

**EO**

**93**

Introduced in the House: 1/8/96

Referred: Community and Regional Affairs, Labor and Commerce, State Affairs, Finance

Introduced in the Senate: 1/8/96

Referred: Community and Regional Affairs, Labor and Commerce, Finance

### EXECUTIVE ORDER NO. 93

1 Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance  
2 with AS 24.06.210, I order the following:

3 \* Section 1. FINDINGS. As governor, I find that it would be in the best interests of  
4 efficient administration to transfer the responsibility for the Alaska regional economic  
5 assistance program from the Department of Commerce and Economic Development to the  
6 Department of Community and Regional Affairs.

7 \* Sec. 2. AS 09.65.170(c)(2) is amended to read:

8 (2) "regional development organization" has the meaning given in

9 AS 44.47.900 [AS 44.33.026].

10 \* Sec. 3. AS 36.30.850(b)(30) is amended to read:

11 (30) contracts entered into with a regional development organization;

12 in this paragraph, "regional development organization" has the meaning given in

13 AS 44.47.900 [AS 44.33.026];

14 \* Sec. 4. AS 44.47 is amended by adding a new section to read:

15 ARTICLE 9A. REGIONAL ECONOMIC ASSISTANCE PROGRAM.

16 Sec. 44.47.900. ALASKA REGIONAL ECONOMIC ASSISTANCE  
17 PROGRAM. (a) The department shall

18 (1) encourage the formation of regional development organizations by  
19 providing assistance in forming organizations to interested individuals, including  
20 information on how to qualify and apply for regional development grants and federal  
21 funding under 42 U.S.C. 3121 - 3246 (Public Works and Economic Development Act  
22 of 1965), as amended;

23 (2) assist an interested individual in establishing boundaries for a  
24 proposed organization to ensure that the region

1 (A) is of sufficient geographic size and contains a large enough  
2 population to form an economically viable unit with shared interests,  
3 resources, traditions, and goals;

4 (B) contains at least one municipality that serves as a regional  
5 center; and

6 (C) contains the entire area of each municipality included in  
7 the region;

8 (3) gather information about regional economic issues, international  
9 trade, and tourism from organizations;

10 (4) serve as liaison between organizations and other state agencies and  
11 encourage other agencies to make resources available to help accomplish goals of the  
12 organizations;

13 (5) assist each organization to

14 (A) provide services designed to encourage economic  
15 development to local communities and businesses:

16 (B) collect and distribute economic information relevant to the  
17 region;

18 (C) participate in state marketing campaigns and join state  
19 trade missions that are relevant to the region; and

20 (D) develop and implement strategies to attract new industry,  
21 expand international trade opportunities, and encourage tourism within the  
22 region.

23 (b) Subject to (c) of this section, the department may make regional  
24 development grants to organizations for projects the department determines will be of  
25 value in encouraging economic development. During a fiscal year the department  
26 may make no more than 15 grants and may only make grants to one organization  
27 from a particular region. An organization that is designated an economic development  
28 district under 42 U.S.C. 3171 qualifies for grants under this subsection. The  
29 department shall by regulation adopt procedures for applying for regional development  
30 grants, including application deadlines. The department may by regulation establish  
31 additional grant eligibility requirements.

1 (c) To qualify for a grant, a regional development organization must match  
2 the grant by providing an amount of money from nonstate sources. The department  
3 shall establish by regulation a formula that determines the amount of the match  
4 required under this subsection based upon the capability of each organization to  
5 generate money from nonstate sources. The amount of match required may not exceed  
6 the amount of grant money and may not be less than 20 percent of the grant. The total  
7 amount of grant money provided to an organization during a fiscal year may not  
8 exceed \$100,000.

9 (d) There is established in the department the regional development fund  
10 consisting of appropriations to the fund. Money from the fund may be used only for  
11 regional development grants.

12 (e) In this section, "regional development organization" or "organization"  
13 means a nonprofit organization or nonprofit corporation formed to encourage  
14 economic development within a particular region of the state that includes the entire  
15 area of each municipality within that region and that has a board of directors that  
16 represents the region's economic, political, and social interests.

17 \* Sec. 5. AS 44.33.026 is repealed.

18 \* Sec. 6. Section 3, ch. 94, SLA 1988, as amended by sec. 1, ch. 35, SLA 1992, is further  
19 amended to read:

20 Sec. 3. AS 44.47.900 [AS 44.33.026] is repealed July 1, 1997.

21 \* Sec. 7. TRANSITION. (a) Litigation, hearings, investigations, and other proceedings  
22 pending under a law amended or repealed by this Order, or in connection with functions  
23 transferred by this Order, continue in effect and may be continued and completed  
24 notwithstanding a transfer or amendment or repeal provided for in this Order.

25 (b) Contracts, rights, liabilities, and obligations created by or under a law amended  
26 or repealed by this Executive order, and in effect on June 30, 1996, remain in effect  
27 notwithstanding this Order's taking effect. Records, equipment, appropriations, and other  
28 property of agencies of the state whose functions are transferred under this Order shall be  
29 transferred to implement the provisions of this Order.

30 (c) Regulations adopted by the Department of Commerce and Economic Development  
31 before July 1, 1996 concerning the Alaska regional economic assistance program remain in

1 effect and may be implemented and enforced by the Department of Community and Regional  
2 Affairs until its own regulations take effect.

3 \* Sec. 8. This Order takes effect July 1, 1996.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Tony Knowles  
Governor

# FISCAL NOTE

No. 2

Version: EO 93

(H) Publish Date: 1-8-96

**STATE OF ALASKA  
1996 LEGISLATIVE SESSION**

Revision Date: \_\_\_\_\_ Department: Commerce and Economic Development  
 Title: Executive Order transferring the ARDOR Program BRU: Trade and Development  
 to the Department of Community and Regional Affairs Component: Trade and Development  
 Sponsor: Rules  
 Requestor: Governor COMPONENT SERIAL NO. 2056

Expenditures/Revenues (Thousands of Dollars)

| OPERATING EXPENDITURES | FY 97 | FY 98 | FY 99 | FY 00 | FY 01 | FY 02 |
|------------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES      |       |       |       |       |       |       |
| TRAVEL                 |       |       |       |       |       |       |
| CONTRACTUAL            |       |       |       |       |       |       |
| SUPPLIES               |       |       |       |       |       |       |
| EQUIPMENT              |       |       |       |       |       |       |
| LAND & STRUCTURES      |       |       |       |       |       |       |
| GRANTS, CLAIMS         |       |       |       |       |       |       |
| MISCELLANEOUS          |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b> | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |

|                      |  |
|----------------------|--|
| CAPITAL EXPENDITURES |  |
|----------------------|--|

|                    |  |
|--------------------|--|
| CHANGE IN REVENUES |  |
|--------------------|--|

FUND SOURCE (Thousands of Dollars)

|                          |  |
|--------------------------|--|
| 1002 Federal Receipts    |  |
| 1003 GF Match            |  |
| 1004 General Fund        |  |
| 1005 GF/Program Receipts |  |
| 1006 GF/MHTIA            |  |
| Other                    |  |
| <b>TOTAL</b>             | 0.0    0.0    0.0    0.0    0.0    0.0 |

Estimate of any current year (FY 96) cost: \$ \_\_\_\_\_

POSITIONS

|           |  |
|-----------|--|
| FULL-TIME |  |
| PART-TIME |  |
| TEMPORARY |  |

**ANALYSIS:** (Attach a separate page if necessary)  
 This Executive Order will have no fiscal impact. The financial transfer will be accomplished with an amendment to the FY 97 budget transferring the \$650.0 grant program and \$15.0 for administrative costs from the Department of Commerce and Economic Development, Division of Trade and Development, to the Department of Community and Regional Affairs.

Prepared by: Guy Bell, Director Phone: 465-2505  
 Division: Administrative Services Date: January 5, 1996  
 Approved by Commissioner: William L. Hensley Date: 1-5-96  
 Agency: Commerce and Economic Development

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# FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: EO - ARDOR BRU: Employment/Training/Rural Dev.  
 Component: Rural Development Grants  
 Sponsor: Rules Committee  
 Requestor: Governor COMPONENT SERIAL NO. 667

Expenditures/Revenues: (Thousands of Dollars)

|                        | FY 97      | FY 98      | FY 99      | FY 00      | FY 01      | FY 02      |
|------------------------|------------|------------|------------|------------|------------|------------|
| <b>OPERATING</b>       |            |            |            |            |            |            |
| PERSONAL SERVICES      |            |            |            |            |            |            |
| TRAVEL                 |            |            |            |            |            |            |
| CONTRACTUAL            |            |            |            |            |            |            |
| SUPPLIES               |            |            |            |            |            |            |
| EQUIPMENT              |            |            |            |            |            |            |
| LAND & STRUCTURES      |            |            |            |            |            |            |
| GRANTS, CLAIMS         |            |            |            |            |            |            |
| MISCELLANEOUS          |            |            |            |            |            |            |
| <b>TOTAL OPERATING</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

|                             |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|
| <b>CAPITAL EXPENDITURES</b> |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|

|                             |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|
| <b>REVENUE FUND SOURCE:</b> |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

|                          |            |            |            |            |            |            |
|--------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts    |            |            |            |            |            |            |
| 1003 GF Match            |            |            |            |            |            |            |
| 1004 GF                  |            |            |            |            |            |            |
| 1005 GF/Program Receipts |            |            |            |            |            |            |
| 1006 GF/MHTIA            |            |            |            |            |            |            |
| Other 1007 I/A           |            |            |            |            |            |            |
| <b>TOTAL</b>             | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

Estimate of current year (FY96)  
costs: \_\_\_\_\_

POSITIONS:

|           |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| FULL-TIME | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PART-TIME |     |     |     |     |     |     |
| TEMPORARY |     |     |     |     |     |     |

**ANALYSIS:** (Attach a separate page if necessary)

The ARDORS program is being transferred by Executive Order from the Department of Commerce and Economic Development to the Department of Community and Regional Affairs. Fiscal impacts will be addressed by budget amendment at a later date.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 01/04/96  
 Approved by Commissioner: Mike Irwin *Mike Irwin* Date: 01/04/96  
 Agency: Community & Regional Affairs

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EO 93

TONY KNOWLES  
GOVERNOR



P O Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3532

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 8, 1996

The Honorable Gail Phillips  
Speaker of the House  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear Speaker Phillips:

Under the authority of art. III, sec. 23, of the Alaska Constitution, I am transmitting an Executive Order to transfer the Alaska regional economic assistance program (AS 44.33.026) from the Department of Commerce and Economic Development (DCED) to the Department of Community and Regional Affairs (DCRA).

The transfer of this program to DCRA is in the interest of more efficient functioning of state government. There are already several loan programs administered by DCRA to encourage rural economic development. Because the Alaska regional economic assistance program has essentially the same goals, placing this program in DCRA should result in more efficient operation.

I urge your support of this Executive Order.

Sincerely,

Tony Knowles  
Governor