragedy of the loss of homes and businesses. But we Alaskans are a resilient and resourceful lot and are already beginning to take actions to solve the problems facing us, one of which is this demonstration project.

Over the past two years, life has changed a great deal for all of us in Alaska, but nowhere has that change been felt as deeply as in rural Alaska. Even as the urban areas of Alaska were enjoying the fruits of the oil boom, the rural areas were still suffering from high unemployment, as much as 90 percent in some communities and villages; a lack of job and business opportunities; and a serious problem of coping with a cash economy in a traditional subsistence society. The recent fall of oil revenues to the state has only served to worsen those conditions.

Rural Alaska is a vital and important part of our state, but I believe that the needs and requirements of villages and communities in the rural areas have not been adequately addressed in the past. This new administration, however, is proposing new and expanded efforts in this area. The application we have submitted to you for the Demonstration Project is just one of a number of actions we are taking to assist the rural areas, but an extremely important one. With the approval of this project, we will be able to

Ms. Beverly L. Milkman

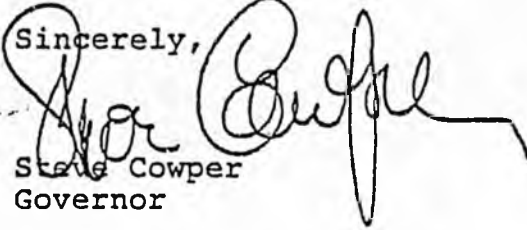
-2-

February 4, 1987

greatly accelerate our economic development efforts,
provide services in a more rational and effective way, and
do it in ways that are most appropriate to rural Alaska.

We are looking forward to working with you on this project.

Sincerely,


Steve Cowper
Governor

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 4, 1987

Mr. John Woodward
Regional Director
Economic Development
Administration
US Department of Commerce
1700 Westlake Avenue North
Seattle, WA 98109

RECEIVED
OFFICE OF ECONOMIC DEVELOPMENT

FEB 6 1987

DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT

Dear Mr. Woodward:

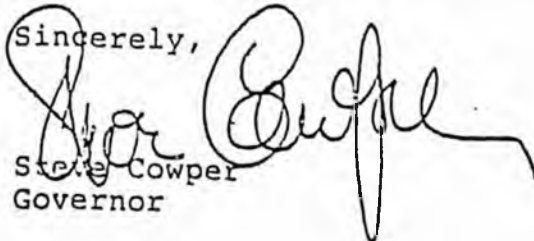
The State of Alaska is applying for this Demonstration Grant in order to expand and strengthen our economic development efforts in the rural areas of the state. Approximately 85 percent of Alaska's land area can be classified as "rural", and it is occupied almost exclusively by Native Americans: Indians, Aleuts, and Eskimos. The communities and villages are generally very small, ranging in population from 25 to 5,000--the majority having 500 persons or less.

Over the past two years, life has changed a great deal for all of us in Alaska, but nowhere has that change been felt as deeply as in rural or "bush" areas. Rural Alaska did not share equally in the benefits of the 1980s oil boom, and the recent fall in state oil revenues has only made things worse. With the help of EDA through the Demonstration Grant, we hope to reverse this downward economic trend in the rural economy.

The Demonstration Project will provide rural Alaskans with new tools and procedures for attacking their economic problems, several of which will become available while the project is still underway, i.e., the Revolving Loan Fund and the technical assistance work on tourism. Most importantly, the completion of the project will allow the state to accelerate its economic development efforts in the rural areas and permanently break the hold of poverty, joblessness, and need in bush Alaska.

We are looking forward to working with you on this project.

Sincerely,


Steve Cowper
Governor

FIRST SESSION OF THE SEVENTH ANNUAL
NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE
ROBERT JAMES YOUTH RECREATIONAL CENTER
WAINWRIGHT, ALASKA
November 20-21, 1986
reconvened at
THE NOME MINI-CONVENTION CENTER
NOME, ALASKA
January 14-15, 1987

RESOLUTION NO. 87-20

A RESOLUTION IN SUPPORT OF ECONOMIC DEVELOPMENT.

WHEREAS, the family and small community units are highly valued and critical to the well being of rural Alaskans; and

WHEREAS, the economic well being of the family and small community are an essential element of their survival; and

WHEREAS, the North and Northwest Alaska Mayor's Conference shares fully in this dependency on the economically healthy family and community, and fully supports every effort to preserve and enhance that condition; and

WHEREAS, the North and Northwest Alaska Mayors' Conference recognizes the numerous and varied efforts of its member communities to bring about sound economic development, stable community economies and the economic health of its individual citizens and their families.

NOW THEREFORE BE IT RESOLVED BY THE NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE THAT: in order to enhance the health of family and small community units in North and Northwest Alaska this conference supports and requests:

1. The development and delivery of practical, sustained and culturally appropriate programs of technical and management support to the small businesses of this region.
2. The recognition and legitimization of the vocation of hunter and fisherman as an economic provider of equal standing with all other provider vocations.
3. The development and provision of a Rural Alaska Development Loan Program with special concentration and orientation to the business environment and opportunities of the rural, community economies.
4. The reduction and stabilization of residential energy costs which are an absolute and relative economic burden to every rural Alaskan family; and the development of long term energy resources and their dependable delivery to our communities.
5. The establishment and continued operation of regional industrial development councils to assure the cooperative and mutually beneficial establishment of major industry operations in our regional economy.

6. The provision of every practical assistance to residents of the region in reducing and conserving the use of heating and other energy fuels in homes, small businesses and community facilities.
7. The development and delivery of relevant, economic education via the established curricula of our regional and community schools, and a particular emphasis in those curricula on rural Alaskan economics.
8. The creation of Banking and Fiscal Management support services for rural families, small businesses and communities that reflect the current, modern capabilities via telecommunications, that are presently provided in many other economic sectors.

PASSED AND APPROVED BY THE FIRST SESSION OF THE SEVENTH ANNUAL NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE this 15th day of January, 1987.

Jack Kersch
PRESIDENT

Robert R. Foot
SECRETARY

INTRODUCED BY: Atqasuk

VOTE: YES: Unanimous

SECONDED BY: Wainwright

NO: _____

DIRECTED TO: Alaska State Legislature

Governor Steve Cowper
Dept. of Commerce
and Economic Development
Dept. of Community &
Regional Affairs

REGIONAL STRATEGY

The developing groundfish industry in the Gulf of Alaska and the Bering Sea represents one of Alaska's greatest economic opportunities for the next decade. Whether or not Alaska's communities and residents share in the benefits from this resource will be determined by the way in which the industry develops over the next few years. To help shape and influence this development, the Southwest Municipal Conference (SWMC) is organizing a Regional Economic Strategy Group to provide communities within its region a forum to effectively deal with fisheries development. We see this organization as our only means to provide the information necessary to address the complex issues associated with development activities. Foreign fishing industry interests and those based outside Alaska are both organized and directed. We recognize that economic benefits to our communities and to the State will not occur unless we follow suit.

Our intent is to bring together those communities involved in fishery development, particularly for groundfish, into an action oriented group to help develop an efficient and competitive industry. The inherent motivation for the communities within the SWMC to work cooperatively is to promote local economic development. Our individual economies are dependent upon commercial fish harvesting, processing and providing support services and transportation facilities to support those activities. Together we can work to maximize the economic contribution of fishing activities for groundfish and other species to our communities and Alaska.

We recognize the need to monitor and contribute to management and regulatory decisions which affect the fishing industry upon which our communities depend. We have been hampered in these efforts in the past due to a lack of information and coordination among the different communities. The SWMC proposes to change this situation through establishment of this group. A brief discussion for the need for formation of the group and a summary of organization plans follows.

THE REGIONAL ECONOMY

The economies of the communities in the Southwest Municipal Conference, from Kodiak to Dillingham, have one overriding common characteristic. They are heavily dependent upon the commercial fishing industry as the cornerstone for economic activity. The residents of these communities are fortunate that the fisheries resource in the Gulf of Alaska and the Bering Sea is a bountiful and renewable natural resource. They recognize, however, that their economic base is subject to wide variability due to changes in resource abundance.

regulatory impacts, and changes in the structure of a developing industry.

The second most important component of the economies in our communities is government employment at the federal, state and municipal level. However, a large proportion of government jobs are indirectly related to the fishing industry. For example, the Coast Guard and Alaska Department of Fish and Game would not be located in SWMC communities without the presence of commercial fishing activities.

In 1986, the landed value of fish in Alaska was \$885 million. Processing and transportation activities increase the value of this figure significantly. The relative contribution by specific fishery in 1986 was as follows:

salmon	\$404 million
groundfish	198 million
shellfish	182 million
halibut	62 million
herring	<u>39 million</u>
TOTAL -	\$885 million (1)

Over 70 percent (\$632 million) of this State total can be attributed to catches from waters off the SWMC communities. In 1986, Kodiak and the South Peninsula/Aleutians area contributed \$281 million from landings of salmon, halibut, shellfish and herring. The entire groundfish catch of \$198 million was taken in the Gulf of Alaska and the Bering Sea offshore from our communities, even though most of the catch was not landed on shore. Bristol Bay salmon and herring fisheries accounted for \$153 million of the total. It is clear from these figures that a very large proportion of the State's fishing activity occurs within the Southwest Municipal Conference's region. Our challenge, and that of the State, is to maximize the benefit to Alaska from this activity.

The groundfish fishery in the fisheries conservation zone (FCZ) off Alaska is composed of three components: 1) groundfish harvested and processed by U.S. fishermen and processing companies, 2) groundfish harvested by U.S. fishermen and processed by foreign processing companies (joint-venture fisheries), and 3) directed foreign fishing. The relative amounts caught for each group for 1986 is shown below.

(1) Preliminary data from the Alaska Department of Fish and Game.

Ex-Vessel Value of Groundfish Landings, 1986
(values in thousands of dollars)

	Gulf of Alaska	Bering Sea
U.S. caught and processed	34,626	21,879
Joint venture fisheries	6,054	132,543
Foreign fishing	2,095	67,745

Source: North Pacific Fishery Management Council

BENEFITS TO THE STATE

Alaska will benefit from the degree of success the Regional Economic Strategy Group obtains in achieving their objectives. The primary benefits will come from increased employment and income to residents of the State from participation in commercial fishing-related economic activities. In the table above, the last two columns represents the potential for expanded domestic activity. The harvest by foreign nations represents potential for both the American harvesting and processing industry. The joint venture production represents the large potential for growth in domestic groundfish processing. We intend to increase the economic base of our communities by participating in this growth, thus gaining employment stability. Our goal of increased shore development in groundfish processing, if achieved, will man a net gain of Alaskan jobs and income.

Without this aggressive program, the benefit from these jobs may remain only unrealized potential. We feel that the post oil-boom economy of Alaska makes the SWMC's self sufficient program to increase economic activity from Alaska's renewable fishery resources all the more important. In addition to the employment and income to individuals, the State stands to gain directly from additional groouondfish development through raw fish tax revenues. Since the State receives no economic benefit from foreign groundfish fishing and very little from joint venture fishing, growth of the domestic industry will benefit the State.

STRUCTURE AND ORGANIZATION

The Regional Economic Strategy Group will have a full-time project director with oversight by the SWMC. The group will involve local government directly in data accumulation and analysis of data to analyze particular issues. We see a project to assess the current role of fishing in the economy

of each community as the first step in building the needed data base. The data base will allow communities to identify feasible alternatives for economic growth in a realistic manner.

Our intent is that the group provide the basis for a close relationship between local governments and the State. The communities have borne the cost of organizational activities for the SWMC during the past two years. To move ahead with the program, the Southwest Municipal Conference is asking the State for a one time organizational grant. This grant will be matched by community and private sector funding. We look on this program as a front end risk investment in the future economy of our region and Alaska that will return the initial investment many times over.

HOUSE COMMITTEE REPORT

CSSJR 23 (C&RA)

Date referred: 4/23/87

FURTHER REFERRALS: Labor & Commerce

The Community and Regional Affairs Committee has considered CSSJR 23 (C&RA) DATE: 05/06/87

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RECOMMENDS:

- replace with _____ the same title
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ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Heinrich Springer Springer
Bette Cato Cato
Marion Collins Collins
Edelheid Herrmann Herrmann

SIGNING OTHER RECOMMENDATIONS:

Springer

Heinrich Springer
Chairman's signature

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF



SJK
② SJR 23

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JUNEAU, ALASKA 99811
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12 pg 5

Senate Community and Regional Affairs Committee

MEMORANDUM

March 17, 1987

TO: All Members
Community and Regional Affairs Committee

FROM: Staff *AS*
Community and Regional Affairs Committee

RE: SJR 23 "Endorsing the application of the Department of Commerce and Economic Development for a rural development assistance demonstration grant."

SJR 23 urges the U.S. Department of Commerce, Economic Development Administration to approve a \$1,000,000 Rural Economic Development Assistance Grant to the State of Alaska, Department of Commerce and Economic Development (DCED).

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The fiscal note is zero.

Enclosures: Fiscal Note
Grant Proposal
Letter from Governor Cowper



Official Business

COMMITTEE:

HOUSE COMMUNITY & REGIONAL AFFAIRS

DATE: May 6, 1987

SIGN-IN

Subject of meeting:

*HB 286 - Crating the Rural Governance Council
(first hearing)

CS-
SJR 23 - Rural Development Demonstration Grant
(C&RA)

CSSB162(C&RA)am Raw fish tax; local gov't refunds

NAME (PLS PRINT)	YOUR TITLE & ADDRESS	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
------------------	-------------------------	-------	--------------	----------------------------

John Dunker	609 Main St., Juneau	586-4407 465-4972	self	No.
Lony Mercurief				

Original sponsors: Sturgulewski, Uehling,
Zharoff, et al.

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE JOINT RESOLUTION NO. 23 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Endorsing the application of the Depart-
6 ment of Commerce and Economic Develop-
7 ment for a rural development assistance
8 demonstration grant.

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

10 WHEREAS the state is experiencing a major downturn in its economy due
11 to the drop in oil revenue over the past two years; and

12 WHEREAS the people of the state are faced with rising unemployment,
13 reduced state and local government services, a decrease in the level of
14 business activity, and in many instances, the personal tragedy of the loss
15 of a home or personal property; and

16 WHEREAS all areas of the state are being affected by the drop in oil
17 revenue and the reduction of state and local services; and

18 WHEREAS the large size of the state and the sparse population of the
19 rural parts of the state cause unique problems for the delivery of ser-
20 vices; and

21 WHEREAS the rural areas of the state are a vital and important part of
22 the state; and

23 WHEREAS the Department of Commerce and Economic Development has sub-
24 mitted an application to the federal Economic Development Administration
25 for a rural economic development assistance grant that would fund a demon-
26 stration project to promote economic development, establish businesses, and
27 increase job opportunities in the rural areas of the state;

28 BE IT RESOLVED that the Alaska State Legislature endorses the applica-
29 tion by the Department of Commerce and Economic Development for a rural

ONLY
ADDITION
IN
C&RA
COMMITTEE

1 development assistance demonstration grant from the Economic Development
2 Administration; and be it

3 FURTHER RESOLVED that the Economic Development Administration is
4 requested to expedite the review and approval of the grant application.

5 COPIES of this resolution shall be sent to the Honorable Malcolm
6 Baldrige, Secretary of the U.S. Department of Commerce; and to the Honor-
7 able Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
8 Honorable Don Young, U.S. Representative, members of the Alaska delegation
9 in Congress.

No 160

STATE OF ALASKA 1987 LEGISLATIVE SESSION

FISCAL NOTE

SENATE

BILL VERSION: CSSJR 23(C&RA)

PUBLISH DATE: 3/26/87

REQUEST: _____

Revision Date: _____

Title: Endorsing DCED application for rural development assistance demonstration grant

Agency Affected: Comm. & Econ. Dev.

BRU: Advocates

Sponsor: Sturculewski

Components: Office of Enterprise

Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS :

[Empty box for analysis]

Prepared by: Larry Mercurieff, Director Phone: 465-2017
Division: Office of Enterprise Date: March 6, 1987

Approved by Commissioner: J. Anthony Smith, Commissioner Date: March 6, 1987
Agency: Department of Commerce and Economic Development

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